



ZEDGE™

Company Overview*

September 2023

ZEDGE™

pAInt 

 **GuruShots**

 **AI ART MASTER™**

Emojipedia 

Safe harbor statement

This presentation contains statements that are, or may be considered to be, forward-looking statements. All statements that are not historical facts are forward-looking statements and such forward-looking statements are statements made pursuant to the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Examples of forward-looking statements include:

- statements about Zedge's future performance;
- projections of Zedge's results of operations or financial condition;
- statements regarding Zedge's plans, objectives or goals, including those relating to its strategies, initiatives, competition, acquisitions, dispositions and/or its products; and

Words such as "believe," "anticipate," "plan," "expect," "intend," "target," "estimate," "project," "predict," "forecast," "guideline," "aim," "will," "should," "likely," "continue" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements.

Readers are cautioned not to place undue reliance on these forward-looking statements and all such forward-looking statements are qualified in their entirety by reference to the following cautionary statements.

Forward-looking statements are based on Zedge's current expectations, estimates and assumptions and because forward-looking statements address future results, events and conditions, they, by their very nature, involve

inherent risks and uncertainties, many of which are unforeseeable and beyond Zedge's control. Such known and unknown risks, uncertainties and other factors may cause Zedge's actual results, performance or other achievements to differ materially from the anticipated results, performance or achievements expressed, projected or implied by these forward-looking statements.

These factors include those discussed under the headings "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Zedge's periodic reports filed with the Securities and Exchange Commission.

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Forward-looking statements speak only as of the date they are made and are statements of current expectations concerning future results, events and conditions and Zedge is under no obligation to update any of the forward-looking statements, whether as a result of new information, future events or otherwise.



Overview

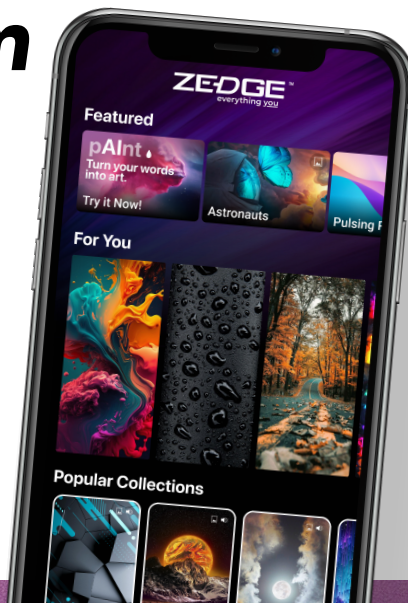
Our ecosystem consists of (i) AI powered **utilities** that enable consumers to easily create great digital content; (ii) **games** that leverage this content for friendly and engaging competitions, and (iii) **marketplaces** to monetize this content



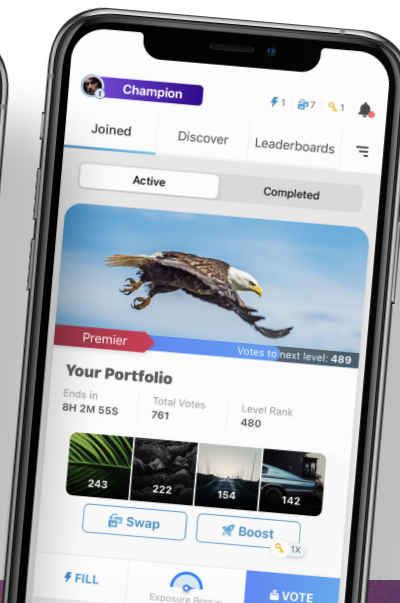


Product Ecosystem

Zedge Marketplace
Marketplace for mobile
phone personalization
content with >30M MAU*



GuruShots
World's leading photo
game with 140M photos
and 7.5M installs



Emojipedia
#1 trusted search
engine for all things
emoji with 10M MAU





Investment Highlights

- Generative AI opens door to creators and potential exponential growth
- Creating flywheel connecting “the Creator Economy” with fun/friendly utilities, games and marketplaces
- Ongoing adjusted EBITDA* with \$16M net cash
- Proven excellence in monetizing massive global user base



Why now is the time to Invest!

\$1.91

Stock Price
(Sep 22, 2023)

\$1.29

Cash per Share
(Q3 FY '23)

ZDGE has never been better positioned to create sustainable, profitable, long-term growth from a market, product, tech, marketing and team perspective

- We are doing AI, not talking about it
- Untapped exposure to mobile gaming
- Targeting UA payback of 3-12 months
- Exceptionally undervalued
- Active buyback strategy

Relevant comps and valuation

	Picsart*	Shutterstock** (NYSE: SSTK)	Zedge**
Equity Valuation	>\$1B	\$1.4B	\$27.5M
Enterprise Value	N/A	\$1.4B	\$11.5M
Revenue Multiple	~10x	1.7x	~0.4x
EV/Adj. EBITDA	N/A	~6.7x	~1.8x



**Zedge's
Implied
Valuation
Range
\$42M - \$280M**

Our addressable market is massive and proven

Market sizing*:

- Generative AI market **>\$50B** ('29)
Creator Economy **>\$100B** ('23)
- Global mobile gaming **>\$100B** ('23)

>1 billion

Individuals create and share content online monthly

>50 million

Individuals identify as online content creators

>2 million

Individuals that support themselves primarily from their content

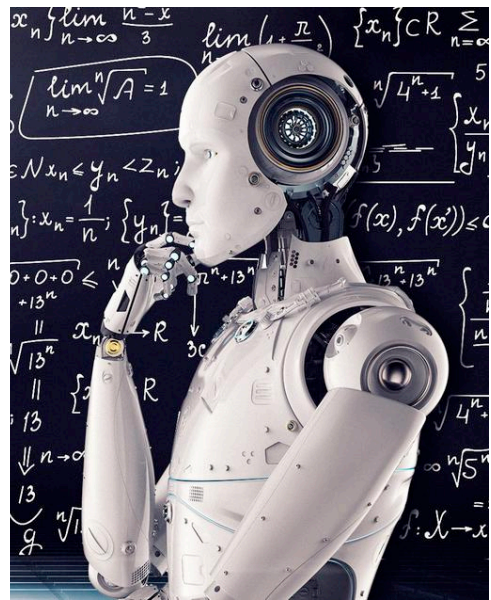
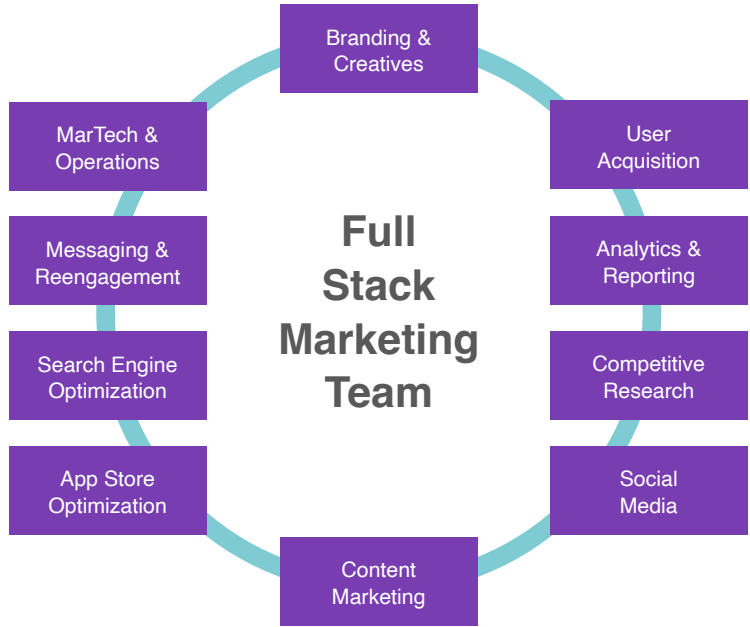
* See [Forbes](#), [Newzoo](#), and [Precedence Research](#)

Major companywide initiatives...

FY '23
Democratize Data



FY '24
Marketing & Artificial Intelligence



The Zedge Marketplace is the leading source of mobile phone personalization content

General

609M Total installs

>30M MAU

Product Highlights

**Wallpapers &
Video Wallpapers**

**Ringtones &
Notification Sounds**

**pAInt: Generative AI
Wallpaper Maker**

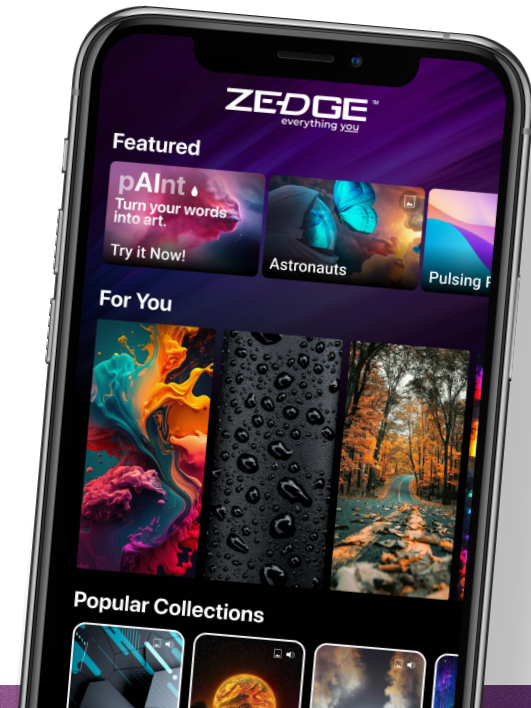
**User Generated Content &
Zedge Premium**

Business Model

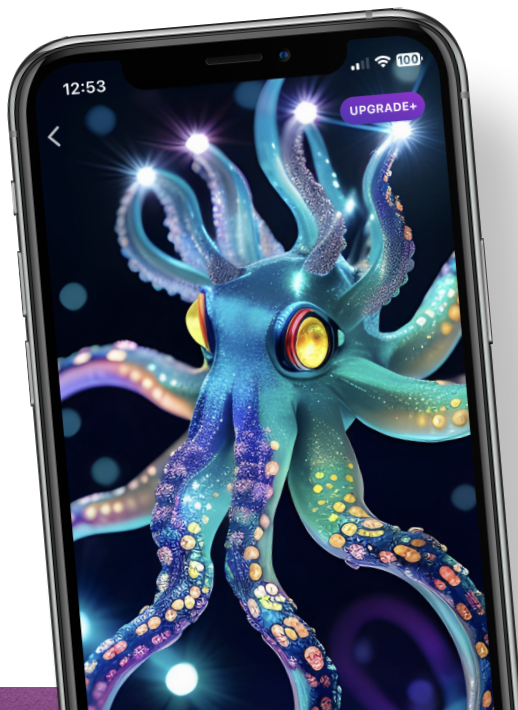
Advertising

Subscriptions

In-App Purchases



Zedge Marketplace: Key growth initiatives



App

**Global rollout of
pAInt**

**Gamification &
engagement**

**Search &
discovery**

Web

pAInt to Web

Website overhaul

Print on Demand

Other

**iOS: Subs, new
content & ratings**

**Pricing
experimentation**

**Dedicated AI app
in H2 FY '24**

GuruShots:

A leading, global, photo competition game

General

30-40M TAM

140M Photos in Catalogue

Product Highlights

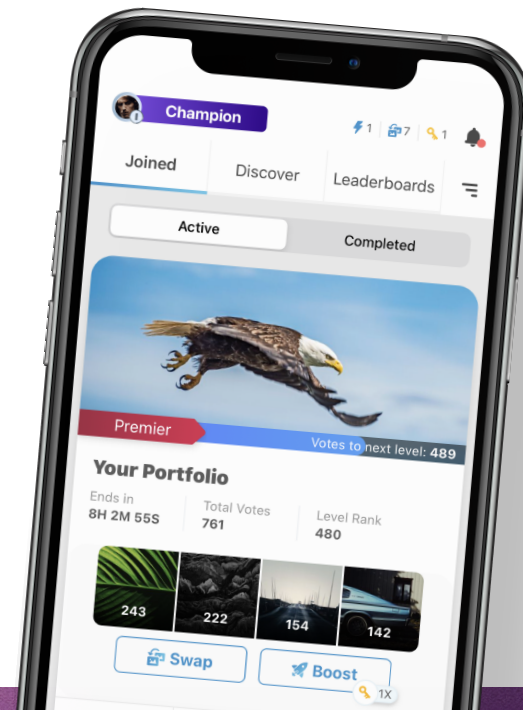
**Casual game
genre**

**Single player or team
dynamic**

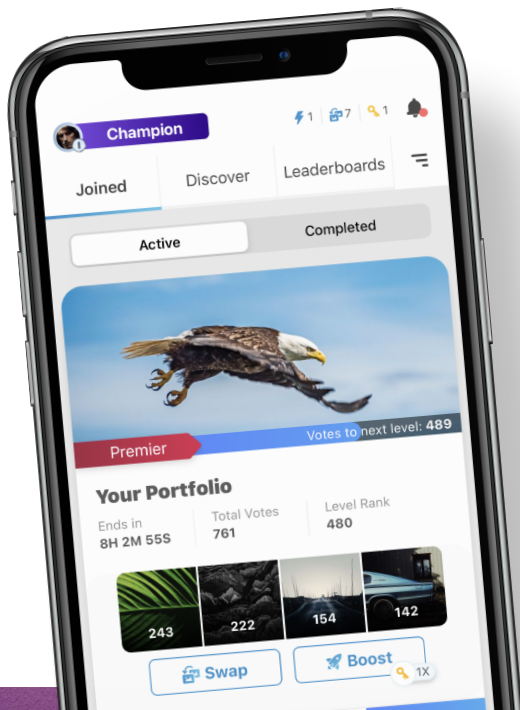
Business Model

**Freemium with
In-App Purchases**

**Evolving game economy
with advertising and coins**



GuruShots: Key growth initiatives



Gameplay

Hybrid casual

Battles

Galleries

Monetization

Advertising

Coins

Dynamic offers

Other

UI overhaul

Social mechanics

Ratings

Emojipedia: #1 trusted source for all things emoji

General

**10M
MAU**

**19
languages***

**10th anniversary
in 2023**

Product Highlights

**Emoji
definitions**

**Emoji
Playground**

**In depth usage
data & statistics**

Business Model

**Programmatic
advertising**

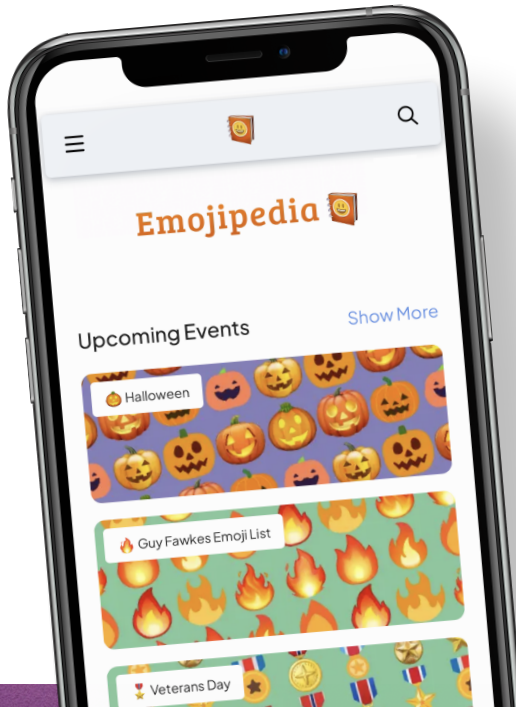
**Launching paid
subscriptions**

**Trialing
merch sales**

* Bangla, Chinese, Danish, Dutch, English, French, German, Hindi, Italian, Japanese, Korean, Malay, Marathi, Norwegian, Portuguese, Spanish, Swedish, Tamil, and Telugu



Emojipedia: Key growth initiatives



General

Print on Demand

Emoji Games

Mash Ups

New Content

Emoticons

Kaoimojis

Other

Emoji

Translate

Website

optimizations

User

accounts

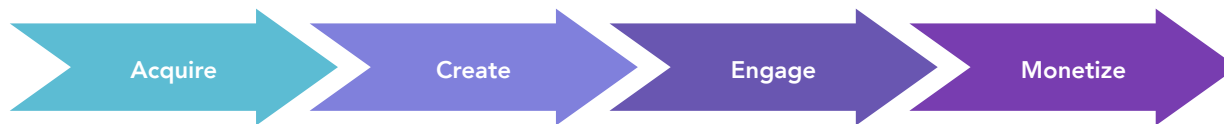


AI Art Master: Hybrid Casual Gen AI game



- Gen AI creation tool
- 1v1 voting dynamic with
- Audio and haptics
- Meta game
- Coin based economy
- Multiple monetization opportunities

The flywheel: The 4 'C's



Key management: skilled and experienced team



Jonathan Reich
CEO, Zedge, Inc.

Jonathan has been our CEO since August '20 and as our President since July '11. He has also served as our CFO ('16-'20) and COO ('11-'20). From '07 to '14, Mr. Reich served as President of Fabrix Systems, Inc. and, from 1999 to 2007, he served in various positions at Net2Phone, Inc., culminating with him as CEO of Net2Phone Global Services. Mr. Reich received a B.S. and M.S. in Operations Research from Columbia University's School of Engineering and Applied Science in 1989 and 1993, respectively.



Yi Tsai
CFO, Zedge, Inc.

Yi has served as our CFO and Treasurer since August '20 and as Controller ('16 and '20). Previously, he served as CFO of Peerless Systems Corporation (NASDAQ). He began his career in public accounting and has held positions with various financial institutions and multinational corporations. Yi is a CPA with a BS in Accounting from National Taipei University and an MBA in Finance from Case Western Reserve University's Weatherhead School of Management.



Tim Quirk
SVP, Product, Zedge, Inc.

Tim has served as SVP of Product since selling Freeform Development, a marketplace for musicians, to Zedge in '17. Prior to Freeform he helped build Google Play as Google's Head of Global Content Programming, and ran the music content and operations team for Rhapsody, one of the first on-demand music streaming services. He's also the singer and lyricist for the punk-pop band Too Much Joy (Warner Brothers Records).



Gilon Miller
GM & Co-Founder of GuruShots

Gilon is an entrepreneur and engineer with over 18 years of experience in the software and internet businesses. Prior to founding GuruShots (acquired by Zedge Inc. in April '22) he held key positions in several successful start-ups, including Upstream Commerce (acquired by Flipkart), iMDSOft (acquired by TPG Capital) and Friendly Robotics (acquired by MTD Products / Stanley Black & Decker). BSEE from Tufts University and an MBA from the Massachusetts Institute of Technology (MIT).

Zedge Inc. is backed by the Jonas family

IDT Corp (NYSE: IDT) founded by Howard Jonas and controlled by the Jonas family, spun off its controlling interest in Zedge in June 2016. The Jonas family remains a material Zedge shareholder and has a proven track record of unlocking value in the TMT space, including their sale of IDT Entertainment to Starz for \$500M and their sale of Straight Path Communications (NYSE: STRP) to Verizon for \$3.2B

Board of Directors

Michael Jonas. Executive Chairman, former Interim CEO of Zedge, Inc. Former EVP of Genie Energy.

Howard Jonas. Vice-Chairman of Zedge, Inc. Chairman and Founder of IDT Corp. Chairman of Genie Energy. Chairman of IDW Media Holdings. Chairman of Rafael Holdings, Inc.

Mark Ghermezian. Serial entrepreneur and successful investor with 20+ years of experience in founding, building, and investing in early-stage SaaS startups. Before becoming the Founder and General Partner at m]x]v Capital, Mark co-founded Braze (BRZE) and led the company as its founding CEO, pioneering a new category from ideation to IPO (Braze IPO'd in November 2021). As an angel investor, Mark was an early investor in companies such as Nutanix, Lattice, Thoughtspot, Rubrik, and Riskified, along with 50 other investments, largely focused on SaaS. Experiencing several IPOs, unicorns, and successful exits. At m]x]v Capital, Mark is proud to be a mentor to his founders and entrepreneurs, offering his experience and expertise to help their companies find the same success.

Elliot Gibber. President & CEO of Deb El Food Products, a leader in the egg products business in the US and worldwide. Mr. Gibber was Chairman of the United Egg Association. He is an active investor in real estate, high tech and medical technologies.

Paul Packer. Founded Globis Capital Advisors LLC, an investment advisory, in 2001. Globis invests in startups, micro- and small-cap companies with a focus on hi-tech. Mr. Packer was Chairman of The United States Commission for the Preservation of America's Heritage Abroad.

Gregory Suess. Founding partner of Activist Artists Management, LLC ("Activist.co"), a full-service management and consulting company. Prior to Activist, Mr. Suess co-founded ROAR, which was one of Hollywood's leading entertainment management companies while under his leadership



Why invest now?

- AI, gaming, & 'Creator Economy'
- AI exposure backed up with real business
- Mobile gaming opportunity
- Massive customer base
- Valuation
- Adjusted EBITDA positive
- Buyback strategy

Zedge Inc.

(NYSE American: ZDGE)

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Adjusted EBITDA*

Reconciliation of Adjusted EBITDA to Net (Loss)/Income (in \$Million)	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	FY 2021	FY 2022	YTD FY 2023
Net (Loss) Income	\$2.1	\$2.3	\$0.8	\$4.5	(\$0.2)	\$1.6	(\$7.7)	\$8.2	\$9.7	(\$6.3)
Excluding:										
Interest and other income/(expense), net	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$0.1)	(\$0.1)	(\$0.0)	(\$0.0)	(\$0.2)
Provision for income taxes	\$0.5	\$0.7	\$0.4	\$0.2	(\$0.1)	\$0.1	(\$0.7)	(\$0.2)	\$1.9	(\$0.7)
Depreciation and amortization	\$0.4	\$0.4	\$0.4	\$0.8	\$0.8	\$0.8	\$0.9	\$1.3	\$2.0	\$2.5
EBITDA	\$3.0	\$3.4	\$1.6	\$5.5	\$0.5	\$2.4	(\$7.6)	\$9.3	\$13.5	(\$4.7)
Change in fair value of contingent consideration	\$0.0	\$0.0	\$0.0	(\$4.0)	(\$0.2)	(\$1.8)	\$8.7	\$0.0	(\$4.0)	\$6.8
Stock-based compensation	\$0.3	\$0.5	\$0.5	\$0.6	\$0.6	\$0.8	\$0.6	\$0.7	\$1.9	\$2.0
Transaction costs related to business combination	\$0.0	\$0.1	\$0.7	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.9	\$0.0
Adjusted EBITDA	\$3.3	\$4.0	\$2.9	\$2.2	\$1.0	\$1.4	\$1.7	\$9.9	\$12.4	\$4.1

* Adjusted EBITDA is defined as earnings (loss) before interest, taxes, depreciation and amortization, stock compensation expense, transaction-related expenses and other non-recurring expenses. Adjusted EBITDA Margin is calculated by dividing Adjusted EBITDA into reported revenue. These metrics represent measures that we believe are customarily used by investors and analysts to evaluate the financial performance of companies in addition to the GAAP measures that we present. Our management also believes that these measures are useful in evaluating our core operating results. However, Adjusted EBITDA and Adjusted EBITDA margin are not measures of financial performance under accounting principles generally accepted in the United States of America and should not be considered an alternative to net income or operating income as an indicator of our operating performance or to net cash provided by operating activities as a measure of our liquidity.