PENTANET

2025 Appendix 4E

Pentanet Limited
ASX: 5GG

PENTANET LTD
APPENDIX 4E
Preliminary Final Report

1. Company details

Name of entity:	Pentanet Ltd
ABN:	29 617 506 279
Reporting period:	For the year ended 30 June 2025
Previous period:	For the year ended 30 June 2024

2. Results for announcement to the market

	Movement from previous financial period			**Current financial period ($'000)**
Revenues from ordinary activities	up	8%	to	22,595
Loss from ordinary activities after tax attributable to the owners of Pentanet Ltd	up	30%	to	(4,453)
Loss for the year attributable to the owners of Pentanet Ltd	up	53%	to	(4,453)

This Appendix 4E should be read in conjunction with the 2025 Annual Report and Financial Statements which has been released to the ASX on the same day as this announcement.

3. 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.

4. Net tangible assets

	Current financial period $	**Previous financial period $**
Net tangible assets per ordinary security	0.03	0.04

5. Control gained over entities

Not applicable.

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6. Loss of control over entities

Not applicable.

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7. Dividend reinvestment plans

Not applicable.

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8. Details of associates and joint venture entities

Not applicable.

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9. Foreign entities

Not applicable.

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10. Audit qualification or review

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

The 2025 Annual Report and Financial Statements have been audited, and an unmodified opinion has been issued.

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11. Attachments

Details of attachments (if any):

Additional Appendix 4E disclosure requirements and financial information is included in the 2025 Annual Report and Financial Statements which are attached.

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12. Signed

Signed ______________________ **Date:** 29 August 2025

David Buckingham
Non-Executive Chairman
Perth

PENTANET

2025 Annual Report

Pentanet Limited
ASX: 5GG

> At Pentanet, we're building more than just internet connections – we're **helping shape the future** of how Australians live, work, and play in a digital-first world.
>
> From expanding our telco network in Perth to partnering with NVIDIA to bring cutting-edge cloud Graphics Processing Unit (GPU) technology to Australia and New Zealand, everything we do is about **creating faster, smarter, more seamless ways to connect** – online and in real life.

STEPHEN CORNISH

Founder & Managing Director

Contents

Chairman and **Managing Director's** Address

Dear Shareholder,

Welcome to Pentanet's Annual Report for the Financial Year ended 30 June 2025.

FY25 marked a significant turning point for Pentanet as the Company delivered positive $1.4 million EBITDA for the first time in its history, representing a substantial $2.7 million improvement year-on-year (YoY).

This achievement was driven by revenue growth and improved gross profit performance, supported by higher Average Revenue Per User (ARPU) and margin uplift following plan restructuring and renegotiated supplier contracts across both business segments. Disciplined and targeted marketing spend during the 5G build phase, along with a sharpened focus on 5G, contributed to reduced operating costs and ensured resources were aligned toward supporting higher margin products.

The Company's capital-efficient approach to 5G network expansion assisted cash performance and supports future growth for Pentanet's telecommunication segment. Through a targeted equipment swap arrangement, the Company expanded 5G coverage to ~25% of its historic tower footprint without significant upfront capital outlay.

This approach led to steady subscriber growth, with total subscribers reaching 18,157, up 4% YoY. 5G subscribers grew by 126% YoY to 904, demonstrating strong demand for alternative services delivered over fixed wireless technology. Churn improved from 1.4% to 1.2%, reflecting the positive impact of simplified plans, improved customer experience, and a compelling value proposition.

Pentanet's gaming segment completed the transition to NVIDIA's RTX 4080 SuperPODs, aligning cloud gaming infrastructure with NVIDIA's global standard and offering best-in-class performance. Gaming plans were restructured to optimise ARPU and improve margin contribution, resulting in a 31% YoY increase in revenue to $2.4 million and a 226% increase in gross profit to $1.4 million.

This positions CloudGG for further growth, supported by the NVIDIA strategic partnership and strong platform fundamentals.

Looking ahead to FY26, Pentanet will increase growth investment to accelerate subscriber acquisition, enhance brand visibility, and increase utilisation of 5G and GPU infrastructure. The core focus remains on building momentum in both the telecommunication and gaming segments to drive top-line growth and deliver long-term value for shareholders.

We would like to extend our sincere gratitude to our talented team, Board, partners and loyal shareholders. Your continued support and dedication have been instrumental. We are excited about the opportunities ahead and remain confident in our ability to deliver faster, smarter and richer digital experiences for our customers.

Thank you for your continued support as we enter the next phase of growth in FY26.

David Buckingham
Non-Executive Chairman
29 August 2025

Stephen Cornish
Managing Director
29 August 2025

> Looking ahead to FY26, we will increase growth investment to **accelerate subscriber acquisition**, **enhance brand visibility**, and increase utilisation of our 5G and GPU infrastructure.

Our **Values**

Impactful Innovation

We dare to introduce new ideas and technology that can positively impact the world around us, not just the screens in front of us.

Good Connections

We bring people together both digitally and IRL for shared experiences and memorable moments. Next level service is just a given.

We Meme Business

Genuinely hyped on what we do, we take fun stuff seriously, and make serious stuff fun. Unapologetically us, we use our unique attributes and abilities to get shit done.

PentaFam First

We do whatever it takes for our team and community to know they are safe, protected, and valued as part of the Pentanet family.

Be The Supercar

The world moves fast, so we move faster with our speed, agility and expertise. High performance is in our DNA, and we bet on ourselves every time.

Operational and **Financial Overview**

At Pentanet, we're not just keeping up with the digital future – **we're helping build it**.

Our business goes beyond connectivity. We're investing in the infrastructure, technologies, and experiences that empower better living - whether it's fast, reliable internet at home, or next-generation cloud gaming on the go.

Our commitment to innovation is matched only by our commitment to service. While we love the tech, what really sets us apart is the people behind it: our local team, delivering human connection in a digital world.

In an industry that never stands still, we're driven by a clear purpose: to harness cutting-edge technology in ways that create real impact - for our customers, our community, and our shareholders.

We remain focused on expanding our customer base across core internet and cloud gaming services, while continuing to evolve our platforms to deliver more value, more performance, and more moments that matter.

With strong network performance, a loyal customer base, and a clear growth strategy, we're well-positioned to keep delivering results, and really take things to the next level.

Key Milestones for FY25

July 2024

- Settled into our new HQ in Balcatta, bringing our entire team together under one roof.

August 2024

- Successfully negotiated a stock swap to change the inventory on our balance sheet to accommodate more 5G expansion.

September 2024

- 5G subscribers up 51% QoQ.

October 2024

- Pentanet Commercial Team established to further cultivate engagement with managed service providers and other B2B channels.

November 2024

- Upgraded our ninth and tenth towers with 5G infrastructure.
- Updated GeForce NOW monthly pricing for ARPU uplift.

December 2024

- Positive EBITDA for H1FY25 with $1m QoQ improvement from a Q1 EBITDA loss of $0.4m to $0.6m positive EBITDA in Q2.
- Upgraded our eleventh tower with 5G infrastructure.

February 2025

- Upgraded our twelfth tower with 5G infrastructure.

March 2025

- Our second consecutive quarter +EBITDA.
- 5G subscribers up 13% QoQ.
- Upgraded our thirteenth tower with 5G infrastructure.
- Pentanet named WeMoney Fixed Wireless Provider of the Year 2025.

April 2025

- Upgraded our fourteenth tower with 5G infrastructure.

May 2025

- Retired GeForce NOW Powered by CloudGG 'Casual' plan as part of ongoing ARPU and margin optimisation strategy.

June 2025

- Stephen Cornish recognised on Business News' 2025 Power 500 list for Technology & Innovation.

Operational Advancements and Future Growth Outlook

FY25 saw significant advancements and strategic initiatives aimed at enhancing Pentanet's service offerings and expanding market presence. The Company focused on simplifying its on-net and off-net product suite and expanding network coverage, including the continued rollout of 5G Fixed Wireless technology.

The rising demand for high-speed connectivity products was met with encouraging uptake of 5G Fixed Wireless in available areas. This momentum was driven by ongoing tower upgrades and targeted new tower deployments, and renegotiation of multiple network contracts to improve performance and strengthen margins.

To support the 5G rollout with minimal cash impact, Pentanet secured 25 5G base stations and 423 Customer Premises Equipment units via a stock swap arrangement with its main equipment supplier. This has significantly reduced capital expenditure requirements, improving the overall cash cost of the network upgrade program and allowing resources to remain focused on expanding coverage and capacity.

During FY25, Pentanet focused on growing top-line revenue and reducing churn through targeted promotional initiatives and ongoing product optimisation. The Company launched campaigns to test price sensitivity for 5G services, collected data to identify areas and service types where 5G could compete, and ensured off-net pricing remained in line with the evolving competitive landscape.

As a result, net new subscribers increased by 4% year-on-year (YoY) to 18,157, with 5G subscribers increasing by 126% YoY to 904. Churn improved from 1.4% down to 1.2% YoY, reflecting improved customer retention initiatives and overall positive impact of product and service adjustments.

The increasing demand for reliable and performant connectivity continues to build momentum. Pentanet is ready to address this need competitively, with 5G now covering ~25% of its tower footprint as at 30 June 2025.

Looking ahead to FY26, the 'telco' strategy will continue to focus on maintaining sustainable growth and lowering churn through competitive value offerings and continued product and service enhancements.

"Pentanet will continue to operate with financial discipline and operational rigour. In FY26, growth investment in marketing will increase to further leverage deployed 5G and GPU infrastructure. Targeted campaigns and continued platform optimisation will **accelerate subscriber acquisition and deliver sustained value for both customers and shareholders**.

In the cloud gaming sector, significant improvements in the product offering were achieved by restructuring plans and pricing. This included replacing the free tier with a 3-hour 'Ultimate Trial', giving users the opportunity to experience GeForce NOW's highest tier, with RTX 4080-powered performance. These adjustments contributed to a 31% YoY revenue uplift to $2.4m. Gaming segment gross profit also increased 226% YoY to $1.4 million.

By the end of FY25, GeForce NOW Powered by CloudGG had over 725,000 registrations and over 2,200 supported games, with new titles added weekly.

Pentanet will continue to operate with financial discipline and operational rigour. In FY26, growth investment in marketing will increase to further leverage deployed 5G and GPU infrastructure. Targeted campaigns and continued platform optimisation will accelerate subscriber acquisition and deliver sustained value for both customers and shareholders.

Financial Performance

Revenue

▲ **8%**

Recurring Revenue

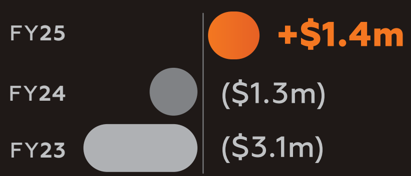
▲ **9%**

Gross Profit

▲ **15%**

EBITDA

▲ **$2.7m**



Key Milestones

Revenue increased by **8%** YoY to $22.6m

EBITDA of $1.4m, **$2.7m** YoY improvement and positive for first time

Gross margin improved by 3 percentage points YoY to **49%**

Results Overview

	FY25 $'000	FY24 $'000	Change %
Revenue	22,595	20,882	8%
Gross profit [1]	11,006	9,610	15%
Gross margin [1]	49%	46%	3pp
Other income	417	636	(34%)
Operating Expenses	(10,063)	(11,513)	13%
EBITDA[2]	1,360	(1,267)	207%
Depreciation and amortisation	(5,322)	(4,486)	(19%)
EBIT	(3,962)	(5,753)	31%
Net finance cost	(491)	(631)	22%
Net loss before tax	(4,453)	(6,384)	30%
Other comprehensive income for the year, net of tax	-	(3,180)	100%
Total comprehensive income for the year	(4,453)	(9,564)	53%

[1] Gross profit is revenue less network operating cost and hardware expenses, representing the profit generated from customers before the costs of marketing, sales, support and administration cost. Gross Margin is calculated as Gross Profit divided by revenue, expressed as a percentage.

[2] EBITDA is a financial measure which is not prescribed by Australian Accounting Standards ('AAS') and represents the profit under AAS adjusted for depreciation, amortisation, interest and tax. Underlying EBITDA excludes share-based payments.

YoY consolidated revenue increased 8% to $22.6 million across Pentanet's two product segments. Recurring revenue now constitutes 96% of total revenue.

Telecommunications revenue increased by 6% YoY to $20.2 million, reflecting a 4% YoY growth in subscribers.

GeForce NOW revenue increased 32% YoY to $2.4 million, following an upgrade to infrastructure capability and the streamlining of existing plans. Total CloudGG membership is up 23% YoY, reaching nearly 725,000 users, with over 800 million minutes played.

Gross profit increased by 15% to

$11m

$2.2m

closing cash balance

YoY consolidated gross profit increased by 15% to $11 million, and gross margin improved from 46% to 49%. This improvement was driven mainly by the gaming segment, as growth in higher-tier plans and strong support from NVIDIA delivered a Gross Profit increase of 226% YoY to $1.4 million.

Telecommunications Gross Profit increased by 5% YoY to $9.6 million, as gross margin remained steady at 48%.

Operating expenses decreased significantly by 13% YoY to $10 million, with reductions in employee-related costs, marketing, and general overheads.

EBITDA for FY25 was $1.4 million, an improvement of $2.7 million YoY. This reflects the continued growth of both business segments and reflects careful cost control and continued operational optimisation.

> From a customer and shareholder standpoint – **I'm beyond happy** with all services provided.
>
> **– Ryan from Koondoola**

Telecommunications Segment

Key Metrics	FY25	FY24	% Change
Recurring revenue %[1]	96%	96%	-
Blended ARPU[1]	$94	$92	2%
On-net ARPU	$84	$88	(5%)
Off-net ARPU	$101	$80	26%
On-net GM%	88%	89%	(1pp)
Off-net GM%*	25%	19%	6pp
Subscribers	18,157	17,383	4%
On-net	38%	39%	(3%)
Off-net	62%	61%	2%
Churn	(1.23%)	(1.39%)	12%
On-net churn	(1.18%)	(1.31%)	10%
Off-net churn	(1.26%)	(1.44%)	13%

Telecommunications Segment	FY25 $'000	FY24 $'000	% Change
Recurring revenue	19,315	18,195	6%
Non-recurring revenue	836	823	2%
Total revenue	20,151	19,018	6%
Cost of sales	(10,532)	(9,818)	(7%)
Gross profit[2]	9,620	9,200	5%
Gross margin	48%	48%	-
EBITDA[3]	1,909	780	145%

[1] Recurring revenue represents subscription and other repeatable revenue streams, excluding one-off and non-recurring items which primarily comprise hardware sales and set-up service fees. ARPU is calculated as revenue divided by the average number of users in the period (non-IFRS measure)..

[2] Gross margin is revenue less network operating cost and hardware expenses, representing the margin generated from customers before the costs of marketing, sales, support and administration cost.

[3] EBITDA is a financial measure which is not prescribed by Australian Accounting Standards ('AAS') and represents the profit under AAS adjusted for depreciation, amortisation, interest and tax.

Key Milestones

7

5G additional tower upgrades completed

58

Towers in Perth with 14 towers 5G enabled ~25% of the footprint

904

5G subscribers

Revenue

▲ 6%

FY25	$20.2m
FY24	$19.0m
FY23	$18.7m

Recurring Revenue

▲ 6%

FY25	$19.3m
FY24	$18.2m
FY23	$17.8m

Gross Profit

▲ 5%

FY25	$9.6m
FY24	$9.2m
FY23	$8.8m

EBITDA

▲ 145%

FY25	+$1.9m
FY24	+$0.8m
FY23	($0.3m)

Telecommunications Update

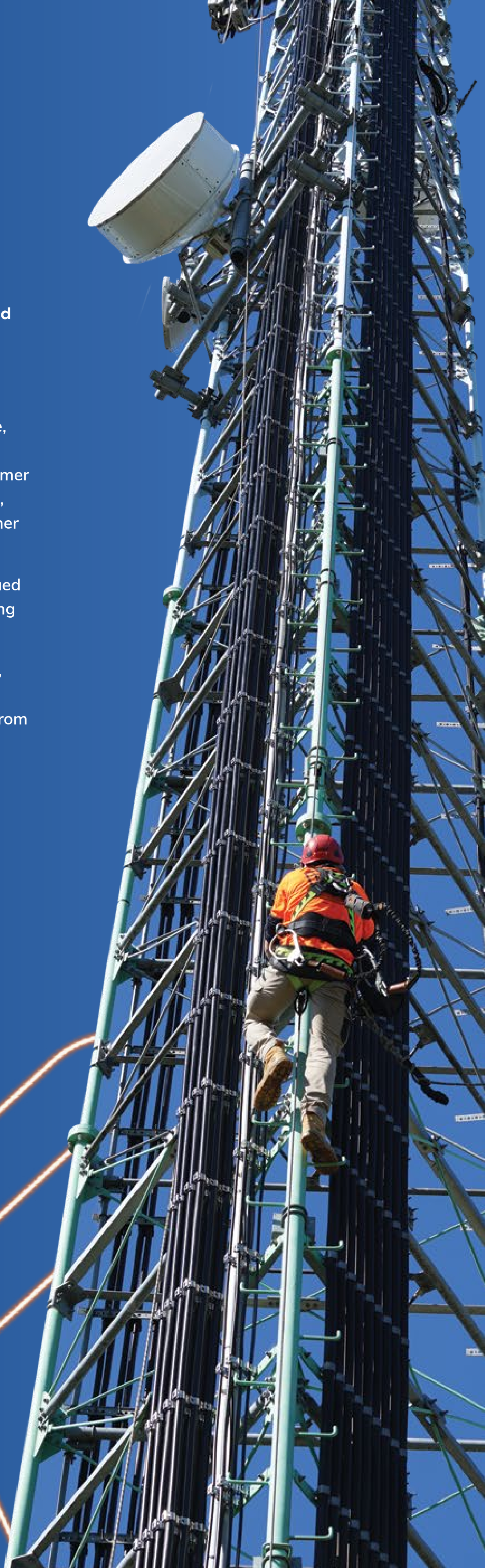
Telecommunications growth in FY25 remained steady, supported by product improvements and ongoing network investments, despite an increasingly competitive landscape following the expansion of nbn® wholesale Fibre-to-the-Premises offers.

In response, Pentanet continued to simplify its wireless plan structure, advance the 'Fibre Connect' campaign, and refine nbn promotional offerings to maintain competitiveness and better meet evolving customer needs. These strategies, combined with ongoing marketing initiatives, have contributed to positive results, including reduced churn and higher sales volumes.

A strong shift towards higher-speed on-net and off-net plans continued in FY25, contributing to ARPU growth from $92 to $94 and supporting overall revenue uplift.

Telecommunications gross profit increased by 5% YoY to $9.6 million, while the segment maintained a gross margin of 48%. Improved cost efficiency, particularly with off-net services gross margin increasing from 19% to 25%, further supported this result.

Looking ahead, Pentanet remains focused on leveraging its existing tower footprint to enhance plan value further, increase adoption of higher-margin on-net services to drive uptake of premium-speed services and strengthen long-term profitability.



> The best thing about Pentanet is **being able to talk to a relatable human being** when there is a problem.
>
> **– Ewing from Canning Vale**

5G Fixed Wireless

In FY25, Pentanet accelerated the expansion of its 5G Fixed Wireless network, operating on exclusively licensed 5G mmWave spectrum.

The Company upgraded seven additional towers to 5G, bringing 5G coverage to ~25% of the tower footprint across Perth. This targeted expansion was supported by a strategic equipment swap arrangement, significantly reducing upfront capital expenditure and preserving cash for broader growth initiatives.

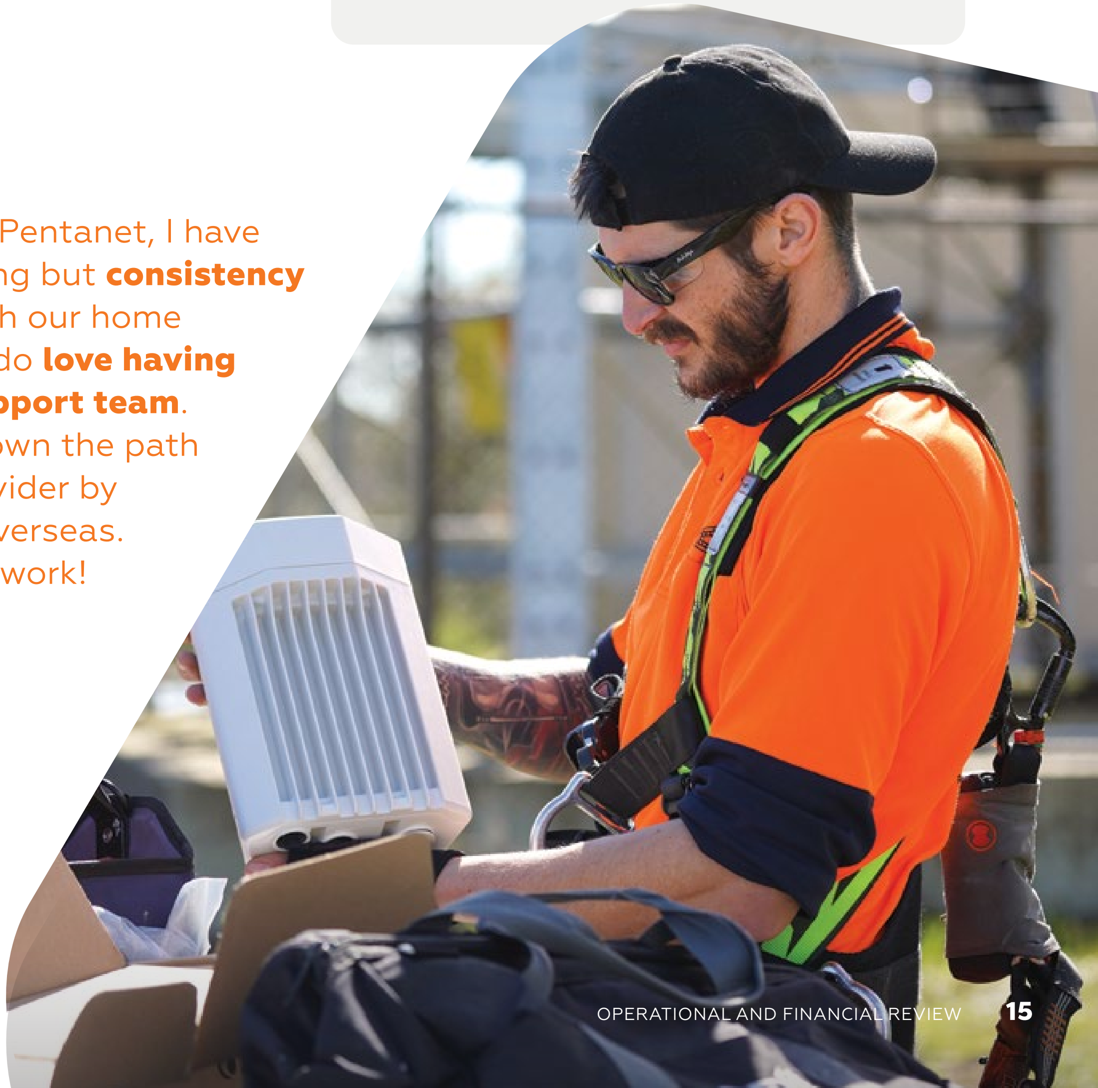
5G subscribers grew by 126% YoY to 904, demonstrating strong demand for alternative services delivered over fixed wireless technology. at competitive price points.

Continued growth is anticipated in the 5G subscriber base as the 5G tower footprint continues to expand. Competitive value improvements to ensure plans remain attractive alongside targeted marketing initiatives will drive subscriber acquisition in enabled areas.

Key metrics across the telecommunications segment:

- Revenue up 6% YoY to $20.2m in line with subscriber growth
- Recurring revenue makes up 96% of total revenue
- Gross profit is up 5% YoY to $9.6m, with users opting for higher ARPU and margin plans
- Increased EBITDA to $1.9m in the year
- Reduced churn from 1.39% in FY24 to 1.23% in FY25
- Blended ARPU increased to $94 YoY as subscribers shifted towards higher-speed plans
- Product suite aligned with the competitive landscape
- FY25 closed with a total of 18,157 subscribers

> Since changing to Pentanet, I have experienced nothing but **consistency and reliability** with our home internet. Also, we do **love having a Perth-based support team**. Please don't go down the path of every other provider by outsourcing this overseas. Keep up the great work!
>
> **– Keith from Applecross**



Pentanet Named WeMoney's 2025 Fixed Wireless Provider of the Year

In FY25, Pentanet was proud to be named Fixed Wireless Provider of the Year in the 2025 WeMoney Telco & Broadband Awards, recognising its position as the leading choice in WA, beating seven other national providers.

This award reflects ongoing commitment to delivering high-performance, reliable, and affordable Fixed Wireless internet across Perth. It also reinforces the value of Pentanet's private 5G network infrastructure and the strength of its customer-first approach.

Raising the bar for connectivity in WA

Pentanet has spent the past eight years investing in smarter infrastructure and stronger customer experiences – making fast, stable, and flexible internet access a reality for more West Australians.

Today, our Fixed Wireless offering delivers next-level connectivity for everything from remote work and online learning to gaming and streaming.

How performance was assessed

The WeMoney Awards are based on independent, weighted evaluations across four key pillars:

1. Affordability and fees
2. Features and functionality
3. Network performance and coverage
4. Customer experience

A shared win

This recognition is a credit to the passion and expertise of our local team, who continue to raise the bar for what's possible in WA telco. It's also a thank you to our loyal customers, whose trust and advocacy drive us to do better every day.

Customer Voices, Strategic Choices

In June 2025, we ran our most in-depth customer survey to date, hearing from nearly 1,900 Pentanet subscribers - around 11% of our base. The goal was simple: understand who our customers are, how they use our services, and what matters most to them.

Here's what we learnt:

- Many of our customers are WA-based homeowners aged 35-54, often in busy, multi-device households with kids, work, and entertainment needs all under one roof.
- People choose Pentanet for quality, not just price. Local support, reliability, and speed all outranked price, discounts or promotions.
- Being Perth-based matters. It's our biggest differentiator, and our customers genuinely value being able to speak to a real person, close to home.
- Streaming and remote work drive demand. Customers rely on Pentanet for work, play, study, and security, often all at once.
- The smart home is here to stay. Our customers are connecting more internet-enabled devices than ever before - from air conditioners, robo-vacs, and fridges to VR headsets, sprinklers, pool cleaners, medical devices, solar panels, outdoor lighting, and even barbecues. Reliable connectivity isn't just nice to have, it's essential.

These insights are helping guide our strategy in FY26 and beyond, from brand positioning and network growth to enhanced customer support, empowered teams, and better experiences all round.

> It's such an amazing service and experience when you're dealing with **people that actually know what they're talking about**.
>
> **– Kevin from Ellenbrook**

Commercial Team Strengthens Channel Foundations in FY25

In FY25, Pentanet's Commercial Team focused on strengthening engagement with managed service providers (MSPs), IT providers, and other B2B channels.

The team refined its go-to-market strategy and enhanced channel enablement to support approximately 100 predominantly Western Australian partners through improved partner education, targeted brand positioning, and expanded product capability, including the rebranded Pentanet Business Fibre.

The team worked to broaden market reach and reinforce Pentanet's business-grade connectivity offerings.

With scalable partner infrastructure, diversified network access, and a disciplined operational approach, the Commercial Team has built strong momentum and established a foundation to support further expansion and margin-aligned revenue growth in FY26.

"Working with Pentanet's Commercial Team has been one of the most consistent highlights of our 18-year journey in the Managed Services space across the globe. From day one, they have been nothing short of exceptional. Rev and Connor are more than just account managers; they're true partners and considered part of our team here at Royal IT.

Their unwavering dependability and relentless dedication to customer satisfaction make them stand out in a crowded industry. Every single day, they make us look good. They take initiative, solve problems before they arise, and always go the extra mile without hesitation.

In a space where reliability is often promised but rarely delivered, they embody what it means to be trustworthy and results-driven, every time. Whether it's a complex client request, a last-minute implementation, or a routine check-in, they bring the same level of care and urgency to everything they do.

Pentanet don't just support Royal IT; they elevate us as a business and our service offering to customers. Because of this, we recommend Pentanet to every single customer."

Lee McCaw - Founder, Royal IT

Cloud Gaming Update

Pentanet's exclusive regional Alliance Partnership with NVIDIA has continued to solidify GeForce NOW Powered by CloudGG as the premier cloud gaming service across Australia and New Zealand.

Cloud gaming improvements were driven by three key goals: improving service quality, streamlining the plan range, and revamping the free user experience to deliver better outcomes.

These changes began in H1 FY25 with the removal of the low cost paid subscription (Basic), followed by a price adjustment to all monthly subscriptions and a pause on free trial subscriptions in preparation for a series of further changes launching in January 2025:

- The mid-tier *Priority* plan was rebranded *Performance* and upgraded with additional value-adds and features.
- The popular free trial relaunched as *Ultimate Trial*, offering a three-hour trial of our *Ultimate* membership and replacing the uncapped free model with a time-limited sample of our premium subscription.
- A 100-hour monthly playtime limit was introduced across all new paid subscriptions, with current active memberships grandfathered into unlimited playtime to incentivise retention.
- Completed transition of Australian GeForce NOW infrastructure to RTX 4080 SuperPODs, delivering NVIDIA's highest available performance tier, with support for up to 4K resolution and high frame rates.
- Later in H2 FY25 the *Casual* plan was also removed from sale, simplifying the line-up and further uplifting ARPU.

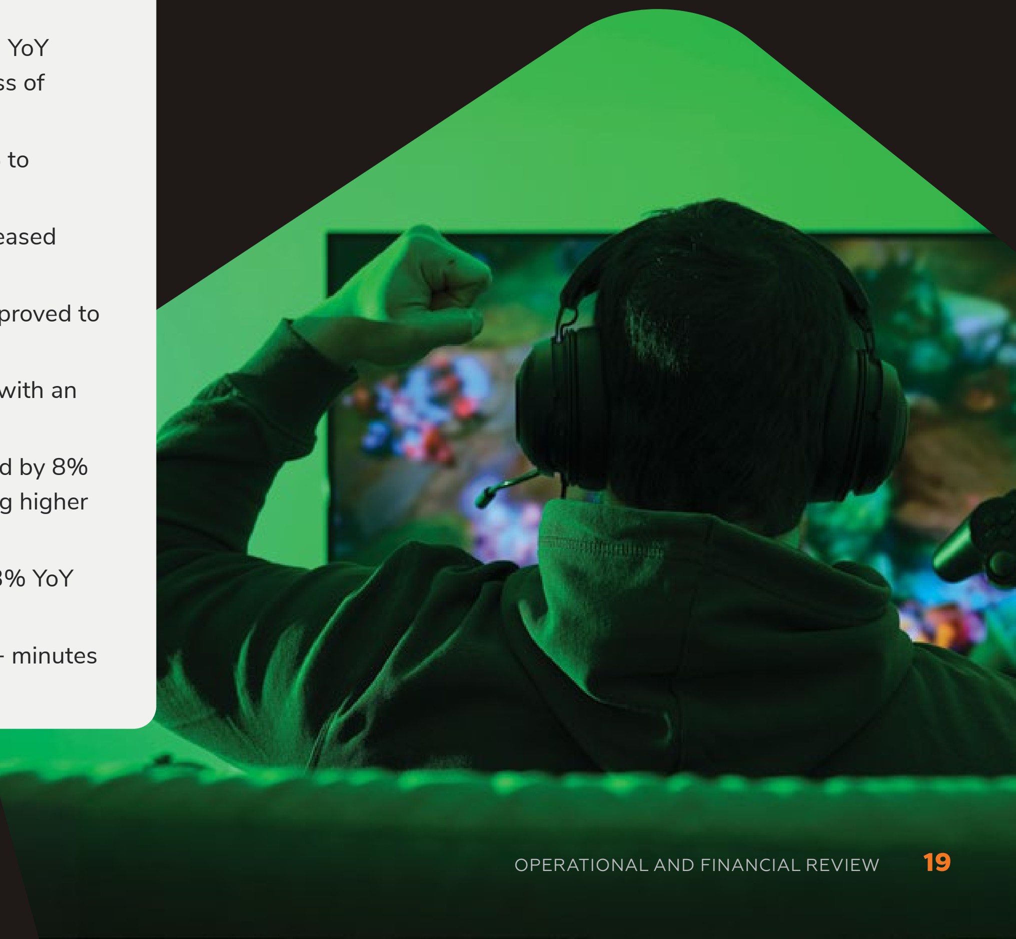
These changes delivered a 31% increase in YoY revenue to $2.4m, as new members joined on higher-margin plans, and grandfathered members showed stronger retention.

With 2,200+ titles now supported on the platform, Xbox PC game pass integration, and RTX 4080 performance, GeForce NOW remains Australia's premier cloud gaming solution, with the changes made through FY25 further strengthening the proposition heading into FY26.

In FY26, Pentanet will focus on **streamlining our service offering**, **accelerating new user acquisition**, and **increasing conversion of existing users** to paid memberships.

Key metrics across the gaming segment:

- Positive EBITDA for FY25 with $1.6m YoY improvement from a FY24 EBITDA loss of $0.6m to $1m positive EBITDA
- Gaming subscription revenue up 31% to $2.4m YoY
- Gaming subscription gross profit increased 226% YoY to $1.4m
- Gaming subscription gross margin improved to 57% up 35pp YoY
- Gaming ARPU increased $12 to $17 with an exit ARPU of $20 in Q4FY25
- CloudGG paid subscriptions decreased by 8% YoY due to a plan restructuring, driving higher revenue and margin
- CloudGG total captive audience up 23% YoY to 725,000+
- Cumulative playtime of 800,000,000+ minutes



Ongoing **Strategy**

The three pillars of Pentanet’s strategy:

Expand and broaden the Telco subscriber base

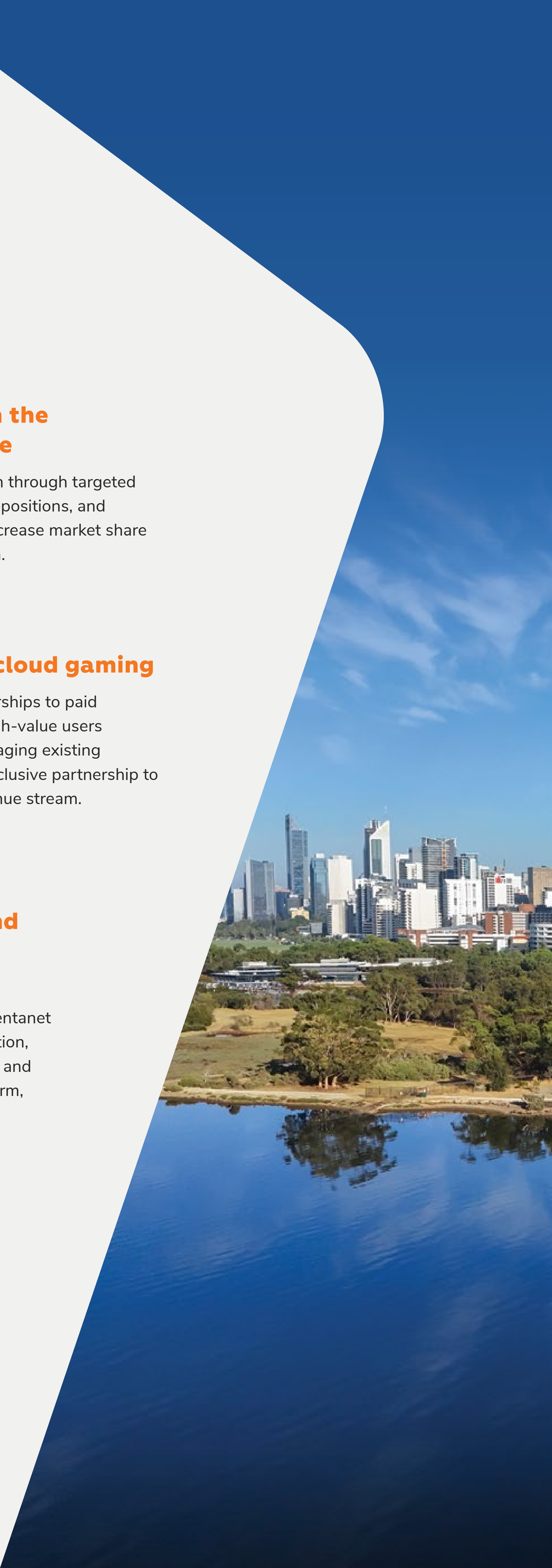
Accelerate subscriber acquisition through targeted marketing, competitive value propositions, and enhanced service offerings to increase market share and improve margin contribution.

Scale and monetise cloud gaming

Drive conversion of free memberships to paid subscribers and capture new high-value users on NVIDIA GeForce NOW, leveraging existing infrastructure and Pentanet's exclusive partnership to build a sustainable gaming revenue stream.

Strengthen brand and deliver sustainable profitability

Invest in brand awareness for Pentanet to support acquisition and retention, improve customer lifetime value, and position the business for long-term, profitable growth.



People, Performance, and Culture

At Pentanet, every connection **starts with people**.

Behind every strong result is a team of talented individuals bringing their skills, energy, and ideas to the table each day.

From the engineers building our network to the local legends on the frontlines of customer support, every member of our team – our PentaFam – plays a part in delivering better internet for Perth and powering the future of cloud gaming across Australia.

As our business continues to evolve, one thing hasn't changed: our team's commitment to service, innovation, and backing each other. The PentaFam is more than just a name – it's a culture of care, accountability, and performance that underpins everything we do.

Meet **the Team**

Across sales, customer support, partnerships, operations, installations, marketing, IT, software development, HR, and finance, our people help keep Pentanet moving – and growing. While their roles may be different, they share a common thread: pride in their work and a passion for what we're building together. But don't just take our word for it, hear what some of them have to say.

Gemma White, HR & Compliance Manager (7 years)

"It's been over seven years since I joined Pentanet, and I still enjoy coming to work each day. I love the supportive team environment and working alongside people I genuinely like and respect. Our leadership fosters continual improvement rather than sticking with 'how it's always been done', which means there's always opportunity to try new things, improve processes and make a real impact."

Christian Polson Brown, Marketing Manager (4 years)

"In my time at Pentanet, I've had the pleasure of helping tell the story of both a cutting-edge ISP and a revolutionary service like GeForce NOW Powered by CloudGG. I love the challenge of finding the right message, the right moment, and the right channel to make an impact, and I've been supported every step of the way."

Urpan Adhikari, Network Engineer (3 years)

"Pentanet is a company that truly puts customers first, and my journey so far has been incredibly rewarding - filled with learning, challenges, and a whole lot of growth. What I really appreciate is the culture. It's collaborative, positive, and built on trust. Over the years, I've felt supported in every aspect, from growing technically to developing personally and professionally. I'm grateful to be part of a team that's passionate, driven, and always moving forward."

Jeremy Hall, Chief Technology Officer (7 years)

"What I value most about working at Pentanet is the opportunity to collaborate with incredibly capable and experienced people who genuinely care about delivering great outcomes. Whether it's tackling complex technical challenges or responding to an unexpected curveball, there's a real sense of shared purpose and support. It's a fast-paced environment, but one where knowledge is shared, growth is encouraged, and teamwork is second nature."

Michael Graham, Senior Accountant (3 years)

"Being part of the Pentanet team means working alongside people who really care – about their work, our customers, and each other. The culture here makes coming to work something I genuinely look forward to. There have been plenty of challenges along the way but the support from all levels of the organisation means that there's always someone willing to roll up their sleeves and help get it done."

Nikki Atack, Chief Experience Officer (1.5 years)

"I love working at Pentanet because the collaborative culture is fantastic, and I have the privilege of overseeing the full customer journey – from brand and marketing to sales and support. It's rewarding to lead such a passionate team that genuinely puts our customers, our people, and our local community at the heart of everything we do."

Celebrating Our 2024 Most Valuable Player

Each month, the PentaFam casts their votes for the teammate who's best lived our values – someone who's gone the extra mile, lifted others up, or simply made a big impact.

Our MVP program shines a spotlight on these legends, with monthly and annual awards recognising those who consistently bring their best. It's all about celebrating our people, giving kudos where it's due, and backing a culture where we champion each other.

Introducing Peter Lanskis: 2024 Employee of the Year

Peter – or as he's lovingly referred to by our team: 'Safety Pete' – joined Pentanet six years ago, bringing with him decades of experience in the telecommunications industry. With 26 years (and counting) in the field, Pete's technical knowledge, leadership, and unwavering focus on safety have been invaluable to our operations and our people.

As Field Operations Manager, Pete plays a critical role in ensuring our teams are safe, prepared, and well-equipped – whether they're in the office, on the road, on a rooftop, or up a tower.

Pete leads by example, running our monthly Toolbox Meetings with a steady hand and a focus on continuous improvement. These sessions go beyond checklists – they're about making sure our gear, vehicles, and people are always ready for the job, whatever the weather. From PPE protocols to vehicle safety checks, Pete ensures our team has the tools – and the mindset – to do high-risk work safely and smartly.

Pete's impact is felt across the business, and last year, his dedication, leadership, and unwavering commitment to safety earned him the well-deserved title of 2024 MVP of the Year.

Peter Lanskis is **the kind of leader you want in your corner –** and on your rooftop.

Here's what Pete had to say:

"I'm proud to be part of Pentanet's journey because the work we do really matters – for our customers and for each other. It's a supportive, kind, and genuinely fun place to work, and I feel lucky to be surrounded by great people every day.

I've spent my career in telecommunications – through bushfires, floods, heatwaves, and storms – and I've seen firsthand how critical connectivity has become. It's as essential as water or electricity. Being a local provider means we feel every connection, and that gives real purpose to what we do – it's what makes Pentanet special.

My role is always evolving, with new challenges and opportunities popping up daily. Whether it's managing field crews, planning infrastructure, overseeing building maintenance and fleet, keeping PPE and safety protocols up to standard, or just making sure everything runs smoothly – I'm here to help move us forward.

I'm proud to lead our safety efforts, and even prouder to be the 2024 MVP. I've worked in a lot of places, and Pentanet stands out – it's the best employer out there."

Backing Women in Tech

Representation matters – especially in industries where it's historically been lacking.

At Pentanet, we believe diverse teams drive better ideas, stronger collaboration, and more inclusive innovation.

At the end of FY25, we were proud to report that more than a quarter of our staff represent diverse gender groups (female and non-binary). It's a step in the right direction, and one we're committed to building on.

> In FY25, we were proud to report that **more than a quarter of our staff represent diverse gender groups**.

Breaking Barriers in Tech: Meet Eleanor, Pentanet Field Technician

In an industry where women are still under-represented, Eleanor is out in the field every day, helping to keep Perth connected. Here, she shares how she found her way into the industry, what the role involves, and some of the unexpected challenges of life as a field technician:

"I've been with Pentanet for 10 months now, and it's been a refreshing challenge working in the residential install space. Prior to joining the PentaFam, I spent six years in network construction for another telco, working remotely on big mobile and transmission projects that saw me on the road for weeks at a time.

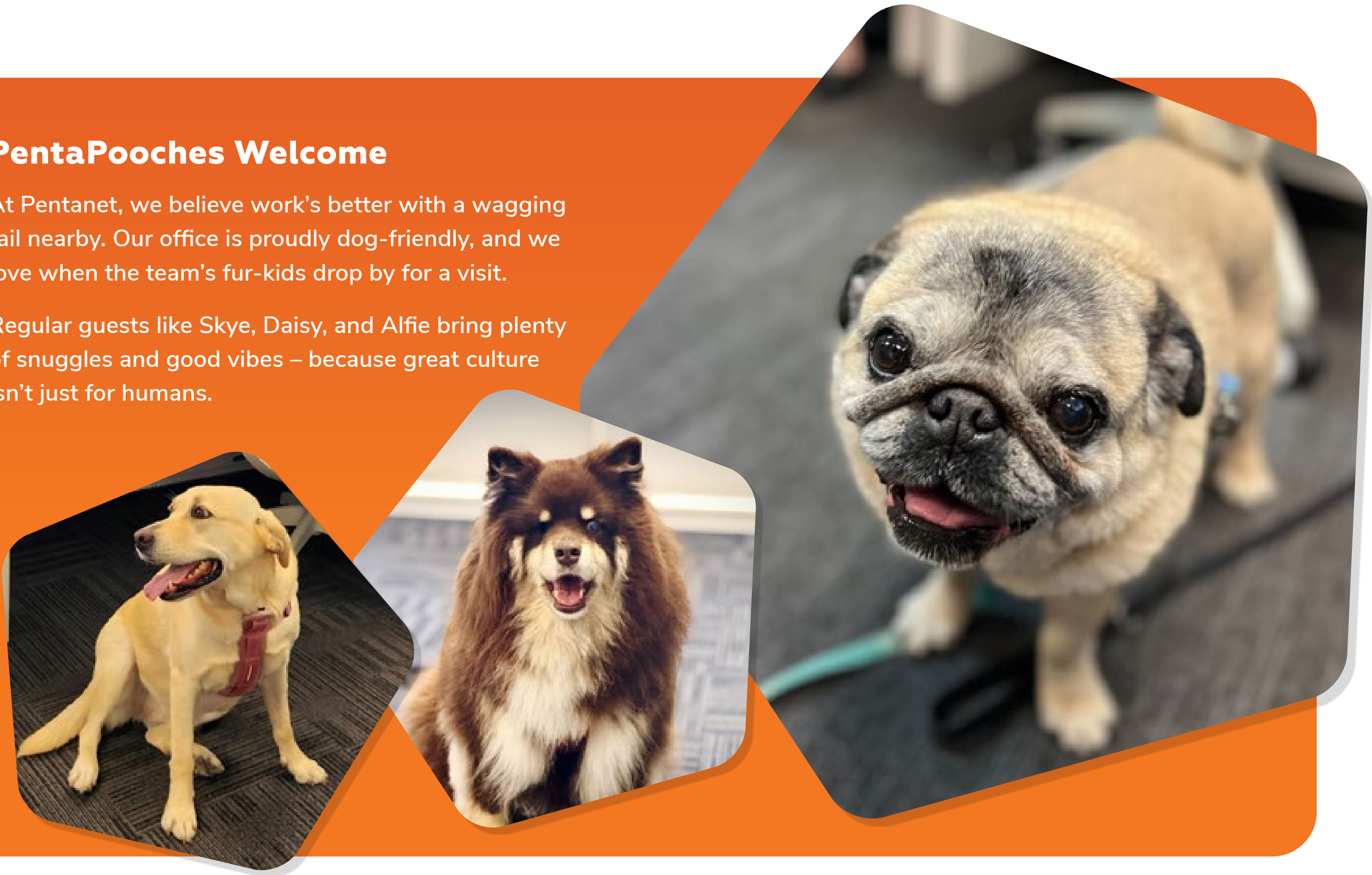
That's where my career in telecommunications started. Before that, I did an Arts Degree in set building and prop making! But eventually realised that would be tough to sustain as a career. My dad, who'd been in comms for 25 years, suggested over dinner one night that I should give it a go – and here I am!

I'm no stranger to working in the elements of Perth's harsh climate, but crawling through roof spaces to run cables? That's next-level tough! Insulation is itchy, and spiders aren't your friends! But overall, it's a fun and rewarding job."

PentaPooches Welcome

At Pentanet, we believe work's better with a wagging tail nearby. Our office is proudly dog-friendly, and we love when the team's fur-kids drop by for a visit.

Regular guests like Skye, Daisy, and Alfie bring plenty of snuggles and good vibes – because great culture isn't just for humans.



Supporting Next-Gen Talent Through Workplace Learning

We're proud to support our local community by offering valuable real-world learning experiences.

Providing opportunities for high school and university students to gain hands-on experience helps nurture the next generation of talent while enriching our teams with fresh insights and enthusiasm.

"I thoroughly enjoyed my time doing work experience at Pentanet and was very pleased to see the engaging and relaxed culture present within their offices and the employees I worked with."

Daniel Owen | **High School Student, St Stephens**

"My 3-month marketing internship was an incredible journey – I learnt so much. Thank you to the whole PentaFam for being so welcoming and kind. It was an amazing experience to kickstart my career.

Every challenge and achievement were so important to my growth as a young marketer and I am forever grateful! It was a pleasure."

Hannah Theseira | **BCom Marketing Graduate, ECU**

Corporate Directory

David Buckingham
Non-Executive Chairman

Stephen Cornish
Managing Director

Timothy Cornish
Non-Executive Director

Dalton Gooding
Non-Executive Director

Dominic O'Hanlon
Non-Executive Director

Company Secretaries

Patrick Holywell
Arron Canicais *(resigned 30 September 2024)*

Registered office

Suite 25, 257 Balcatta Road
Balcatta, 6021 WA
Telephone number: (08) 9466 2670

Principal place of business

Suite 25, 257 Balcatta Road
Balcatta, 6021 WA

Principal banker

Commonwealth Bank
95 William Street
Perth, 6000 WA

Share register

Automic Group
Level 5, 191 St Georges Terrace
Perth, 6000 WA
Telephone number: 1300 288 664

Auditor

BDO Audit Pty Ltd
Level 9, Mia Yellagonga Tower 2
5 Spring Street, Perth, 6000 WA

Stock exchange listing

Pentanet Ltd shares are listed on the Australian Securities Exchange
ASX code: 5GG

Directors' Report

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity' or group) consisting of Pentanet Ltd (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2025.

Directors

The following persons were Directors of Pentanet Ltd during the whole of the financial year and up to the date of this report unless otherwise stated:

David Buckingham (Non-Executive Chairman)
Stephen Cornish
Timothy Cornish
Dalton Gooding
Dominic O'Hanlon

Company Secretary

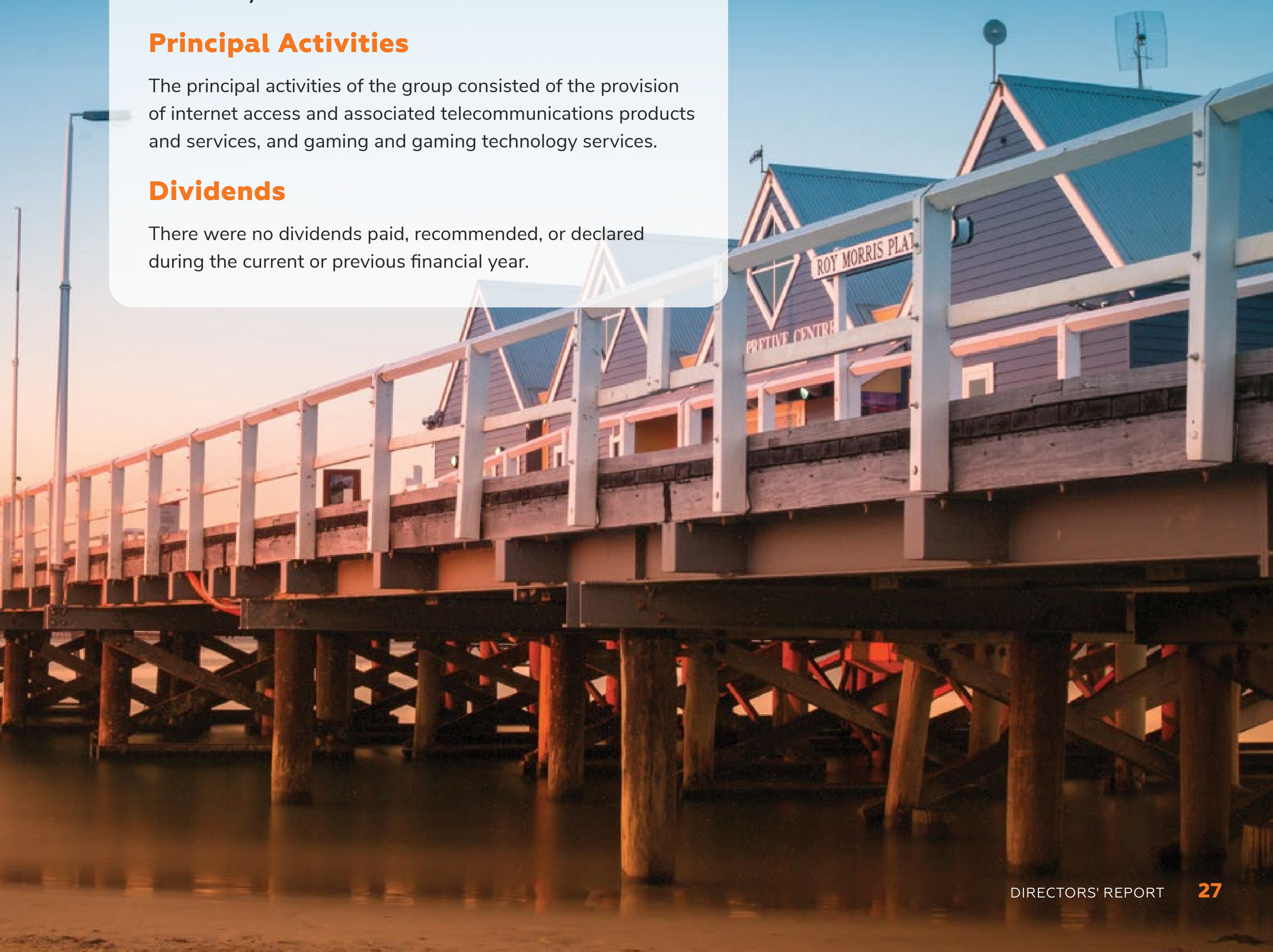
Patrick Holywell

Principal Activities

The principal activities of the group consisted of the provision of internet access and associated telecommunications products and services, and gaming and gaming technology services.

Dividends

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



Operating and **Financial** Review

Pentanet's Business Model and Objective

Pentanet is proud to be Perth's own telco, dedicated to delivering exceptional internet connectivity to the community.

Pentanet's privately owned-and-operated Fixed Wireless network sets us apart. For those beyond the Company's network reach, we offer nbn® and Opticomm services.

Since its launch, Pentanet's Fixed Wireless network has become a favourite among consumers and investors.

Unlike other telcos that mainly rely on reselling nbn and other fixed-line services, Pentanet delivers a reliable, high-speed connection through the Company's private infrastructure.

In doing so, the Company provides subscribers with exceptional internet experiences while achieving notably higher margins compared to typical nbn services.

Review of Operations

The loss for the consolidated entity after providing for income tax and other comprehensive income amounted to $4.5 million (30 June 2024 $9.6 million loss), reflecting a 53% YoY improvement.

The Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) was $1.4 million (30 June 2024 loss of $1.3 million), representing a $2.7 million YoY improvement.

The Company closed the year with $2.2 million in cash reserves. It plans to continue to increase top-line growth by leveraging 5G growth opportunities and optimising its GPU infrastructure capacity.

Detailed commentary on the results for the year can be found in the Operating and Financial Overview section on page 11.

Risk Management

The Company takes a proactive approach to risk management. Senior Executives, under the supervision of the Board, are responsible for identifying and analysing risk exposure and reporting regularly to the Board. The Board is responsible for overseeing this process and ensuring that the Company objectives and activities remain aligned with the risks and opportunities identified.

Material Business Risk

Material business risk that could affect the achievement of the disclosed financial performance or outcomes include:

Competitive Environment Risk

Operating in a competitive landscape with nbn® fibre, Fixed Wireless, and other technologies requires continuously delivering high-quality services, compelling product offerings, and a strong brand presence. Failure to maintain these aspects may result in weakened market positioning and competitiveness.

Network Expansion Risk

Expanding the Pentanet Fixed Wireless network is necessary to meet the increasing bandwidth demands for the Company's on-net services. Achieving this objective requires the Company to invest in next-generation wireless infrastructure to increase coverage and deliver higher bandwidth services. Delays or inefficiencies in this expansion could directly impact the Company's ability to fulfil customer demand and limit potential revenue and subscriber growth.

Cloud Gaming Commercialisation Risk

Successful commercialisation of the cloud gaming opportunity involves uncertainties concerning market acceptance, technological readiness, and execution. An ineffective commercialisation approach could lead to missed revenue streams and a competitive disadvantage. Additionally, the expansion into wholesale digital distribution comes with associated risks related to market penetration and successful partnership integration.

Capital Access Risk

The Company's growth strategy relies on securing adequate capital to invest in expansion plans. Limited access to capital could restrict its ability to fund essential growth initiatives, delaying growth potential and adversely impacting Pentanet's strategic objectives. Future equity financing could dilute shareholder interests if it is at a lower market price or has restrictive covenants affecting the Company's operations and business strategy. Debt financing, if attainable, might impose restrictions on financing and operational activities.

Failure to secure necessary financing could force the Company to limit operations, materially impacting its activities and challenging continued operation.

Environmental, Social and Governance (ESG) Risks

As part of its overall risk management framework, the Board considers environmental, social and governance (ESG) matters that may present material risks to the Company's strategy or operations. Pentanet undertakes periodic risk reviews to identify and assess ESG-related exposures and the effectiveness of the controls in place.

Environmental: The Company is subject to regulatory and licensing requirements to ensure its operations do not cause unauthorised environmental harm. While the Board considers Pentanet's environmental risk exposure to be low, the Company remains alert to evolving sustainability requirements and continues to monitor developments in this area.

Social: Pentanet recognises that risks relating to data privacy, cybersecurity, employee wellbeing, and stakeholder expectations are critical to its operations. The Company maintains policies, systems and controls to safeguard customer information, protect its network, and promote a safe, diverse and inclusive workplace. Mental health among staff is a priority, with the Company committed to managing both physiological and psychosocial risks. This includes initiatives and frameworks that address stress, fatigue and burnout, as well as bullying, harassment, violence, aggression, discrimination, and misconduct. The Board and executives maintain oversight of these matters to ensure a safe and supportive work environment.

Governance: Pentanet is committed to sound governance practices, including compliance with ASX Listing Rules, the Corporations Act 2001 and telecommunications regulations. The Board and Company Secretary oversee governance processes to ensure integrity in disclosure and compliance.

At present, the Board considers that Pentanet does not face any material ESG risks reasonably likely to have a significant impact on its financial performance. ESG matters remain subject to ongoing review as part of the Company's broader risk management approach.

Field Staff Safety Risk

Pentanet's operational staff, including employees and contractors, face multiple hazards during field operations. Failure to ensure a safe work environment can interrupt operations and expose the Company to potential legal and financial repercussions.

The Board has several mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the Board. These include the following:

- Existence of an Audit and Risk Committee and monthly Board meeting reviews of risk. This ensures that an appropriate risk-management framework is in place and is operating properly along with regular reviews and monitoring of legal and policy compliance systems and issues; and
- Implementation of Board approved budgets and Board monitoring of progress against budget, including the establishment and monitoring of financial KPIs.
- For more information on risk management please refer to: investorhub.pentanet.com.au containing our latest Risk Management Policy under Governance.

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs in the consolidated entity during the financial year.

Matters Subsequent to the End of the Financial Year

On 18 July 2025, Pentanet Limited (ASX: 5GG, Pentanet or the Company) secured a $2 million Equipment Finance facility with Moneytech Finance Pty Ltd (Moneytech) to support its ongoing capital investment program.

This facility provides funding flexibility to support the Company's near-term commitments, including the final spectrum licence payment of $1.7 million paid in July 2025. The $2 million facility has a term of four years and bears a fixed interest rate of 11.74% per annum. It will be fully funded upfront in a single payment, providing immediate access to funds.

The facility is subject to standard terms and conditions customary for arrangements of this nature, including restrictions on granting further security over financed equipment. Moneytech will register a second-ranking General Security Agreement, subject to a Deed of Priority with Westpac, the holder of the first-ranking General Security Agreement.

The facility will be fully funded upfront in a single payment, providing immediate access to funds. No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely Developments and Expected Results of Operations

Telecommunication segment

In line with the Group's outlined strategic direction, Pentanet will focus on increasing utilisation of its existing 5G tower footprint. The priority will shift from broad coverage expansion to filling available capacity in the near term, driving subscriber acquisition through increased brand awareness and targeted marketing initiatives.

By improving subscriber uptake, Pentanet aims to increase top-line revenue growth and maintain churn at or below 1.2%. Pentanet will also continue to provide competitive off-net service options, reinforcing its position in the Western Australia telecommunications market and supporting overall growth.

Cloud gaming segment

During FY25, Pentanet completed the upgrade of its GeForce NOW Powered by CloudGG infrastructure to NVIDIA RTX 4080 SuperPODs, aligning performance with NVIDIA's global standard and supporting the Ultimate tier capabilities. Pentanet will continue to focus on increasing revenue contribution from this segment by driving higher conversion rates to paid plan and optimising ARPU through refined plan structures and targeted marketing initiatives.

Pentanet's inclusion in the NVIDIA Graphics Delivery Network (GDN) introduces future opportunities to diversify revenue streams beyond gaming into commercial and enterprise workloads. By leveraging global GDN pricing and potential revenue share arrangements, the Company can monetise idle GPU capacity and support incremental revenue growth.

To further uplift cloud gaming margins, Pentanet will focus on capacity optimisation and incremental oversubscription strategies, while exploring additional revenue from commercial partnerships and enterprise opportunities. These initiatives will support sustainable margin expansion and strengthen the long-term profitability of the segment.

Environmental Regulation

The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law. The Company identifies and manages material exposure to environmental risks in line with its Risk Management Policy, available on the Governance page of the Company's website: investorhub.pentanet.com.au

Share Options

	Number of unlisted options	Exercise price	Expiry date
1	2,784,585	$0.093	30 June 2026
2	4,384,192	$0.124	30 June 2027
3	1,000,000	$0.120	22 December 2026
Total:	8,168,777		

Information on Directors

David Buckingham

Non-Executive Chairman

David Buckingham has over 35 years of experience as a corporate leader in telecommunications, media, technology, IT and education and has served on a number of corporate and advisory Boards since 2019. Mr Buckingham began his career at Price Waterhouse Coopers in the UK and Australia.

Prior to that, Mr Buckingham served as both Chief Executive Officer and Chief Financial Officer of Navitas Limited (ASX:NVT), a global education provider with over 120 colleges and campuses across 31 countries.

Prior to Navitas, David worked for Telewest Global as the Group Treasurer and Director of Financial Planning; for Virgin Media as Finance Director, Business Division; and for iiNet (ASX:IIN), where he held the roles of Chief Financial Officer and Chief Executive Officer between 2008 and 2015. He was the Chief Executive Officer of iiNet when the company was acquired by TPG Limited in September 2015.

Mr Buckingham holds a Bachelor of Technology (Hons) from the Loughborough University of Technology and is a qualified ACA Chartered Accountant in England & Wales and a member of the Australian Institute of Company Directors.

Other current directorships:

- **Hiremii Ltd** – appointed 3 May 2021
- **Way2VAT Ltd** – appointed 15 September 2021

Former directorships (last 3 years):

- **Nuheara Ltd** – appointed 1 November 2019, ceased in May 2025

Ordinary shares: 557,055

Options over ordinary shares: Nil

Committee Membership: Chairman of the Board, Chairman of the Remuneration and Nomination Committee, and member of the Audit and Risk Committee

Stephen Cornish

Managing Director and Founder

Stephen Cornish is the founder and managing director of Pentanet (ASX:5GG). Stephen founded Pentanet in 2017 to bring Perth's internet quality up to speed with ultra-fast wireless solutions backed by local customer service and support.

After building the largest and fastest growing fixed wireless network in Perth and delivering on his initial vision for Pentanet, Stephen set his sights on diversifying the Company's footprint through the development of innovative complementary services including GeForce NOW Powered by CloudGG, through an exclusive Alliance Partnership with global tech giant NVIDIA.

After steering Pentanet through its IPO and January 2021 listing on the ASX, Stephen continues to lead the Company from strength to strength. He was recognised as one of Western Australia's leading entrepreneurs in the Business News 40under40 2019, a double finalist in the 2021 CEO Magazine Executive of the Year Awards, and the Cambium Networks Global Connectivity Hero of the Year 2021.

In June 2025, Stephen was recognised on Business News' 2025 Power 500 list for Technology & Innovation.

Other current directorships: None

Former directorships (last 3 years): None

Ordinary shares: 50,482,233

Options over ordinary shares: 3,918,145

Committee Membership: None

Information on Directors (continued)

Timothy Cornish

Non-Executive Director

Timothy Cornish is a founding Director of Pentanet and has various interests in resources, mining technology and international trade. He is an experienced and successful business leader with extensive involvement in private enterprise for over 20 years.

Having spent a significant amount of time in China and throughout Asia, Mr Cornish has built an extensive network of contacts, opportunities, and experience. Mr Cornish's early career in accounting and finance involved roles with Grant Thornton as well as an international strategic sourcing specialist. He has built sales and distribution channels into Asia-Pacific engineering and mining service industries as well as accompanying global supply chains including Europe, USA and Asia.

Mr Cornish has completed a Bachelor of Commerce at UWA and a Graduate Diploma of Chartered Accounting with the Institute of Chartered Accountants Australia & New Zealand.

In 2021 Mr Cornish was recognised as one of WA's forty leading business entrepreneurs in the Business News 40under40 Awards, as well as being awarded Start-Up Category winner.

Other current directorships: None

Former directorships (last 3 years): None

Ordinary shares: 13,531,377

Options over ordinary shares: 418,387

Committee Membership: None

Dalton Gooding

Non-Executive Director

Dalton Gooding has over 45 years' experience and is currently the senior partner of DFK Gooding Partners, where he advises on a wide range of businesses with particular emphasis relating to accounting issues, taxation, due diligence, feasibilities and general business advice.

He was a long-standing Partner at Ernst & Young and is a Fellow of the Institute of Chartered Accountants Australia & New Zealand. Mr Gooding also holds Director positions on a number of public and private company boards in various sectors.

Other current directorship:

- **Katana Capital Ltd** – appointed 10 November 2005

Former directorships (last 3 years): None

Ordinary shares: 3,816,604

Options over ordinary shares: Nil

Committee Membership: Chairman of the Audit and Risk Committee and member of the Remuneration and Nomination Committee

Dominic O'Hanlon

Non-Executive Director

Dominic O'Hanlon is a well-known and successful technology entrepreneur, business executive, professional director, and investor with extensive experience and knowledge of the Information Technology industry built up over a career spanning over 30 years. He brings extensive domestic and global experience across the start-up and technology sectors to his role as a Non-Executive Director.

Mr. O'Hanlon was the managing director and CEO of rhipe Limited (ASX) for over seven years. During his time as CEO, the business grew sales from AUD $74.5M to $377.4M (26.6% CAGR) and EBITDA from AUD $1.5M to $16.6M (41% CAGR). rhipe had approximately 600 staff across 10 countries. He also led the sale of rhipe to Norwegian-based Crayon in November 2021 for AUD $408 million.

Prior to rhipe, Mr. O'Hanlon had multiple technology build, scale, and exit experiences, including as CEO of Haley Limited (sold to Oracle in 2008) and as Chief Strategy Officer of MYOB (sold to Bain Capital in 2011).

Dominic is a Fellow of the Australasian Institute of Company Directors.

Other current directorship:

- **Adisyn Ltd** – appointed 17 March 2025

Former directorships (last 3 years): None

Ordinary shares: 2,585,316

Options over ordinary shares: 1,000,000

Committee Membership: Member of the Audit and Risk Committee and member of the Remuneration and Nomination Committee

Patrick Holywell

Company Secretary

Patrick Holywell has over 20 years' experience in finance, accounting and corporate governance, including employment at Deloitte and Patersons (now Canaccord Genuity). He has held director, company secretary, advisory and CFO roles mainly in the resources, technology, health and financial sectors.

Mr Holywell is a Chartered Accountant, Fellow of the Governance Institute of Australia and Graduate of the Australian Institute of Company Directors.

Other current directorships:

- **Norfolk Metals Ltd** – appointed 8 October 2021

Former directorships (last 3 years):

- **Si6 Metals Ltd** – appointed 25 November 2019, resigned 15 August 2022
- **Transcendence Technologies Ltd** – appointed 20 November 2019, resigned 31 July 2023
- **Coppermoly Ltd** – appointed 1 November 2024, resigned 16 December 2024

Ordinary shares: 821,278

Options over ordinary shares: Nil

Committee Membership: Company secretary of the Audit and Risk Committee and Remuneration and Nomination Committee

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'Other current directorships' quoted above are current directorships for listed entities only and exclude directorships of all other types of entities unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and exclude directorships of all other types of entities unless otherwise stated.

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 2025, and the number of meetings attended by each Director was:

	Full Board		Remuneration and Nomination Committee		Audit and Risk Committee	
	Attended	Held	Attended	Held	Attended	Held
David Buckingham	12	12	1	1	2	2
Stephen Cornish	12	12	-	-	2	2
Timothy Cornish	12	12	-	-	2	2
Dalton Gooding	10	12	1	1	1	2
Dominic O'Hanlon	10	12	1	1	2	2

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

The Company recognises that a talented and diverse workforce is a key competitive advantage. The Company is committed to developing a workplace that promotes diversity through acting in fairness and without prejudice. The Company's policy is to recruit and manage on the basis of competence and performance regardless of age, nationality, race, gender, religious beliefs, sexuality, physical ability or cultural background.

For the financial year ended 30 June 2025, the Company had not yet formalised a policy which outlines measurable objectives for achieving gender diversity. Due to the current size and composition of the organisation, the Board does not consider it appropriate to provide measurable objectives in relation to gender diversity.

The Company is committed to ensuring that the appropriate mix of skills, expertise, and diversity are considered when employing staff at all levels of the organisation and when making new senior executive and Board appointments and is satisfied that the composition of employees, senior executives and members of the Board is appropriate.

For the financial year ended 30 June 2025, the Company had 53 staff (which includes Directors and executive management) and that number includes 12 female and two non-binary team members. The Company had seven Key Management Personnel at 30 June 2025, of which one is female.

Remuneration Report
(Audited)

The Remuneration Report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the *Corporations Act 2001* and its Regulations. This information has been audited as required by section 308(3C) of the Act.

This Remuneration Report sets out remuneration information for Pentanet's Key Management Personnel (KMP) (as defined in AASB 124 Related Party Disclosures), including Non-Executive Directors, Executive Directors and other senior executives who have authority for planning, directing and controlling the activities of the Company.

For the year ended 30 June 2025, the following people were assessed to be KMP:

Name	Role	Appointed
David Buckingham	Non-Executive Chairman of the Board and Remuneration and Nomination Committee	10 September 2020
Dalton Gooding	Non-Executive Director of the Board and Chairman of the Audit and Risk Committee	26 November 2018
Dominic O'Hanlon	Non-Executive Director of the Board	6 October 2023
Stephen Cornish	Managing Director	20 February 2017
Timothy Cornish	Non-Executive Director	20 February 2017[(1)]
Mart-Marie Derman	Chief Financial Officer	11 September 2020

[1] On the 14th November 2024, Mr Timothy Cornish ceased his role as an Executive Director and was appointed as a Non-Executive Director.

The Remuneration Report is designed to provide shareholders with comprehensive information on the structure of Pentanet's remuneration framework and the basis on which it aligns with shareholders and other key stakeholders' interests while ensuring rewards are aligned with strategic objectives and value creation for Pentanet.

The Remuneration Report is set out under the following main headings:

1. **Remuneration governance**
   1.1 Remuneration and Nomination Committee
   1.2 Use of remuneration consultants
2. **Executive remuneration approach and structure**
   2.1 Remuneration philosophy
   2.2 Executive remuneration structure
   2.3 Remuneration practices
   2.4 Short Term Incentive Program
   2.5 Long Term Incentive Program
3. **Link between Company performance and executive remuneration**
4. **Employment contracts of Directors and senior executives**
5. **Non-Executive Director fee arrangements**
6. **Details of remuneration**

1. Remuneration Governance

1.1 Remuneration and Nomination Committee

The key purpose of the Remuneration and Nomination Committee is to ensure that the level and composition of remuneration is appropriately balanced between the need to attract and retain high-quality Directors and attract, retain, and motivate senior executives and the need to ensure that the incentives for Executive Directors and senior executives encourage them to pursue the growth and success of the entity without rewarding conduct that is contrary to the Company's values or risk appetite.

The Remuneration Committee assesses the appropriateness of the nature and amount of remuneration of Directors and executives on a periodic basis. The assessment is made with reference to the Group's performance, executive performance, and comparable information from industry sectors and other listed companies in similar industries.

1.2 Use of remuneration consultants

The Board of Directors employs the services of an independent and specialist contractor for remuneration advice. 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 does 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.

For the purposes of the *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2001* (the Act), any guidance provided by remuneration consultants throughout the financial year was not considered a remuneration recommendation in relation to KMP as defined by Division 1 of Part 1.2 of Chapter 1 of the Act.

2. Executive Remuneration Approach and Structure

2.1 Remuneration philosophy

The objective of the consolidated entity'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 market best practice for the delivery of the 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

In consultation with external remuneration consultants (refer to the section 'Use of remuneration consultants' above), the Remuneration and Nomination Committee structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the consolidated entity.

The reward framework is designed to align executive rewards to shareholders' interests. The Board has 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 growth in share price, and delivering a 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.

2.2 Executive remuneration structure

The remuneration structure for Executive Officers, including Executive Directors, is based on a number of factors, including experience, qualifications, job level, and overall performance of the Company. The service agreements between the Company and specified Directors and executives are on a continuing basis, which is not expected to change in the immediate future.

The consolidated entity 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 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 consolidated entity, 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 consolidated entity and provides additional value to the executive.

2.3 Remuneration practices

The Company aims to reward executives with a level and mix of remuneration appropriate to their position, responsibilities, and performance within the business and aligned with market practice. The Board exercises its discretion in relation to approving incentives, bonuses, rights, and shares.

Where applicable, Executive Directors and executives receive a superannuation guarantee contribution required by the Government, which during the year was 11.5% (subject to the statutory cap), and do not receive any other retirement benefits. Upon retirement, specified Directors and executives are paid employee entitlements and incentives accrued to the date of their retirement. All remuneration paid to Directors and executives is valued at cost to the Company and expensed. Where performance rights and shares are given to Directors and executives, they are valued according to the accounting standards.

The following table illustrates the executive remuneration elements, including how each element aligns to the Company's remuneration strategy and links remuneration outcomes to performance.

Remuneration component	Vehicle	Purpose	Link to performance
Fixed remuneration	Comprise base salary, superannuation contributions and other benefits.	To provide competitive fixed remuneration for senior executives as determined by the scope of their position and the knowledge, skill and experience required to perform the role.	Company and individual performance are considered during the annual remuneration review.
Short Term Incentives (STI)	The STI component of the KMP Remuneration is paid in cash.	Reward executives for short-term achievement of: • Financial and operational key performance indicators. • Progress with the delivery of the Company's business plan and strategic objectives, and • Specific goals in relation to the development of people within the Company and its profile within the business community.	Examples of key performance indicators include: • Achievement of financial and operational targets, including a strong cash position, positive EBITDA and sustained subscriber growth. • Achievement of network expansion targets to ensure capacity ahead of the demand curve. • Overheads and cost control targets. • Targets set in relation to the Group business plan such as meeting targeted launch dates, supplier contract renegotiations, and • Targets set for strong work health and safety compliance with no major reportable incidents.
Long Term Incentives (LTI)	Executives are entitled to participate in the employee securities incentive plan. Options issued under the plan do not attract dividends or voting rights. No option holder has any right under the options to participate in any other share issue of the company or any other entity.	To better align executives to the interests of shareholders and provide a reward based on long term growth in share price and earnings.	Retains key staff to help grow long-term value for shareholders. Performance measures under the post-IPO LTI scheme include: • Consolidated Group Revenue – achievement of or exceeding Board-approved budget, ensuring focus on top-line growth. • Gaming Segment Revenue – achievement of or exceeding Board-approved budget, aligning focus with key growth segments. • Consolidated EBITDA – achievement of or exceeding Board-approved budget, rewarding efficiency and sustainable earnings. • Minimum Cash Balance – maintaining Board-approved minimum cash balance at all times, encouraging disciplined cash management and financial stability.

2.4 Short Term Incentive Program (STI)

The 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 (KPIs) being achieved. KPIs include revenue and gross profit growth, subscriber growth and new product launches, customer satisfaction, leadership contribution, and network capacity and capability.

General terms of the STI plan

How is it paid?
Generally, in cash.

How much can Executives earn?
Executives can earn up to a maximum of 30% of their total fixed remuneration as an STI incentive. The Board has discretion for potential overperformance.

How is performance measured?
Executive STI performance was assessed against a balanced scorecard of financial, operational, and organisation development KPIs:

- Financial - EBITDA growth, positive cash generation, and overhead cost control.
- Operational - subscriber growth, achievement of network expansion milestones, and successful launch of new products.
- Organisation - customer satisfaction, safety compliance (no major incidents).

Each KPI carried a weighting. Target and stretch levels were set by the Board at the beginning of the year, with performance assessed after year-end against audited financial results.

For the FY25 STI, performance outcomes resulted in 45% of target achieved.

When is it paid?
In the first and third quarter of the calendar year.

What happens if an executive leaves or there is a change of control?
The payment of any accrued or part STI benefit in these circumstances is at the discretion of the Board.

The STI award opportunity is based on a percentage of an individual's base salary. For the Managing Director, a maximum award opportunity of 30% of total fixed remuneration is available. The STI is based on the previous financial year's base salary earnings to 30 June before performance-based remuneration reviews.

2.5 Long Term Incentive Program (LTI)

The LTI program offered to key executives forms a key part of their remuneration and assists in aligning their interests with the long-term interests of shareholders. The purpose of the LTI Scheme is to reward key executives for attaining results over a long measurable period and for staying with the organisation. The LTI includes long service leave and share-based payments.

In the 2024 financial year, the Board introduced a new post-IPO LTI scheme appropriate for the stage of the Company's development. The LTI Scheme consist of performance rights issued in November 2023.

The LTI consists of performance rights, with vesting dependent on the achievement of performance conditions.

3. Link Between Company Performance and Executive Remuneration

Remuneration for executives is directly linked to the performance of the consolidated entity. A portion of a cash bonus and incentive payments are dependent on defined earnings per financial and operational targets being met. Any remaining portion of the cash bonus and incentive payments are at the discretion of the Remuneration and Nomination Committee.

The remuneration policy has been tailored to increase goal congruence between shareholders, Directors, and executives. There have been two methods applied in achieving this aim, the first being a performance-based short-term incentive based on key performance indicators, and the second being the issue of options and performance rights to Executive Directors and executives to encourage the alignment of personal and shareholder interests.

Additional information:

The earnings of the consolidated entity for the five years to 30 June 2025 are summarised below:

	2025 $'000	2024 $'000	2023 $'000	2022 $'000	2021 $'000
Revenue	$22,595	$20,882	$19,733	$16,829	$10,917
EBITDA[1]	$1,360	($1,267)	($3,114)	($4,398)	($8,290)
EBIT	($3,962)	($5,753)	($7,202)	($7,779)	($9,798)
Loss after income tax	($4,453)	($6,384)	($7,569)	($7,925)	($13,697)

	2025	2024	2023	2022	2021
Share price at financial year end	$0.027	$0.046	$0.078	$0.270	$0.675
Basic loss per share (cents per share)	(0.01)	(0.02)	(0.02)	(0.03)	(0.07)

[1] EBITDA is a financial measure that is not prescribed by Australian Accounting Standards ('AAS') and represents the profit under AAS adjusted for depreciation, amortisation, interest, and tax.

4. Employment Contracts/Service Agreements of Key Management Personnel

Name:	**Stephen Cornish**
Title:	**Managing Director**
Agreement commenced:	**1 November 2017**

Details:

The Company has entered into an executive services agreement with Mr Stephen Cornish effective from 1 November 2017, pursuant to which Mr Cornish will serve as Managing Director of the Company on a full-time basis (MD Agreement).

Base salary for the year ended 30 June 2025 of $350,000 plus superannuation, to be reviewed annually by the Remuneration and Nomination Committee.

The MD Agreement is for an indefinite term, continuing until terminated by either Mr Stephen Cornish giving not less than 2 months' notice or the Company giving not less than 6 months' written notice of termination (or shorter periods in limited circumstances).

On termination of the MD Agreement, however occurring, Mr Stephen Cornish is required to resign without claim for compensation from any office held by Mr Stephen Cornish in the Company or any member of the Group.

Mr Stephen Cornish is entitled to participate in bonus and/or other incentive schemes as determined by the Remuneration and Nomination Committee approval and KPI achievement.

The service agreement contains standard non-solicitation and non-compete clauses.

Name:	**Timothy Cornish**
Title:	**Non-Executive Director**
Agreement commenced:	**1 July 2018**

Details:

Mr Timothy Cornish was previously engaged under an executive services agreement effective from 1 July 2018, pursuant to which he served as an Executive Director of the Company on a full-time basis (ED Agreement).

Under the ED agreement, Mr Timothy Cornish received a base salary for the year ended 30 June 2025 of $191,250 plus superannuation, to be reviewed annually by the Remuneration and Nomination Committee.

The ED Agreement was for an indefinite term, continuing until terminated by either Mr Timothy Cornish giving not less than 2 months' notice or the Company giving not less than 6 months' written notice of termination (or shorter periods in limited circumstances).

On termination of the ED Agreement, however occurring, Mr Timothy Cornish is required to resign without claim for compensation from any office held by Mr Timothy Cornish in the Company or any member of the Group.

Mr Timothy Cornish is entitled to participate in bonus and/or other incentive schemes as determined by the Remuneration and Nomination Committee approval and KPI achievement.

The service agreement contains standard non-solicitation and non-compete clauses.

On the 14th November 2024, Mr Timothy Cornish ceased his role as an Executive Director and was appointed as a Non-Executive Director, with a base salary for the year ended 30 June 2025 of $50,000 plus superannuation.

The terms of the appointment are subject to the provision of the constitution relating to retirement by rotation and re-election of Directors and will automatically cease at the end of any meeting at which the Non-Executive Director is not re-elected by shareholders.

Name:	**David Buckingham**
Title:	**Non-Executive Chairman**
Agreement commenced:	**10 September 2020**
Term of agreement:	**Ongoing until terminated**

Details:

Base salary for the year ended 30 June 2025 of $75,000 plus superannuation.

The terms of the appointment are subject to the provision of the constitution relating to retirement by rotation and re-election of Directors and will automatically cease at the end of any meeting at which the Non-Executive Director is not re-elected by shareholders.

Name:	**Dalton Gooding**
Title:	**Non-Executive Director**
Agreement commenced:	**26 November 2018**
Term of agreement:	**Ongoing until terminated**

Details:

Base salary for the year ended 30 June 2025 of $50,000 plus superannuation.

The terms of the appointment are subject to the provision of the constitution relating to retirement by rotation and re-election of Directors and will automatically cease at the end of any meeting at which the Non-Executive Director is not re-elected by shareholders.

Name:	**Dominic O'Hanlon**
Title:	**Non-Executive Director**
Agreement commenced:	**6 October 2023**
Term of agreement:	**Ongoing until terminated**

Details:

Base salary for the year ended 30 June 2025 of $70,000 plus superannuation and a consulting fee of $20,000.

The terms of the appointment are subject to the provision of the constitution relating to retirement by rotation and re-election of Directors and will automatically cease at the end of any meeting at which the Non-Executive Director is not re-elected by shareholders.

Name:	**Mart-Marie Derman**
Title:	**Chief Financial Officer**
Agreement commenced:	**1 May 2019**
Term of agreement:	**Ongoing until terminated**

Details:

The Company has entered into a services agreement with Mrs Mart-Marie Derman on 1 May 2019.

Subsequently, effective from 11 September 2019, Mrs Mart-Marie Derman was promoted to the position of Chief Financial Officer of the Company on a full-time basis.

Base salary for the year ended 30 June 2025 of $230,000 plus superannuation, to be reviewed annually by the Remuneration and Nomination Committee.

The Agreement is for an indefinite term, continuing until terminated by either Mrs Mart-Marie Derman giving not less than 2 months' notice or the Company giving not less than 6 months' written notice of termination (or shorter periods in limited circumstances).

On termination of the Agreement, however occurring, Mrs Mart-Marie Derman is required to resign without claim for compensation from any office held by Mrs Mart-Marie Derman in the Company or any member of the Group.

Mrs Mart-Marie Derman is entitled to participate in bonus and/or other incentive schemes as determined by the Remuneration and Nomination Committee approval and KPI achievement.

The service agreement contains standard non-solicitation and non-compete clauses.

5. Non-Executive Director Fee Arrangements

The Board's policy is to remunerate Non-Executive Directors at market rates for comparable companies for time, commitment, and responsibilities. The Board approves payments to the Non-Executive Directors and reviews their remuneration annually, based on market practice, duties, and accountability.

Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders during a general meeting and currently stands at a maximum pool of $300,000.

Fees for Non-Executive Directors are not linked to the performance of the consolidated entity; however, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company.

6. Details of Remuneration

Amounts of remuneration

Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables:

	Short-term benefits		Post-employment benefits	Share-based payments	% Performance related	
2025	**Cash salary & fees $**	**Cash bonus[2] $**	**Super-annuation $**	**Equity-settled $**		**Total $**
Non-Executive Directors						
David Buckingham	75,000	-	8,625	-	-	83,625
Dalton Gooding	50,000	-	5,750	-	-	55,750
Dominic O'Hanlon	82,500	-	8,050	-	-	90,550
Timothy Cornish[1]	30,769	-	3,538	-	-	34,307
Executive Directors						
Stephen Cornish	364,170	47,250	32,001	50,091	20%	493,512
Timothy Cornish	89,690	-	8,459	(5,356)	-	92,793
Other Key Management Personnel						
Mart-Marie Derman	230,000	20,700	28,831	15,449	12%	294,980
	922,129	**67,950**	**95,254**	**60,184**	**11%**	**1,145,517**

[1] Timothy Cornish changed from Executive Director to Non-Executive Director on 14 November 2024.
[2] Cash bonus (STI) awarded based on achievement of Board-approved performance KPIs and calculated as a percentage of base salary according to performance outcomes.

2024	Short-term benefits Cash salary & fees $	Cash bonus $	Post-employment benefits Super-annuation $	Share-based payments Equity-settled $	% Performance related	Total $
Non-Executive Directors						
David Buckingham	75,000	-	8,250	-	-	83,250
Dalton Gooding	50,000	-	5,500	-	-	55,500
Dominic O'Hanlon[1]	52,500	-	5,775	21,525	27%	79,800
Executive Directors						
Stephen Cornish	351,771	-	22,030	51,984	12%	425,785
Timothy Cornish	191,250	-	21,037	16,043	7%	228,330
Other Key Management Personnel						
Mart-Marie Derman	230,000	13,064	25,790	20,852	12%	289,706
	950,521	**13,064**	**88,382**	**110,404**	**11%**	**1,162,371**

[1] Dominic O'Hanlon was appointed 6 October 2023.

On the 24th of November 2023, Pentanet Ltd issued the following options to Directors and key management:

Key management personnel	Capacity	Tranche 1	Tranche 2	Tranche 3	Total options granted
Stephen Cornish	Managing Director	1,373,418	2,544,727	-	3,918,145
Timothy Cornish	Non-Executive Director	418,387	775,206	-	1,193,593
Dominic O'Hanlon	Non-Executive Director	-	-	1,000,000	1,000,000
Mart-Marie Derman	Chief Financial Officer	415,162	769,231	-	1,184,393
		2,206,967	**4,089,164**	**1,000,000**	**7,296,131[1]**

[1] Each Option (unless otherwise specified) will have an exercise price as set out below (Exercise Price) and will expire at 5.00pm (AWST) on the date set out below (Expiry Date). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

Key management personnel	Capacity	Fair value at Grant date: Tranche 1	Fair value at Grant date: Tranche 2	Fair value at Grant date: Tranche 3	Total fair value of options granted
Stephen Cornish	Managing Director	35,082	69,694	-	104,776
Timothy Cornish	Non-Executive Director	10,687	21,231	-	31,918
Dominic O'Hanlon	Non-Executive Director	-	-	21,525	21,525
Mart-Marie Derman	Chief Financial Officer	10,605	21,067	-	31,672
		56,374	**111,992**	**21,525**	**189,891**

For the options granted during the year ended 30 June 2024, the Black-Scholes valuation model was used to determine the fair value at grant date using the following inputs:

	Grant date	Expiry date	Share price at grant date $	Exercise price $	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date $
Tranche 1	24/11/2023	30/06/2026	0.06	0.093	85%	0	4.25%	0.0255
Tranche 2	24/11/2023	30/06/2027	0.06	0.124	85%	0	4.24%	0.0274
Tranche 3	24/11/2023	24/11/2026	0.06	0.120	85%	0	4.25%	0.0215

On the 24th of November 2023, Pentanet Ltd issued the following LTI performance rights to executives and Directors:

Key management personnel	Capacity	Tranche 1	Tranche 2	Total performance rights granted
Stephen Cornish	Managing Director	737,427	737,427	1,474,854
Timothy Cornish	Non-Executive Director	231,351	231,351	462,702
Mart-Marie Derman	Chief Financial Officer	389,517	389,517	779,034
Total performance rights issued to key management personnel		**1,358,295**	**1,358,295**	**2,716,590**

Key management personnel	Capacity	Fair value at grant date: Tranche 1 $	Fair value at grant date: Tranche 2 $	Total fair value of option granted $
Stephen Cornish	Managing Director	44,246	44,246	88,492
Timothy Cornish	Non-Executive Director	13,881	13,881	27,762
Mart-Marie Derman	Chief Financial Officer	23,371	23,371	46,742
Total fair value of performance rights issued to key management personnel		**81,498**	**81,498**	**162,996**

For the performance rights granted during the year ended 30 June 2024, the share price at grant date was used to determine the fair value at grant date using the following inputs:

	Grant date	Vesting Date	Expiry date	Share price at grant date $	Probability of Vesting
Tranche 1	24/11/2023	31/10/2025	30/06/2026	0.06	0%
Tranche 2	24/11/2023	31/10/2026	30/06/2026	0.06	100%

Tranche	Weight	Performance Conditions
1	30%	Group revenue for the year ending 30 June 2025 meeting or exceeding the amount budgeted and approved by the Board.
1	20%	Gaming segment revenue for the year ending 30 June 2025 meeting or exceeding the amount budgeted and approved by the Board.
1	30%	EBITDA for the year ending 30 June 2025 meeting or exceeding the amount budgeted and approved by the Board.
1	20%	Minimum cash balance meeting or exceeding the amount budgeted and approved by the Board, at all times during the year ending 30 June 2025.
2	30%	Group revenue for the year ending 30 June 2026 meeting or exceeding the amount budgeted and approved by the Board.
2	20%	Gaming segment revenue for the year ending 30 June 2026 meeting or exceeding the amount budgeted and approved by the Board.
2	30%	EBITDA for the year ending 30 June 2026 meeting or exceeding the amount budgeted and approved by the Board.
2	20%	Minimum cash balance meeting or exceeding the amount budgeted and approved by the Board, at all times during the year ending 30 June 2026.

Performance rights on issue

This table shows how many performance rights were granted, vested and forfeited during the year.

Performance rights FY25

Name	Balance at start of year	Granted during year	Vested	%	Expired / forfeited / other	%	Balance at end of year (unvested)	Maximum value yet to vest*
	Number	Number	Number		Number		Number	$
Stephen Cornish	1,474,854	-	-	-	-	-	1,474,854	20,142
Timothy Cornish	462,702	-	-	-	(462,702)	100	-	-
Mart-Marie Derman	779,034	-	-	-	-	-	779,034	10,639
Total	**2,716,590**	**-**	**-**	-	**(462,702)**	-	**2,253,888**	**30,781**

Performance rights FY24

Name	Balance at start of year	Granted during year	Vested	%	Expired / forfeited / other	%	Balance at end of year (unvested)	Maximum value yet to vest*
	Number	Number	Number		Number		Number	$
Stephen Cornish	-	1,474,854	-	-	-	-	1,474,854	65,747
Timothy Cornish	-	462,702	-	-	-	-	462,702	20,627
Mart-Marie Derman	-	779,034	-	-	-	-	779,034	34,728
Total	**-**	**2,716,590**	**-**	-	**-**	-	**2,716,590**	**121,102**

*The maximum value of the performance rights yet to vest has been determined as the amount of the grant date fair value of the performance rights that is yet to be expensed. For the 2024 grant, the maximum value yet to vest for this grant was estimated based on the share price of the Company at the grant date. The minimum value of deferred shares yet to vest is nil, as the shares will be forfeited if the vesting conditions are not met.

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 consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals / other	Balance at the end of the year
Ordinary shares					
David Buckingham	557,055	-	-	-	557,055
Dalton Gooding	3,816,604	-	-	-	3,816,604
Dominic O'Hanlon	-	-	2,583,316	-	2,583,316
Stephen Cornish	50,482,233	-	-	-	50,482,233
Timothy Cornish	13,531,377	-	-	-	13,531,377
Mart-Marie Derman	1,170,000	-	-	-	1,170,000
	69,557,269	**-**	**2,583,316**	**-**	**72,140,585**

*Includes shares held directly, indirectly, and beneficially by KMP.

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 consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired / forfeited / other	Balance at the end of the year	Vested and exercisable	Unvested
Options over ordinary shares							
Dominic O'Hanlon	1,000,000	-	-	-	1,000,000	1,000,000	-
Stephen Cornish	3,918,145	-	-	-	3,918,145	1,373,418	2,544,727
Timothy Cornish	1,193,593	-	-	(775,206)	418,387	418,387	-
Mart-Marie Derman	1,184,393	-	-	-	1,184,393	415,162	769,231
	7,296,131	**-**	**-**	**(775,206)**	**6,520,925**	**3,206,967**	**3,313,958**

*Includes options held directly, indirectly, and beneficially by KMP.
[1] 2,206,967 Options vested on 30 June 2025, subject and conditional upon the holder being employed by Company on that date; and 3,313,958 Options will vest on 30 June 2026, subject and conditional upon the holder being employed by the Company on that date.

Performance rights holding*

The number of performance rights held during the financial year by each Director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired / forfeited / other	Balance at the end of the year
Options over ordinary shares					
Stephen Cornish	1,474,854	-	-	-	1,474,854
Timothy Cornish	462,702	-	-	(462,702)	-
Mart-Marie Derman	779,034	-	-	-	779,034
	2,716,590	**-**	**-**	**(462,702)**	**2,253,888**

*Includes performance rights held directly, indirectly, and beneficially by KMP.
Performance rights will vest on 31 October 2026, subject and conditional upon the performance conditions set out above being met.

Other transactions with key management personnel and their related parties:

Pentanet Ltd spent $35,255 with DFK Gooding Partners for accounting and tax advisory services during the year, on commercial terms and market rates, which is a Director related entity (Dalton Gooding), with no balance relating to this fee outstanding as at 30 June 2025.

Pentanet Ltd spent $13,355 with The Cornish Property Trust for rent of commercial property during the year, on commercial terms and market rates, which is a related party of a Director related entity (Stephen Cornish and Timothy Cornish), with no balance relating to this fee outstanding as at 30 June 2025.

This concludes the remuneration report, which has been audited.

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.

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.

Non-audit services

No amounts were paid to the auditor for non-audit services during the financial year. Audit services provided during the financial year by the auditor are outlined below:

	Consolidated	
	2025 $	**2024 $**
Audit services – BDO Audit Pty Ltd [1]	118,093	118,742
Audit or review of the financial statements	118,093	118,742

[1] During FY24 BDO Audit Pty Ltd was appointed as auditor of the Company following the resignation of BDO Audit (WA) Pty Ltd. The change of auditor arose as a result of BDO Audit (WA) Pty Ltd restructuring its audit practice, whereby audits will be conducted by BDO Audit Pty Ltd, an authorised audit company, rather than BDO Audit (WA) Pty Ltd.

The Directors are of the opinion that the services as disclosed in Note 26 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 undermines 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.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

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.

Auditor

BDO Audit Pty Ltd continues in office in accordance with section 327 of the *Corporations Act 2001*.

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,

David Buckingham
Non-Executive Chairman

29 August 2025
Perth

Auditor's Independence Declaration

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DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF PENTANET LIMITED

As lead auditor of Pentanet Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Pentanet Limited and the entities it controlled during the period.

Jarrad Prue

Director

BDO Audit Pty Ltd

Perth

29 August 2025

Financial Report

General information

The financial statements cover Pentanet Ltd as a consolidated entity consisting of Pentanet Ltd and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Pentanet Ltd's functional and presentation currency.

Pentanet Ltd is a listed public Company limited by shares, incorporated, and domiciled in Australia. Its registered office and principal place of business are:

Registered office

Suite 25, 257 Balcatta Road, Balcatta, 6021, WA

Principal place of business

Suite 25, 257 Balcatta Road, Balcatta, 6021, WA

A description of the nature of the consolidated entity's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 29 August 2025. The Directors have the power to amend and reissue the financial statements.

Consolidated Statement of **Profit or Loss and Other Comprehensive Income**

For the year ended 30 June 2025

	Note	Consolidated 2025 $'000	2024 $'000
Revenue	4	22,595	20,882
Other income	5	417	636
Total revenue		**23,012**	**21,518**
Expenses	6		
Network, carrier, and hardware expenses		(11,589)	(11,272)
Employee benefits expense		(6,714)	(7,550)
Share based payments		(50)	(171)
Other expenses		(3,299)	(3,792)
Finance costs	6	(491)	(631)
Depreciation, amortisation and impairment expense	6	(5,322)	(4,486)
Loss before income tax expense		**(4,453)**	**(6,384)**
Income tax expense	7	-	-
Loss after income tax expense for the year attributable to the owners of Pentanet Ltd	30	**(4,453)**	**(6,384)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Changes in fair value of equity investments at fair value through other comprehensive income		-	(3,180)
Total comprehensive income for the year attributable to the owners of Pentanet Ltd		**(4,453)**	**(9,564)**
		Cents	Cents
Basic and diluted (loss) per share attributable to owners of Pentanet Ltd	30	**(0.01)**	**(0.02)**

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

Consolidated Statement of **Financial Position**

As at 30 June 2025

		Consolidated	
	Note	2025 $'000	2024 $'000
Assets			
Current assets			
Cash and cash equivalents	8	2,213	5,302
Trade and other receivables	9	331	737
Inventories		204	288
Deposits and prepayments		610	694
Total current assets		**3,358**	**7,021**
Non-current assets			
Property, plant, and equipment	10	18,742	21,496
Right-of-use assets	11	4,809	5,744
Intangibles	12	6,661	7,320
Total non-current assets		**30,212**	**34,560**
Total assets		**33,570**	**41,581**
Liabilities			
Current liabilities			
Trade and other payables	13	2,022	4,123
Contract liabilities		217	129
Employee benefits		568	378
Other liabilities	14	1,946	2,099
Lease liabilities	15	1,026	1,018
Borrowings	16	696	984
Total current liabilities		**6,475**	**8,731**
Non-current liabilities			
Contract liabilities		16	1
Employee benefits		191	162
Other liabilities	14	48	128
Lease liabilities	15	4,428	5,262
Borrowings	16	1,074	1,556
Total non-current liabilities		**5,757**	**7,109**
Total liabilities		**12,232**	**15,840**
Net assets		**21,338**	**25,741**
Equity			
Reserves	17	1,451	1,401
Issued capital	18	67,310	67,310
Accumulated losses	19	(43,423)	(38,970)
Fair Value through other comprehensive income reserve	20	(4,000)	(4,000)
Total equity		**21,338**	**25,741**

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

Consolidated Statement of **Changes in Equity**

For the year ended 30 June 2025

Consolidated	Issued capital $'000	Reserves $'000	Accumulated losses $'000	Fair Value through other comprehensive income reserve $'000	Total $'000
Balance at 1 July 2023	63,331	5,568	(36,924)	(820)	31,155
Loss after income tax expense for the year	-	-	(6,384)	-	(6,384)
Other comprehensive income for the year, net of tax	-	-	-	(3,180)	(3,180)
Total comprehensive loss for the year	**-**	**-**	**(6,384)**	**(3,180)**	**(9,564)**
Transactions with owners in their capacity as owners:					
Issue of shares	4,280	-	-	-	4,280
Share issue costs	(301)	-	-	-	(301)
Share based payments	-	171	-	-	171
Expiration of options	-	(4,338)	4,338	-	-
Balance at 30 June 2024	**67,310**	**1,401**	**(38,970)**	**(4,000)**	**25,741**

Consolidated	Issued capital $'000	Reserves $'000	Accumulated losses $'000	Fair Value through other comprehensive income reserve $'000	Total $'000
Balance at 1 July 2024	67,310	1,401	(38,970)	(4,000)	25,741
Loss after income tax expense for the year	-	-	(4,453)	-	(4,453)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive loss for the year	**-**	**-**	**(4,453)**	**-**	**(4,453)**
Transactions with owners in their capacity as owners:					
Issue of shares	-	-	-	-	-
Share issue costs	-	-	-	-	-
Share based payments	-	50	-	-	50
Expiration of options	-	-	-	-	-
Balance at 30 June 2025	**67,310**	**1,451**	**(43,423)**	**(4,000)**	**21,338**

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

Consolidated Statement of **Cash Flows**

For the year ended 30 June 2025

	Note	Consolidated 2025 $'000	Consolidated 2024 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		23,009	21,277
Payments to suppliers and employees (inclusive of GST)		(21,607)	(21,431)
Cash generated from operations		**1,402**	**(154)**
Other income		442	70
Interest received		8	81
Interest and other finance costs paid		(491)	(631)
Net cash from/(used) in operating activities	8	**1,361**	**(634)**
Cash flows from investing activities			
Payments for property, plant, and equipment	12	(1,050)	(5,253)
Payments for intangibles	14	(1,788)[1]	(1,863)
Maturity and reclassification of term deposit to cash and cash equivalents		-	2,500
Payment for deposits held by financial institutions		-	-
Net cash used in investing activities		**(2,838)**	**(4,616)**
Cash flows from financing activities			
Proceeds from issue of shares	22	-	4,280
Share issue transaction costs		-	(298)
Net repayments of borrowings		(748)	(67)
Payment of lease liabilities		(864)	(731)
Net cash (used)/from financing activities		**(1,612)**	**3,184**
Net (decrease) in cash and cash equivalents		(3,089)	(2,066)
Cash and cash equivalents at the beginning of the financial year		5,302	7,368
Cash and cash equivalents at the end of the financial year	8	**2,213**	**5,302**

[1] Included in payments for intangibles is a $1.6m payment to ACMA for the 15-year Spectrum License. The full purchase amount of $7,986,200 is recognised in intangible assets and the group has elected to pay the license fee over five equal instalments per the ACMA's allocation determination.

The above-consolidated statement of cash flow should be read in conjunction with the accompanying notes.

Notes to the
Consolidated Financial Statements

Note 1
Material Accounting Policies

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.

Going Concern

The Directors have prepared the financial report on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

For the period ended 30 June 2025 the Group held cash and cash equivalents of $2.2m (30 June 2024: $5.3m), a negative working capital position of $3.1m (30 June 2024: $1.7m), recorded a total comprehensive loss of $4.5m (30 June 2024: $9.5m), had net cash inflow from operating activities of $1.4m (30 June 2024: net cash outflow of $0.6m) and had net cash outflow from investing activities of $2.8m (30 June 2024: $7.1m excluding realised term deposit of $2.5m).

The Group's ability to continue as a going concern is dependent on maintaining improved operating performance and ensuring adequate liquidity to meet obligations as they fall due. The Directors believe there are reasonable grounds to expect the Group will continue as a going concern after consideration of the following:

- Forecasts prepared by management indicate that, based on current trading and cost structures, the Group will continue to generate positive EBITDA and operating cash flows over the next 12 months.
- The Group's forecasts demonstrate that available cash resources, together with operating cash inflows and the $2.0 million financing facility secured subsequent to year end, are expected to provide sufficient liquidity to meet working capital and other funding requirements for at least the 12 months from the date of this report.
- The Group continues to actively manage discretionary expenditure to align with available funds and retains the flexibility to raise additional capital through debt or equity if required.
- Significant 5G equipment stock on hand at 30 June 2025 will support network expansion in FY26 without further material cash outlays.

Based on these forecasts and financing arrangements, the Directors are satisfied that the Group has sufficient cash flows and funding available to meet its obligations as and when they fall due for the 12 months from the date of this report, and accordingly the financial report has been prepared on a going concern basis.

New or amended Accounting Standards and Interpretations adopted

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

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The Group has not yet estimated the potential effect of these standards on its financial statements.

The adoption of these Accounting Standards and Interpretations did not have any material impact on the financial performance or position of the consolidated entity.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

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.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes.

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 consolidated 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.

Note 1
Material Accounting Policies (continued)

Parent entity information

In accordance with the *Corporations Act 2001*, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in Note 27.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Pentanet Ltd ('Company' or 'parent entity') as at 30 June 2025, and the results of all subsidiaries for the year then ended.

Pentanet Ltd and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'. Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances, and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Operating segment information

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

The group operates in two segments: internet and telecommunication services and gaming technology within Australia.

Revenue recognition

The consolidated entity recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer.

The consolidated entity principally generates revenue from providing wireless, fibre broadband and cloud gaming services. The provision of wireless communication services includes initial installation of associated network infrastructure. The typical length of a contract for wireless broadband services is 12-24 months. The provision of fibre communication services does not require the installation of network infrastructure.

The provision of cloud-gaming services provides the subscriber access to the cloud server allowing the subscriber to play games remotely from the cloud. The typical length of a contract is either a monthly or annual subscription contract.

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

For bundled packages, the group accounts for individual products and services separately if they are distinct – i.e. if a product or service is separately identifiable from other items in the bundled package and if a customer can benefit from it. The consideration is allocated between separate products and services in a bundle based on their stand-alone selling prices. The stand-alone selling prices are determined based on the list prices at which the group sells the devices and services. For items that are not sold separately, the group estimates stand-alone selling prices using the adjusted market assessment approach.

Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on a fixed price. Revenue from the provision of wireless broadband services is recognised monthly over the expected life of the contract, including any expected extensions of the service. Installation of the internet service is not distinct from the provision of internet service as the customer cannot benefit from either the broadband service or installation alone.

Note 1
Material Accounting Policies (continued)

The installation and broadband service are therefore identified as a single performance obligation, and the associated revenue is recognised over time.

Revenue from the provision of fibre broadband services is recognised each month the service is made available to the consumer.

Revenue from the provision of telecommunication services relating to nbn® service is recognised each month the service is made available to the customer.

Revenue from the provision of cloud gaming services is from monthly or annual subscription fees. Subscription fees are billed in advance of the start of their monthly or annual membership with revenue being recognised each month as the service is provided to the subscriber.

All revenue is stated net of the amount of goods and services tax (GST).

Disposal of assets

Revenue from the disposal of other assets is recognised when the group has transferred the risks and rewards of ownership to the buyer.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered, or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled, and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities, and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Note 1
Material Accounting Policies (continued)

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity 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.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Property, plant, and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Network infrastructure:	2-10 years
Leasehold improvements:	5 years
Plant and equipment:	2-10 years

The residual values, useful lives and depreciation methods are reviewed and adjusted if appropriate at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Right-of-use assets

At the inception of a contract, the Group assesses whether the contract is or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the group has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- the group has the right to direct the use of the asset. The group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

At inception or on a reassessment of a contract that contains a lease component, the group allocates the consideration in the contract to each lease and non-lease component on the basis of relative standalone prices.

Measurement

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset, less any lease incentives received.

Note 1
Material Accounting Policies (continued)

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to an impairment or adjusted for any remeasurement of lease liabilities.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Class of right of use asset:	Network infrastructure
Useful life:	2-10 years
Depreciation method:	Straight-line basis

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Licenses

Significant costs associated with licenses are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 1-15 years.

Other Intangible Assets

Other intangible assets that have finite lives are stated at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets with indefinite lives are measured at cost less any accumulated impairment, where applicable, as indicated during annual impairment testing.

Impairment of non-financial assets

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 amount 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 the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30-60 days of recognition.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Note 1
Material Accounting Policies (continued)

Lease payments included in the measurement of the lease liability comprise:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the group is reasonably certain to exercise, lease payments in an optional renewal period if the group is reasonably certain to exercise an extension option, and penalties for early termination of the lease unless the group is reasonably certain not to terminate early.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Finance costs

Finance costs are expensed in the period in which they are incurred.

Provisions

Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Employee benefits

Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees. Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, 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 option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date, less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period;
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

Note 1
Material Accounting Policies (continued)

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum, an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Fair value measurement

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.

Note 1
Material Accounting Policies (continued)

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.

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the Company.

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Pentanet Ltd, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

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.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses, and assets are recognised net of the amount of GST, unless the GST incurred is not recoverable from the tax authority. In this case, it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities that are recoverable from or payable to the tax authority are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2025. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2
Critical Accounting Judgments, Estimates, and Assumptions

The preparation of the financial statements requires management to make judgements, estimates, and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue, and expenses. Management bases its judgements, estimates, and assumptions on historical experience and on other various factors, including expectations of future events, which management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates, and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Estimation of useful lives of assets

The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant, and equipment, right of use assets and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Employee benefits provision

As discussed in Note 1, 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.

Fair value measurement hierarchy

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. Refer to Note 23 for further information.

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and a lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option or not to

Note 2
Critical Accounting Judgments, Estimates, and Assumptions (continued)

exercise a termination option are considered at the lease commencement date. Factors considered may include the importance of the asset to the group's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; the existence of significant leasehold improvements; and the costs and disruption to replace the asset. The group reassesses whether it is reasonably certain to exercise an extension option or not to exercise a termination option if there is a significant event or significant change in circumstances.

Impairment Indicators assessment

At each reporting period, the group assesses whether there are any indication of impairment that a non-current non-financial asset that might be impaired. This assessment takes into consideration various factors such as significant adverse changes to the market, technological, economic or legal environment where the asset is dedicated to, the condition of the asset as well as evaluating whether the asset or the Cash Generating Units performance is in line with expectations.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the group estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security, and economic environment.

Note 3
Operating Segment Information

Identification of reportable operating segments

The consolidated entity is organised into two operating segments: provision of telecommunication and related services and gaming technology within Australia. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The CODM reviews EBITDA (earnings before interest, tax, depreciation, and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

Major customers

There were no major customers in 2025 or 2024 that contributed more than 5% of revenue.

Operating segments

The Directors have chosen to organise the group around the two main business units in which the group operates. Specifically, the group's reportable segments under AASB 8 are as follows:

- Telecommunications and related services
- Gaming and gaming technology services

The reportable segments represent the group's cash-generating units for impairment testing purposes, with other income and costs being allocated to the two cash-generating units.

Corporate costs include head office and group support functions and are not allocated to individual segments. These costs are shown separately in the reconciliation of segment results to the Group's consolidated totals but do not constitute a reportable operating segment.

Consolidated - 2025	Telecommunications services $'000	Gaming and gaming technology services $'000	Corporate $'000	Total $'000
Revenue	20,151	2,444	-	22,595
Other income	54	363	-	417
Total revenue	**20,205**	**2,807**	-	**23,012**
EBITDA[1]	1,909	1,028	(1,577)	1,360
Finance costs	(364)	(111)	(16)	(491)
Depreciation and amortisation	(4,242)	(838)	(242)	(5,322)
Loss before income tax expense	(2,697)	79	(1,835)	(4,453)
Income tax expense	-	-	-	-
Profit/(loss) after income tax expense	**(2,697)**	**79**	**(1,835)**	**(4,453)**
Assets				
Segment assets	22,297	10,090	1,183	33,570
Total assets	**22,297**	**10,090**	**1,183**	**33,570**
Liabilities				
Segment liabilities	9,783	1,681	768	12,232
Total liabilities	**9,783**	**1,681**	**768**	**12,232**

[1] EBITDA is a financial measure that is not prescribed by Australian Accounting Standards ('AAS') and represents the profit under AAS adjusted for depreciation, amortisation, interest and tax.

Note 3
Operating Segment Information (continued)

Consolidated - 2024	Telecommunications services $'000	Gaming and gaming technology services $'000	Corporate $'000	Total $'000
Revenue	19,028	1,854	-	20,882
Other income	-	551	85	636
Total revenue	**19,028**	**2,405**	**85**	**21,518**
EBITDA[1]	780	(612)	(1,435)	(1,267)
Finance costs	(442)	(169)	(20)	(631)
Depreciation and amortisation	(3,471)	(820)	(195)	(4,486)
Loss before income tax expense	(3,133)	(1,547)	(1,650)	(6,384)
Income tax expense	-	-	-	-
Loss after income tax expense	**(3,133)**	**(1,547)**	**(1,650)**	**(6,384)**
Assets				
Segment assets	24,522	12,994	4,065	41,581
Total assets	**24,522**	**12,994**	**4,065**	**41,581**
Liabilities				
Segment liabilities	12,439	2,341	1,060	15,840
Total liabilities	**12,439**	**2,341**	**1,060**	**15,840**

[1] EBITDA is a financial measure that is not prescribed by Australian Accounting Standards ('AAS') and represents the profit under AAS adjusted for depreciation, amortisation, interest and tax.

Note 4
Revenue

	Consolidated	
	2025 $'000	2024 $'000
Rendering of services - telecommunication services	348	314
Rendering of services - recurring network revenue	19,349	18,278
Gaming and technology revenue	2,444	1,854
Sale of goods	454	436
Revenue	**22,595**	**20,882**
Timing of revenue recognition		
Services transferred overtime	22,141	20,446
Goods transferred at a point in time	454	436
Revenue	**22,595**	**20,882**

Note 5
Other Income

	Consolidated	
	2025 $'000	2024 $'000
Research and development grant	200	-
Interest income	8	81
Other income	209	555
Total	**417**	**636**

Note 6
Expenses

	Consolidated	
	2025 $'000	2024 $'000
Loss before income tax includes the following specific expenses:		
Network, carrier and hardware expenses	11,589	11,272
Depreciation		
Leasehold Improvements	237	262
Plant and Equipment	293	335
Network Infrastructure	2,298	2,157
Right of use assets	1,002	937
Total depreciation	**3,830**	**3,691**
Amortisation		
Amortisation	844	795
Impairment		
Asset impairment	648	-
Total depreciation, amortisation and impairment	**5,322**	**4,486**
Finance costs		
Finance cost on loans	233	269
Finance cost on leases	258	362
Finance costs expensed	**491**	**631**
Share-based payments expense		
Share-based payments expense	50	171
Employee benefits expense excluding superannuation		
Employee benefits expense excluding superannuation	6,119	6,883
Superannuation expense		
Defined contribution superannuation expense	595	667
Total employee benefit expense including superannuation	**6,714**	**7,550**
Advertising and promotion	1,016	1,262
Legal and professional services	137	211
Other operating expenses	2,146	2,319
Other expenses	**3,299**	**3,792**

Note 7
Income Tax Expense

	Consolidated 2025 $'000	Consolidated 2024 $'000
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(4,453)	(6,396)
Tax at the statutory tax rate of 25% (2024: 25%)	(1,113)	(1,599)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Add: other non-allowable items	(3)	(2)
Less: other deductible items	-	-
Current net deferred tax asset not recognised	(1,116)	(1,601)
Unrecognised deferred tax relating to tax losses	(1,116)	(1,601)
Unrecognised deferred tax relating to temporary differences	(244)	(324)
Total deferred tax asset not brought to account	**(1,360)**	**(1,925)**
Tax losses not recognised	(5,440)	(7,701)
Income tax expense	-	-
The applicable weighted average effective tax rates are as follows:	**0%**	**0%**

Tax losses carried forward to later income years are $47,878,991 ($42,438,494 on 30 June 2024).

Note 8
Cash and Cash Equivalents

	Consolidated	
	2025 $'000	2024 $'000
Cash at bank	2,132	2,403
Term deposits	81	2,899
Total	**2,213**	**5,302**

Reconciliation of loss after income tax to net cash used in operating activities:

	Consolidated	
	2025 $'000	2024 $'000
Loss after income tax expense for the year	(4,453)	(6,384)
Adjustments for:		
Depreciation, amortisation and impairment	5,322	4,486
Share-based payments	50	171
Change in operating assets and liabilities:		
(Increase)/decrease in trade and other receivables	406	638[1]
(Increase) in inventories	84	118
Decrease in prepayments	84	(211)
Increase in trade and other payables	(312)	298
Increase/(decrease) in contract liabilities	103	49
Increase in employee benefits	77	201
Net cash from/(used) in operating activities	**1,361**	**(634)**
Non-cash investing and financing activities		
Additions to the right-of use assets	47	1,114
Total	**47**	**1,114**

[1] This amount is net of a $2.5 million term deposit that matured and was reclassified from trade and other receivables to cash and cash equivalents in the period. This amount is excluded from the movement in operating assets and liabilities as it is classified under investing activities in the cash flow statement.

Note 9
Current Assets – Trade and Other Receivables

	Consolidated 2025 $'000	Consolidated 2024 $'000
Trade receivables	254	507
Less: Allowance for expected credit losses	(30)	(47)
	224	460
Other receivables	107	277
Total	**331**	**737**

Allowance for expected credit losses

The Consolidated Entity has recognised an allowance of $30,119 ($47,406 as at 30 June 2024) in profit or loss in respect of the expected credit losses for the year ended 30 June 2025.

Note 10
Non-Current Assets – Property, Plant and Equipment

	Consolidated 2025 $'000	Consolidated 2024 $'000
Leasehold improvements - at cost	956	1,109
Less: Accumulated depreciation	(543)	(473)
	413	**636**
Plant and equipment - at cost	1,872	1,823
Less: Accumulated depreciation	(1,273)	(1,105)
	599	**718**
Network infrastructure - at cost	25,673	26,008
Less: Accumulated depreciation	(7,943)	(5,866)
	17,730	**20,142**
	18,742	**21,496**

Reconciliations

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

Consolidated	Leasehold improvements $'000	Plant and equipment $'000	Network infrastructure $'000	Total $'000
Balance at 30 June 2023	881	931	17,835	19,647
Additions	17	146	4,810	4,973
Disposals	-	(24)	(346)	(370)
Depreciation expense	(262)	(335)	(2,157)	(2,754)
Balance at 30 June 2024	636	718	20,142	21,496
Additions	24	274	694	992
Disposals	(10)	(100)	(160)	(270)
Impairment	-	-	(648)	(648)
Depreciation expense	(237)	(293)	(2,298)	(2,828)
Balance at 30 June 2025	**413**	**599**	**17,730**	**18,742**

Note 11
Non-Current Assets – Right-of-use Assets

	Consolidated 2025 $'000	Consolidated 2024 $'000
Office lease - right-of-use	796	903
Less: Accumulated depreciation	(432)	(294)
	364	**609**
Network infrastructure - right-of-use	6,989	6,959
Less: Accumulated depreciation	(2,544)	(1,824)
	4,445	**5,135**
	4,809	**5,744**

Reconciliations

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

Consolidated	Network infrastructure $'000	Office lease $'000	Total $'000
Balance at 30 June 2023	4,914	257	5,171
Additions	546	568	1,114
Modifications	396	-	396
Depreciation expense	(721)	(216)	(937)
Balance at 30 June 2024	5,135	609	5,744
Additions	47	-	47
Disposals	-	(58)	(58)
Modifications	23	55	78
Depreciation expense	(760)	(242)	(1,002)
Balance at 30 June 2025	**4,445**	**364**	**4,809**

Note 12
Non-Current Assets – Intangibles

	Consolidated	
	2025 $'000	2024 $'000
Other intangible assets - at cost	944	962
Less: Accumulated amortisation and impairment	(265)	(302)
	679	**660**
Licenses - at cost	8,657	8,655
Less: Accumulated amortisation	(2,675)	(1,995)
	5,982	**6,660**
	6,661	**7,320**

Reconciliations

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

Consolidated	Licenses $'000	Other $'000	Total $'000
Balance at 30 June 2023	7,297	670	7,967
Additions	42	106	148
Amortisation expense	(679)	(116)	(795)
Balance at 30 June 2024	6,660	660	7,320
Additions	12	175	187
Disposals	(2)	-	(2)
Amortisation expense	(688)	(156)	(844)
Balance at 30 June 2025	**5,982**	**679**	**6,661**

Note 13
Current Liabilities – Trade and Other Payables

	Consolidated	
	2025 $'000	2024 $'000
Trade payables	885	2,670
GST payable	408	452
Other payables	729	1,001
	2,022	**4,123**

The carrying amounts of trade and other payables are the same as their fair values due to their short-term nature. Refer to Note 22 for further information on financial instruments.

Note 14
Other Liabilities

	Consolidated	
	2025 $'000	2024 $'000
Term purchases	190	354
Intangible asset finance[1]	1,756	1,745
Total current other liabilities	**1,946**	**2,099**
Term purchases	48	128
Intangible asset finance[1]	-	-
Total non-current other liabilities	**48**	**128**
	1,994	**2,227**

[1] Description of Intangible asset finance.
The group purchased a 15-year Spectrum license in the April 2021 auction conducted by the ACMA for $7,986,200 (Cost). (Ref. Note 14. Non-current assets – Licenses). The group elected to pay the license fee over five equal instalments per the ACMA's allocation determination.

Refer to Note 22 for further information on financial instruments.

Note 15
Lease Liabilities

	Consolidated	
	2025 $'000	2024 $'000
Current Lease liability	1,026	1,018
Non-current lease liabilities	4,428	5,262
Total lease liabilities	**5,454**	**6,280**

Description of Lease Arrangements

The group leases land and buildings for its office spaces as well as network infrastructure. The typical lease period of these leases is summarised below. Where leases include an option to renew the lease after the end of the contract term, the Group assesses whether it is reasonably certain to exercise the extension options at the lease commencement. In addition, it reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

Lease category	Term of lease	Renewal option available
Building	5 Years	2 Years
Network infrastructure	2-10 Years	5 Years

Refer to Note 22 for further information on financial instruments.

Note 16
Borrowings

	Consolidated	
	2025 $'000	2024 $'000
Current		
Bank loan	517	847
Term purchase agreement	179	137
Total current borrowings	**696**	**984**
Non-current		
Bank loan	698	1,267
Term purchase agreement	376	289
Total non-current borrowings	**1,074**	**1,556**

The Group's borrowings are secured as follows:
Toyota Fleet Management facility: Secured against the Company's fleet and installation vehicles financed under the facility.
Westpac loan facilities: Secured by a first-ranking General Security Agreement over all present and future property of the Group.
Cambium Networks NaaS facility: Secured against the 5G network equipment purchased under the facility, with legal title to the assets retained until repayment.

Note 17
Equity – Reserves

	Consolidated	
	2025 $'000	2024 $'000
Share-based payments reserve	**1,451**	**1,401**

Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

	Reserves	
Consolidated	2025 $'000	2024 $'000
Opening Balance:	1,401	5,568
Share-based payments expense	50	171
Expiration of options	-	(4,338)
Closing Balance:	**1,451**	**1,401**

Nature and purpose of reserves

Share-based payments

The share-based payments reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

Note 18
Equity – Issued Capital

	Consolidated			
	2025 Shares	2024 Shares	2025 $'000	2024 $'000
Ordinary shares - fully paid	**433,171,658**	**433,171,658**	**67,310**	**67,310**

Movements in ordinary share capital

Details	Date	Shares	Issue price	$'000
Balance	30 June 2023	373,727,213		63,331
Shares issued under share placement	2 April 2024	59,444,445	0.072	4,280
Share issue transaction cost				(301)
Balance	30 June 2024	**433,171,658**		**67,310**
Shares issued under share placement		-		-
Share issue transaction cost		-		-
Balance	30 June 2025	**433,171,658**		**67,310**

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.

Share buy-back

There is no current on-market share buy-back.

Capital risk management

When managing capital, the consolidated entity's objectives are to safeguard its ability to continue as a going concern so that it can provide returns for shareholders and benefits for other stakeholders and maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or Company was seen as value-adding relative to the current Company's share price at the time of the investment. However, the consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The consolidated entity is subject to certain financing arrangements covenants, and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the 30 June 2024 Annual Financial Statements.

Note 19
Equity – Accumulated Losses

	Consolidated 2025 $'000	Consolidated 2024 $'000
Accumulated losses at the beginning of the financial year	(38,970)	(36,924)
Loss after income tax expense for the year	(4,453)	(6,384)
Expiration of options	-	4,338
Accumulated losses at the end of the financial year	**(43,423)**	**(38,970)**

Note 20
Equity – Accumulated Other Comprehensive Income

	Consolidated 2025 $'000	Consolidated 2024 $'000
Accumulated other comprehensive income/(loss) at the beginning of the financial year	(4,000)	(820)
Other comprehensive income for the year	-	(3,180)[1]
Accumulated other comprehensive income/(loss) at the end of the financial year	**(4,000)**	**(4,000)**

[1] Refer to Note 22 for further information.

Note 21
Equity – Dividends

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

Note 22
Financial Instruments

Financial risk management objectives

The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls, and risk limits. Finance identifies, evaluates and hedges financial risks within the consolidated entity's operating units. Finance reports to the Board monthly.

Market risk

Foreign currency risk

The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency.

The consolidated entity does not have any material future commercial transactions not denominated in the entity's functional currency.

Note 22
Financial Instruments (continued)

Price risk

The consolidated entity is not exposed to any significant price risk. The majority of customers in each entity sign up to a contract term with an agreed price.

Interest rate risk

The Consolidated Entity has limited Interest rate risk, with a fixed rate on loans.

Price risk exposure

The group's exposure to equity securities price risk arises from investments held by the group and classified in the balance sheet at fair value through other comprehensive income (FVOCI).

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The consolidated entity obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

For banks and financial institutions, only independently rated parties with a minimum rating of 'AA' are accepted.

The consolidated entity has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the consolidated entity based on recent sales experience, historical collection rates, and available forward-looking information.

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.

Allowance for expected credit losses

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	
Consolidated	**2025 %**	**2024 %**	**2025 $'000**	**2024 $'000**	**2025 $'000**	**2024 $'000**
Not past due	0%	1%	98	228	0	1
0-30 days past due	0%	0%	46	35	0	-
31-60 days past due	7%	6%	10	37	1	2
61-90 days past due	55%	47%	19	27	10	13
More than 90 days past due	22%	19%	82	180	18	31
			254	**507**	**30**	**47**

Movements in the allowance for expected credit losses are as follows:

	Consolidated	
	2025 $'000	**2024 $'000**
Opening balance	47	29
Additional provisions recognised	98	62
Receivables written off during the year as uncollectable	(115)	(44)
Closing balance	**30**	**47**

Note 22

Financial Instruments (continued)

Liquidity risk

Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities

The following tables detail the consolidated entity'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.

Consolidated - 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		885				885
Other payables		1,137				1,137
Contract liabilities		217	13	3		233
Interest bearing						
Term purchase and other finance arrangements	4.20%	2,126	245	179		2,550
Bank loans	7.13%	517	555	143		1,215
Lease liability	4.31%	1,026	805	2,028	1,595	5,454
Total non-derivatives		**5,908**	**1,618**	**2,353**	**1,595**	**11,474**

Consolidated - 2024	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		2,670	-	-	-	2,670
Other payables		1,453	-	-	-	1,453
Contract liabilities		129	1	-	-	130
Interest bearing						
Term purchase and other finance arrangements	2.89%	2,236	1,809	233	-	4,278
Bank loans	7.63%	847	508	759	-	2,114
Lease liability	4.27%	1,018	752	2,245	1,595	5,610
Total non-derivatives		**8,353**	**3,070**	**3,237**	**1,595**	**16,255**

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 23
Fair Value Measurement of Financial Instruments

The group holds the following financial instruments:

	Notes	Consolidated 2025 $'000	Consolidated 2024 $'000
Cash and cash equivalents	8	2,213	5,302
Trade and other receivables	9	331	737
		2,544	**6,039**

(a) Financial assets at fair value through other comprehensive income

(i) Classification of financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (FVOCI) comprise:

- Equity securities which are not held for trading and which the group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments, and the group considers this classification to be more relevant.

	2024 $'000	2023 $'000
Non-current assets		
Unlisted securities	-	-
Canopus Networks Pty Ltd	-	-
	-	-

(ii) Acquisition of equity investment:

Pentanet, on 20 December 2021, acquired a fully diluted 13.4% interest in Canopus Networks Pty Ltd for $4,000,000. Pentanet is entitled to appoint one Director with Mr. Stephen Cornish providing his consent to act as a Director of Canopus Networks Pty Ltd.

(b) Fair value measurement

Financial assets at initial recognition are measured at fair value, with the transaction price paid representing the fair value of the asset at initial recognition.

Financial liabilities are measured at amortised cost, except where designated at fair value through profit or loss. The fair values of interest-bearing liabilities and lease liabilities are estimated using discounted cash flows based on current market rates, while trade payables, other payables, and contract liabilities approximate their carrying amounts due to their short-term nature (see Note 22 for details).

Fair value hierarchy

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed 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

Level 3: Unobservable inputs for the asset or liability

Note 23
Fair Value Measurement of Financial Instruments (continued)

Consolidated - 2025	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Assets				
Ordinary shares at fair value through other comprehensive income	-	-	-	-
Total assets	-	-	-	-

Consolidated - 2024	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Assets				
Ordinary shares at fair value through other comprehensive income	-	-	-	-
Total assets	-	-	-	-

There were no transfers between levels during the financial year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

Valuation techniques for fair value measurements categorised within level 3

Unquoted investments have been valued using the most recent fair market value. Fair market value being defined as the price negotiated in an open market between a willing buyer and willing seller at an arm's length.

At 30 June 2025, the Group reassessed the fair value of its investment in Canopus Network Pty Ltd in accordance with AASB 13 Fair Value Measurement. The investment continues to be classified as a Level 3 financial instrument due to the absence of observable market data.

Based on management's review of available information, including Canopus's current financial position, business strategy and lack of expected near-term revenue, the fair value of the investment remains assessed at nil (2024: nil).

The determination of the fair value of Level 3 financial instruments involves significant judgement. Future developments could result in a change to this assessment.

Note 24
Key Management Personnel Disclosures

Compensation

The aggregate compensation made to Directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated	
	2025 $	2024 $
Short-term employee benefits	990,079	1,013,821
Post-employment benefits	95,254	88,382
Share-based payments	60,184	110,404
	1,145,517	**1,212,671**

Short-term Employee benefits

These amounts include all salary, paid leave benefits and fringe benefits paid to Directors and key management personnel.

Post-employment benefits

These amounts are the superannuation payment made during the year.

Note 25
Remuneration of Auditors

During the financial year, the following fees were paid or payable for services provided by BDO Audit Pty Ltd, the auditor of the Company, and unrelated firms:

	Consolidated	
	2025 $	2024 $
Audit services - BDO Audit Pty Ltd		
Audit or review of the financial statements	118,093	118,742
	118,093	**118,742**

Note 26
Related Party Transactions

Parent entity

Pentanet Ltd is the parent entity.

The consolidated financial statements incorporate the assets, liabilities, and results of the following wholly owned subsidiaries in accordance with the accounting policy described in Note 1:

		Ownership interest held by the group	
Name of subsidiary	**Principal place of business**	**2025** **%**	**2024** **%**
Pentanet.GG Pty Ltd	Perth, Australia	100	100
Pentatech Pty Ltd	Perth, Australia	100	100
Pentacomm Pty Ltd	Perth, Australia	100	100

Note 26
Related Party Transactions (continued)

Key management personnel

Disclosures relating to key management personnel are set out in note 24 and the remuneration report included in the Directors' report.

Directors are listed in the Directors' report.

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated	
	2025 $	**2024 $**
Transactions:		
DFK Gooding Partners	35,255	34,348
FFF Australia Pty Ltd	-	4,950
The Cornish Property Trust	13,355	80,449
Current payables:		
Trade payables to other related party	**-**	**2,723**

Pentanet Ltd spent $35,255 with DFK Gooding Partners for accounting and tax advisory services during the year, on commercial terms and market rates, which is a Director related entity (Dalton Gooding), with no balance relating to this fee outstanding as at 30 June 2025.

Pentanet Ltd spent $13,355 with The Cornish Property Trust for rent of commercial property during the year, on commercial terms and market rates, which is a related party of a Director related entity (Stephen Cornish and Timothy Cornish), with no balance relating to this fee outstanding as at 30 June 2025.

Loans to/from related parties

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

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 27
Parent Entity Information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2025 $'000	**2024 $'000**
Loss after income tax	(4,400)	(5,858)
Other comprehensive income	64	(3,718)
Total comprehensive loss	**(4,335)**	**(9,576)**

Note 27

Parent Entity Information (continued)

Statement of financial position

	Parent	
	2025 $'000	2024 $'000
Total current assets	**3,338**	**6,959**
Total assets	**33,551**	**41,500**
Total current liabilities	**5,941**	**7,936**
Total liabilities	**12,215**	**15,893**
Equity		
Issued capital	67,309	67,309
Share-based payments reserve	1,451	1,400
Accumulated losses	(43,424)	(42,281)
Accumulated other comprehensive income	(4,000)	(820)
Total equity	**21,336**	**25,607**

Financial Assets at fair value through other comprehensive income

As of the reporting date, the intercompany loan to wholly-owned subsidiary Pentanet.GG stands at $166khad a nil balance, and the loan to wholly-owned subsidiary Pentatech Pty Ltd had a nil balance.stands at $371k. The impairment assessment performed by the Company indicated that the carrying value of these loans might not be fully recoverable. Impairment indicators impacting the recoverability of this loan relate to Pentanet.GG's and Pentatech Pty Ltds operating cash flow projections. These projections, based on available forecasts, suggest insufficient cash flows to fully repay the intercompany loan.

In light of the above assessment, the loans to both subsidiaries were impaired to nil at 30 June 2025. An impairment gain of $64k (2024: loss of $538k) has been recognised in the financial statements of the Parent entity for the reporting period in other comprehensive income as a portion of these loans was recovered.

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2025 and 30 June 2024.

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2025 and 30 June 2024.

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2025 and 30 June 2024.

Material accounting policies

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity, and its receipt may be an indicator of an impairment of the investment.

Note 28
Events After the Reporting Period

On 18 July 2025, Pentanet Limited (ASX: 5GG, Pentanet or the Company) secured a $2 million Equipment Finance facility with Moneytech Finance Pty Ltd (Moneytech) to support its ongoing capital investment program.

This facility provides funding flexibility to support the Company's near-term commitments, including the final spectrum licence payment of $1.7 million paid in July 2025. The $2 million facility has a term of four years and bears a fixed interest rate of 11.74% per annum. It will be fully funded upfront in a single payment, providing immediate access to funds.

The facility is subject to standard terms and conditions customary for arrangements of this nature, including restrictions on granting further security over financed equipment. Moneytech will register a second-ranking General Security Agreement, subject to a Deed of Priority with Westpac, the holder of the first-ranking General Security Agreement.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 29
Commitments

The Company is a party to the NVIDIA GeForce NOW Alliance Partner Agreement (NVIDIA Agreement) with NVIDIA, originally dated 25 November 2020, and subsequently amended on 8 December 2020, 15 March 2024, and 8 August 2024. GeForce NOW (GFN) is NVIDIA's cloud-based gaming service that streams users' game libraries to their devices from the Company's data centres. The NVIDIA Agreement covers Australia and New Zealand.

Pursuant to the terms of the NVIDIA Agreement, the Company has the right to purchase up to 72 GFN Game Servers from NVIDIA (or its approved third-party vendors) in a staggered approach. 36 GFN Game Servers make up a GFN Pod. The NVIDIA Agreement does not restrict the Company from purchasing more than two GFN Pods from NVIDIA over the course of its term. The Company completed the purchase of 36 GFN Game Servers in financial year 2022.

The Company will pay NVIDIA a percentage revenue share (in USD). The NVIDIA Agreement is for an initial term of 3 years, and unless one party notifies the other at least 1 month prior to the end of this initial term or any renewal period in force of its intent for the NVIDIA agreement to expire at the end of the current term, it will automatically renew for further 1-year periods, indefinitely. The NVIDIA Agreement can be terminated by either party for the other's (uncertifiable or notified but unrectified) material breach.

The NVIDIA Agreement otherwise contains terms and conditions that are considered standard for agreements of this nature.

In March 2024, Pentanet extended the GeForce NOW Alliance agreement with NVIDIA. Changes to key material terms as outlined in section 7.8 of the company's Prospectus dated 27 January 2021 included that the agreement between Pentanet Limited and NVIDIA is ongoing with no set expiration. Pentanet has the option to extend its exclusivity for GeForce NOW in Australia in six-month increments by making additional purchases of $1.5 million USD in GFN POD infrastructure. If Pentanet chooses not to extend exclusivity, it retains the first right of refusal to re-establish exclusivity by placing a non-cancellable purchase order for GFN POD infrastructure within 30 days of receiving notice of a third party's competing offer to deploy the GeForce NOW service in Australia.

The Agreement now formally recognises New Zealand as a serviceable territory, with a pathway to add neighboring territories. It also allows Pentanet to continue being the exclusive distributor of GeForce NOW in Australia.

In the Financial Year 2024, Pentanet acquired the next-generation cloud gaming infrastructure by purchasing RTX 3080 SuperPODs.

In August 2024, Pentanet Limited announced the Company executed a binding addendum to the NVIDIA GeForce NOWTM Alliance (GFNA) Partner Agreement (Agreement) to accommodate entry into NVIDIA's global Graphics Delivery Network (GDN).

The Agreement allows Pentanet to add the GDN service to the existing GFNA service and receive a revenue share based on global GDN pricing set by NVIDIA. This advances the Company's strategy with its NVIDIA investment, introducing potential additional revenue opportunities and the optimisation of infrastructure. Commercial and enterprise opportunities can be surfaced by both Pentanet's direct local sales channels and from NVIDIA globally.

Note 30
Earnings Per Share

	Consolidated	
	2025 $'000	2024 $'000
Loss after income tax attributable to the owners of Pentanet Ltd	**(4,453)**	**(6,384)**
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	**433,171,658**	**388,221,886**
	Cents	**Cents**
Basic and Diluted (loss) per share attributable to owners of Pentanet group	(0.01)	(0.02)

The Group recorded a loss after tax attributable to the owners of Pentanet Ltd of $4,453,000 for the year ended 30 June 2025 (2024: $6,396,000).

As the Group was in a loss position for the year, potential ordinary shares from the exercise of options have been excluded from the diluted earnings per share calculation, as their effect would be anti-dilutive. Accordingly, the basic and diluted loss per share are the same.

Consolidated Entity
Disclosure Statement

Entity name	Entity type	Place formed/ Country of incorporation	Ownership interest %	Australian resident	Foreign jurisdiction(s) in which the entity is a resident for tax purposes
Pentanet Limited	Body corporate	Australia	100%	Yes	N/A
Pentanet.GG Pty Ltd	Body corporate	Australia	100%	Yes	N/A
Pentatech Pty Ltd	Body corporate	Australia	100%	Yes	N/A
Pentacomm Pty Ltd	Body corporate	Australia	100%	Yes	N/A

Directors' Declaration

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 International Financial Reporting 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 consolidated entity's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

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

David Buckingham
Non-Executive Chairman

29 August 2025
Perth

Independent Auditor's Report

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INDEPENDENT AUDITOR'S REPORT

To the members of Pentanet Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Pentanet Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

i) Giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year ended on that date; 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 Group in accordance with 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 (including Independence Standards)* (the Code) that are relevant to our audit of the financial report 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.

BDO

Revenue Recognition

Key audit matter	How the matter was addressed in our audit
Refer to Note 4 of the financial report and Note 1 of the financial report for the accounting policy. Revenue from Internet and gaming services are key drivers by which the performance of the Group is measured. This is a key audit matter due to the volume of transactions and the total balance of revenue	Our procedures included, but were not limited to, the following: • Assessing the Group's accounting policy for revenue to assess it has been correctly accounted for in accordance with the Australian Accounting Standards; • Understanding the processes and controls used by the Group in recording revenue; • Testing a sample of transactions to supporting information to confirm the existence and accuracy of the revenue recognised and to confirm that performance obligations have been satisfied; • Performing cut-off procedures to evaluate that revenue was captured in the appropriate financial year; and • Assessing the adequacy of the related disclosures in the financial report.

Going Concern

Key audit matter	How the matter was addressed in our audit
The financial statements have been prepared by the Group on a going concern basis, which contemplates that the Group will continue to meet its commitments, realise its assets and settle its liabilities in the normal course of business. The Group relies on continued sales growth and the management of costs in line with forecast to continue as a going concern. Assessing the appropriateness of the basis of preparation for the Group's financial report was a key audit matter due to its importance to the financial report and the judgement involved in forecasting future cash flows for a period of at least 12 months from the date of the financial report. Note 1 of the financial report discloses the basis of preparation of the financial report and the Directors' assessment of the going concern assumption.	Our procedures included, but were not limited to, the following: • Evaluating the appropriateness of the Group's assessment of its ability to continue as a going concern, including whether the period covered is at least 12 months from the date of the financial report and that relevant information of which we are aware of as a result of the audit is included; • Inquiring with management and the Directors whether they are aware of any events or conditions, including beyond the period of assessment, that may cast significant doubt on the Group's ability to continue as a going concern; • Comparing the key underlying data and assumptions in the Group's cash flow forecast to approved budgets, historical cash flows and performance subsequent to reporting date; • Assessing management's historical accuracy of cash flow forecasting by comparing actual results to prior period forecasts and considering the feasibility of management's plans in place to mitigate going concern issues; • Challenging management's key assumptions in the cashflow forecast; • Reviewing events occurring subsequent to reporting date to identify any additional factors that may affect the going concern assessment and; • Assessing the adequacy of the related disclosure in Note 1 of the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2025, 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 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.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and

b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group 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 Group or to cease operations, or has 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 (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf

This description forms part of our auditor's report.

BDO

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 35 to 46 of the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Pentanet Limited, for the year ended 30 June 2025, 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.

BDO Audit Pty Ltd

BDO

J Prue

Jarrad Prue

Director

Perth, 29 August 2025

Shareholder Information

Additional ASX Information

The following additional information is required by the Australian Securities Exchange. The information is current as at 31 July 2025.

Shareholding Information

The following information relates to fully paid ordinary shares in the Company. The Company has 433,171,658 fully paid ordinary shares on issue.

Shareholding Distribution

Holding Ranges	Holders	Total Shares	% Issued Share Capital
above 0 up to and including 1,000	530	373,800	0.09%
above 1,000 up to and including 5,000	1,055	2,725,484	0.63%
above 5,000 up to and including 10,000	797	6,277,787	1.45%
above 10,000 up to and including 100,000	1,067	38,192,152	8.81%
above 100,000	394	385,602,435	89.02%
Totals	**3,843**	**433,171,658**	**100.00%**

The number of holders holding less than a marketable parcel is 2,682 with a total of 13,441,365 fully paid ordinary shares amounting to 3.10% of issued share capital.

Twenty Largest Shareholders

Position	Holder Name	Holding	% of Issued Capital
1	STEPHEN CORNISH	43,229,096	9.98%
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	34,689,747	8.01%
3	UBS NOMINEES PTY LTD	22,853,104	5.28%
4	BOND STREET CUSTODIANS LIMITED <SALTER - D79836 A/C>	16,906,351	3.90%
5	PETER & SUSAN CORNISH	11,166,410	2.58%
6	HILLBOI NOMINEES PTY LTD	8,719,187	2.01%
7	ZERO NOMINEES PTY LTD	8,631,285	1.99%
8	MR PETER JOHN CORNISH <THE CORNISH FAMILY A/C>	7,253,137	1.67%
9	CITICORP NOMINEES PTY LIMITED	7,181,384	1.66%
10	TIMOTHY CORNISH	6,278,240	1.45%
11	PRM PROPERTY HOLDINGS PTY LTD	5,512,821	1.27%
12	MR DAVINDER SINGH	5,001,000	1.15%
13	TIMIGEV NOMINEES PTY LTD <THE PAYNE SUPER FUND A/C>	4,629,752	1.07%
14	MR ROBERT EMMET O'HARA	4,550,477	1.05%
15	LOMACOTT PTY LTD <THE KEOGH SUPER FUND A/C>	4,360,000	1.01%
16	MR BERNARD PATRICK PARSONS & MRS ADELE LESLEY PARSONS	4,300,000	0.99%
17	BNP PARIBAS NOMS (NZ) LTD	4,285,461	0.99%
18	SPAR NOMINEES PTY LTD <THE DEVEREUX A/C>	3,850,000	0.89%
19	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED <EQUITY FINANCE A/C>	3,820,702	0.88%
20	MRS SHARON LEONIE WHITE	3,659,949	0.84%
	Total Top Twenty	**210,878,103**	**48.68%**
	Total Issued Capital	**433,171,658**	**100.00%**

Substantial Shareholders

The following organisations have disclosed a substantial shareholder notice to the Company.

Shareholder	Number	% of Issued Share Capital	Date of Notice
STEPHEN CORNISH	50,482,233	11.65%	2 August 2024
TIGA TRADING PTY LTD	29,385,797	6.78%	16 June 2025
THORNEY TECHNOLOGIES LTD	29,385,797	6.78%	16 June 2025

Unquoted Option Holding Information

The following relates to options over fully paid ordinary shares in the Company. Options are exercisable at different amounts and have various expiry dates. The Company has 8,168,777 options on issue.

Unquoted option holding distribution

Holding Ranges	Holders	Total Options	% Issued Option Capital
Above 0 up to and including 1,000	-	-	-
Above 1,000 up to and including 5,000	-	-	-
Above 5,000 up to and including 10,000	-	-	-
Above 10,000 up to and including 100,000	-	-	-
Above 100,000	6	8,168,777	100%
Totals	**6**	**8,168,777**	**100%**

Unquoted Options Over Fully Paid Ordinary Shares

Class	Number of holders	Number
Unlisted Options – exercisable at 9.3 cents each on or before 30/06/2026 (vesting on 30/06/2025, subject to vesting criteria)	5	2,784,585
Unlisted Options – exercisable at 12 cents each on or before 22/12/2026	1	1,000,000
Unlisted Options – exercisable at 12.4 cents each on or before 30/06/2027 (vesting on 30/06/2026, subject to vesting criteria)	5	4,384,192
Total		**8,168,777**

Performance Rights Holding Information

The following relates to performance rights issued under Pentanet Limited Employee Securities Incentive Plan (Plan). Performance rights have different vesting conditions and expiry dates. The Company has 3,337,760 performance rights on issue.

Performance rights holding distribution

Holding Ranges	Number of holders	Total Performance Rights	% Held
Above 0 up to and including 1,000	-	-	-
Above 1,000 up to and including 5,000	-	-	-
Above 5,000 up to and including 10,000	-	-	-
Above 10,000 up to and including 100,000	-	-	-
Above 100,000	4	3,337,760	100%
Totals	**4**	**3,337,760**	**100%**

Performance rights

Class	Number of holders	Number
Performance rights under the Plan (vesting on 31/10/2025, subject to vesting criteria, expiry 30/06/2026)	4	1,668,880
Performance rights under the Plan (vesting on 31/10/2026, subject to vesting criteria, expiry 30/06/2027)	4	1,668,880
Total		**3,337,760**

Voting Rights

The voting rights attaching to each class of equity securities are set out below:

(i) Fully paid ordinary shares

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- each shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- on a show of hands, every person present who is a shareholder or a proxy, attorney or representative of a shareholder has one vote; and
- on a poll, every person present who is a shareholder or a proxy, attorney or representative of a shareholder shall, in respect of each fully paid share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the share, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such shares registered in the shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(ii) Options over fully paid ordinary shares and Performance right

No voting rights.

Corporate Governance

The Company and its Board of Directors are committed to achieving and demonstrating the highest standards of corporate governance. The Board is responsible to its shareholders for the performance of the Company and seeks to communicate extensively with shareholders. The Board believes that sound corporate governance practices will assist in the creation of shareholder wealth and provide accountability. In accordance with ASX Listing Rule 4.10.3, the Company has elected to disclose its corporate governance policies and its compliance with them on its website, rather than in this Annual Report. Accordingly, information about the Company's corporate governance practices is set out on the Company's website at https://investorhub.pentanet.com.au.

Other

There is no current on-market buy-back.

There are no securities approved for the purposes of item 7 section 611 of the Corporations Act which have not yet completed.

No securities were purchased on-market for the purposes of an employee incentive scheme during the reporting period.

Other than the Australian Securities Exchange, the Company is not listed on any other stock exchange.

PENTANET

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