1. Company details

Name of entity:	IDT Australia Limited
ABN:	66 006 522 970
Reporting period:	For the year ended 30 June 2026
Previous period:	For the year ended 30 June 2025

2. Results for announcement to the market

				$000
Revenues from ordinary activities and other income	up	3.4%	to	20,534
Loss from ordinary activities after tax attributable to the owners of IDT Australia Limited	down	66.3%	to	(2,717)
Loss for the year attributable to the owners of IDT Australia Limited	down	66.3%	to	(2,717)

Dividends
There were no dividends paid, recommended or declared during the current financial period.

The loss for the Company after providing for income tax amounted to $2,717,000 (30 June 2025: $8,063,000).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	4.46	5.09

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

Current period
There were no dividends paid, recommended or declared during the current financial period.

Previous period
There were no dividends paid, recommended or declared during the previous financial period.

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements have been audited and an unmodified opinion has been issued.

11. Annual General Meeting

Pursuant to ASX Listing Rule 3.13.1 IDT Australia Limited advises that its Annual General Meeting will be held on 18 November 2026. The time and other details relating to the meeting will be advised in the Notice of Meeting to be sent to all shareholders and released to the ASX. In accordance with Listing Rule 3.13.1, the closing date for receipt of valid nominations for the position of director is 30 September 2026.

12. Attachments

Details of attachments (if any):

The Annual Report of IDT Australia Limited for the year ended 30 June 2026 is attached.

13. Signed

Authorised for release by the Board.

Signed ______________________________ Date: 20 August 2026

Mark Simari
Executive Chairman

IDT AUSTRALIA LIMITED

Annual Report

For the year ended 30 June 2026

IDT Australia Limited

ABN 66 006 522 970

Annual Report - 30 June 2026

Letter from the Chairman

Dear Shareholders,

The last financial year has been a defining period for IDT Australia, reflecting transition, disciplined execution, and renewed momentum. It was also a year in which we made important decisions about the future direction of our Company. These decisions were not taken lightly, but they were necessary to reposition IDT for sustainable growth, stronger profitability, and longer-term value creation.

Strategic Reset to Strengthen the Foundation

While IDT had the necessary foundations to become a leading Contract Development and Manufacturing Organisation (CDMO) in Asia Pacific, it was clear that the Company needed a strategic reset. IDT has strong technical capabilities, world-class facilities, and a growing global client base, but it was not converting these strengths into consistent financial performance. To return us to the path of profitability, the reset focused on three core objectives:

(1) Sharpening our commercial focus on higher-margin CDMO services across API, solid oral, and sterile manufacturing.

(2) Improving and delivering operating leverage by realigning resources towards opportunities that present the most lucrative nearer-term outcomes.

(3) Strengthening financial discipline that prioritises profit over revenue growth, alongside a cost-optimisation program and a clearer capital allocation strategy.

This reset required change, including leadership transition. I acknowledge that this was not easy for shareholders, but it was clearly the right decision, and our full year results now speak for themselves.

Positive Results and Renewed Momentum

FY26 delivered a significantly improved financial performance. Earnings before interest, tax and depreciation (EBITDA) jumped by a little over 85%, revenue from our three core verticals grew 16.5%, and we strengthened our cost base with better-than-expected annualised savings of $2.5 million, which is $0.5 million ahead of our initial target.

Importantly, this improvement was not driven by one-off factors but by genuine operating leverage and growing demand for IDT's specialist end-to-end CDMO capabilities in Australia and internationally.

As a result, we enter FY27 with strong commercial momentum and expect to deliver **positive EBITDA this financial year**.

Further, the traction from our strategic transformation was recognised in June this year when IDT was presented with two awards at the Asia-Pacific RNA Excellence Awards, which further reflects the calibre of our team and the trust placed in IDT by global innovators.

A Clear Pathway to $50 Million in Revenue

While FY26 was a year of stabilisation and improvement, FY27–FY29 will be years of expansion. We have set a three-year aspiration to reach **$50 million in annual revenue by FY29**.

This is ambitious, but it is grounded in clear drivers, which includes expanding our working relationships with strategic clients around the world, investing in plant and equipment to deepen our capabilities to access global unmet demand for advanced therapeutics and winning new clients in high-growth biotech clusters.

This aspiration is not a stretch target. It is a realistic reflection of the opportunities available to IDT and a clear pathway for us to achieve this ambition.

Looking Ahead

We emerge from the strategic reset with a stronger, more focused, and more competitive company. Our efforts from the past year have delivered measurable improvements, and the outlook for FY27 and beyond is highly encouraging.

While the transition period is now behind us, what lies ahead is a period of opportunity – one that we are well positioned to capitalise on.

On behalf of the Board, I thank our shareholders for their continued support and confidence. We are committed to delivering long-term value and to building IDT into a leading specialist CDMO serving clients across Australia and the world.

Yours sincerely,

Mark Simari
Executive Chairman

Directors	Mark Simari - Executive Chairman Geoffrey Sam, OAM - Non-Executive Director Jane Ryan - Non-Executive Director
Company Secretary	Mark Licciardo
Registered Office and Principal Place of Business	45 Wadhurst Drive Boronia, Victoria, 3155 Telephone +61 3 9801 8888 Facsimile +61 3 9837 6445
Share Register	MUFG Corporate Markets Tower 4, 727 Collins Street Melbourne, Victoria, 3000
Auditor	RSM Australia Partners Level 27, 120 Collins Street Melbourne, Victoria, 3000
Bankers	National Australia Bank Limited Level 28, 395 Bourke Street, Melbourne, Victoria, 3000 Scottish Pacific Business Finance Pty Ltd Level 16, 600 Bourke Street Melbourne, Victoria, 3000
Stock exchange listing	IDT Australia Limited shares are listed on the Australian Securities Exchange (ASX code: IDT)
Website	www.idtaus.com.au

The directors present their report, together with the financial statements for IDT Australia Limited (referred to hereafter as the 'Company') for the year ended 30 June 2026.

Directors and Company Secretary

The following persons were directors of the Company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Director
Mark Simari - Executive Chairman
Jane Ryan - Non-Executive Director
Geoffrey Sam OAM - Non-Executive Director

Company Secretary
Mark Licciardo

Information about the Directors holding office at 30 June 2026:

Mark Simari

Qualifications: Bachelor of Business (Accounting)
Experience: Mark is an experienced and accomplished professional in the health industry and has over 15 years' Board experience in a diverse range of organisations. Mark is currently Chairman of Careteq Limited (ASX:CTQ) and was the co-Founder of Paragon Care (ASX:PGC) and Managing Director from 2008 to 2018 and recently Non-executive Director from 2019 to 2022. He was instrumental in Paragon Care becoming one of the largest independent healthcare suppliers in the Australian and New Zealand Markets, creating a healthcare platform spanning across capital equipment, consumables, devices and service and maintenance.
Other Current Directorships: Executive Director of Careteq Limited and Xpon Technologies Group Ltd.
Former Directorships in Last 3 Years: Non-Executive Director of Paragon Care Ltd, Opyl Limited, Executive Director of Toys "R" Us ANZ Limited and Tali Digital Limited.
Responsibilities: Executive Chairman of the Board, Member of Audit & Risk Committee, Member of Remuneration and Nomination Committee.
Equity interests in Company: 1,412,912 Fully Paid Ordinary Shares

Jane Ryan

Qualifications: BSc (Hons) PhD, MAICD
Experience: Dr Jane Ryan is an experienced Non-Executive Director with over 30 years of international experience across the pharmaceutical, biotechnology and life sciences sectors. She has held senior executive and board roles in Australia, the United States and United Kingdom, bringing extensive experience in corporate strategy, business development, commercialisation, capital raising and strategic alliances. Jane has a strong track record of contributing at board level to the development and execution of corporate strategy, growth and value creation. Throughout her career, she has been involved in significant fundraising, partnering and licensing transactions, including securing a $230 million US Government contract. Her international experience provides a broad perspective on the strategic, commercial, governance and risk considerations facing companies in the life sciences sector.
Other Current Directorships: Non-Executive Director of Neuphoria Therapeutics Inc and Viral Vector Manufacture Facility Pty Ltd.
Former Directorships in Last 3 Years: Non-Executive Director of Robotic Surgery Evolutions Ltd, Anatara Lifesciences Ltd, MLS Bio Pty Ltd and Bionomics Ltd.
Responsibilities: Non-Executive Director, Chair of the Remuneration and Nomination Committee, Member of the Audit & Risk Committee
Equity interests in Company: 79,366 Fully Paid Ordinary Shares

Geoffrey Sam OAM

Qualifications: BCom (UNSW), MHA (UNSW), MA (Econ&SocStudies) (Manchester UK), FAICD
Experience: Geoff is currently the Chairperson and independent Non-executive Director of Earlypay Ltd (ASX:EPY). He has also held previous independent Non-executive Board positions with listed companies Money 3 Ltd, Hutchinsons Childcare Services Ltd and was Managing Director of Nova Health Ltd. He is the Co-Founder and Board member of Healthe Care Australia Pty Ltd, a privately owned health care company comprising a portfolio of 18 hospitals.
Other Current Directorships: Non-Executive Director of Earlypay Ltd, Change Financial Ltd and Biome Australia Limited.
Former Directorships in Last 3 Years: Non-Executive Director of Paragon Care Ltd
Responsibilities: Non-Executive Director, Chair of Audit & Risk Committee, Member of Remuneration and Nomination Committee.
Equity interests in Company: 2,014,903 Fully Paid Ordinary Shares

Information about the Secretary

Mark Licciardo

Qualifications: Bachelor of Business degree in accounting, Graduate Diploma in Governance and Fellow of the Chartered Governance Institute, the Governance Institute of Australia and the Australian Institute of Company Directors.
Experience: Mark Licciardo was appointed Company Secretary on 3rd October 2022. Mark was the founder and Managing Director of Mertons Corporate Services, and following Mertons' acquisition by Acclime, is Managing Director, Listed Company Services for Acclime Australia. Acclime provides a range of professional services including company secretarial and corporate governance consulting to ASX listed and unlisted public and private companies. He is also a former Company Secretary of ASX listed companies Transurban Group and Australian Foundation Investment Company Limited.

Mark holds a Bachelor of Business Degree (Accounting) and a Graduate Diploma in Company Secretarial Practice, is a Fellow of the Australian Institute of Company Directors, the Governance Institute of Australia and the Institute of Company Secretaries and Administrators.

Meetings of directors

The number of meetings of the Company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2026, and the number of meetings attended by each director were:

	Full Board		Remuneration and Nomination Committee		Audit and Risk Committee	
	Attended	Held	Attended	Held	Attended	Held
Mark Simari	12	12	3	3	2	2
Jane Ryan	12	12	3	3	2	2
Geoff Sam	12	12	3	3	2	2

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Principal activities

The principal activities of the Company through the course of the year were the supply of products and provision of research and development and other technical services within the pharmaceutical and allied industries.

Significant changes in the state of affairs

On 7 August 2025, Mr P McDonald resigned from his position as CEO of IDT Australia and Mr M Simari assumed the role of Executive chairman.

On 19 August 2025, the Company announced the retirement of Mr M Vasanthakumar, from his position as CFO of the Company and the appointment of Mr M Perera as Head of Finance.

On 27 August 2025, the Company issued 634,304 Ordinary shares to employees for nil consideration as a short-term incentive. These securities are subject to a 3-year on-sale restriction.

On 29 August 2025, the Company issued 1,260,489 Performance rights to senior management of the company under the Employee Share Plan approved by shareholders at the 2023 Annual General Meeting.

There were no other significant changes in the state of affairs of the Company during the financial year.

Financial position and results

The loss for the Company after providing for income tax amounted to $2,717,000 (30 June 2025: $8,063,000).

The Company's net operating cash inflow for the year was $1.071 million (30 June 2025: $6.3 million outflow) and reported closing cash balance was $2,515 at 30 June 2026 (30 June 2025: $0.5 million). On 23 January 2025, the Company secured an asset based loan facility of $20 million from Scottish Pacific Business Finance Pty Ltd, with a minimum drawdown of $10 million. The ScotPac loan is secured by mortgage over the Company's land, buildings, selected plant and equipment and debtors. These cash reserves and debt facility are available to support the Company's execution of strategies and projects and to extend production and manufacturing capabilities.

Review of operations

IDT Australia Limited reported a significantly improved loss result for the financial year 2026 (FY26) and is on track to deliver positive operating earnings in the current financial year.

This outcome is driven by IDT's strategic reset with earnings before interest, tax, depreciation and amortisation (EBITDA) improving 85.1% year-on-year (YoY) to ($922k) and ordinary revenue from IDT's three business verticals increasing 6.3% YoY to $20.4 million.

Business Vertical	FY2026 Revenue $'M	FY2025 Revenue $'M	Increase %
Active Pharmaceutical Ingredient	6.9	4.8	44%
Advanced Therapies	7.7	10.5	(27%)
Speciality Orals	5.8	3.9	49%
TOTAL	20.4	19.2	

Business Vertical	FY2026 Revenue $'M	FY2025 Revenue $'M	Increase %
Australia	15,651	15,292	2%
Asia	278	119	134%
Europe	1,366	45	2936%
USA	3,062	3,761	(19%)
TOTAL	20,357	19,217	

Strong local and international demand for IDT's world-class facilities and end-to-end drug manufacturing services, combined with a $0.5 million uplift to the annualised cost-savings target (now $2.5 million), contributed to the significantly reduced earnings loss in FY26.

Performance of Verticals
One of the key objectives of the strategic realignment is to prioritise profitability and to better capitalise on the operating leverage potential of the business.

Part of this strategy is to position the Active Pharmaceutical Ingredient (API) Manufacturing business as the foundation of growth for the group. This vertical posted a 44% YoY increase to its FY26 revenue to $6.9 million.

The API business focuses on small molecule API manufacturing, dealing with complex and high-potency chemistry. This is the legacy business and a core competency of IDT, with work from this vertical often leading to contracts for its other two verticals.

Meanwhile, the Solid Oral Manufacturing vertical recorded a 49% YoY jump in full year revenue to $5.8 million. This business is successfully capitalising on opportunities in radiopharmaceuticals as it continues to service the demand for medicinal cannabis and psychedelic drugs.

The Sterile Manufacturing (Advanced Therapies) vertical delivered full year revenue of $7.7 million, a 27% YoY decline. This largely reflects the timing of contracts, not underlying demand, and the outlook for this business is very strong.

Based on IDT's current pipeline of potential work, growing global demand for mRNA drugs and Sanofi designating IDT as its "Preferred Vendor" , the Company expects the Sterile Manufacturing vertical to be a key growth driver for the group.

Operational Momentum and Positive Outlook
IDT enters this financial year with strong commercial momentum with the Company expecting to deliver a positive EBITDA in FY27, backed by a growing global client base and increasing demand for its specialist CDMO capabilities.

The Company's forward outlook is underpinned by its three-year aspiration to achieve $50 million in annual revenue by FY29, supported by:

- Expansion of existing strategic accounts across Australia, the US, Europe, and APAC.
- Investments in a new sterile line and upgrade of solid oral capabilities to strengthen IDT's global leadership and competitive advantage (details below).
- New customer acquisition initiatives targeting high-growth biotech clusters.
- Increased market visibility through targeted conferences and in-market engagement.

Continuous improvement and High-Tech Investment Supporting Growth
IDT approved a $7.3 million capital investment program to significantly expand its sterile and solid oral dose manufacturing capabilities.

Funded entirely from IDT's balance sheet, this program includes the acquisition of world-leading high tech manufacturing equipment, enabling IDT to pursue high-value opportunities in markets with strong growing demand that is already outpacing supply.

The new investment will enable IDT to produce sterile pre-filled syringes and cartridges on a commercial scale for antibody drug conjugates (ADCs), biologics, biosimilars, mRNA vaccines, and specialty injectables.

These are segments where global CDMO capacity is severely limited and pricing power is significant.

Additionally, IDT will upgrade its solid oral equipment to strengthen its tablet press, coating, and bottle line capabilities. This expanded throughput will enable IDT to compete for a wider range of oral solid dose manufacturing contracts, including complex modified-release and fixed-dose combination products.

The Company also continues to invest in digitisation of its workflows, such as through the use of a digital quality management system (eQMS) and the rollout of an electronic batch record system. The digitisation initiatives not only bolster IDT's compliance, traceability, and operational agility, but also delivers cost efficiencies.

Industry Recognition
IDT Australia was honoured as a winner at the Asia-Pacific RNA Excellence Awards 2026 in Singapore, which was presented by IMAPAC on 30 June 2026. The Company was the recipient of the:

- Overall RNA Manufacturing Excellence Award
- Best Emerging RNA CDMO Award

These awards recognise the expertise, innovation, and dedication of IDT's team in advancing RNA research, development, and manufacturing. Together with global clients and partners, IDT is helping shape the future of RNA therapeutics by delivering high-quality manufacturing solutions that accelerate innovation and improve patient outcomes.

Material Business Risks to Strategy and Financial Performance in Future Periods
The Company has identified a number of material risks that may affect the success of the business over the coming periods, including some that are not directly within its control. The Company's risk management approach involves the ongoing assessment, monitoring and reporting of risks that could impede the Company's progress in delivering its strategic priorities. These risks are outlined below, although it is important to note that as IDT Australia's business continues to grow and evolve, these risks and the Company's risk profile may change.

Customer acquisition and retention
Continued growth in revenue and profitability of the Company depends on a number of factors, including its ability to attract new customers on a sufficiently profitable basis, and retaining and increasing revenue from existing customers. Revenue growth is particularly dependent on the Company's reputation and ability to offer specialised expertise and manufacturing capabilities, on top of the provision of consistently high-quality customer service. The company remains focused on our core expertise and brand while expanding into new novel modes of manufacture to building onto our capability and experience.

Regulatory changes and compliance risks
IDT Australia operates in a highly regulated industry. The laws and regulations that govern the development, manufacture, distribution and sale of medicines are subject to constant review by governments and responsible authorities. Any change to the rules for the industry may have a positive or negative effect on the Company. Additionally, IDT Australia is subject to ongoing regulatory audits to maintain its GMP certification. Should the Company fail to pass any of these audits, it may lose its certification, which will have a material negative impact on its business.

Competition
The industry that IDT Australia operates in is subject to competitive pressures, both domestically and internationally. These competitors may have different cost structures and capabilities, which may provide them a competitive advantage over IDT Australia. Further, some of IDT Australia's offshore competitors may not be subject to the same rules and regulations that the Company is required to operate under. Depending on the circumstances, this may put IDT Australia at a significant disadvantage or advantage. Other competitive risks faced by the Company include price competition, competitor marketing campaigns, and mergers or acquisitions by competitors and possible new entrants to the Company's industry. The risks may have a negative impact on IDT Australia's growth and financial performance. The company continues to observe competitive market trends and responds as appropriate without being distracted from our core business.

Changes in technology
The Company operates in an industry in which technology evolves rapidly with medical advances. This means treatment preferences and trends are also constantly changing, and this could impact on customer demands for IDT Australia's offerings. To maintain its growth, the Company has to ensure it remains at the cutting edge of drug manufacturing technologies and its ability to do so may be constrained by factors including its available capacity, resources and capital to invest in innovation and design. This may adversely impact on the Company's financial performance.

Cyber security risks
IDT Australia retains a significant amount of sensitive customer and third-party information. These parties have high expectations regarding the protection of their information. Additionally, the legal and regulatory environment surrounding information security and privacy is increasingly complex and demanding. Failures or breaches of data protection systems can result in reputational damage, regulatory impositions and financial loss, including claims for compensation by customers or penalties by telecommunications regulators or other authorities. While IDT Australia exercises due care in protecting customer data, it is possible that these measures will not be enough to prevent unauthorised access to its systems and technologies. The company continues to work with our IT service provider to mitigate such risks by adapting to changing technologies to prevent cyber security risks.

Loss of key personnel
The Company's ability to be productive, profitable and competitive, and to implement its growth strategy, depends on the continued employment and performance of senior executives and management. IDT Australia's performance also depends on its ability to attract and retain skilled workers with the relevant industry and technical experience. The loss of a number of key personnel or the inability to attract additional personnel may have an adverse impact on its financial and operating performance. By proactively addressing the risk of losing key personnel through mitigation strategies, including employer brand building initiatives, building alliances with local universities, succession planning and knowledge management, the company aims to minimise disruptions, maintain continuity, and ensure sustained performance and growth.

Access to capital and debt
IDT Australia's ability to fund future growth and profitability may be affected by its ability to access funding from equity investors, credit markets and other financial institutions. This access is dependent on several factors, such as the Company's financial performance, but may also include factors that are outside its control, such as general economic and financial conditions. There is a risk that the Company may be unable to access debt or equity funding when required on favourable terms, or at all.

Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

Company performance
The table below sets out summary information about the Company's earnings and movements in shareholder wealth for the five years ended 30 June 2026.

	2026 $000	2025 $000	2024 $000	2023 $000	2022 $000
Revenue	20,534	19,861	14,121	7,032	12,130
Net loss before tax	(2,717)	(8,063)	(6,075)	(9,776)	(1,876)
Net loss after tax	(2,717)	(8,063)	(5,413)	(8,498)	(1,160)
Share price at start of year	$0.09	$0.11	$0.07	$0.12	$0.33
Share price at end of year	$0.03	$0.09	$0.11	$0.07	$0.12
Final dividend	-	-	-	-	-
Basic loss per share	(0.7c)	(1.7c)	(1.6c)	(3.5c)	(0.5c)
Diluted earnings per share	(0.7c)	(1.7c)	(1.6c)	(3.5c)	(0.5c)
# Shares on issue, 30 June	427,261,574	429,677,870	351,479,469	304,583,397	241,021,797
Market capitalisation, 30 June	$14.10m	$38.24m	$38.66m	$19.80m	$27.72m

Likely developments and expected results of operations
Information on likely developments in the operations of the Company and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the Company.

Environmental regulation
The Company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Proceedings on behalf of the Company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Indemnity and insurance of officers
The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor
The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Non-audit services
Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 30 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 30 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

Auditor

RSM Australia Partners continues in office in accordance with section 327 of the Corporations Act 2001.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the Company, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:
- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Remuneration and Nomination Committee is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the Company depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

The Remuneration and Nomination Committee has engaged external remuneration consultants to structure an executive remuneration framework from FY2024 onwards.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:
- having economic profit as a core component of plan design
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracting and retaining high calibre executives

Additionally, the reward framework should seek to enhance executives' interests by:
- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors' remuneration

IDT has a small and focussed Board which works closely with Executive management. Fees and payments to Directors reflect the demands made on, and the responsibilities of, the Directors. Directors' fees are reviewed annually by the Remuneration and Nomination Committee, considering comparative remuneration data for the industry and size of the Company to attract Directors with relevant expertise in our industry as well as Australian capital markets.

The Non-Executive Directors' annual base fee for the year ended 30 June 2026 was $80,850, inclusive of superannuation contributions, as required under the Australian superannuation guarantee legislation. Total Non-Executive Directors' fees are determined within an aggregate Directors' fee pool limit, periodically referred for approval by shareholders. The current maximum aggregate Directors' fee pool for Non-Executive Directors is $400,000.

Executive remuneration
The Executive Chairman’s annual base fee for the year ended 30 June 2026 was $344,564.

The Company aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:
- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Remuneration and Nomination Committee based on individual and business unit performance, the overall performance of the Company and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the Company and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI's') being achieved. KPI's include profit contribution, customer satisfaction, leadership contribution and product management.

The performance targets are set and approved by the Board at the beginning of the year. These targets include meeting set key objectives at the beginning of the year and individual achievement are measured against the target.

Performance Rights are awarded to executives over a period of three years based on long-term incentive measures. These include increase in shareholder value relative to the entire market and the increase compared to the Company's direct competitors. The Remuneration and Nomination Committee reviewed the long-term equity-linked performance incentives specifically for executives during the year ended 30 June 2026.

Entity performance and link to remuneration
Remuneration for certain individuals is directly linked to the performance of the Company. A portion of cash bonus and incentive payments are dependent on defined earnings per share targets being met. The remaining portion of the cash bonus and incentive payments are at the discretion of the Remuneration and Nomination Committee. Refer to the section Company performance above in the Directors report for details of the earnings and total shareholders return for the last five years.

An agreed set of protocols were put in place to ensure that the remuneration recommendations would be free from undue influence from key management personnel. These protocols include requiring that the consultant not communicate with affected key management personnel without a member of the Remuneration and Nomination Committee being present, and that the consultant not provide any information relating to the outcome of the engagement with the affected key management personnel. The Board is also required to make inquiries of the consultant's processes at the conclusion of the engagement to ensure that they are satisfied that any recommendations made have been free from undue influence. The Board is satisfied that these protocols were followed and as such there was no undue influence.

Service agreements
Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements for the C-suite KMP are as follows:

Name:	Jimmy Sosic
Title:	Chief Operating Officer
Agreement commenced:	12 October 2023
Term of agreement:	Permanent
Details:	Base salary for the year ending 30 June 2026 of $255,852 plus superannuation to be reviewed annually by the Remuneration and Nomination Committee. 3 Month termination notice by either party, potential STI 20% and LTI $80,000 as per Remuneration and Nomination Committee approval and KPI achievement.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Details of remuneration

Amounts of remuneration

Details of the remuneration of key management personnel of the Company are set out in the following tables.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
	Cash salary and fees	Cash bonus	Non-monetary	Super-annuation	Long service leave	Shares granted as compensation	Total
2026	$	$	$	$	$	$	$
Executive Directors:							
M. Simari, Executive Chairman	344,564	-	-	-	-	-	344,564
Non-executive Directors	-	-	-	-	-	-	-
J Ryan	72,187	-	-	8,663	-	-	80,850
G Sam	80,850	-	-	-	-	-	80,850
Other Key Management Personnel:							
P McDonald, Chief Executive Officer[1]	81,253	-	-	8,408	-	(222,235)	(132,574)
J Sosic, Chief Operations Officer	255,852	-	360	30,702	13,150	17,800	317,864
Mr Vasanthakumar, Chief Financial Officer[2]	71,526	-	60	4,388	-	7,850	83,824
P Coutts, Head of People & Safety	195,000	-	360	23,400	8,887	16,950	244,597
R Caunce, Director - Quality	220,000	-	360	26,400	4,646	-	251,406
M Thompson, Director of Commercial & Business	220,000	-	360	26,400	4,583	-	251,343
N R M Perera, Head of Finance[3]	186,569	-	330	22,388	3,071	-	212,358
Total key management personnel compensation	1,727,801	-	1,830	150,749	34,337	(179,635)	1,735,082

[1]Mr McDonald resigned as the CEO on 7 August 2025
[2]Mr Vasanthakumar resigned as the Chief Financial Officer on 29 August 2025
[3]Mr Perera was appointed as Head of Finance on 29 July 2025

Short-term incentive bonuses were paid on 15 August 2026 for performance in the FY26 financial year.

Where share-based payments represent a net credit for the period, it is primarily due to the reversal of previously recognised expenses relating to unvested Performance Rights and option-related loan shares forfeited upon employee departures.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
	Cash salary and fees	Cash bonus	Non-monetary	Super-annuation	Long service leave	Shares granted as compensation	Total
2025	$	$	$	$	$	$	$
Non-Executive Directors:							
M. Simari, Chair	130,000	-	-	-	-	-	130,000
J Ryan	68,036	-	-	7,824	-	-	75,860
G Sam	68,697	-	-	7,162	-	-	75,859
Other Key Management Personnel:							
P McDonald, Chief Executive Officer[1]	324,360	30,000	-	47,135	28,482	-	429,977
Mr Vasanthakumar, Chief Financial Officer	219,420	10,000	360	26,383	10,072	-	266,235
P Thiyageas, Quality Director[2]	128,205	14,680	240	16,390	-	-	159,515
J Sosic, Chief Operations Officer	248,400	15,000	360	30,291	8,627	-	302,678
R Caunce, Director - Quality[4]	60,480	-	120	6,955	980	-	68,535
A Thompson, Director of Commercial & Business[5]	55,000	-	90	6,325	917	-	62,332
M Flanders, Director of Commercial & Business Development[3]	30,270	14,210	60	5,115	-	-	49,655
P Coutts, Head of People & Safety	177,650	10,200	360	21,603	5,136	-	214,949
Total key management personnel compensation	1,510,518	94,090	1,590	175,183	54,214	-	1,835,595

[1] Mr McDonald resigned as the CEO on 7 August 2025
[2] Ms Thiyageas was Director, Quality until 28 February 2025
[3] Mr Flanders was Director, Commercial & Business Development until 19 March 2025
[4] Mr Caunce was appointed Director, Quality on 11 March 2025
[5] Mr Thompson was appointed Director, Commercial and Business Development on 1 April 2025

Short-term incentive bonuses were paid on 14 August 2024 for performance in the FY24 financial year.

Summary of the total incentives paid in relation to achievement of objectives established at the beginning of the previous financial year:

	Potential of fixed remuneration		Achievement of objectives set at the start of the year	
Name	2026	2025	2026	2025
P McDonald[1]	-	50.00%	-	-
J Sosic	20.00%	20.00%	49.00%	-
M Vasanthakumar[2]	-	20.00%	-	-
P Coutts	20.00%	20.00%	46.00%	-
R Caunce	20.00%	20.00%	52.00%	-
M Thompson	20.00%	-	52.00%	-
N R M Perera[3]	20.00%	-	49.00%	-

[1]Mr McDonald resigned as the CEO on 7 August 2025
[2]Mr Vasanthakumar resigned as the Chief Financial Officer on 29 August 2025
[3]Mr Perera was appointed as Head of Finance on 29 July 2025

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the Company held during the financial year by each director and other members of key management personnel of the Company, including their personally related parties, are set out below:

2026	Balance at the start of the year	Shares issued to employees	Other changes during the year	Disposals/ other	Balance at the end of the year
Ordinary shares					
Executive Directors					
M Simari	585,976	-	826,936	-	1,412,912
Non-executive Directors	-	-	-	-	-
J Ryan	79,366	-	-	-	79,366
G Sam	1,302,169	-	712,734	-	2,014,903
Other key management personnel	-	-	-	-	-
P McDonald[1]	3,216,044	-	-	(2,155,000)	1,061,044
J Sosic	322,580	-	-	158,285	480,865
M Vasanthakumar	1,442,436	348,400	-	-	1,790,836
M Flanders	861,000	-	-	(861,000)	-
Total Holdings	7,809,571	348,400	1,539,670	(2,857,715)	6,839,926

[1]The closing balance of Mr P McDonalds as at 3 November 2025, being the date on which his loan-funded shares were cancelled following his departure from the company on 7 August 2025.

2026 KMP Performance Rights[1]	Performance Rights	Grant Date	Price	Vesting Date	Granted
M Vasanthakumar[2]	Performance Rights	01/07/2025	$0.067	30/09/2026	131,343
J Sosic	Performance Rights	01/07/2025	$0.067	30/09/2026	131,343
P Coutts	Performance Rights	01/07/2025	$0.067	30/09/2026	98,507
					361,193

[1]On 13 July 2025, the Board approved the issue of Performance Rights to KMP as a second tranche to the FY24 performance shares
[2]M Vasanthakumar Retired on 29/08/2025 and his shares were vested on 31/08/2025 by special approval of the Board

2026 KMP Performance Rights[1]	Performance Rights	Grant Date	Price	Vesting Date	Granted
M Vasanthakumar[2]	Performance Rights	01/07/2025	$0.067	30/09/2027	131,343
J Sosic	Performance Rights	01/07/2025	$0.067	30/09/2027	131,343
M Thompson	Performance Rights	01/07/2025	$0.067	30/09/2027	14,925
R Caunce	Performance Rights	01/07/2025	$0.067	30/09/2027	14,925
P Coutts	Performance Rights	01/07/2025	$0.067	30/09/2027	98,507
					391,043

[1]On 13 July 2025, the Board approved the issue of Performance Rights to KMP as a first tranche for the performance in FY25
[2]M Vasanthakumar Retired on 29/08/2025 and his shares were vested on 31/08/2025 by special approval of the Board

2025	Balance at the start of the year	Shares issued to employees	Other changes during the year	Disposals/ other	Balance at the end of the year
Ordinary shares					
Non-executive Directors					
M Simari	585,976	-	-	-	585,976
J Ryan	79,366	-	-	-	79,366
G Sam	1,053,537	-	248,632	-	1,302,169
Other key management personnel	-	-	-	-	-
P McDonald	3,090,291	-	125,753	-	3,216,044
J Sosic	322,580	-	-	-	322,580
M Vasanthakumar	1,442,436	-	-	-	1,442,436
P Thiyageas	861,000	-	-	(861,000)	-
M Flanders	861,000	-	-	-	861,000
Total Holdings	8,296,186	-	374,385	(861,000)	7,809,571

2025 KMP Performance Rights	Performance Rights	Grant Date	Price	Vesting Date	Granted
P McDonald	Performance Rights	01/07/2024	$0.105	30/09/2026	142,857
M Vasanthakumar	Performance Rights	01/07/2024	$0.105	30/09/2026	85,714
J Sosic	Performance Rights	01/07/2024	$0.105	30/09/2026	85,714
P Thiyageas	Performance Rights	01/07/2024	$0.105	30/09/2026	131,428
P Coutts	Performance Rights	01/07/2024	$0.105	30/09/2026	98,571
					544,284

Option holding

The number of options over ordinary shares in the Company held during the financial year by each director and other members of key management personnel of the Company, including their personally related parties, is set out below:

2026 Director Options[1]	Grant Type	Grant Date	Exercise Price	Vesting Date	Granted	Expiry Date	Comments
M Simari	Unlisted options	07/08/2023	$0.10	07/08/2023	2,000,000	07/08/2026	Approved Director Options
J Ryan	Unlisted options	07/08/2023	$0.10	07/08/2023	1,000,000	07/08/2026	Approved Director Options
G Sam	Unlisted options	07/08/2023	$0.10	07/08/2023	1,000,000	07/08/2026	Approved Director Options
M Simari	Unlisted options	07/08/2023	$0.15	07/08/2023	2,000,000	07/08/2026	Approved Director Options
J Ryan	Unlisted options	07/08/2023	$0.15	07/08/2023	1,000,000	07/08/2026	Approved Director Options
G Sam	Unlisted options	07/08/2023	$0.15	07/08/2023	1,000,000	07/08/2026	Approved Director Options
M Simari	Unlisted options	07/08/2023	$0.20	07/08/2023	2,000,000	07/08/2026	Approved Director Options
J Ryan	Unlisted options	07/08/2023	$0.20	07/08/2023	1,000,000	07/08/2026	Approved Director Options
G Sam	Unlisted options	07/08/2023	$0.20	07/08/2023	1,000,000	07/08/2026	Approved Director Options
					12,000,000		

[1]On 1 August 2023, at the Extraordinary General Meeting of the shareholders, the director options were approved by the shareholders: Mark Simari 6,000,000 shares, Jane Ryan 3,000,000 shares and Geoff Sam 3,000,000 shares.

Options have expired on 7 August 2026 and the Directors do not hold any options as at the date of this annual report.

This concludes the remuneration report, which has been audited.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

____

Mark Simari
Executive Chairman

20 August 2026

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of IDT Australia Limited for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM

RSM AUSTRALIA PARTNERS

A L Whittingham

A L WHITTINGHAM
Partner

Dated: 20 August 2026
Melbourne, Victoria

	Note	2026 $000	2025 $000
Revenue			
Sales revenue	4	20,357	19,217
Other income	5	177	644
Total revenue and other income		20,534	19,861
Expenses	6		
Raw materials and consumables used		(4,448)	(6,119)
Employee benefits expense		(10,711)	(12,185)
Depreciation and amortisation expense		(903)	(861)
Gain on disposal of assets		5	-
Bad debt write-off	11	(5)	(1,226)
Professional fees		(391)	(608)
Utilities and Maintenance expenses		(3,716)	(3,953)
Insurance expenses		(1,231)	(1,278)
Finance costs		(1,253)	(759)
Other expenses		(598)	(935)
Total expenses		(23,251)	(27,924)
Loss before income tax expense		(2,717)	(8,063)
Income tax expense	7	-	-
Loss after income tax expense for the year attributable to the owners of IDT Australia Limited	25	(2,717)	(8,063)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year attributable to the owners of IDT Australia Limited		(2,717)	(8,063)
		Cents	Cents
Basic loss per share	9	(0.67)	(1.89)
Diluted loss per share	9	(0.67)	(1.89)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

	Note	2026 $000	2025 $000
Assets			
Current assets			
Cash and cash equivalents	10	2,515	503
Trade and other receivables	11	7,101	6,670
Contract assets	12	645	1,407
Other financial assets	13	100	3,603
Inventories	14	2,629	3,026
R&D tax incentive receivable	15	-	309
Total current assets		12,990	15,518
Non-current assets			
Property, plant and equipment	17	21,813	21,402
Other non-current assets	16	87	-
Total non-current assets		21,900	21,402
Total assets		34,890	36,920
Liabilities			
Current liabilities			
Trade and other payables	18	1,520	1,403
Contract liabilities	20	2,638	2,344
Borrowings	19	738	816
Employee benefits	21	674	722
Total current liabilities		5,570	5,285
Non-current liabilities			
Borrowings	19	10,087	9,589
Employee benefits	21	194	159
Total non-current liabilities		10,281	9,748
Total liabilities		15,851	15,033
Net assets		19,039	21,887
Equity			
Issued capital	22	64,188	64,188
Reserves	24	12,605	12,736
Accumulated losses	25	(57,754)	(55,037)
Total equity		19,039	21,887

The above statement of financial position should be read in conjunction with the accompanying notes

	Contributed Equity $000	Asset Revaluation Reserve $000	Share based Payment Reserve $000	Accumulated Losses $000	Total equity $000
Balance at 1 July 2024	57,700	8,341	4,374	(46,974)	23,441
Loss after income tax expense for the year	-	-	-	(8,063)	(8,063)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(8,063)	(8,063)
Transactions with owners in their capacity as owners:					
Issuance of fully paid ordinary shares (note 22)	7,030	-	-	-	7,030
Share based payment expense (note 23)	-	-	21	-	21
Costs of raising Capital (note 22)	(542)	-	-	-	(542)
Balance at 30 June 2025	64,188	8,341	4,395	(55,037)	21,887

	Contributed Equity $000	Asset Revaluation Reserve $000	Share based Payment Reserve $000	Accumulated Losses $000	Total equity $000
Balance at 1 July 2025	64,188	8,341	4,395	(55,037)	21,887
Loss after income tax expense for the year	-	-	-	(2,717)	(2,717)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(2,717)	(2,717)
Transactions with owners in their capacity as owners:					
Share based payment expense (note 23)	-	-	(131)	-	(131)
Balance at 30 June 2026	64,188	8,341	4,264	(57,754)	19,039

The above statement of changes in equity should be read in conjunction with the accompanying notes

	Note	2026 $000	2025 $000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		22,002	21,768
Payments to suppliers and employees (inclusive of GST)		(20,168)	(28,030)
Income tax refund received		289	490
		2,123	(5,772)
Interest received		155	93
Interest and other finance costs paid		(1,207)	(573)
Net cash from / (used in) operating activities	26	1,071	(6,252)
Cash flows from investing activities			
Proceeds from / (payments for) investments in term deposits		3,503	(3,203)
Payments for property, plant and equipment		(1,314)	(1,300)
Net cash from/(used in) investing activities		2,189	(4,503)
Cash flows from financing activities			
Proceeds (net of costs) from issue of equity		60	6,653
Proceeds from borrowings		-	10,225
Repayment of borrowings		(1,308)	(6,124)
Net cash (used in)/from financing activities		(1,248)	10,754
Net increase / (decrease) in cash and cash equivalents		2,012	(1)
Cash and cash equivalents at the beginning of the financial year		503	504
Cash and cash equivalents at the end of the financial year	10	2,515	503

Note 1. Material accounting policy information

The material accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 Statement of Compliance

These financial statements are general purpose financial statements prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations, and comply with International Financial Reporting Standards and other requirements of the law.

For the purposes of preparing the financial statements, the Company is a for-profit entity.

1.2 Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

All amounts are presented in Australian dollars unless otherwise noted.

1.3 Impairment of Non-Current Assets

For all except goodwill and indefinite life intangibles, non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is based on the market capitalisation of the company.

1.4 New or amended Accounting Standards and Interpretations adopted

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Boards ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not mandatory have not yet been adopted.

AASB 18 Presentation and Disclosure in Financial Statements (effective for the Company from 1 July 2027) replaces AASB 101 and will change the presentation and disclosure of the financial statements, including the structure of the statement of profit or loss. It will not affect recognition, measurement or reported net profit. The Company has not early adopted AASB 18 and no other Standard issued but not yet effective is expected to have a material impact.

1.5 Foreign Currency Translation

Transactions in currencies other than the Company's functional currency are recognised at the rates of exchange prevailing at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date.

Foreign exchange gains and losses resulting from settlement of such transactions and translation at period end exchange rates of foreign currency monetary assets and liabilities are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Note 1. Material accounting policy information (continued)

1.6 Rounding of Amounts
The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183, relating to the "rounding off" of amounts in the financial statements. Amounts have been rounded off in accordance with that Instrument to the nearest thousand dollars, or in certain cases, to the nearest dollar.

1.7 Reclassification of Contract Assets
The Company classifies billable work-in-progress not yet invoiced as Contract Assets. The amount at 30 June 2026 is $0.65m (2025: $1.4m) and has been restated from Inventory to Contract Assets in the Statement of Financial Position. This does not impact on the Profit or Cash flows.

1.8 Revenue recognition
The company recognises revenue as follows:

Revenue from contracts with customers arises mainly from development and manufacturing of Active Pharmaceutical Ingredients (API), formulation and manufacture of Speciality Orals (medicinal cannabis) and Advanced Therapies, in Finished Dose Forms (FDF) as well as provision of Research & Development services. To determine whether to recognise revenue, the Company follows a 5-step process:

(1) Identifying the contract with a customer
(2) Identifying the performance obligations
(3) Determining the transaction price
(4) Allocating the transaction price to the performance obligations
(5) Recognising revenue when/as performance obligations are satisfied.

Revenue is recognised either at a point in time or over time, when the Company satisfies performance obligations by transferring the promised goods or services to its customers.

The Company recognises contract liabilities for consideration received in respect to unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Company satisfies a performance obligation before it receives the consideration, the Company recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

The Company has two key types of arrangements with Clients; 1) Fee for Service Revenue generated in accordance with a Scope of Works agreed with clients before project commencement and recognised over the term of the project as specific performance obligations are completed (i.e. over time), 2) Manufacturing activities, particularly manufacture of Active Pharmaceutical Ingredients, manufacture of Speciality Oral products and Advanced Therapies, conducted based on supply agreements and purchase orders received from clients. Revenue from these activities is recognised after product has been released by Quality Assurance and shipped in accordance with client instructions. Revenue from these activities is recognised as the manufacturing progresses (ie. over time).

In some instances the Company acts as an agent for the customer and incurs the cost of freight of the goods. The freight charges are on-charged to the customer and the mark up on freight charges is recognised as revenue when the transfer of goods occurs.

Other Revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Government Grants
Grants are not recognised until there is reasonable assurance that (a) the entity will comply with the attached conditions, and (b) the grant will be received.

Grants are recognised in profit or loss on a systematic basis over the periods in which the related costs they compensate are recognised.

Note 1. Material accounting policy information (continued)

R&D Tax Incentive
The entity applies the R&D Tax Incentive in accordance with AASB 120 Government Grants, recognising the benefit over the periods in which the related R&D costs are incurred. This approach ensures alignment between the recognition of grant income and the matching of associated expenditure.

1.9 Income tax
The income tax expense or benefit for the period is the tax payable / receivable on the current period's taxable income / (loss) based on the notional income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and unused tax losses.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

1.10 Cash at bank and on hand
For purposes of the statement of cash flows, cash and cash equivalents include bank deposits which are readily convertible to cash on hand and which are used in the cash management function on a day-to-day basis.

1.11 Total trade and other receivables
Trade receivables represent amounts receivable relating to the provision of goods and services pursuant to a valid purchase order or contract for product or services. Receivables are recognised at the full value receivable and do not require re-measurement because they are due for settlement within 60 days of invoice date.

The Company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

1.12 Current Tax Assets
The Company incurs eligible expenditure to support a R&D Tax Incentive Claim. The estimated amount of claim is recognised as a current tax asset and recognised and disclosed as other income in the year that the R&D was incurred.

1.13 Inventories
Inventories are valued at the lower of cost and net realisable value with the cost determined on a first-in-first-out basis. Net realisable value reflects the estimated selling price in the ordinary course of business less the estimated costs of completion and costs necessary to make the sale.

Subsequent to initial measurement, balances held in inventory are reviewed at least annually and a provision raised where future use is no longer considered probable, principally due to reasons of obsolescence or product dating.

1.14 Property, Plant and Equipment
Freehold land and buildings are shown at revalued amounts being the fair value (level 3) at date of revaluation less subsequent depreciation for buildings. The most recent fair value measurement by independent valuers was December 2024. The valuation conforms to Australian Valuation Standards and was calculated based on the fair value of the land and depreciated replacement cost of the buildings. As revaluations are performed regularly, carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period.

The revaluation increase arising on the revaluation of land and buildings is accumulated in the revaluation reserve within equity. Decreases that offset previous increases of the same asset are recognised against revaluation reserve directly in equity; all other decreases are to be recognised in profit or loss.

Plant and equipment, including Right of Use Assets, are measured at cost less accumulated depreciation and any impairment adjustments which may have been identified. The cost of non-current assets constructed or developed by the Company includes the costs of all materials used in construction, direct labour on the project and an appropriate proportion of directly attributable variable and fixed overheads.

AASB 16 Leases provides the lessee with the choice of whether to recognise short-term or low value leases on the balance sheet. Under the Company's policy, photocopiers and printers are treated as short term or low value leases, which qualify for the low value lease exemption.

Note 1. Material accounting policy information (continued)

Depreciation is recognised so as to write off the cost or valuation of assets, other than land, over their estimated useful lives, net of their residual values, using the straight-line method, as follows:

- Buildings	40 years
- Plant & Equipment	3-15 years

Estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Plant is regularly overhauled through an ongoing cyclical maintenance program. Routine operating maintenance, repair costs and minor renewals are charged as expenses as incurred.

An item of property, plant and equipment is derecognised upon disposal or where no future economic benefits are expected to arise from continued use. Any gain or loss arising on disposal or retirement is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit or loss.

1.15 Deferred Tax Assets and Liabilities

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities settled. The relevant tax rate is applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets will only be recognised for deductible temporary differences and unused tax losses if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. In addition to the above deferred tax assets recognised, the Company has further unrecognised tax losses relating to prior period tax losses.

1.16 Contract liabilities

Fee for Service Revenue generated in accordance with a Scope of Works agreed with clients before project commencement and recognised over the term of the project as specific performance obligations are completed (i.e. over time). In some cases the client may pay for services before the work is conducted and this revenue is deferred until earned.

Contractual milestones have been received in accordance with the Company's long-term distribution agreements. As such milestones relate to the performance of the contract, revenue is recognised over the term of the distribution contract.

1.17 Employee Benefits

The provision for employee entitlements represents annual leave, vested long service leave and an estimate of the future value of long service leave which has not yet vested but is expected to be payable to employees.

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they can be reliably measured.

Liabilities recognised in respect of short term employee benefits are classified as current liabilities and measured at their nominal values using the remuneration rate expected to apply at the time of settlement. Liabilities recognised in respect of long-term employee benefits are classified as non-current liabilities and measured at the present value of the estimated future outflows to be made by the Company in respect of services provided by employees up to reporting date.

1.18 Share-based Payments

Directors, Executive Management and selected staff may be offered shares in the Company at the current market value at the date of issue, funded by an interest free limited recourse loan from the Company. These limited recourse loan funded shares are measured and accounted for as options in accordance with the substance, and no asset is recognised for the loan. Grants within the framework of the Employee Share Plan (ESP) are determined by the CEO together with the Remuneration and Nomination Committee and are subject to approval by the Board.

Amounts disclosed for emoluments relating to these shares are the assessed fair values at issue date determined using the Binomial method taking into account the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the arrangement.

Note 1. Material accounting policy information (continued)

The ESP provides an annual value of up to $1,000 of shares may be issued to eligible employees for no consideration. The value of shares issued is recognised in the income statement as employee benefit costs at the time the shares are granted. Such shares may not be sold until the earlier of three years after issue or cessation of employment with the Company.

In all other respects ESP shares rank equally with other fully-paid ordinary shares on issue.

1.19 Earnings Per Share

(i) Basic Earnings per Share - Basic earnings per share is determined by dividing the profit or loss attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year.

(ii) Diluted Earnings per Share - Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Note 2. Critical accounting judgements, estimates and assumptions

Preparation of these financial statements requires the Company to make estimates and judgements that may affect the reported values of assets, liabilities, revenues and expenses. Management continually evaluates estimates and judgements based on historical experience and other factors it believes to be reasonable under the circumstances, including expectations of future events that may have a financial impact on the entity.

The following critical judgements have been made in application of the Company's accounting policies and have the most significant effect on amounts recognised in the Company’s financial statements.

Valuation of non-current assets (being property, plant and equipment and finite life intangibles assets)
The Company applies AASB 136 Impairment of Assets to test the carrying value of non-current assets and impairment. Judgement is applied to make estimates of future cash flows to support assessment of the appropriateness of the carrying value. Criteria considered include anticipated future sales prices, market size and expected share, future exchange rates and the discount rate.

In making these judgements, the Company makes reasonable and supportable assumptions to represent management's estimate of the conditions that will exist over the useful life of the asset. Amongst other factors the Company evaluates technical feasibility, the cost to complete the project, existence of an attractive commercial market, potential launch dates and sales expectations to conclude on the value of expected future economic benefits which would be expected to flow to the entity in order to calculate discounted cash flows.

Balanced estimates of these criteria have been made but key sensitivities could include more competitive market conditions which could result in higher than expected discounting required to achieve targeted market share.

At any time should the estimated value of future economic benefits relative to the asset’s carrying value be considered insufficient relative to net book value, the Company would recognise impairment in accordance with AASB 136 Impairment of Assets.

Income taxes
Deferred tax assets are recognised for deductible temporary differences and tax losses as management considers that it is probable that future taxable profits will be available to utilise those temporary differences. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Provision for impairment of inventories
The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the usage of each item, product expiry date and other factors that affect inventory obsolescence.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Share-based payments
The issuance of shares to employees are at market rates and funded by interest-free limited recourse loans to the Company. The fair values of such arrangements utilises the Binomial method and therefore includes elements of judgment and estimate in determining certain input factors such as an estimate of share price volatility. Performance rights issued to employees are valued at the Company's share price on the date of grant.

Timing of revenue recognition
A significant portion of the Company's revenue is recognised over time. For these contracts, the Company estimates the stage of completion of each performance obligation at the reporting date to determine the amount of revenue to recognise. Progress is measured using an input method - the labour incurred relative to the total estimated labour for development and service activities, and costs incurred / units produced for manufacturing activities. This requires judgement in estimating the total effort or cost to complete each obligation. Changes in these estimates directly affect the revenue recognised in the period and the carrying amount of accrued income (contract assets). Refer to note 1.8.

Allowance for expected credit losses
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience, historical collection rates and forward-looking information that is available. The allowance for expected credit losses, as disclosed in note 12, is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

Fair value measurement hierarchy
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

The consolidated entity is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Employee benefits provision

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 3. Operating segments

The Company has identified one reportable segment, that is: Development and Manufacture of Active Pharmaceutical Ingredients (API) and Finished Dose Forms (FDF). The segment details are therefore fully reflected in the body of the financial statements. Refer to note 1 for further information on the accounting policy.

Note 4. Revenue

	2026 $000	2025 $000
Service revenue recognised over time	20,357	19,217
Sale of goods transferred at a point in time	-	-
	20,357	19,217

Disaggregation of revenue

The disaggregation of revenue from contracts with customers recognised over time is as follows:

	2026 $000	2025 $000
Active Pharmaceutical Ingredients	6,859	4,792
Advanced Therapies	7,698	10,483
Speciality Orals	5,800	3,942
	20,357	19,217

Geographical regions:

	2026 $'000	2025 $'000
Australia	15,651	15,292
Asia	278	119
Europe	1,366	45
USA	3,062	3,761
	20,357	19,217

For the year ended 30 June 2026, the Company had three customers whose individual revenue exceeded 10% of the Company's total revenue. Revenue from these three customers, in aggregate, amounted to $13.52 million, representing 66.4% of the Company's total revenue for the year (Active Pharmaceutical Ingredients $2.8 million, Advanced Therapies $7.3 million, Specialty Oral $3.4 million).

Note 5. Other income

	2026 $000	2025 $000
Interest income	153	96
R&D tax incentive	(21)	238
Government grants	42	310
Other income	3	-
	177	644

Note 6. Expenses

	2026 $000	2025 $000
Loss from ordinary activities before income tax expense includes the following expenses:		
Cost of goods sold	9,026	10,751
Depreciation of property, plant and equipment	903	861
Share-based payments expense (net)	(191)	(42)
Research costs	-	710
Repairs and maintenance	748	711
Superannuation	1,010	1,163
Net foreign currency loss	23	43
Bad debt write-off	5	1,226

Note 7. Income tax expense

	2026 $000	2025 $000
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(2,717)	(8,063)
Tax at the statutory tax rate of 25%	(679)	(2,016)
Current year tax losses not recognised	804	1,475
Current year temporary differences not recognised	(654)	431
Non-deductible expenses	(39)	110
Adjustment for prior period	568	-
Income tax expense	-	-

The company income tax rate used in 2026 is 25% (2025: 25%).

Note 8. Deferred tax

As at 30 June 2026 the Company has gross carried forward tax losses amounting to $44.4m (2025: $39m) and a further $12.3m (2025: $12.3m) capital losses which have not been recognised as assets in these financial statements.

Note 9. Loss per share

	2026 $000	2025 $000
Loss after income tax attributable to the owners of IDT Australia Limited	(2,717)	(8,063)

Note 9. Loss per share (continued)

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	405,845,681	427,380,411
Weighted average number of ordinary shares used in calculating diluted earnings per share	405,845,681	427,380,411

	Cents	Cents
Basic loss per share	(0.67)	(1.89)
Diluted loss per share	(0.67)	(1.89)

At 30 June 2026 there are 33,231,243 options and performance rights on issue which have the potential to be dilutive. These have not been included in the determination of diluted earnings per share.

Note 10. Cash and cash equivalents

	2026 $000	2025 $000
Current assets		
Cash at bank and on hand	2,515	503

Note 11. Trade and other receivables

	2026 $000	2025 $000
Current assets		
Trade receivables	5,618	5,422
Less: Allowance for expected credit losses	(140)	(135)
	5,478	5,287
Other receivables	42	-
Prepayments	1,581	1,383
	7,101	6,670

Allowance for expected credit losses
The entity has recognised a loss of $140k (2025: 135k) in profit or loss in respect of the expected credit losses and has recognised a loss of $5k (2025: $1.23m) in profit or loss in respect of the bad debts written off, for the year ended 30 June 2026.

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	2026 %	2025 %	2026 $000	2025 $000	2026 $000	2025 $000
Not overdue	2.50%	2.50%	4,314	3,035	108	75
0 to 3 months overdue	2.50%	2.50%	1,055	2,309	26	58
3 to 6 months overdue	2.50%	2.50%	249	78	6	2
			5,618	5,422	140	135

Note 11. Trade and other receivables (continued)

Age of receivables which are past due:	2026 $000	2025 $000
0-30 days	5,282	4,599
30-60 days	48	608
60-90 days	39	137
90+ days	249	78
	5,618	5,422

The average collection period for invoices is 30-60 days from invoice date and interest is not charged on overdue balances.

Note 12. Contract assets

	2026 $000	2025 $000
Current assets		
Contract assets	645	1,407

Contract assets comprises billable work-in-progress not yet invoiced.

Note 13. Other financial assets

	2026 $000	2025 $000
Current assets		
Other financial assets	100	3,603

Other financial assets are composed of various term deposits. The most significant term deposits in 2025 were $2,000,000 and $1,000,000 at interest rates of 4.86% and 4.54% respectively, which matured 18 of August 2025.

Note 14. Inventories

	2026 $000	2025 $000
Current assets		
Raw Materials - at cost	2,752	3,118
Finished Goods	3	102
Less: Provision for stock obsolescence	(126)	(194)
	2,629	3,026

Note 14. Inventories (continued)

	2026 $000	2025 $000
Raw Materials - at cost		
Balance at 1 July	3,118	1,512
Purchases during the year	1,473	4,431
Inventory recognised as expense during the year	(1,839)	(2,825)
Balance at 30 June	2,752	3,118
Finished Goods	3	102
Less: Provisions	(126)	(194)
Total inventory at 30 June	2,629	3,026

Note 15. R&D tax incentive receivable

	2026 $000	2025 $000
Current assets		
R&D tax incentive receivable	-	309

Note 16. Other non-current assets

	2026 $000	2025 $000
Non-current assets		
Other non-current assets	87	-

Note 17. Property, plant and equipment

	2026 $000	2025 $000
Non-current assets		
Land (at fair value)	13,775	13,775
Buildings (at fair value)	4,086	3,700
Less: Accumulated depreciation	(336)	(217)
	17,525	17,258
Plant and equipment - at cost	29,531	28,009
Less: Accumulated depreciation	(25,373)	(24,588)
Capital works in progress	130	723
	4,288	4,144
	21,813	21,402

Note 17. Property, plant and equipment (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Capital Work in Progress $000	Freehold Land $000	Buildings $000	Plant & Equipment $000	Total $000
Balance at 1 July 2025	723	13,775	3,482	3,422	21,402
Additions	1,314	-	-	-	1,314
Transfers	(1,907)	-	386	1,521	-
Depreciation expense	-	-	(119)	(784)	(903)
Balance at 30 June 2026	130	13,775	3,749	4,159	21,813

	Capital Work in Progress $000	Freehold Land $000	Buildings $000	Plant & Equipment $000	Total $000
Balance at 1 July 2024	672	13,775	3,299	3,218	20,964
Additions	1,300	-	-	-	1,300
Revaluation increments	-	-	-	-	-
Transfers	(1,249)	-	275	974	-
Depreciation expense	-	-	(92)	(770)	(862)
Balance at 30 June 2025	723	13,775	3,482	3,422	21,402

Valuations of land and buildings
The basis of the valuation of freehold land and buildings is fair value. The freehold land and buildings were last revalued on 11 December 2024 based on independent assessments by Hymans Property a member of the Australian Property Institute having recent experience in the location and category of land and buildings being valued. The directors do not believe that there has been a material movement in fair value since the latest revaluation date. Valuations are based on current prices for similar properties in the same location and condition.

The level 3 unobservable inputs and sensitivity are as follows:

Description	Unobservable inputs	Range	Sensitivity
Land and buildings	Yield	4.95% - 6.52% range	0.5% change would result in an increase or decrease in fair (or result in impairment) value by $5,953,000
Land and buildings	Market Net Annual Income	$130 - $150 psm per annum	0.5% change would result in an increase or decrease in fair (or result in impairment) value by $3,165,000

Security for Borrowings
The bank overdraft, lease and business loan facilities are secured by the following:
-A Registered Mortgage over property situated at 39 Wadhurst Drive, Boronia
-A Registered Mortgage over property situated at 41 Wadhurst Drive, Boronia
-A Registered Mortgage over property situated at 43-49 Wadhurst Drive, Boronia
-A Registered Mortgage over property situated at 53-57 Wadhurst Drive, Boronia
-A Registered Mortgage over property situated at 68 Wadhurst Drive, Boronia

Note 18. Trade and other payables

	2026 $000	2025 $000
Current liabilities		
Trade payables	605	747
Accrued expenses	720	468
Other payables	195	188
	1,520	1,403

Refer to note 28 for further information on financial risk management.

Note 19. Borrowings

	2026 $000	2025 $000
Current liabilities		
Premium Funding	738	816
Non-current liabilities		
Bank loans	10,087	9,589

The company utilises a Premium Funding facility to pay its annual Insurance Premium. This facility has a 10 month term with an interest rate applicable of 2.75%.

On 23 January 2025, the Company secured an asset-based loan facility of $20 million from Scottish Pacific Business Finance Pty Ltd, with a minimum drawdown of $10 million. The ScotPac loan is secured by mortgage over the Company's land, buildings, selected plant and equipment and debtors. The NAB loan facility was cancelled on 23 January 2025.

Assets pledged as security
The loan is secured by mortgages over the Company's land, buildings and term deposit.

Financing arrangements
Unrestricted access was available at the reporting date to the following lines of credit:

	2026 $000	2025 $000
Total facilities	17,208	19,234
Used at the reporting date	10,087	10,084
Unused at the reporting date	7,121	9,153

Note 20. Contract liabilities

	2026 $000	2025 $000
Current liabilities		
Contract liabilities - customer paid inventory	2,070	2,271
Customer deposits	568	73
	2,638	2,344

Note 20. Contract liabilities (continued)

Reconciliation
The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied at the end of the reporting period was $2,070,000 as at 30 June 2026 ($2,271,000 as at 30 June 2025) and is expected to be recognised as revenue in future periods as follows:

Reconciliation of the written down value at the beginning and end of the current and previous financial year are set out below:

	2026 $000	2025 $000
Opening Balance	2,271	332
Payments received in advance	1,681	3,992
Transfer to revenue - performance obligations satisfied	(1,882)	(2,053)
Ending Balance	2,070	2,271

Unsatisfied performance obligations
The 30 June 2026 balance of $2,070,000 ($2,271,000 as at 30 June 2025) represents customer paid inventory on hand and this will be recognised as revenue as and when consumed.

	2026 $000	2025 $000
Within 6 months	1,241	1,362
6 to 12 months	829	909
12 to 18 months	-	-
	2,070	2,271

Note 21. Employee benefits

	2026 $000	2025 $000
Current liabilities		
Employee entitlements	674	722
Non-current liabilities		
Employee entitlements	194	159

Note 22. Issued capital

	2026 Shares	2025 Shares	2026 $000	2025 $000
Ordinary shares - fully paid	427,261,574	429,677,870	64,188	64,188

Note 22. Issued capital (continued)

The following movements in ordinary shares were recorded during the past two years are as follows:

	30 June 2026 Shares	30 June 2025 Shares	30 June 2026 $000	30 June 2025 $000
Balance brought forward as at 1 July	429,677,870	351,479,469	64,188	57,700
Issuance of fully paid ordinary shares	-	78,108,255	-	7,030
Cost of raising capital	-	-	-	(542)
Employee share plan issues	982,704	254,146	-	-
Forfeited employee shares	(3,399,000)	(164,000)	-	-
	427,261,574	429,677,870	64,188	64,188

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Note 23. Share-based payments

The Company has established an Employee Share Plan (ESP), which was approved by shareholders at a general meeting. Under the ESP, the Board may, at its discretion, grant options or performance rights over ordinary shares in the Company to eligible employees and key management personnel. Awards are granted for nil consideration and are subject to the terms and performance conditions determined by the Board.

The ESP was refreshed at the Annual General Meeting held on 23 November 2023.

During the year ended 30 June 2026, the Company issued 634,304 Ordinary Shares on 27 August 2025 to employees for nil consideration as short term incentive utilising the company's LR7. Placement Capacity (2025: 254,146). On 5 September 2025, the Company issued 348,400 Ordinary Shares to the former CFO, following exercise of his Performance Rights

On 29 August 2025, the Company issued 1,260,489 (2025: 891,107) Performance Rights (262,686 vesting immediately, 459,695 vesting on 30 September 2026 and 538,108 vesting on 30 September 2027).

Total expenses arising from share-based payment transactions recognised during the period as part of employee benefit expenses were as follows:

	2026 $000	2025 $000
Net value of shares issued/(forfeited) under employee share plan	(131)	21

Movement in number of shares under Employee Share Plan	2026 Number	2025 Number
Opening balance	5,600,388	7,180,388
Employee Share Plan granted during the year	634,304	254,146
Forfeited during the year	(3,399,000)	(164,000)
Loan Settlement during the year	(967,740)	(1,025,000)
Employee Free Share vested during the year	(328,922)	(645,146)
	1,539,030	5,600,388

Note 23. Share-based payments (continued)

Set out below are summaries of options granted under the plan:

2026

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
23/02/2021	22/02/2026	$0.210	385,000	-	-	(385,000)	-
03/03/2022	02/03/2027	$0.200	300,000	-	-	(300,000)	-
09/03/2023	08/03/2028	$0.061	3,042,000	-	-	(2,714,000)	328,000
19/09/2023	18/09/2028	$0.062	1,290,320	-	(967,740)	-	322,580
			5,017,320	-	(967,740)	(3,399,000)	650,580
Weighted average exercise price			$0.081	$0.000	$0.062	$0.090	$0.061

The weighted average remaining contractual life of options outstanding at the end of the financial year was 1.95 years. (2025:2.61 years)

The fair value of options granted on 23 February 2021, 3 March 2022 and 9 March 2023 is estimated using Black Scholes option-pricing model.

The fair value of options granted on 19 September 2023 is estimated using Hoadley option-pricing model.

The fair value of Performance Rights granted on 1 July 2024 and 1 July 2025 was determined by reference to the market price of the Company's ordinary shares on the respective grant dates, as the rights have no exercise price and are subject only to non-market vesting conditions.

Grant Date	Award Type	Share Price	Exercise Price	Fair Value	Valuation Method
23/02/2021	Option	$0.210	$0.210	$0.210	Black-Scholes
03/03/2022	Option	$0.200	$0.200	$0.200	Black-Scholes
09/03/2023	Option	$0.061	$0.061	$0.061	Black-Scholes
19/09/2023	Option	$0.062	$0.062	$0.062	Hoadley Binomial
01/07/2024	Performance Right	$0.105	$0.000	$0.105	Share price at grant date
01/07/2025	Performance Right	$0.067	$0.000	$0.067	Share price at grant date

Note 24. Reserves

	2026 $000	2025 $000
Asset revaluation reserve	8,341	8,341
Share-based payments reserve	4,264	4,395
	12,605	12,736

Asset revaluation reserve
The reserve is used to recognise increments and decrements in the fair value of land and buildings, excluding investment properties.

Share-based payments reserve
The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Note 25. Accumulated losses

	2026 $000	2025 $000
Accumulated losses at the beginning of the financial year	(55,037)	(46,974)
Loss after income tax expense for the year	(2,717)	(8,063)
Accumulated losses at the end of the financial year	(57,754)	(55,037)

Note 26. Reconciliation of loss after income tax to net cash (used in)/from operating activities

	2026 $000	2025 $000
Loss after income tax expense for the year	(2,717)	(8,063)
Adjustments for:		
Depreciation and amortisation	903	860
Share-based payments	(191)	(42)
Bad debt write-off	5	1,226
Loan establishment fees	-	206
Gain on disposal of fixed assets	(5)	-
Insurance and other finance costs	1,473	-
Change in operating assets and liabilities:		
Movement in receivables	330	(514)
Movement in inventories	397	(1,346)
Movement in current tax asset	309	253
Movement in payables	286	(878)
Movement in other provisions	(13)	35
Movement in unearned revenue	294	2,011
Net cash from / (used in) operating activities	1,071	(6,252)

Note 27. Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 28. Financial risk management

The Company has exposure to market, credit and liquidity risks from the use of financial instruments. This note presents information about the Group's exposure to each of these risks, its objectives, policies and processes for measuring and managing risk. The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework.

Risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Company has adopted a Strategic Risk Management Framework through which it manages risks and aims to develop a disciplined and constructive control environment and action plans for risks that cannot be effectively managed through the use of controls. The Audit Committee oversees how management monitors compliance with the Company's Strategic Risk Management Framework in relation to the changing risks faced by the Company.

Note 28. Financial risk management (continued)

The Company holds the following financial instruments:

	2026 $000	2025 $000
Liquid Financial Assets		
Cash and cash equivalents	2,515	503
Term deposits	100	3,603
Trade and other receivables	7,052	6,670
Total financial assets	9,667	10,776
Financial Liabilities		
Trade and other payables	(1,930)	(1,403)
Borrowings, current and non-current	(10,824)	(10,405)
Total financial liabilities	(12,754)	(11,808)
Net financial position	(3,087)	(1,032)

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Group's income or value of its holdings in financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the financial return.

(i) Foreign currency risk

At reporting date, the Company had the following exposures to foreign currency, converted to AUD:

	Assets		Liabilities	
	2026 $000	2025 $000	2026 $000	2025 $000
US dollars	-	-	-	7
Euros	589	-	-	5
	589	-	-	12

Foreign currency sensitivity analysis

The Company had net assets denominated in foreign currencies of $589,000 as at 30 June 2026 (2025: net liabilities of $12,000). Based on this exposure, had the Australian dollar weakened by 5% against these foreign currencies, with all other variables held constant, the Company's profit before tax for the year would have been $29,450 higher (2025: $600 lower). A sensitivity of 5% has been selected as this is considered reasonably possible, taking into account current exchange rates, historical volatility and market expectations for future movements. The analysis has been performed on the same basis as the previous financial year. There would have been no direct impact on equity.

(ii) Interest rate risk

Interest earned on cash at bank is determined in accordance with published bank interest rates. The Company's exposure to interest rate risk is confined to cash assets and borrowings through loan facilities, the effective weighted average interest rate for which is set out below.

Note 28. Financial risk management (continued)

As at the reporting date, the Company had the following variable rate borrowings and interest rate swap contracts outstanding:

	2026 Weighted average interest rate %	2026 Balance $000	2025 Weighted average interest rate %	2025 Balance $000
Cash at bank	1.52%	2,515	1.32%	503
Term deposit	4.46%	100	4.59%	3,603
Bank facility	10.61%	(10,089)	10.06%	(9,589)
Premium funding facility	1.95%	(738)	1.75%	(816)
Net exposure to cash flow interest rate risk		(8,212)		(6,299)

An increase or decrease of 0.50% in interest rates applied for 12 months to the cash balances at reporting date would have increased or decreased profit or loss by $13,074 (2025: $19,263), if all other variables, including foreign currency rates, remain constant. The analysis is performed on the same basis for 2025.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in a financial loss to the Company. Credit risk is closely managed and the Company has procedures to deal with credit worthy counterparties. Customer credit worthiness is reviewed on an ongoing basis and exposure to any one customer is monitored. Potential credit loss is regularly reviewed and assessed and a provision for expected credit losses would be raised if there was any evidence the debt was no longer collectible. The Company does not carry a material level of overdue debtor balances.

Allowance for expected credit losses

The Company has recognised a loss of $140,000 (2025: $136,000) in profit or loss in respect of the expected credit losses for the year ended 30 June 2026.

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

	Expected credit loss rate 2026 %	Expected credit loss rate 2025 %	Carrying amount 2026 $000	Carrying amount 2025 $000	Allowance for expected credit losses 2026 $000	Allowance for expected credit losses 2025 $000
Not overdue	2.50%	2.50%	4,314	3,034	108	76
0 to 3 months overdue	2.50%	2.50%	1,055	2,309	26	58
3 to 6 months overdue	2.50%	2.50%	249	78	6	2
Over 6 months overdue	30.00%	30.00%	-	-	-	-
			5,618	5,421	140	136

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year. The entity wrote off $5k trade receivables in the year ended 30 June 2026.

Note 28. Financial risk management (continued)

Liquidity risk
Liquidity risk arises from the financial liabilities of the Company and is the risk that the Company is not able to pay its financial liabilities as when they fall due. The ultimate responsibility for liquidity risk management rests with the Board of Directors which has established a framework for management of the Company's requirements over time through continuous monitoring of historical and anticipated cash flows and scenario analysis. The Company manages liquidity risk by maintaining cash reserves and reserve borrowing facilities.

Rolling 18 month cash flow forecasts are prepared each month. Strategic planning also includes liquidity considerations and based on current strategies, no funding shortfalls have been identified.

In addition to funds on deposit, the Company has $7.12 million undrawn banking facilities.

Remaining contractual maturities
The following tables detail the Company's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

2026	Weighted average interest rate %	1 year or less $000	Between 1 and 2 years $000	Between 2 and 5 years $000	Over 5 years $000	Remaining contractual maturities $000
Non-derivatives						
Non-interest bearing						
Trade payables	-	605	-	-	-	605
Other payables	-	195	-	-	-	195
Interest-bearing - variable						
Bank loans	10.61%	10,087	-	-	-	10,087
Other loans	1.95%	738	-	-	-	738
Total non-derivatives		11,625	-	-	-	11,625

2025	Weighted average interest rate %	1 year or less $000	Between 1 and 2 years $000	Between 2 and 5 years $000	Over 5 years $000	Remaining contractual maturities $000
Non-derivatives						
Non-interest bearing						
Trade payables	-	747	-	-	-	747
Other payables	-	204	-	-	-	204
Interest-bearing - variable						
Bank loans	10.06%	-	9,589	-	-	9,589
Other loans	1.75%	816	-	-	-	816
Total non-derivatives		1,767	9,589	-	-	11,356

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 29. Key management personnel disclosures

Disclosures relating to key management personnel are disclosed in the remuneration report included in the directors' report.

Directors
The following persons were directors of IDT Australia Limited during the financial year:

Mark Simari, Executive Chairman
Jane Ryan, Non-Executive Director
Geoffrey Sam OAM, Non-Executive Director

Other key management personnel
The following persons also had the authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, during the financial year:

P McDonald, Chief Executive Officer, resigned 7 August 2025
J Sosic, Chief Operating Officer
N R M Perera, Head of Finance, appointed 29 July 2025
Mr Vasanthakumar, Chief Financial Officer, resigned 29 August 2025
P Coutts, Head of People & Safety
M. Thompson, Director of Commercial & Business Development
R Caunce, Director of Quality

Compensation
The aggregate compensation made to directors and other members of key management personnel of the Company is set out below:

	2026 $	2025 $
Short-term employee benefits	1,729,631	1,606,198
Post-employment benefits	150,749	175,183
Long-term benefits	34,337	54,214
Share-based payments	(179,635)	-
	1,735,082	1,835,595

Transactions of Directors and Key Management Personnel Concerning Shares

Aggregate numbers of shares acquired and disposed of by Directors or Key Management Personnel were as follows:

	2026	2025 Shares
Ordinary shares acquired by Directors and KMP	1,414,670	374,385
Ordinary shares disposed by Directors and KMP	(3,180,295)	861,000

Other than shares issued as described in note 23, the terms and conditions of other transactions relating to shares were on the same basis as similar transactions with other shareholders.

Aggregate numbers of shares of IDT Australia Limited held directly, indirectly or beneficially by Directors or KMP holding office at balance date were as follows:

	2026	2025
Ordinary shares	6,839,926	7,809,571

There were no other transactions or contracts between the Company and Directors and Key Management Personnel in 2026 (2025: nil).

Note 30. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by RSM Australia Partners, the auditor of the Company:

	2026 $	2025 $
Audit services - RSM Australia Partners		
Audit or review of the financial statements	127,680	122,000
Other services	25,000	34,700
	152,680	156,700

Other services
During the year RSM Australia Partners was paid for non-audit services in relation to Taxation.

Note 31. Related party transactions

Key management personnel
Disclosures relating to key management personnel are set out in note 29 and the remuneration report included in the directors' report.

Receivable from and payable to related parties
There were no receivables from or payables to related parties at the current or previous reporting period.

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date.

Transactions with related parties
There were no transactions with related parties during the current or previous reporting period

Note 32. Commitments and contingencies

The directors are of the opinion that there are no significant commitments and contingencies requiring disclosure for the company as at 30 June 2026 (30 June 2025: nil).

Note 33. Events after the reporting period

No matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

IDT Australia Limited does not have any controlled entities and is not required by the Accounting Standards to prepare consolidated financial statements. Therefore, section 295(3A)(a) of the Corporations Act 2001 does not apply to the entity.

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with IFRS Accounting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;

- the attached financial statements and notes give a true and fair view of the Company's financial position as at 30 June 2026 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Mark Simari
Executive Chairman

20 August 2026

RSM Australia Partners

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INDEPENDENT AUDITOR'S REPORT
To the Members of IDT Australia Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of IDT Australia Limited (the Company), which comprises the statement of financial position as at 30 June 2026, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and the directors' declaration.

In our opinion the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Company's financial position as at 30 June 2026 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters (continued)

Key Audit Matter	How our audit addressed this matter
Revenue recognition Refer to Note 4 in the financial statements	
The Company's revenue is primarily derived from contract manufacturing arrangements across three key revenue verticals. Revenue is recognised either over time or at a point in time, depending on the terms of the relevant customer contract and when the applicable performance obligations are satisfied. Judgement is required in interpreting contractual terms, identifying the relevant performance obligations and determining the appropriate timing and amount of revenue to be recognised. In particular, judgement may be required for manufacturing activities in progress at the reporting date and in determining the appropriate recognition of accrued income and deferred revenue. Revenue recognition was therefore considered a key audit matter due to the significance of revenue to the financial statements, the judgement involved in applying the requirements of AASB 15 *Revenue from Contracts with Customers*, and the presumed risk of fraud in revenue recognition under Australian Auditing Standards.	Our audit procedures included the following: • obtaining an understanding of the Company's revenue streams, processes and relevant controls over revenue recognition; • assessing the Company's accounting policies for compliance with the requirements of AASB 15; • for a sample of customer contracts, evaluating the contractual terms, the identified performance obligations and the basis for recognising revenue either over time or at a point in time; • testing a sample of revenue transactions to supporting documentation and assessing whether revenue had been recognised in accordance with the underlying contractual terms; • assessing the completeness and accuracy of accrued income and deferred revenue recorded at the reporting date; • testing revenue transactions recorded before and after the reporting date to assess whether revenue had been recognised in the appropriate reporting period; and • assessing the adequacy of the related disclosures in the financial statements
Going concern	
In accordance with ASA 570 *Going Concern*, we are required to evaluate the directors' assessment of the Company's ability to continue as a going concern and the appropriateness of the use of the going concern basis of accounting in the preparation of the financial report. The Company incurred a loss after tax of $2.7 million during the year ended 30 June 2026. As part of their assessment, the directors considered the Company's forecast financial performance, cash flows and available funding arrangements. Accordingly, we considered the assessment of going concern to be a key audit matter.	Our procedures included, amongst others: • Evaluating the directors' assessment of going concern; • Assessing the reasonableness of key assumptions used in forecast cash flows; • Reviewing available cash balances and funding facilities; • Assessing the Company's forecast ability to meet its obligations as they fall due; and • Evaluating the appropriateness of the going concern basis of accounting adopted in the preparation of the financial report.

Key Audit Matters (continued)

Valuation of property, plant & equipment Refer to Note 17 in the financial statements	
The Company's land and buildings are measured using the revaluation model under AASB 116 *Property, Plant and Equipment*. Management is required to assess whether the carrying amounts of land and buildings remain materially consistent with fair value at the reporting date, including consideration of movements in relevant property markets since the most recent independent valuation. The Company also holds significant specialised manufacturing plant and equipment, including assets that were idle or not fully utilised during the year. These circumstances required management to assess whether indicators of impairment existed and, where applicable, whether the carrying amounts of the assets were recoverable in accordance with AASB 136 Impairment of Assets. The valuation and recoverability of property, plant and equipment was considered a key audit matter due to the significance of the balances and the judgement involved in assessing property market movements, the future utilisation of specialised manufacturing assets and whether any impairment was required.	Our audit procedures included the following: • obtaining an understanding of the Company's accounting policies and processes relating to the valuation and impairment assessment of property, plant and equipment; • assessing the Company's accounting policies for compliance with the requirements of AASB 116 and AASB 136; • obtaining and evaluating the most recent independent valuation reports for land and buildings; • assessing management's evaluation of whether there had been a material change in the fair value of land and buildings since the most recent independent valuation; • comparing the carrying amounts of land and buildings with available market information, including recent sales of comparable commercial and industrial properties and relevant market indicators; • assessing management's identification of impairment indicators for plant and equipment, including consideration of assets that were idle or not fully utilised at the reporting date; • testing, on a sample basis, additions and disposals of property, plant and equipment to supporting documentation; and • assessing the adequacy of the related disclosures in the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2026 but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RSM

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report
We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of IDT Australia Limited, for the year ended 30 June 2026, complies with section 300A of the *Corporations Act 2001*.

Responsibilities
The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

RSM

RSM AUSTRALIA PARTNERS

A Whittingham

A L WHITTINGHAM
Partner

Dated: 20 August 2026
Melbourne, Victoria

The shareholder information set out below was applicable as at 30 June 2026.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

		Ordinary shares	
	Number of holders	% of total shares issued	Securities held
1 to 1,000	372	0.05	203,389
1,001 to 5,000	953	0.63	2,713,006
5,001 to 10,000	478	0.87	3,700,810
10,001 to 100,000	957	7.59	32,443,084
100,001 and over	314	90.86	388,365,285
	3,074	100.00	427,425,574

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
PALM BEACH NOMINEES PTY LIMITED	82,904,358	19.40%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	30,753,053	7.19%
CITICORP NOMINEES PTY LIMITED	26,890,150	6.29%
UBS NOMINEES PTY LTD	23,926,666	5.60%
MR ANTHONY JOHN HUNTLEY	18,786,047	4.40%
ROSSBOW PTY LTD	12,000,000	2.81%
MR ROBERT DARIUS FRASER	11,278,752	2.64%
ON ON FOR DON PTY LTD	7,500,000	1.75%
KEISER INVESTMENTS PTY LTD	7,435,523	1.74%
BU & WANG SF NOMINEES PTY LTD	6,760,626	1.58%
INVIA CUSTODIAN PTY LIMITED	6,029,710	1.41%
NETWEALTH INVESTMENTS LIMITED	5,310,304	1.24%
MR EDMOND WING KIN CHEUNG & MRS ELIZA SIU LING CHEUNG	4,929,147	1.15%
LUTON PTY LTD	4,888,889	1.14%
LAICOS SECURITIES PTY LTD	4,000,000	0.94%
JASBAAT SUPER PTY LTD	3,490,663	0.82%
INVIA CUSTODIAN PTY LIMITED	3,457,737	0.81%
MRS TRACY FRASER	2,914,531	0.68%
MRS RAE ELAINE MACPHERSON	2,550,000	0.60%
WONGTEH PTY LTD	2,536,328	0.59%
	268,342,484	62.78%

Unquoted equity securities

Distribution schedule for unquoted securities:

Performance Rights	Number of holders	% of total Performance rights issued	Securities held
1 to 1,000	-	-	-
1,001 to 5,000	-	-	-
5,001 to 10,000	-	-	-
10,001 to 100,000	10	47.70	587,258
100,001 and over	2	52.30	643,985
	12	100.00	1,231,243

Options	Number of holders	% of total Options issued	Securities held
1 to 1,000	-	-	-
1,001 to 5,000	-	-	-
5,001 to 10,000	-	-	-
100,001 and over	5	100.00	32,000,000
	5	100.00	32,000,000

The following persons hold 20% or more of unquoted equity securities:

Name	Class	Number held
Jim Sosic	Performance Rights	348,400
Taycol Nominees Pty Ltd	Options	10,000,000

Substantial holders

Substantial holders in the Company are set out below:

	Ordinary shares Number held	% of total shares issued
PALM BEACH NOMINEES PTY LIMITED	82,904,358	19.40%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	30,753,053	7.19%
CITICORP NOMINEES PTY LIMITED	26,890,150	6.29%
UBS NOMINEES PTY LTD	23,926,666	5.60%
MR ANTHONY JOHN HUNTLEY	18,786,047	4.40%

Voting rights

Performance rights

The performance rights on issue do not carry any voting rights.

Options

The unlisted options on issue do not carry any voting rights.

Ordinary Shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

The Company issued 634,304 Ordinary Shares on 27 August 2025 to employees for nil consideration as short term incentive utilising the Company's LR7. Placement Capacity (2025: 254,146). On 5 September 2025, the Company issued 348,400 Ordinary Shares to the former CFO, following exercise of his Performance Rights

There are no other classes of equity securities.