Investor Presentation

NYSE: IDT

First Quarter Fiscal 2025

Forward-Looking Statements

All statements in this presentation that are not purely about historical facts, including, but not limited to, those in which we use the words "believe," "anticipate," "expect," "plan," "intend," "estimate, "target" and similar expressions, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995.

While these forward-looking statements represent our current judgment of what may happen in the future, actual results may differ materially from the results expressed or implied by these statements due to numerous important factors.

Our filings with the SEC provide detailed information on such statements and risks, and should be consulted along with this presentation.

To the extent permitted under applicable law, IDT assumes no obligation to update any forward-looking statements.

Innovative SaaS and Fintech Provider

Newark, NJ
Headquarters

1,850
Employees Globally

5
Public Company Spinoffs

$1.2 BN
TTM Revenue[1]

$97 MM
TTM Adjusted EBITDA[2]

$180 MM
Net Cash + Current Investments[3]

IDT | Businesses Built Around Common Strategic Assets

High-Growth, High-Margin Business Segments

NRS Segment: POS-platform and payment solutions for independent retailers and advertisers

Fintech Segment: International cash remittances and fintech payment solutions

net2phone Segment: Cloud communications for businesses

Cash Generative Traditional Communications Segment

Mobile top-up and other digital prepaid offerings

International long-distance calling

Wholesale voice and SMS services

IDT STRATEGIC ASSETS

High-Growth
High-Margin
Businesses

National Retail Solutions (NRS)

Our integrated cloud software and POS-based solutions enable independent retailers to operate more profitably

The NRS platform also offers advertisers and consumer packaged goods marketers unprecedented reach into urban consumer markets

NRS | Rapid Network Expansion with Extensive Runway

The Largest POS Platform Serving Independent Retailers in the USA

POS network - 33,100 active terminals at ~28,900 independent retail stores[4]

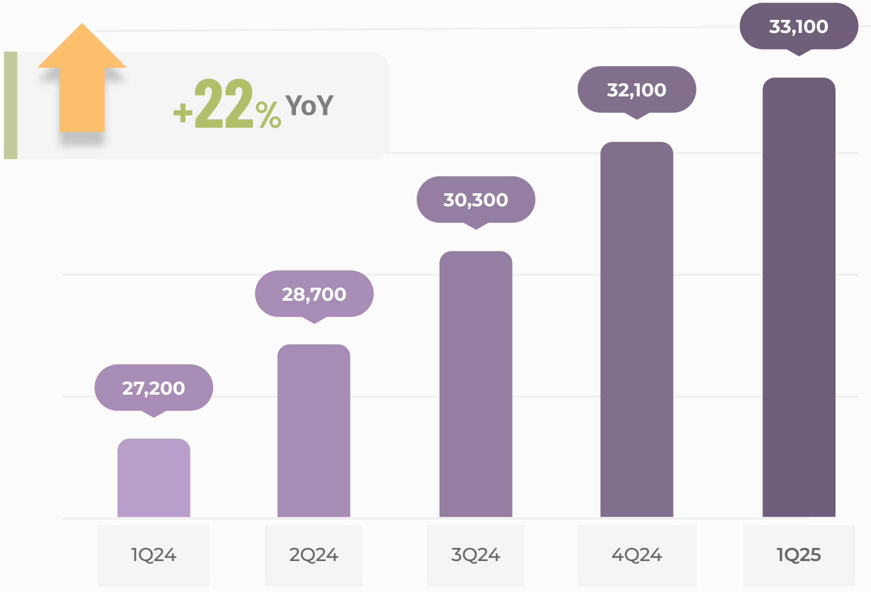
Core TAM of 200,000 independent retailers:

- C-stores and bodegas
- Liquor stores
- Tobacco shops

Deploying new functionalities and differentiated POS formats to drive deeper penetration of core TAM:

- Kiosk: Self-ordering prepared foods offered in many bodegas / C-stores
- Tablet: Ideal for smallest format retailers

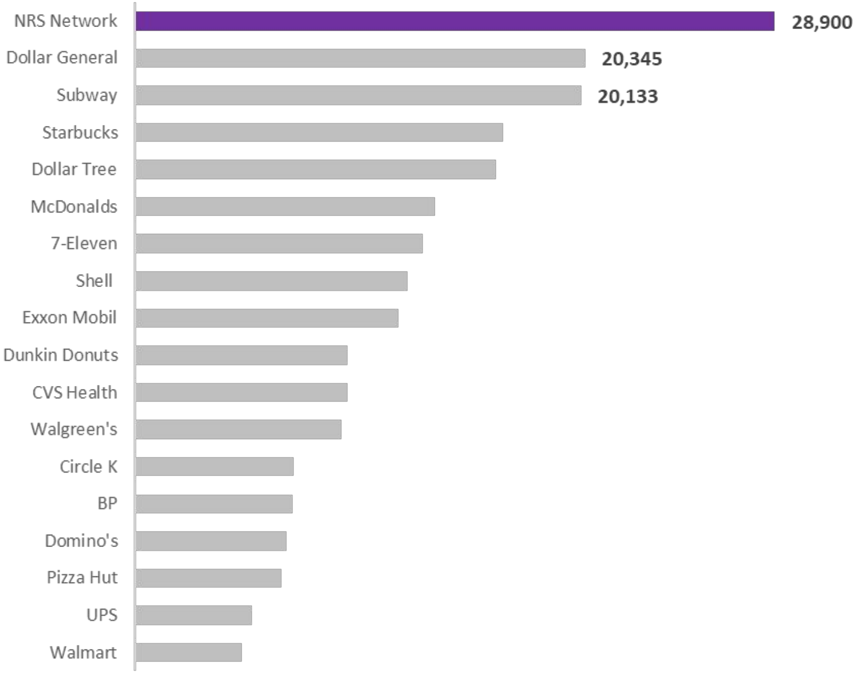
Active POS Terminals



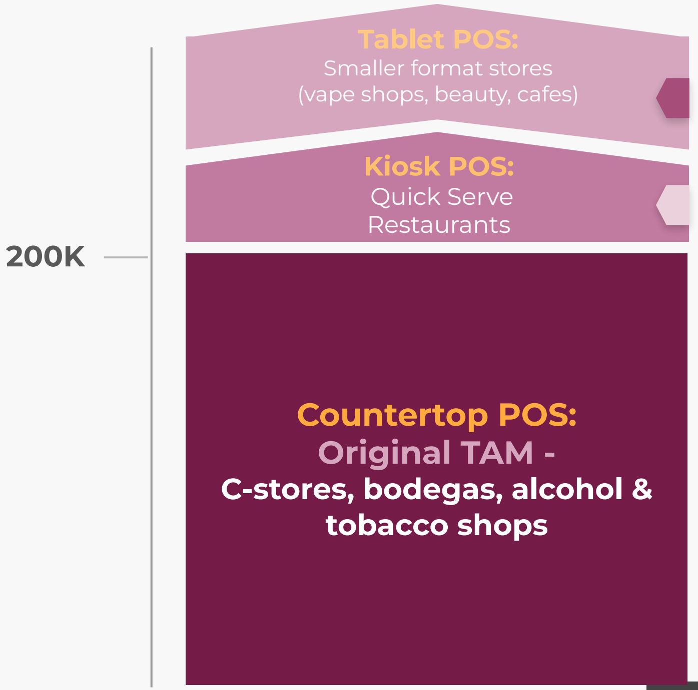
Quarters of fiscal years ended July 31st

NRS | Expanding an Already Exceptional Retail Reach

NRS Network Footprint Compared to Leading Retail Brands – by USA Locations



New POS Formats Expanding the TAM



NRS | One platform → Multiple Recurring Revenue[5] Streams

Generating Recurring, High-Margin Revenue at $116 MM ARR[6]

Merchant Services
59% of Recurring Revenue

- Retailers subscribe to NRS Pay, a payment processing solution for electronic payments including credit and debit cards and EBTs
- Retailers utilize cash advances for working capital

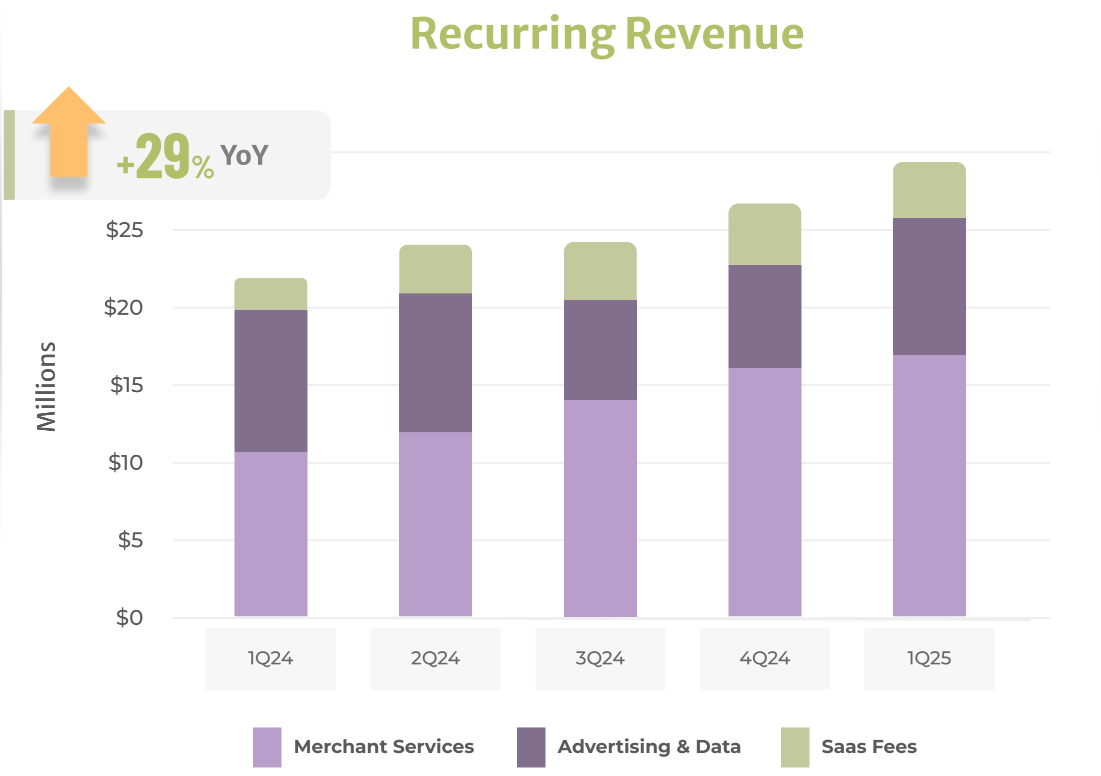
Advertising & Data
30% of Recurring Revenue

- Advertisers purchase static and video ad impressions on customer-facing screens
- Data analytic companies & CPG marketers purchase transaction data

SaaS Fees
11% of Recurring Revenue

- Retailers pay a monthly POS system software subscription fee

NRS | Robust Recurring Revenue Growth



Quarters of fiscal years ended July 31st

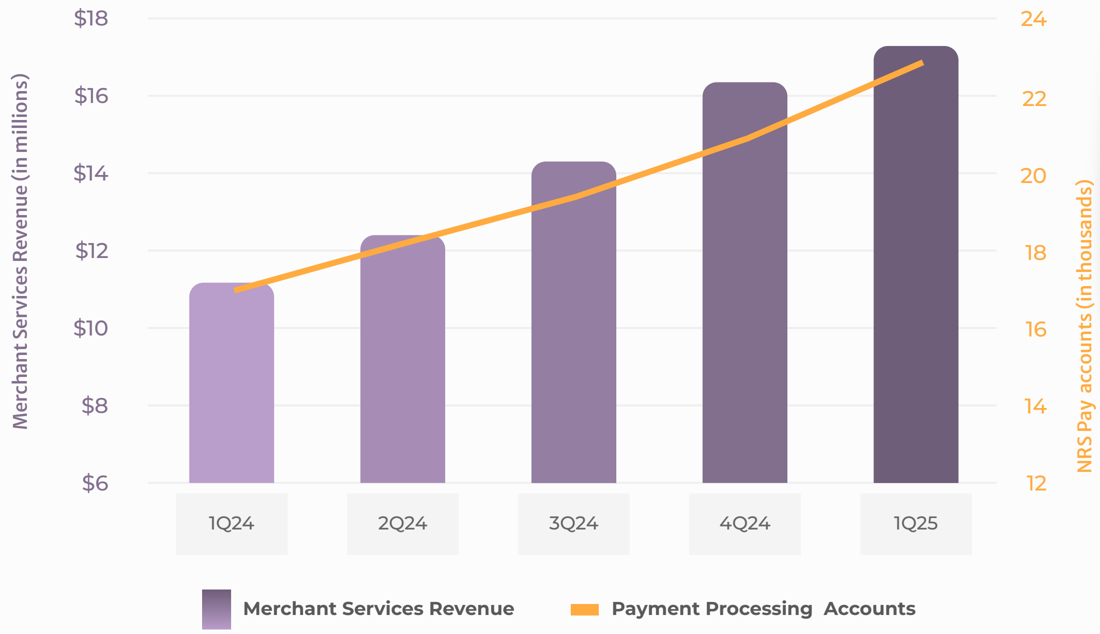
Powered by terminal network expansion and increasing revenue per terminal

Average monthly recurring revenue per terminal[7] increased to $295 in 1Q25 from $282 in 1Q24

NRS | Merchant Services – Featuring ***NRS Pay***

Merchant Services Revenue & Payment Processing Accounts

NRS Pay – Provides retailers with credit card and other electronic payment processing



Quarters of fiscal years ended July 31st

Robust YoY Expansion Continued in 1Q25

+51% Merchant Services revenue

+33% Payment processing accounts

+13% Merchant Services ARPU[8]

NRS | Advertising & Data – Offering Marketers Unparalleled Reach

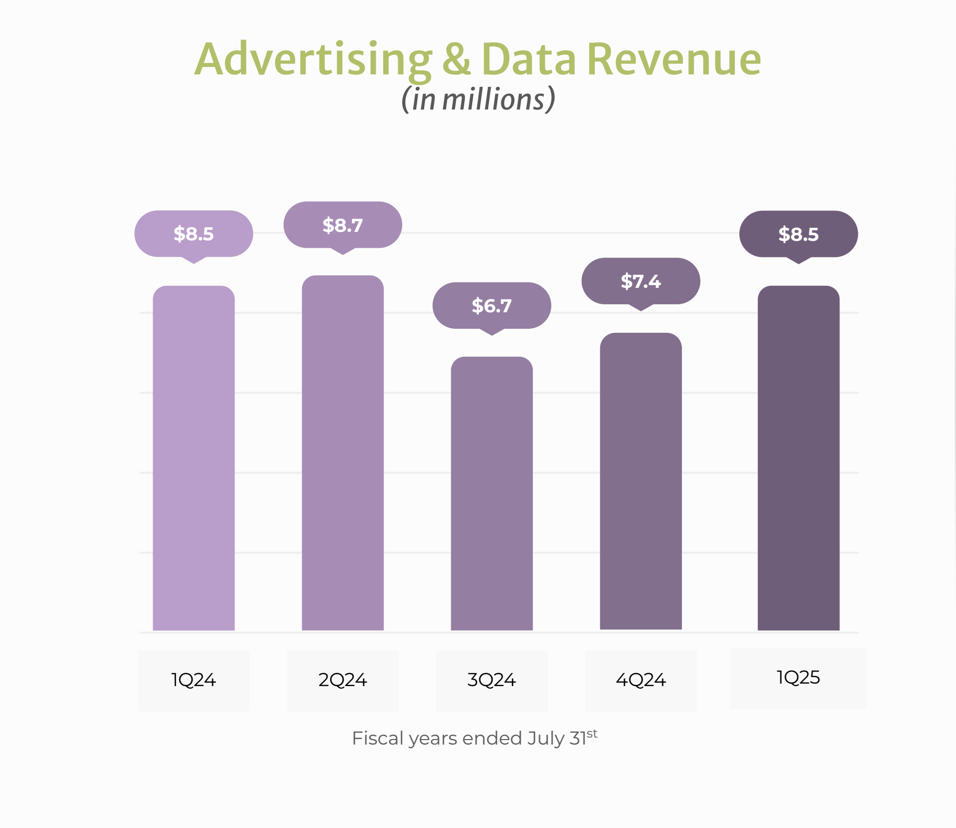
America's largest independent retailer-hosted advertising and transaction data network

Advertising

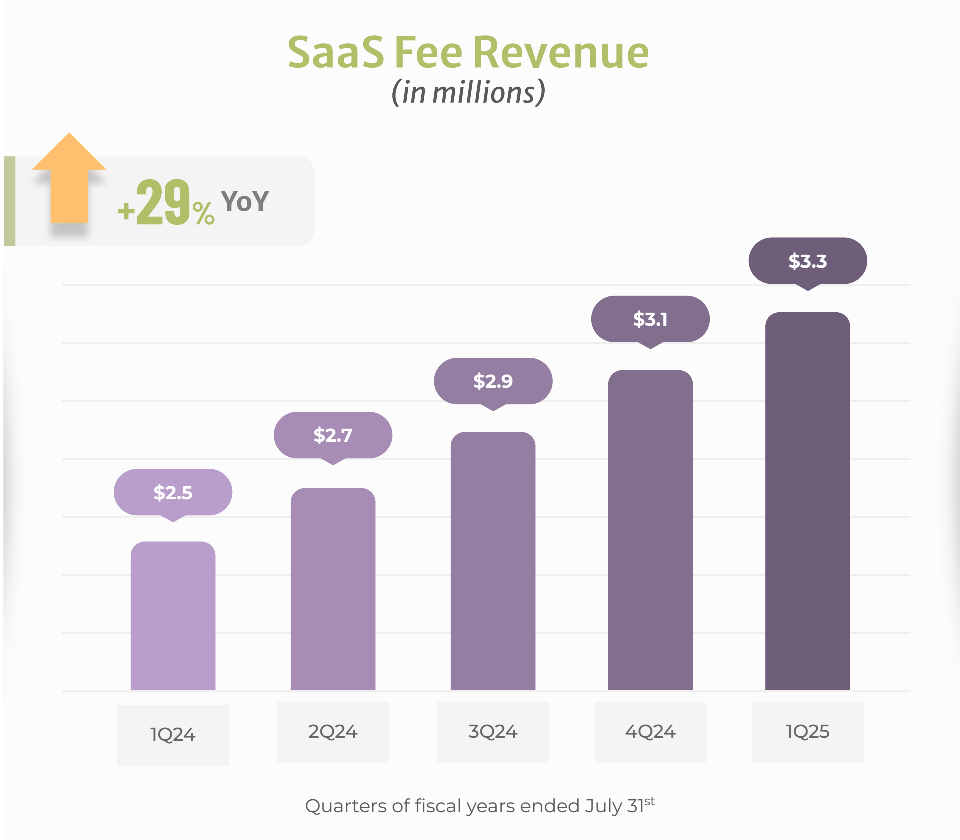
- Ads are served on the NRS POS' customer-facing digital screens
- Inventory is sold to advertisers via programmatic platforms and direct sales
- Participates primarily in the fast growing retail media network space

Data

- Provides CPG marketers with SKU-level transaction data and analytics for over 1.4 billion transactions annually



NRS | SaaS Fee Revenue Growth Driven by Network Expansion



Retailers pay monthly recurring charges (MRCs) for POS Services

Retailers can select from several feature-rich software plans. Fees range from $19.95 to $74.95 per month

Revenue growth drivers:
- POS network expansion
- Migration to premium plans

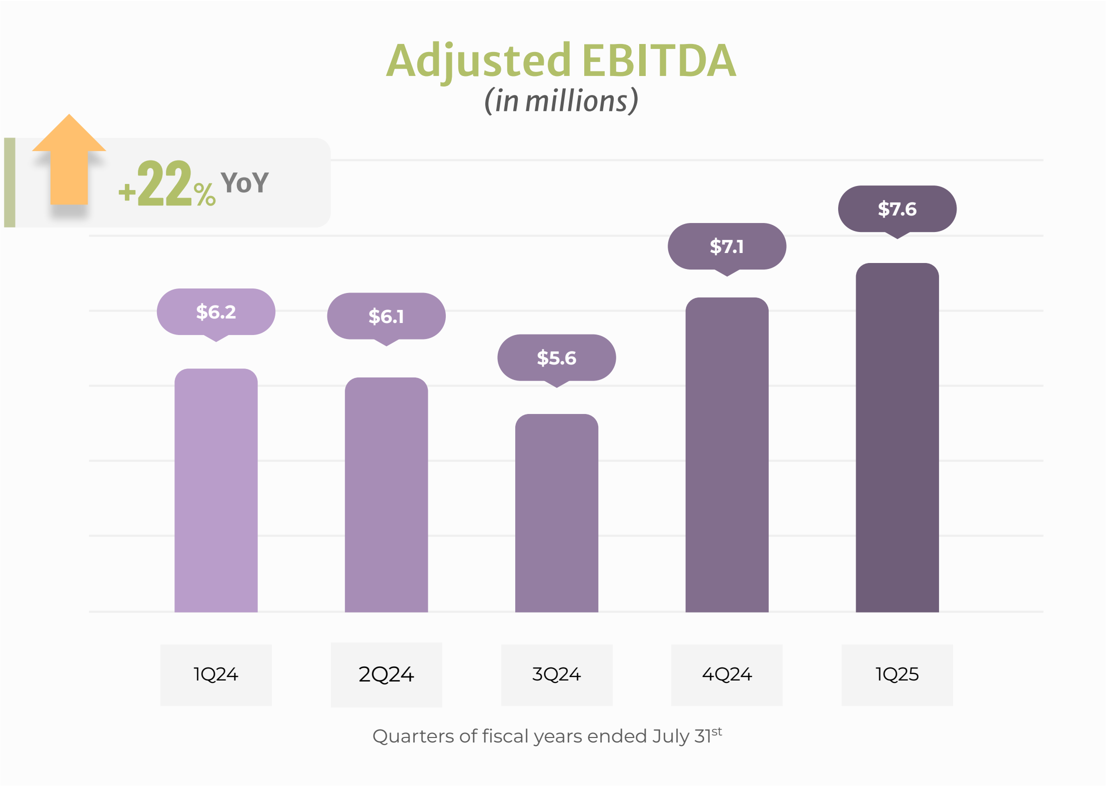
SaaS Fee revenue per terminal[9] increased (+5% YoY) as retailers subscribe to premium plans

NRS | Delivering Enhanced Profitability with Strong Growth

Balance of growth and profitability

“Rule of 40” [10]

50% in 1Q25



Our international remittance services enable customers in the U.S. and Canada to send money to friends and family in over 50 destination countries.

BOSS Money's results are reported within IDT's Fintech segment. This segment also holds other initiatives, including IDT's Gibraltar-based bank

BOSS MONEY | A Powerful & Synergistic Omni–Channel Platform

Expansive Platform Presence

- Transferring $6 billion in principal value (4Q24 annualized)
- Backed by nationwide marketing of the BOSS brand

Digital (apps) Channel - Superior UX

- 41% transaction volume growth (1Q25/1Q24)
- User-rated 4.8 out of 5 stars in App Store
- Over 90% of customers are repeat users

Retail (in-store) Channel - Nationwide Footprint

- 29% transaction volume growth (1Q25/1Q24)
- Strategic 'gateway' - introducing underbanked consumers to BOSS ecosystem
- Agent network expanded 23% YoY

Strategic Platform Expansion

BOSS Money Transactions

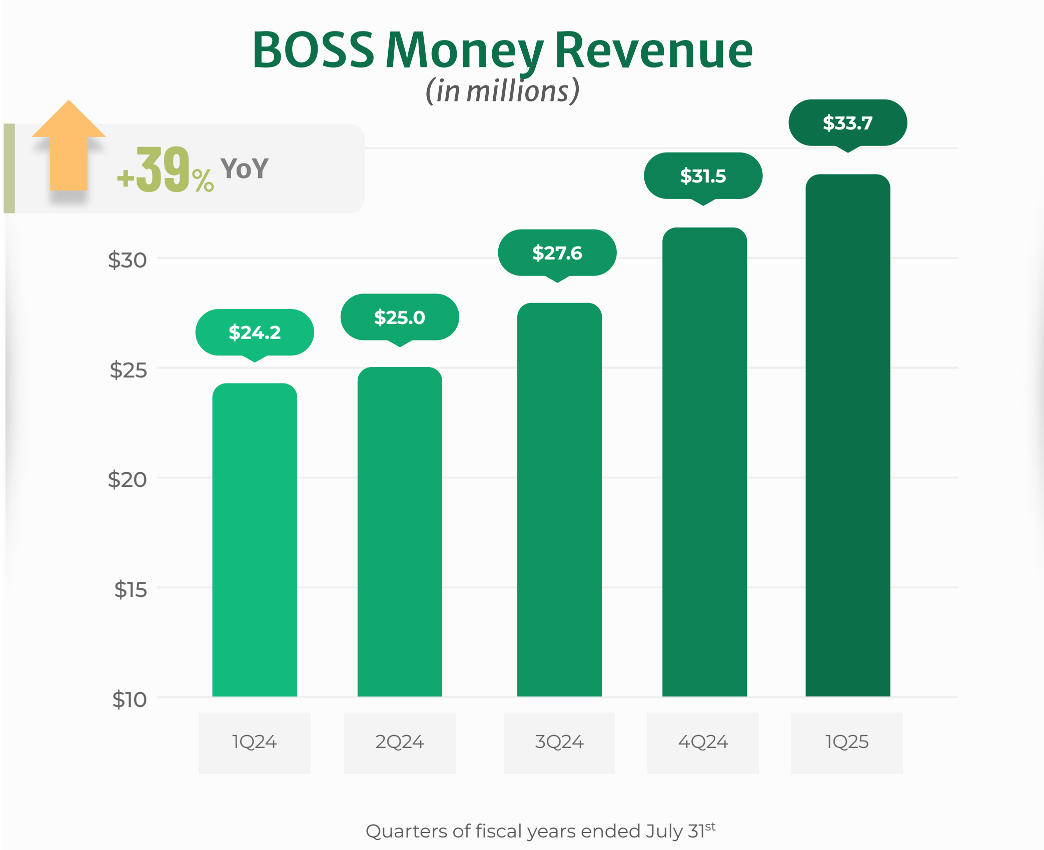
(in millions)

Quarters of fiscal years ended July 31st

Strategically Focused Growth Engine

- **Geography:** Expanding origination beyond primary US to LATAM and Africa corridors
- **Growing retail agent network:** ~1,900 active retailers as of 1Q25
- **Extensive payout network:** Offering transfers to 50 countries
- **Payout options:** Tailored to customer needs (including recently-launched direct-to-debit)
- **Efficient customer acquisition:** Through retail channel and cross-marketing to the 5 million customers in the BOSS ecosystem
- **Fortress balance sheet:** Provides ample working capital to support growth

| Robust Omni Channel Revenue Growth



Growth Highlights YoY in 1Q25

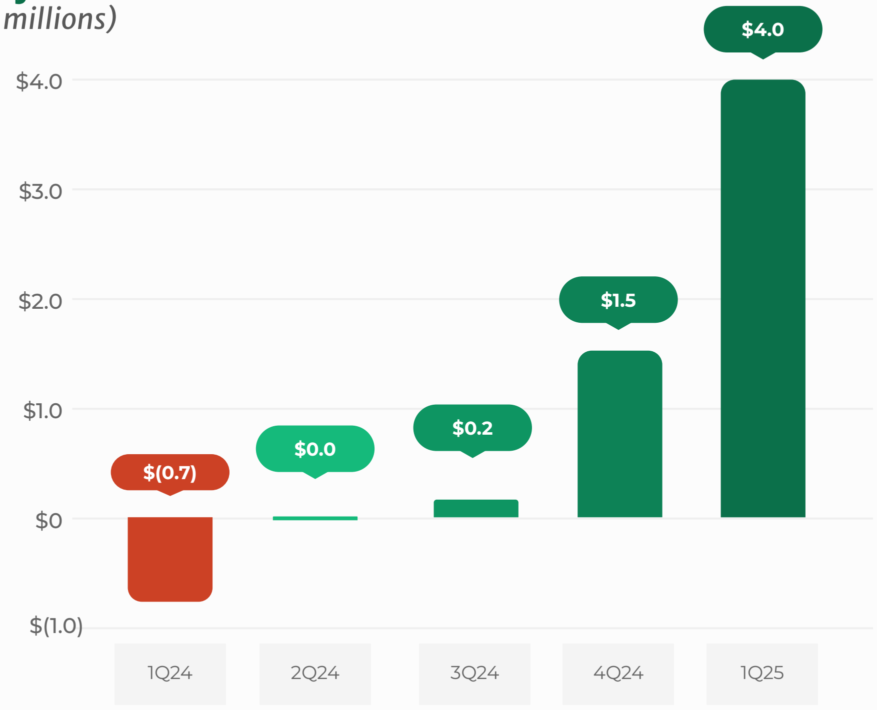
+44% Digital Channel Revenue

+29% Retail Channel Revenue

BOSS MONEY | Driving the Fintech Segment's Turn-Around

Adjusted EBITDA

(in millions)



Quarters of fiscal years ended July 31st

11%

Adjusted EBITDA margin[11] in 1Q25 compared to negative (2.6)% in 1Q24

net2phone

Our cloud-based, unified communications and contact center solutions help businesses succeed by interacting with their consumers with enhanced intelligence and insights

A Growth Leader Pursuing Exceptional Market Opportunities

> *Frost & Sullivan regards net2phone as a leader in both innovation and growth.*[12]

$70 billion

Unified Communications as a Service (UCaaS)

Global market opportunity with CAGR of 13.4% through 2028 [13]

$15 billion

Contact Center as a Service (CCaaS)

Global market opportunity with CAGR of 17.5% through 2029 [14]

net2phone | Compelling Offerings

Key Features & Functionalities for Today's Business Environment

unite (UCaaS)

Combines voice, video, and messaging into a single interface, making communications seamless for in-office, remote, or hybrid work

- Voice
- Mobile App
- Video
- Analytics
- Messaging
- Integrations

uContact (CCaaS)

Scalable contact center platform for organizations with high interaction volumes

- Agent & Supervisor Roles
- Chatbots
- Omnichannel Interactions
- Workflows
- Auto Dialers
- Reporting

Offerings Differentiated by Market, Geography, and Channel

Focus on Mid-Market Businesses

- Market fragmentation
- Lower friction toward switching costs
- Tech focus on UX

Channel Partner Centric

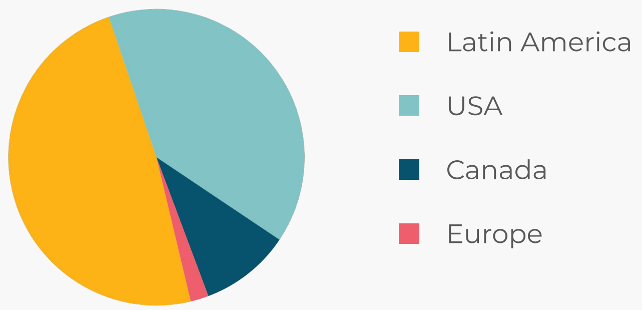
- Feature-rich partner portal
- Partner incentives & toolkit enhance stickiness

INTELISYS | TELARUS | SANDLER PARTNERS | AVANT | TBI | AppSmart

Distinctive Geography with Deeply Localized Offerings

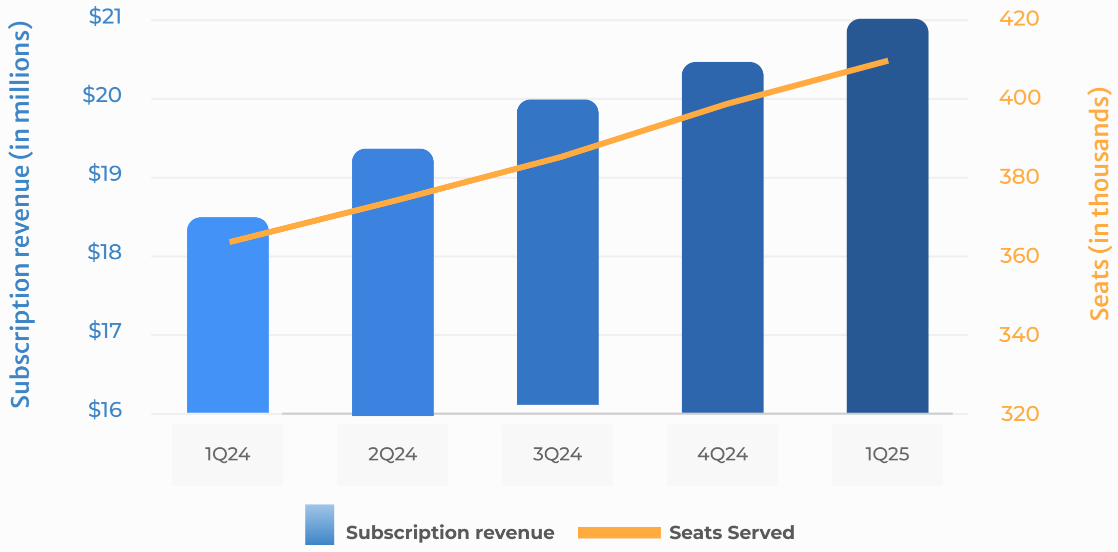
- Focus on Americas
- UX customized by market / region

UCaaS Seats Served by Region



net2phone | Solid Growth with a CCaaS Lift

Subscription Revenue[15] & Total Seats Served[16]



Quarters of fiscal years ended July 31st

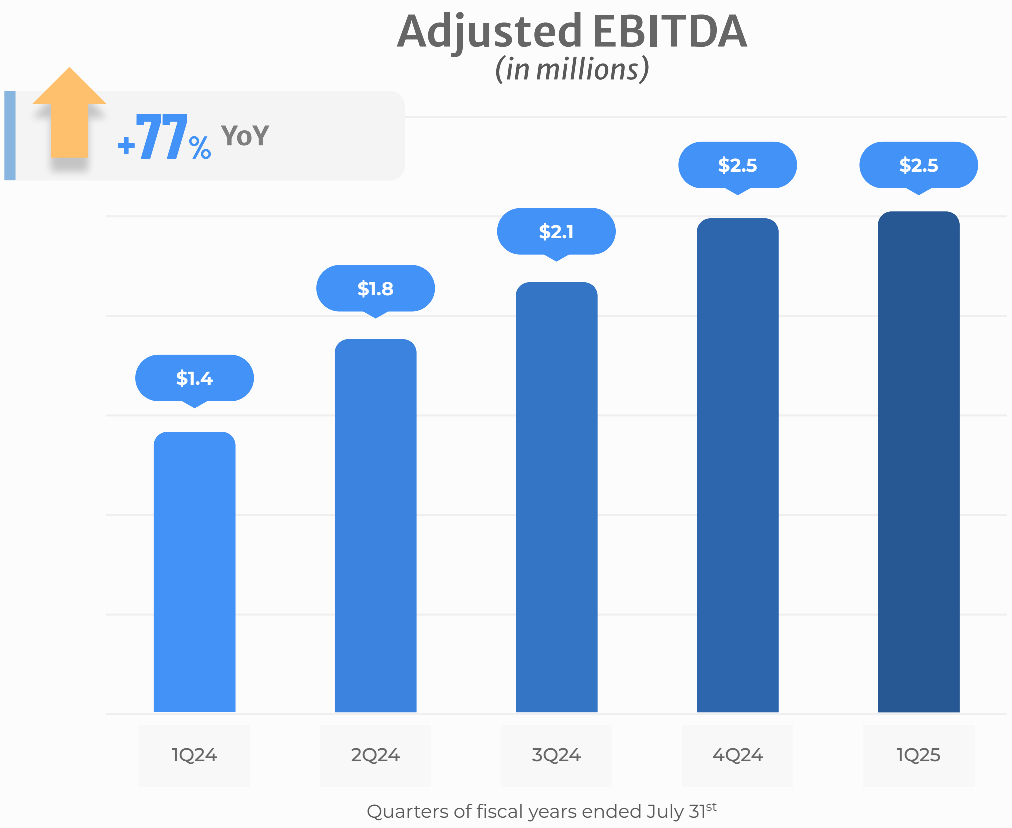
Growth Highlights YoY in 1Q25

+13% Subscription Revenue

+20% CCaaS Revenue[17]

+11% Total seats served

net2phone Increasing Adjusted EBITDA & Margins



12%

Adjusted EBITDA margin in 1Q25 compared to 7% in 1Q24

net2phone | Margin Expansion

Current Drivers

- Higher ARPU CCaaS growth
- Operating leverage[18] – fixed SG&A including technology & development as a % of revenue - decreased to 44% in 1Q25 from 48% in 1Q24

New Premium Plans and Add-Ons

- **Premium Plans -** Feature sets driven by AI
- **Burstability -** A premium functionality enabling users to adjust capacity to effectively manage demand volatility
- **Call Center Essentials -** Key call center functionalities tailored for professional offices and small enterprises

Traditional Communications Segment

Traditional Communications | Primary Businesses

IDT DIGITAL PAYMENTS

Cross-border value transfers through mobile-top-up and other digital prepaid offerings

$413 MM

TTM Revenue

BOSS REVOLUTION

International calling serving over 4 MM customers

$249 MM

TTM Revenue

IDT global

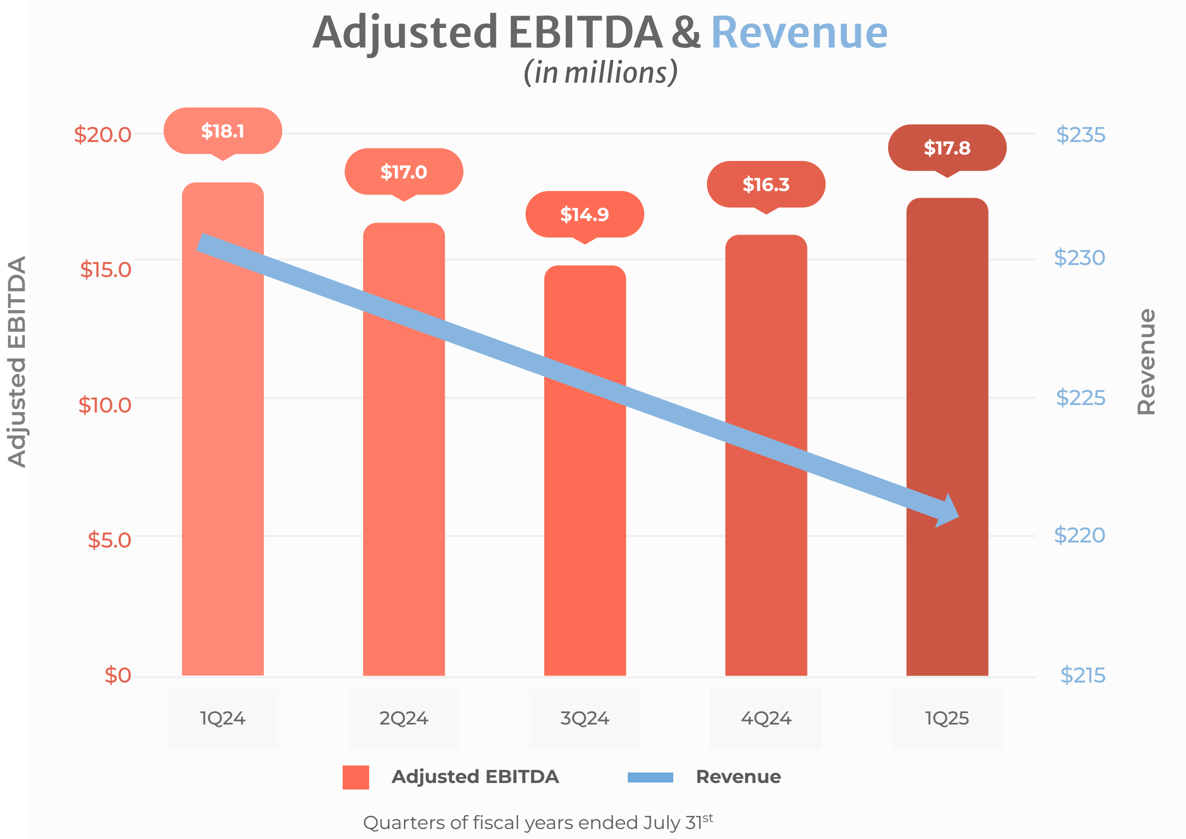
Voice & SMS Services

Terminates & manages international voice traffic and SMS through direct connections to over 150 countries

$201 MM

TTM Revenue

Traditional Communications: Durable Cash Generation



8.1%

Adjusted EBITDA margin in 1Q25 compared to 7.8% in 1Q24

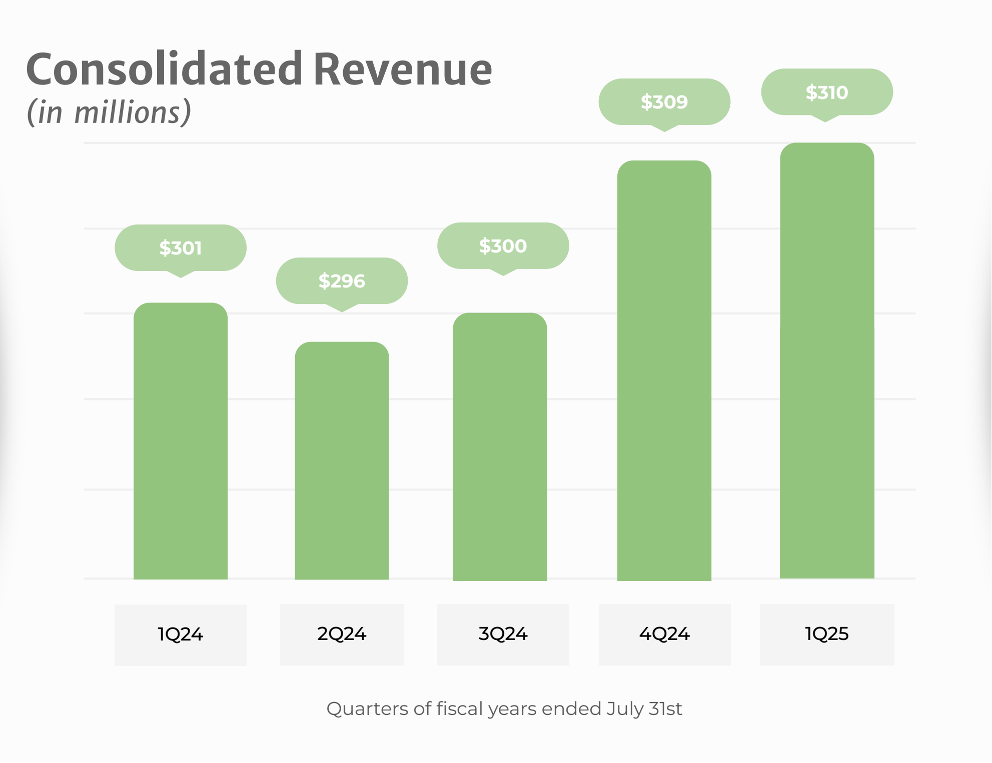
IDT **Consolidated**

IDT | Revenue Inflection

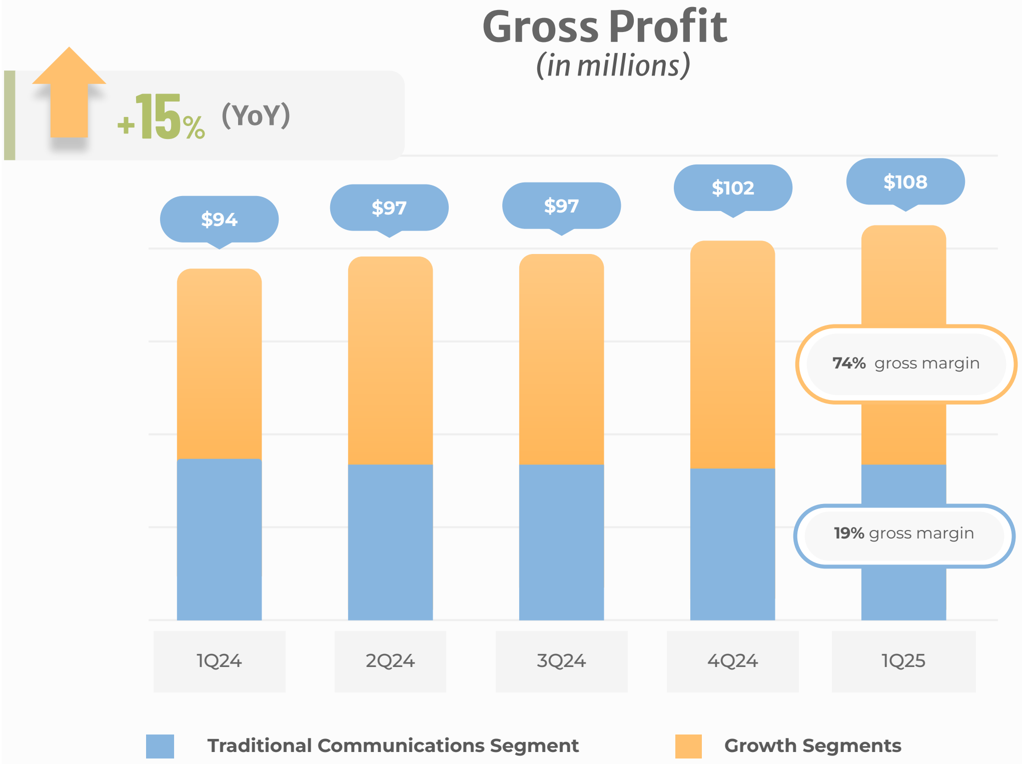
Revenue
(YoY)

+26% Growth Segments[19]

-4% Traditional Communications Segment



IDT | GP Expansion Powered by Rotation to Growth Businesses



Quarters of fiscal years ended July 31st

35%

Gross profit margin in 1Q25 compared to 31% in 1Q24

IDT | Increasing Profitability Backed by a Strong Balance Sheet

Consolidated Adjusted EBITDA and Adjusted EBITDA Margin

Quarters of fiscal years ended July 31st

Balance Sheet Highlights

- $180 million in cash + current investments[20]
- $0 debt[20]

Returning Value to Stockholders

- Stock buybacks - $9.1 MM (FY 2024)
- $0.05 quarterly dividend

IDT | The Bottom Line

- Profitable with a track record of increasing cash-flow generation
- Three fast growing, high margin, tech driven businesses pursuing large market opportunities
- Fortress balance sheet with no debt
- Returning value to shareholders through dividends and opportunistic buybacks

Thank You

invest@idt.net

Footnotes

(1) Throughout this presentation, TTM refers to the twelve month period ended October 31, 2024. All quarterly results presented refer to three month periods of the fiscal year ended: October 31st (1Q), January 31st (2Q); April 30th (3Q); July 31st (4Q).

(2) Throughout this presentation, Adjusted EBITDA is a Non-GAAP measure intended to provide useful information that supplements IDT's or the relevant segment's results in accordance with GAAP. Please refer to the Non-GAAP Reconciliation at the end of this presentation for an explanation of this term and its reconciliation to the most directly comparable GAAP measure.

(3) 'Net cash and current investments' consists of cash and cash equivalents plus current debt securities plus current equity investments minus total debt as of October 31, 2024. The company had no outstanding debt as of that date.

(4) Active POS terminals and stores as of October 31, 2024.

(5) NRS' recurring revenue is the aggregate of NRS Advertising & Data, Merchant Services and SaaS Fee revenues. Recurring revenue excludes the one time revenue from the sale of NRS POS terminals.

(6) ARR (annual recurring revenue) is recurring revenue for the three month period ended October 31, 2024 times four.

(7) NRS' average monthly recurring revenue per terminal is calculated by dividing NRS' recurring revenue for the quarter by the average number of terminals active during the quarter, and then dividing by three.

(8) Merchant Services ARPU is calculated by dividing the Merchant Services revenue for the quarter by the average number of NRS Pay accounts during the quarter, and then dividing by three.

(9) SaaS Fee Revenue per terminal is calculated by dividing NRS SaaS Fee revenue for the quarter by the average number of active terminals during the quarter, and then dividing by three.

Footnotes, *continued*

(10) The “Rule of 40” is a commonly used metric to evaluate the performance of software as a service (SaaS) providers. It postulates that a SaaS company’s growth rate when added to its free cash flow rate should equal or exceed 40 percent. For NRS, the “Rule of 40” result for 1Q25 is computed by adding the growth rate of NRS’ recurring revenues for 1Q25 compared to 1Q24 to NRS’ Adjusted EBITDA less capital expenditures as a percentage of total NRS revenue for 1Q25.

(11) Throughout this presentation, Adjusted EBITDA margin is Adjusted EBITDA for IDT on a consolidated basis or its relevant business segment divided by the comparable unit’s revenue for the fiscal quarter.

(12) Frost & Sullivan. “Frost RadarTM: Unified Communications as a Service Market in Latin America and the Caribbean, 2022.”

(13) Fortune Business Insights, “Unified Communication as a Service (UCaaS) Market Size, Share & COVID-19 Impact Analysis and Regional Forecast, 2021-2028.”

(14) Fortune Business Insights, “Contact Center as a Service (CCaaS) Market Size, Share & COVID-19 Impact Analysis and Regional Forecast, 2022-2029.”

(15) net2phone subscription revenue is revenue for the net2phone segment exclusive of equipment (phone) sales and revenue generated by a legacy SIP trunking offering in Brazil. Subscription revenue percentage increases are 1Q25 compared to 1Q24.

(16) Total seats served are Unified Communications as a Service (UCaaS) seats plus Contact Center as a Service (CCaaS) seats.

(17) CCaaS revenue is revenue generated by net2phone’s uContact Contact Center as a Service offering.

Footnotes, *continued*

(18) Operating leverage is calculated by dividing fixed SG&A and technology and development expense, excluding depreciation and amortization expense, by revenue for the corresponding fiscal quarters.

(19) Growth segments are the aggregate of the National Retail Solutions , net2phone, and Fintech reporting segments.

(20) As of October 31, 2024.

Non-GAAP Reconciliation

IDT | Non-GAAP Reconciliation

IDT's Adjusted EBITDA is a non-GAAP measure. Generally, a non-GAAP measure is a numerical measure of a company's performance, financial position, or cash flows that either excludes or includes amounts that are not normally excluded or included in the most directly comparable measure calculated and presented in accordance with generally accepted accounting principles in the United States of America (GAAP).

Management believes that IDT's Adjusted EBITDA provides useful information to both management and investors by excluding certain expenses and non-routine gains and losses that may not be indicative of IDT's or the relevant segment's core operating results. Management uses Adjusted EBITDA, among other measures, as a relevant indicator of core operational strength in its financial and operational decision making. Management also uses Adjusted EBITDA to evaluate operating performance in relation to IDT's competitors. Disclosure of this financial measure may be useful to investors in evaluating performance and allows for greater transparency to the underlying supplemental information used by management in its financial and operational decision-making. In addition, IDT has historically reported Adjusted EBITDA and believes this measure is commonly used by readers of financial information in assessing performance, therefore the inclusion of comparative numbers provides consistency in financial reporting.

Management refers to Adjusted EBITDA, as well as the GAAP measures income (loss) from operations and net income on a segment and/or consolidated level to facilitate internal and external comparisons to the segments' and IDT's historical operating results, in making operating decisions, for budget and planning purposes, and to form the basis upon which management is compensated.

While depreciation and amortization are considered operating costs under GAAP, these expenses primarily represent the non-cash current period allocation of costs associated with long-lived assets acquired or capitalized in prior periods. IDT's Adjusted EBITDA, which is exclusive of depreciation and amortization, is a useful indicator of its current performance.

Severance expense is excluded from the calculation of Adjusted EBITDA. Severance expense is reflective of decisions made by management in each period regarding the aspects of IDT's and its segments' businesses to be focused on in light of changing market realities and other factors. While there may be similar charges in other periods, the nature and magnitude of these charges can fluctuate markedly and do not reflect the performance of IDT's core and continuing operations.

IDT | Non-GAAP Reconciliation, continued

Other operating (expense) gain, net, which is a component of income (loss) from operations, is excluded from the calculation of Adjusted EBITDA. Other operating (expense) gain, net includes, among other items, legal fees net of insurance claims related to Straight Path Communications Inc.'s stockholders' class action, gains from the write-offs of a contingent consideration liabilities, and gain from the sale of state income tax credits. From time-to-time, IDT may have gains or incur costs related to non-routine legal, tax, and other matters, however, these various items generally do not occur each quarter. IDT believes the gain and losses from these non-routine matters are not components of IDT's or the relevant segment's core operating results.

Adjusted EBITDA should be considered in addition to, not as a substitute for, or superior to, income (loss) from operations, cash flow from operating activities, net income (loss), or other measures of liquidity and financial performance prepared in accordance with GAAP. In addition, IDT's measurement of Adjusted EBITDA may not be comparable to similarly titled measures reported by other companies.

Following is a reconciliation of Adjusted EBITDA to the most directly comparable GAAP measures, which is income (loss) from operations.

IDT | FINANCIALS · Non-GAAP Reconciliation – Slide 14

Reconciling Income from Operations to Adjusted EBITDA
for NRS
(USD in thousands)

	1Q24	2Q24	3Q24	4Q24	1Q25
Income from operations	5,460	5,349	4,768	6,048	6,613
Depreciation and amortization	734	777	819	870	960
Severance	-	-	14	5	7
Other operating expense	-	-	-	150	-
Adjusted EBITDA	6,195	6,126	5,601	7,073	7,580

Reconciling Income from Operations to Adjusted EBITDA
for the Fintech Segment
(USD in thousands)

	1Q24	2Q24	3Q24	4Q24	1Q25
(Loss) income from operations	(1,384)	(736)	(553)	2,543	3,236
Depreciation and amortization	693	725	723	732	735
Other operating expense (gain), net	-	-	74	(1,765)	-
Adjusted EBITDA	(690)	(12)	244	1,510	3,970

Reconciling (Loss) Income from Operations to Adjusted EBITDA
for net2phone
(USD in thousands)

	1Q24	2Q24	3Q24	4Q24	1Q25
(Loss) income from operations	(7)	367	476	845	999
Depreciation and amortization	1,440	1,552	1,574	1,568	1,558
Severance	3	-	73	23	(19)
Other operating (gain) expense, net	(0)	(73)	-	17	-
Adjusted EBITDA	1,436	1,845	2,123	2,452	2,538

Reconciling (Loss) Income from Operations to Adjusted EBITDA
for the Traditional Communications Segment
(USD in thousands)

	1Q24	2Q24	3Q24	4Q24	1Q25
Income from operations	15,406	14,618	12,467	13,944	15,672
Depreciation and amortization	2,148	2,029	1,978	1,909	1,972
Severance	522	345	422	292	190
Other operating (gain) expense, net	(1)	1	(1)	186	-
Adjusted EBITDA	18,075	16,992	14,866	16,330	17,833

Reconciling Income from Operations to Adjusted EBITDA
for IDT Consolidated
(USD in thousands)

	1Q24	2Q24	3Q24	4Q24	1Q25
Income from operations	17,165	16,018	11,432	20,139	23,640
Depreciation and amortization	5,047	5,099	5,111	5,095	5,241
Severance	525	345	779	50	178
Other operating (gain) expense, net	(484)	294	3,231	(96)	-
Adjusted EBITDA	22,253	21,755	20,552	25,188	29,058