

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 19, 2024

IDT CORPORATION
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-16371
(Commission
File Number)

22-3415036
(IRS Employer
Identification No.)

520 Broad Street Newark, New Jersey
(Address of principal executive offices)

07102
(Zip Code)

Registrant's telephone number, including area code: (973) 438-1000

Not Applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of each exchange on which registered
Class B common stock, par value \$0.01 per share	IDT	New York Stock Exchange.

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 7.01. Regulation FD Disclosure

On November 19, 2024, the slide presentation (the "Presentation") attached hereto as Exhibit 99.1 will be provided to certain investors. The Presentation will also be available on the investor relations page of the Registrant's website at <https://www.idt.net/investors-and-media/investors-presentations>.

The Registrant is furnishing the information contained in this Report, including Exhibit 99.1, pursuant to Item 7.01 of Form 8-K promulgated by the Securities and Exchange Commission (the "SEC"). This information shall not be deemed to be "filed" with the SEC or incorporated by reference into any other filing with the SEC. In addition, the Presentation contains statements intended as "forward-looking statements" that are subject to the cautionary statements about forward-looking statements set forth in the Presentation.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Document
99.1	Investor Presentation.
104	Cover Page Interactive Data File, formatted in Inline XBRL document

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

IDT CORPORATION

By: /s/ Shmuel Jonas
Name: Shmuel Jonas
Title: Chief Executive Officer

Dated: November 19, 2024

EXHIBIT INDEX

Exhibit Number	Document
99.1	Investor Presentation.
104	Cover Pager Interactive Data File, formatted in Inline XBRL document



NYSE: IDT

Investor Presentation

Fourth Quarter and Full Fiscal Year 2024



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.

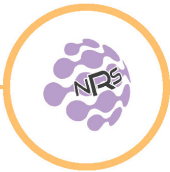
Our filings with the SEC provide detailed information on such statements and risks, and should be consulted along with this presentation.

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

IDT | Businesses Built Around Common Strategic Assets

High-Growth, High-Margin Business Segments

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



Fintech Segment: International cash remittances and fintech payments 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 | IDT at a Glance



An Innovative Communications and Fintech Provider



High-Growth High-Margin Businesses

IDT 5



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 and insight into urban markets




IDT 6

The Largest POS Platform Serving Independent Retailers in the USA




POS network - 32,100 active terminals at ~27,800 independent retail stores⁴



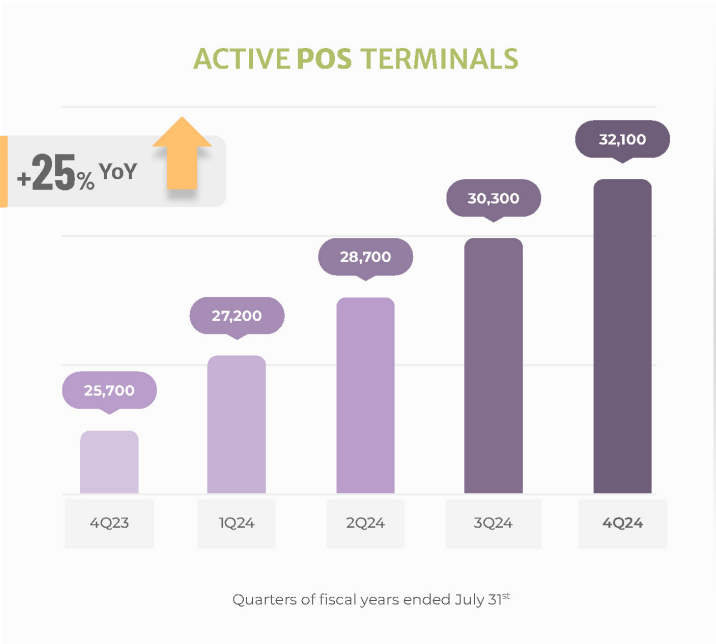
Core TAM of 200,000 independent retailers:

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

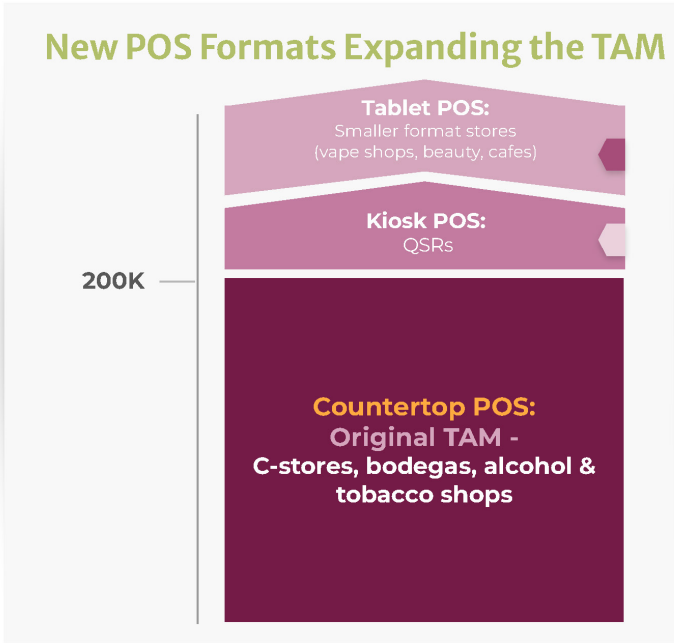
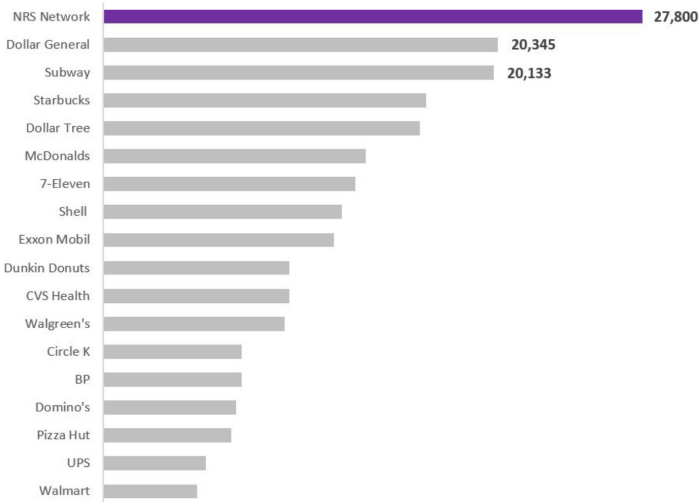


Deploying new functionalities and differentiated POS formats to drive deeper penetration of core TAM:

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



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





NRS | One platform → Multiple Recurring Revenue Streams

\$97 Million in Recurring High-Margin Revenue in FY 2024

Merchant Services

56% of 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

32% of Revenue

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

SaaS Fees

12% of Revenue

- Retailers pay a monthly POS system software subscription fee



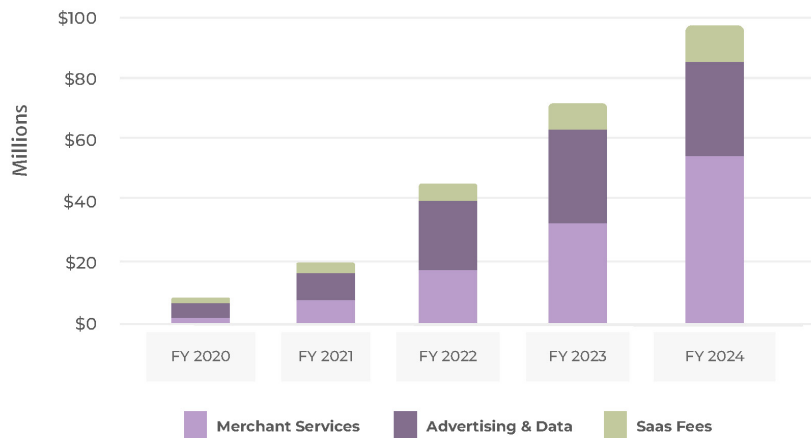
IDT

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NRS | Recurring Revenue⁵ Growth

84% CAGR from FY20 to FY24



Fiscal years ended July 31st

Powered by terminal network expansion and increasing revenue per terminal



Recurring revenue grew 42% YoY (4Q24 / 4Q23)



\$285 average monthly recurring revenue per terminal⁶ (4Q24)

IDT

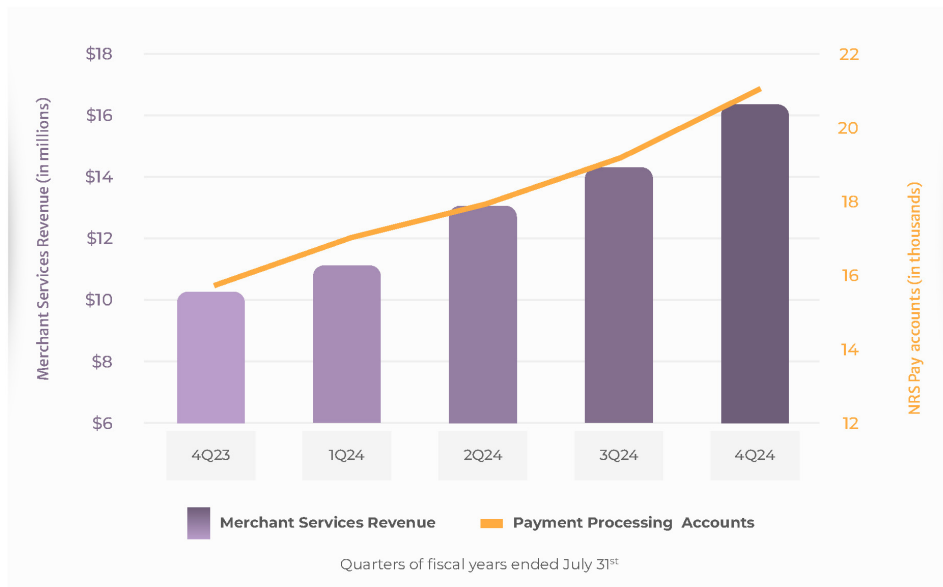
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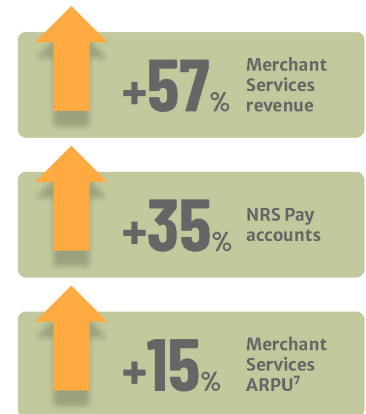
NRS | Merchant Services – Featuring *NRS Pay*

Merchant Services Revenue & NRS Pay Accounts

Predominantly Credit Card & Other Electronic Payment Processing



Robust YoY Expansion Continued in 4Q24



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

Advertising & Data Revenue

63% CAGR from FY20 to FY24





NRS | SaaS Fee Revenue Growth Driven by Network Expansion

SaaS Fee Revenue

+34% YoY

SaaS Fee Revenue (in millions)

4Q23

1Q24

2Q24

3Q24

4Q24

Quarters of fiscal years ended July 31st

Retailers pay monthly recurring charges (MRCs) for POS Services

Retailers can select from several feature-rich software plans. Fees range from \$19.95 to \$69.95 per month

Revenue growth drivers:

- POS network expansion
- Migration to premium plans

SaaS Fee revenue per terminal^B increased (+7% YoY) as retailers upgraded to premium plans

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NRS | Delivering Enhanced Profitability with Strong Growth



Increasing profitability fueled by growth of high margin offerings

NRS' Adjusted EBITDA margin⁹ increased from 1% in FY 2021 to 24% in FY 2024



Balance of growth and profitability

"Rule of 40"¹⁰

56% in FY 2024

Adjusted EBITDA

(in millions)

2020

2021

2022

2023

2024

Fiscal years ended July 31st

IDT 14



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

Spread the happiness for \$0 fee

With promo code **JOY**
from December 15-25, 2023*



| 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

- ➔ 42% YoY growth in 4Q24 digital channel remittance transactions
- ➔ User-rated 4.8 out of 5 stars in App Store
- ➔ Over 90% of customers are repeat users

Retail (in-store) Channel - Nationwide Footprint

- ➔ 41% YoY growth in 4Q24 retail channel remittance transactions
- ➔ Strategic 'gateway' - introducing underbanked consumers to BOSS ecosystem
- ➔ Agent network expanded 23% YoY

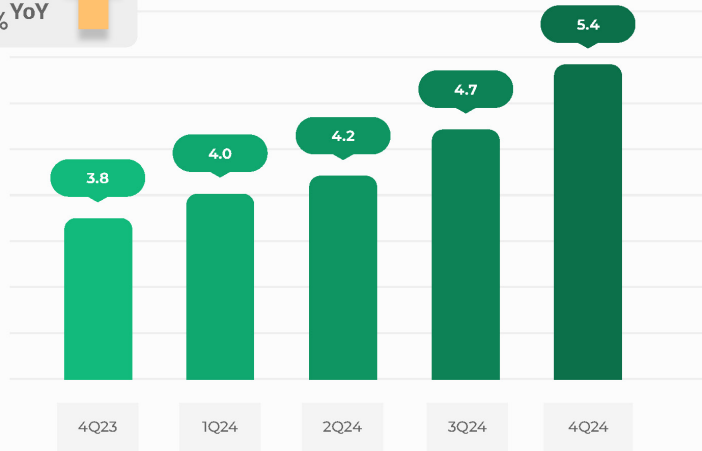


BOSS Money Transactions

+42% YoY



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 4Q24
- ➔ **Extensive payout network:** Offering transfers to over 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



BOSS Money Revenue



Quarters of fiscal years ended July 31st

4Q24 YoY Growth Highlights



+41% Revenue



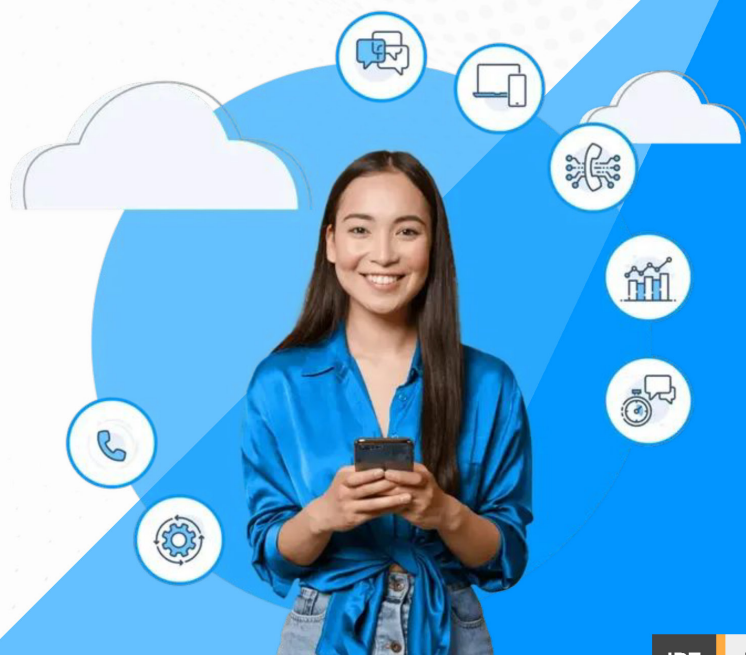
+40% Retail Channel Revenue



+42% Digital Channel Revenue

net2phone

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



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net2phone | Vast Market Opportunities

A Growth Leader Pursuing Exceptional Market Opportunities

“ Frost & Sullivan regards net2phone as a leader in both innovation and growth.¹¹

\$70
billion

Unified Communications as a Service (UCaaS)

Global market opportunity with CAGR of 13.4% through 2028¹²

\$15
billion

Contact Center as a Service (CCaaS)

Global market opportunity with CAGR of 17.5% through 2029¹³

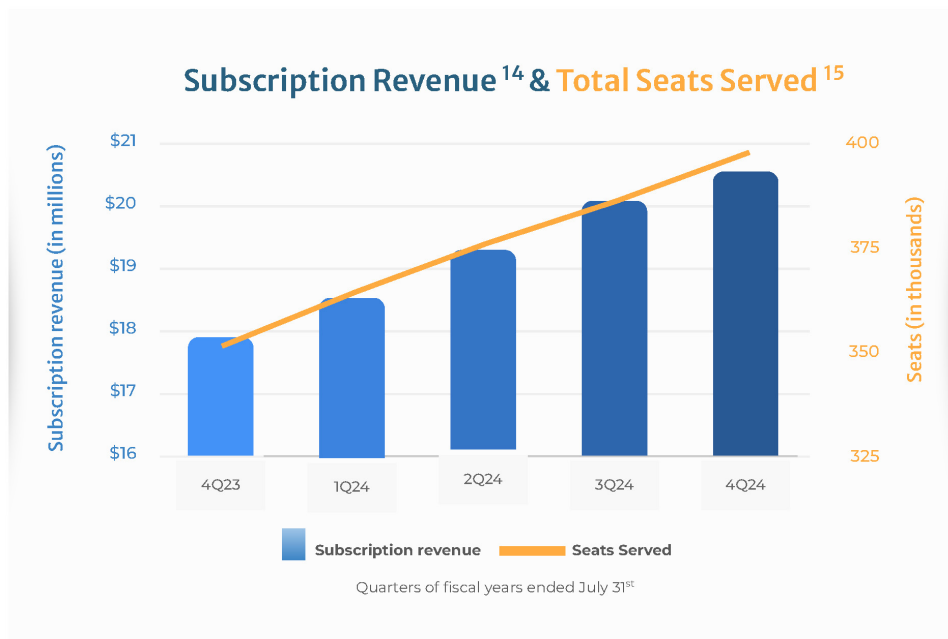
IDT 20

Key Features & Functionalities for Today's Business Environment

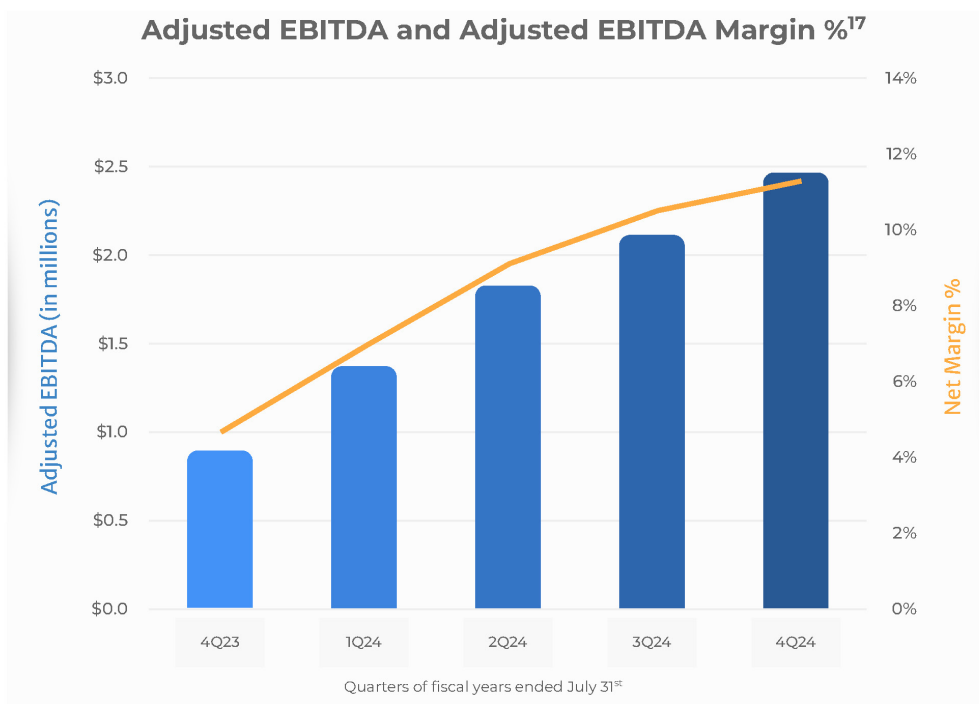
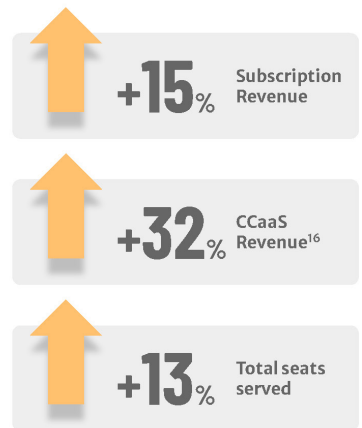


Offerings Differentiated by Market, Geography, and Channel





4Q24 YoY Growth Highlights



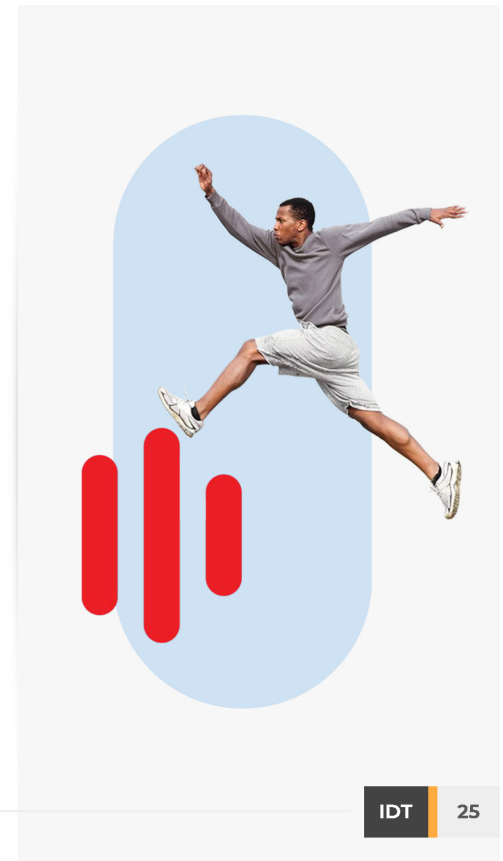
- In 4Q24, generated Adjusted EBITDA at \$9.8 MM annualized rate including \$20 MM of annualized customer acquisition spend
- On track to generate incremental cash flow as business continues to scale

Current Drivers

- Higher ARPU CCaaS growth
- Operating leverage¹⁸ – fixed SG&A including technology & development as a % of revenue decreased from 48% in 4Q23 to 43% in 4Q24

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

\$407 MM

FY 2024 Revenue



International calling serving over 4 MM customers

\$263 MM

FY 2024 Revenue

IDT global

Voice & SMS Services

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

\$201 MM

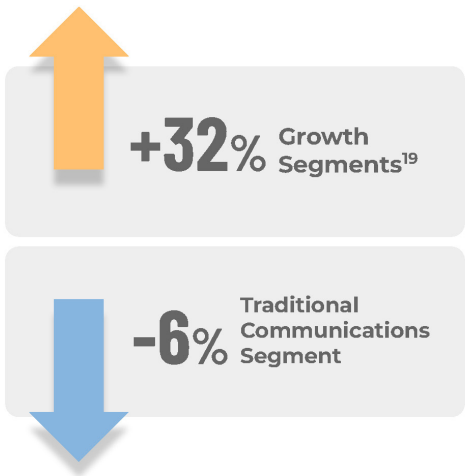
FY 2024 Revenue



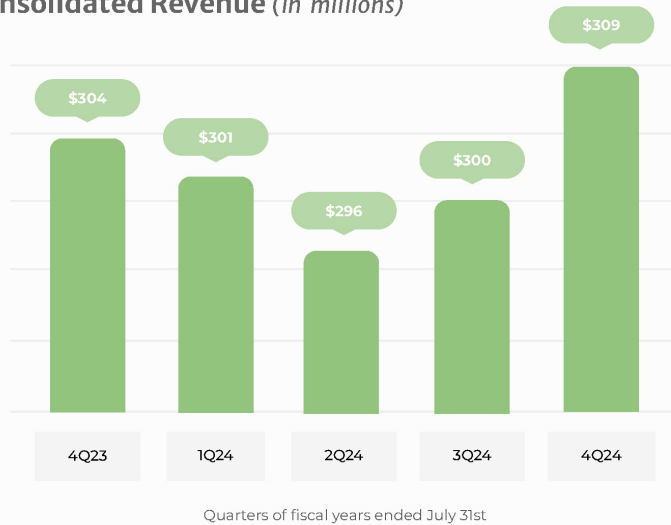
IDT Consolidated

Revenue

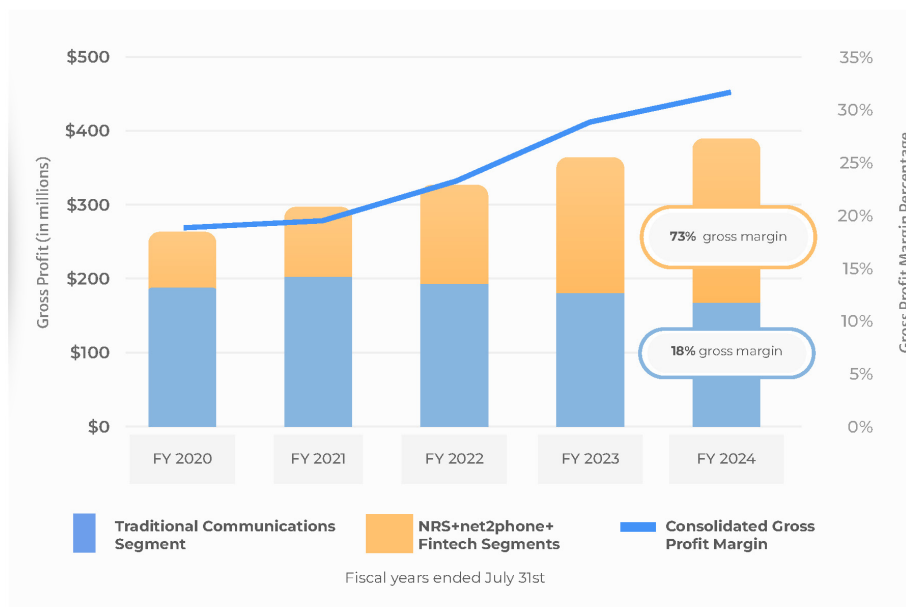
4Q24 / 4Q23



Consolidated Revenue (in millions)



Gross Profit & Margin %



Consolidated Adjusted EBITDA and Margin %



Fiscal years ended July 31st

Balance Sheet Highlights

\$193 million in cash + current investments²⁰

\$0 debt²⁰

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, FY refers to fiscal years, the twelve months ended July 31st.
- (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 are cash and cash equivalents plus current debt securities plus current equity investments minus total debt as of July 31, 2024. The company had no outstanding debt as of that date.
- (4) Active POS terminals and stores as of July 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) 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.
- (7) 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.
- (8) 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.



(9) Adjusted EBITDA margin is Adjusted EBITDA divided by revenue for the referenced fiscal years.

(10) The "Rule of 40" is the growth rate of NRS' recurring revenues for fiscal 2024 compared to fiscal 2023, added to NRS' Adjusted EBITDA less capital expenditures as a percentage of total NRS revenue for FY 2024.

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

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

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

(14) net2phone subscription revenue excludes net2phone equipment (phone) sales and revenue generated by a legacy SIP trunking offering in Brazil. Subscription revenue percentage increases are 4Q24 compared to 4Q23.

(15) Total seats served are Unified Communications as a Service (UCaaS) seats plus Contact Center as a Service (CCaaS) seats. The increase in seats served compares seats served at July 31, 2024 to July 31, 2023.

(16) CCaaS revenue is revenue generated by net2phone's uContact Contact Center as a Service offering. Revenue increase is 4Q24 compared to 4Q23.



(17) Adjusted EBITDA margin % is the net2phone segment's Adjusted EBITDA divided by total revenue for the fiscal quarter.

(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 July 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.

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 for IDT's reportable segments and net income attributable to IDT on a consolidated basis.

IDT | FINANCIALS · Non-GAAP Reconciliation – Slide 14

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

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
(Loss) income from operations	(6,132)	(252)	11,208	14,401	21,626
Depreciation and amortization	634	520	905	2,363	3,200
Severance	-	-	-	3	18
Other operating expense	-	-	-	-	150
Adjusted EBITDA	(5,499)	267	12,114	16,766	24,995

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

	4Q23	1Q24	2Q24	3Q24	4Q24
(Loss) income from operations	(746)	(7)	367	476	845
Depreciation and amortization	1,464	1,440	1,552	1,574	1,568
Severance	57	3	-	73	23
Other operating (gain) expense, net	133	(0)	(73)	-	17
Adjusted EBITDA	909	1,436	1,845	2,123	2,452

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

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Income from operations	17,946	56,974	60,089	60,744	64,753
Depreciation and amortization	20,406	17,764	18,115	20,136	20,351
Severance expense	3,503	452	116	935	1,698
Other operating expense (gain), net	5,063	(731)	826	4,415	2,945
Adjusted EBITDA	46,917	74,459	79,145	86,230	89,747