

ASX Announcement:

FY 25 Financial Results - 4E



29 August 2025

5G NETWORKS DELIVERS STRONG FY25 RESULTS, POSITIVE EBITDA AND STRATEGIC EXPANSION INTO CYBER SECURITY

Key Year-on-Year Highlights FY25

- Revenue from continuing operations grew 8% to \$53.0 million
- Total consolidated revenue including AUCyber contribution rose 27% to \$62.6 million
- Gross profit increased 5.2% to \$30.0 million (47.8% gross margin)
- Underlying EBITDA of \$3.2 million, a turnaround of \$5.7 million year-on-year
- Cash position of \$29.3 million as at 30 June 2025, after \$19.1 million acquisition of AUCyber and \$4.6 million share buyback
- Acquired controlling stake (89.6%) in AUCyber (ASX:CYB), expanding into sovereign cloud and cyber security
- Enterprise revenue up 7.5% to \$40.4 million, supported by \$9.6 million contribution from AUCyber
- Wholesale revenue up 12% to \$8.9 million, driven by large Asia-Pacific contracts

Managing Director's Commentary

5G Networks Managing Director, Joe Demase, said:

“FY25 marks a year of transformation and disciplined execution for 5G Networks. We delivered a return to positive EBITDA of \$3.2 million, representing a \$5.7

million turnaround year-on-year. This was achieved while completing the strategic acquisition of AUCyber, expanding our reach into sovereign cloud and cyber security services.

The integration of AUCyber has been immediately accretive, adding \$9.6 million revenue in five months and positioning 5GN as a key provider to Government and critical national industries. At the same time, our Enterprise and Wholesale segments continued to grow, supported by re-pricing of data centre contracts, large-scale wholesale wins in AsiaPac, and the simplification of our service portfolio.

We maintained a strong balance sheet with \$29 million cash at year-end, despite returning \$4.6 million to shareholders via buyback and investing \$19.1 million into AUCyber. This underlines our ability to pursue growth while preserving financial strength. With an expanded product suite across fibre, cloud, data centres, managed services and cyber, 5GN is well-positioned to deliver sustainable growth and shareholder value.”

Outlook

Looking ahead to FY26, 5G Networks will continue to:

- Complete the integration and potential full acquisition of AUCyber
- Drive Enterprise and Wholesale growth through expanded data centre and cloud capacity
- Leverage cyber security expertise to win Government and critical industry contracts
- Maintain capital discipline while scaling infrastructure and customer reach



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Board Strategic Review of AUCyber

The Board has commenced a strategic review of the Company's investment in AUCyber. As part of this review, management has assessed how the two businesses can work more closely together to unlock operational and strategic benefits. The Board views cyber security as a significant long-term growth area that is strongly aligned with 5GN's existing Managed IT services and will update the market as appropriate.

Investor Enquiries

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About 5GN

5GN is an Australian owned digital services company who empower more than 2,500 corporate clients to grow and thrive online. Our portfolio of digital services is extensive, with market leading offers across Cloud, Data networks, Data centre, managed IT services and digital marketing.

5GN currently owns and operates its own Nationwide and Internationally highspeed Data Network with points of presence in all major Australian capital cities, Singapore, USA, Hong Kong and New Zealand. In addition, the Company offers managed cloud solutions through its Cloud and Data Centre capabilities as well as managed services to optimise customers' IT and network environments. Supporting this is the Company's combined rack capacity of over 1,200 racks through its owned and operated Data Centres across Melbourne, Sydney, Brisbane and Adelaide.

Our customer focussed heritage has been built on expertise, innovation and personalised service; critical attributes delivered through our culture and embraced by our people.

The 5GN mission is dedicated to leading online success for our customers. We achieve this by building trusted and valued client relationships which convert successful business outcomes at each milestone across the customers' digital journey.



APPENDIX 4E AND PRELIMINARY FINAL REPORT

FOR THE YEAR ENDED 30 JUNE 2025

5G NETWORKS LTD
AND ITS CONTROLLED ENTITIES
ABN 21 073 716 793

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APPENDIX 4E AND PRELIMINARY FINAL REPORT

1. COMPANY INFORMATION

Name of entity: 5G Networks Limited

ABN: 21 073 716 793

Reporting period: Year ended 30 June 2025 (Comparative period – Year ended 30 June 2024)

2. RESULTS FOR ANNOUNCEMENT TO THE MARKET

| | 30-Jun-25 | | | 30-Jun-24 |
|--|---------------------|--------------------|---------------|---------------------|
| | 12 months \$'000 | Movement \$'000 | Movement % | 12 months \$'000 |
| Revenue from ordinary activities and continuing operations | 62,634 | 13,298 | 27 | 49,336 |
| Underlying earnings before interest, tax, depreciation and amortisation from continuing operations | - | 2,861 | (100) | (2,861) |
| Profit/(Loss) after tax from continuing operations | (2,971) | 19,786 | (87) | (22,757) |
| Profit after tax from discontinued operations | - | (89,380) | (100) | 89,380 |
| Profit after tax attributable to members of the parent | (2,971) | (52,387) | (106) | 49,416 |

1. The Group believes this unaudited non-IFRS information is relevant to the user's understanding of the Group's underlying performance.

COMMENTARY

The key strategic and financial growth highlights for the year ended 30 June 2025 were as follows:

- The board undertook over \$6m on market buy back of 5G Networks Shares.
- Refreshed the board 5G Networks.
- Acquired a controlling investment 89.6% of AUCyber (ASX.CYB)
- Cash position of \$29 million at 30 June 2025. This includes \$3.3m of restricted cash.
- Increased by \$13m revenue from continuing operations resulting in \$54m compared to (FY24 \$49.3m) representing growth of 9.25% compared to the prior comparative period (PCP).

3. DIVIDENDS

No dividends were paid during the period.

4. NET TANGIBLE ASSET BACKING

| | Current Period | Previous Period |
|--|----------------|-----------------|
| Net tangible asset backing per ordinary security | 11.99 cents | 16.03 cents |

Net tangible assets are calculated firstly from the Group's net assets at 30 June 2025 of \$51.62 million and adjusted for \$7.58 million of right-of-use lease assets, and \$7.98 million of intangible assets associated with the Group's previous acquisitions.

APPENDIX 4E AND PRELIMINARY FINAL REPORT

5. EARNINGS PER SHARE

| | 30-Jun-25 12 months cents | 30-Jun-24 12 months cents |
|---|---------------------------------|---------------------------------|
| From continuing operations | | |
| Basic loss per share | (0.84) | (8.36) |
| Diluted loss per share | (0.84) | (8.36) |
| Attributable to members of the parent | | |
| Basic profit/(loss) per share | (0.86) | 14.71 |
| Diluted profit/(loss) per share | (0.86) | 14.71 |
| | | |
| Reconciliation of earnings used in calculating earnings per share | \$'000 | \$'000 |
| Loss for the period from continuing operations | (2,645) | (28,008) |
| Profit from discontinued operation | - | 77,424 |
| Comprehensive income | (66) | (141) |
| Profit/(Loss) for the period attributable to members of the parent | (2,711) | 49,275 |
| Weighted average number of shares used in calculating earnings per share | No. of Shares | No. of Shares |
| Number for basic earnings per share - ordinary shares | 300,694,883 | 317,757,331 |
| Number for diluted earnings per share - ordinary shares | 300,694,883 | 317,757,331 |

Basic EPS amounts are calculated by dividing net profit/(loss) for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period. Diluted EPS amounts are calculated by dividing net profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. There were no dilutive potential ordinary shares in existence during the period (2024: Nil) as the share options and performance rights of the Company were antidilutive.

6. DETAILS OF ENTITIES OVER WHICH CONTROL HAS BEEN GAINED OR LOST

CYBER SECURITY AND HOSTING BUSINESS

On 19th December 2024, the Company acquired 10.74% shareholding of AUCyber (ASX.CYB) for \$1.94m and announced an on-market takeover offer, the price offered was 11 cents per share. On the 28th January 2025 5GN increased its offer to 13.5 cents per share. The on-market offer closed on the 18th February at which point 5GN holding had increased to 89.68%. The Board will continue to consider the option with the intention of completing a compulsory acquisition once it gains over 90% of shares in AUCyber under s661A of the Corporations Act 2001 (Cth).

AUCyber is an Australian-owned and operated provider of secure cloud and cyber security solutions. They specialize in supporting Australian Government, Critical National Industries, and secure enterprise organizations with services like cloud infrastructure, cyber security, and managed IT services. AUCyber is known for its commitment to data sovereignty, ensuring all customer data and operations remain within Australia's jurisdiction.

APPENDIX 4E AND PRELIMINARY FINAL REPORT

7. PROPOSED SALE OF 5GN BUSINESS AND RETURN OF CAPITAL

On 27 June 2024 the Company announced that its wholly owned subsidiary 5G Networks Holdings Pty Ltd (5GN Holdings) had entered into sale agreements with entities associated with the Group's Managing Director Mr Joe Demase (Purchasers), in relation to the sale of 100% of the shares in its primary operating subsidiary, 5G Network Operations Pty Ltd (5GN Operations) and its cyber security consultancy business operated by Security Shift Pty Ltd (Security Shift).

On the 27th November 2024 the company advised the market that the proposed sale and capital return will not proceed.

The Sale Agreements were terminated by an agreement entered between the Company and its subsidiaries and the entities associated with Mr Demase.

The independent directors of 5GN carefully considered the termination of the Sale Agreements. The reasons for terminating the Sale Agreements were:

- Conditions precedent in the Sale Agreements cannot now be satisfied by the end date of 31 December 2024 at which time either party would be entitled to terminate them
- Major 5GN shareholders indicated they would not vote in favour of the proposed sale
- The market is improving, and the Board considers 5GN's prospects are also improving
- 5GN's available cash will permit further strategic acquisitions
- The Company received advice that its tax liability provided for in its FY 2024 financial statements would be reduced, freeing up additional funds for both internal growth initiatives and strategic acquisition.

8. AUDIT OF ACCOUNTS

The Appendix 4E and Preliminary Financial Report are based on accounts which are in the process of being audited.

Signed



Mr Joseph Demase
Managing Director
Melbourne
29 August 2025

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2025

| | Notes | Year ended | |
|--|-------|-----------------------|-----------------------|
| | | 30 June 2025 \$000 | 30 June 2024 \$000 |
| CONTINUING OPERATIONS | | | |
| Revenue | 4 | 62,634 | 49,336 |
| Other income | 5 | 3,688 | 3,536 |
| Revenue and other income | | 66,322 | 52,872 |
| Network and data centre costs | | (32,672) | (28,229) |
| Rent and office expenses | | (1,304) | (481) |
| Marketing and travel expenses | | (614) | (721) |
| Employee benefits expenses | | (24,034) | (21,433) |
| Other expenses | | (4,456) | (4,540) |
| Loss on sale of investments | 18 | (3,339) | (157) |
| Impairment of assets | | - | (6,911) |
| Share-based payment expenses | | (1,829) | (1,885) |
| Depreciation expenses | | (6,571) | (6,849) |
| Amortisation expenses | | (554) | (801) |
| Finance costs | | (1,169) | (2,643) |
| Net gain/(loss) on fair value of financial instruments at FVTPL | | 435 | - |
| Non-recurring costs | | (2,943) | (8,315) |
| Total expenses | | (79,050) | (82,965) |
| Loss before income tax | | (12,728) | (30,093) |
| Income tax (expense) / benefit | | 9,757 | 2,085 |
| Loss after tax | | (2,971) | (28,008) |
| DISCONTINUED OPERATION | | | |
| Profit from discontinued operation, net of tax | | - | 77,424 |
| Profit after tax for the year | | (2,971) | 49,416 |
| Other comprehensive income for the year, net of income tax | | | |
| Items that will be reclassified to profit or loss in subsequent years: | | | |
| Currency translation differences | | (66) | (141) |
| Items that will not be reclassified to profit or loss in subsequent years: | | | |
| Change in fair value of equity instruments designed at fair value through other comprehensive income | | - | - |
| Other comprehensive income for the year, net of income tax | | (66) | (141) |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | (3,037) | 49,275 |

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2025

| | Notes | Year ended | |
|--|-------|--------------------------------------|--------------------------------------|
| | | 30 June 2025 \$000 | 30 June 2024 \$000 |
| Profit/(Loss) for the year attributable to: | | | |
| Members of the parent | | (2,579) | 49,416 |
| Non-controlling interests | | (392) | - |
| | | (2,971) | 49,416 |
| Total comprehensive income attributable to: | | | |
| Members of the parent | | (2,645) | 49,275 |
| Non-controlling interests | | (392) | - |
| | | (3,037) | 49,275 |
| Total comprehensive income attributable to members of the parent arises from: | | | |
| Continuing operations | | (2,645) | (28,149) |
| Discontinued operations | | - | 77,424 |
| | | (2,645) | 49,275 |
| | | 30-Jun-25 cents per share | 30-Jun-24 cents per share |
| Loss per share from continuing operations | | | |
| Basic loss per share | 6 | (0.84) | (8.36) |
| Diluted loss per share | 6 | (0.84) | (8.36) |
| Profit/(Loss) per share attributable to members of the parent | | | |
| Basic loss per share | 6 | (0.86) | 14.71 |
| Diluted loss per share | 6 | (0.86) | 14.71 |

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 30 JUNE 2025

| | Notes | 30 June 2025 \$000 | 30 June 2024 \$000 |
|---|-------|-----------------------|-----------------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and cash equivalents | 7 | 25,914 | 64,986 |
| Restricted cash | 7 | 3,315 | 2,925 |
| Trade and other receivables | 8 | 8,865 | 522 |
| Contract assets | 9 | 975 | - |
| Other assets | 14 | 4,358 | 871 |
| | | 43,427 | 69,304 |
| Assets classified as held for sale | 18 | - | 31,277 |
| Total Current Assets | | 43,427 | 100,581 |
| Non-Current Assets | | | |
| Property, plant and equipment | 10 | 15,151 | - |
| Right-of-use assets | 11 | 7,589 | - |
| Deferred tax assets | | - | - |
| Goodwill | 12 | 12,057 | - |
| Other intangible assets | 13 | 4,075 | 725 |
| Other investments | | 725 | - |
| Other assets | 14 | 121 | 426 |
| Total Non-Current Assets | | 39,718 | 1,151 |
| TOTAL ASSETS | | 83,145 | 101,732 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Trade and other payables | 15 | 7,601 | 5,024 |
| Lease liability | | 5,323 | - |
| Employee benefits | 17 | 2,895 | - |
| Provision for income tax | | 321 | 14,352 |
| Contract liabilities | | 304 | - |
| Other financial liabilities | | (109) | - |
| Other liabilities | 16 | 3,641 | - |
| | | 19,976 | 19,376 |
| Liabilities directly associated with assets classified as held for sale | 18 | - | 29,751 |
| Total Current Liabilities | | 19,976 | 49,127 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 30 JUNE 2025

| | Notes | 30 June 2025 \$000 | 30 June 2024 \$000 |
|---|-------|-----------------------|-----------------------|
| Non-Current Liabilities | | | |
| Lease liability | | 10,779 | - |
| Employee benefits | 17 | 280 | - |
| Deferred tax liabilities | | 473 | - |
| Total Non-Current Liabilities | | 11,532 | - |
| | | | |
| TOTAL LIABILITIES | | 31,508 | 49,127 |
| | | | |
| NET ASSETS | | 51,637 | 52,605 |
| | | | |
| EQUITY | | | |
| Share capital | 20 | 195,463 | 198,292 |
| Reserves | 21 | (127,440) | (130,054) |
| Accumulated losses | | (18,212) | (15,633) |
| Equity attributable to members of the parent | | 49,811 | 52,605 |
| | | | |
| Non-controlling interests | 19 | 1,826 | - |
| TOTAL EQUITY | | 51,637 | 52,605 |

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

| | Notes | Share Capital | Reserves | Accumulated Losses | Non-controlling Interest | Total Equity |
|---|-------|----------------|------------------|--------------------|--------------------------|----------------|
| | | \$000 | \$000 | \$000 | \$000 | \$000 |
| BALANCE AT 1 JULY 2024 | | 198,292 | (130,054) | (15,633) | - | 52,605 |
| Profit for the period | | - | - | (2,579) | (392) | (2,971) |
| Other comprehensive income | | - | (66) | - | - | (66) |
| Total comprehensive income for the period | | - | (66) | (2,579) | (392) | (3,037) |
| Transactions with owners in their capacity as owners: | | | | | | |
| Cancellation of share pursuant to on market buy back | 20 | (2,829) | | | | (2,829) |
| Share based payments expensed | 22 | | 1,829 | | | 1,829 |
| NCI arising on acquisition of subsidiary | 19 | | | | 10,884 | 10,884 |
| Acquisition of additional interest in subsidiary (no change in control) | 19 | | | | (8,666) | (8,666) |
| Other Reserves | 22 | | 851 | | | 851 |
| BALANCE AT 30 JUNE 2025 | | 195,463 | (127,440) | (18,212) | 1,826 | 51,637 |

| | | | | | | |
|---|----|----------------|------------------|-----------------|----------|---------------|
| BALANCE AT 1 JULY 2023 | | 200,521 | (132,049) | (58,202) | - | 10,270 |
| Profit for the period | | - | - | 49,416 | - | 49,416 |
| Other comprehensive income | | - | (141) | - | - | (141) |
| Total comprehensive income for the period | | - | (141) | 49,416 | - | 49,275 |
| Transactions with owners in their capacity as owners: | | | | | | |
| Dividend paid | | - | - | (6,847) | - | (6,847) |
| Shares issued as acquisition consideration | 20 | 1,240 | - | - | - | 1,240 |
| Shares issued on exercise of Options | 22 | 280 | - | - | - | 280 |
| Cancellation of shares pursuant to on-market buy back | 22 | (3,145) | - | - | - | (3,145) |
| Cancellation of shares pursuant to unmarketable parcel share buy back | 22 | (580) | - | - | - | (580) |
| Share issue costs | | (24) | - | - | - | (24) |
| Share based compensation | | - | 2,136 | - | - | 2,136 |
| BALANCE AT 30 JUNE 2024 | | 198,292 | (130,054) | (15,633) | - | 52,605 |

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

| | Notes | Year ended | |
|---|----------|-----------------------|-----------------------|
| | | 30 June 2025 \$000 | 30 June 2024 \$000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from customers | | 68,768 | 78,576 |
| Payments to suppliers and employees | | (82,870) | (80,674) |
| Interest received | | 5,445 | 1,330 |
| Interest paid | | (770) | (2,642) |
| Income tax paid | | (4,289) | (334) |
| Payments for acquisition and restructuring costs | | (2,943) | (10,726) |
| NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES | | (16,659) | (14,470) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Net cash on purchase of Security Shift | | - | (1,615) |
| Proceeds from sale of Domains business | | - | 107,420 |
| Proceeds from sale of investments | | - | 20,154 |
| Proceeds from sale of Digital business | | - | 163 |
| Net cash on purchase of New Domain | | - | (1,500) |
| Net cash on purchase of AUCyber | | (15,009) | - |
| Purchase of plant and equipment | | (3,257) | (2,782) |
| Proceeds from sale of intangible assets | | - | 1,637 |
| Proceeds from sale of plant and equipment | | 1,211 | 60 |
| Purchase of intangible assets | | - | - |
| Increase in pledged bank deposits | | (390) | (2,925) |
| Return of capital and dividends received from investments | | - | 27 |
| NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES | | (17,445) | 120,639 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from issues of shares on exercise of options | | - | 280 |
| Proceeds from borrowings | | - | 500 |
| Payment of security deposit | | (1,350) | (828) |
| Payments of share buyback | | (4,556) | (1,013) |
| Repayment of borrowings | | - | (29,730) |
| Payment of equity transaction costs | | - | (24) |
| Payment of dividend on ordinary shares | | - | (6,847) |
| Payment of lease liabilities | | (2,332) | (4,725) |
| NET CASH FLOWS USED IN FINANCING ACTIVITIES | | (8,238) | (42,387) |
| NET (DECREASE) IN CASH AND CASH EQUIVALENTS | | (42,342) | 63,782 |
| NET INCREASE / (DECREASE) IN CASH CLASSIFIED WITHIN CURRENT ASSETS HELD FOR SALE | | 3,336 | (3,336) |
| Net foreign exchange differences | | (66) | 42 |
| Cash and cash equivalents at beginning of period | | 64,986 | 4,498 |
| CASH AND CASH EQUIVALENTS AT END OF PERIOD | 7 | 25,914 | 64,986 |

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The consolidated financial statements cover 5G Networks Limited ('the **Company**' or '**5GN**') and its subsidiaries (collectively, 'the **Group**') for the year ended 30 June 2025.

5G Networks Limited is a limited company, incorporated and domiciled in Australia, whose shares are publicly traded on the Australian Securities Exchange (**ASX**).

OPERATIONS AND PRINCIPAL ACTIVITIES

The principal activities of the Group during the period are described below:

5G Networks provides the following services to enterprise and wholesale customers:

- the supply of cloud-based solutions, managed services; cyber services and network services
- the operation of fibre and wireless infrastructure and management of cloud computing environment
- the operation of data centre facilities

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

The registered office and principal place of business of the Company is Level 7, 505 Little Collins Street, Melbourne Victoria 3000.

2. STATEMENT OF COMPLIANCE

The Preliminary Final Report (the Report) has been prepared in accordance with ASX Listing Rule 4.3A and has been derived from the unaudited consolidated financial statements. The consolidated financial statements have been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period and the Corporations Act 2001. The consolidated financial statements also comply with International Financial Reporting Standards ('IFRS') and interpretations ('IFRICs') adopted by the International Accounting Standards Board ('IASB').

The preliminary final report has been prepared on the historical cost basis except for derivative financial assets, contingent consideration payables and share-based payment transactions which are stated at their fair value.

The consolidated financial statements are in the process of being audited. Accordingly, the Report should be read in conjunction with any public announcements made by the Company during the year in accordance with the continuous disclosure requirements arising under the Corporations Act 2001 and ASX Listing Rules.

The Group 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, unless otherwise stated.

3. CRITICAL ACCOUNTING JUDGEMENTS, 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. Management believes to be reasonable under the circumstances and with the exceptions of income tax and revenue recognition, were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2023. 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 within the next financial year are discussed below.

PROVISION FOR IMPAIRMENT OF RECEIVABLES

The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtor's financial position.

ESTIMATION OF USEFUL LIVES OF ASSETS

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

GOODWILL AND OTHER INDEFINITE LIFE INTANGIBLE ASSETS

The Group tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the Group's accounting policy.

IMPAIRMENT OF NON-FINANCIAL ASSETS OTHER THAN GOODWILL AND OTHER INDEFINITE LIFE INTANGIBLE ASSETS

The Group assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

LEASES

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under some of its premises leases to lease the assets for additional terms of five years. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. The Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

The Group excluded the renewal period as part of the lease term for leases of rental premises as the Group is not reasonably certain to exercise the renewals.

INCOME TAX

The Group is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises liabilities based on the Group's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

RECOVERY OF DEFERRED TAX ASSETS

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

LONG SERVICE LEAVE PROVISION

The liability for long service leave is 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 values of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

BUSINESS COMBINATIONS

Business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the Group taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4. REVENUE FROM CONTRACTS WITH CUSTOMERS

The revenue breakdown by product and service line for the year ended 30 June 2025 is shown below:

| | 2025 \$'000 | 2024 \$'000 |
|--|----------------|----------------|
| CONTINUING OPERATIONS | | |
| Types of goods or service | | |
| Cloud | 10,392 | 7,827 |
| Network & Voice | 7,285 | 7,624 |
| Data Centres | 13,039 | 9,239 |
| Managed Services | 18,825 | 14,808 |
| Digital Marketing | - | 2,570 |
| Cyber | 3,552 | - |
| Hardware & Software | 9,541 | 7,268 |
| Total Revenue from Contracts with Customers | 62,634 | 49,336 |
| Timing of revenue recognition | | |
| Goods and services transferred at a point in time | 9,542 | 7,268 |
| Services transferred over time | 53,092 | 42,068 |
| Total Revenue from Contracts with Customers | 62,634 | 49,336 |

5. OTHER INCOME

Other income includes miscellaneous items including expense recoveries. Other revenue is recognised when it is received or when the right to receive payment is established.

| | Consolidated | |
|----------------------------|---------------|---------------|
| | 2025 \$000 | 2024 \$000 |
| Sale of network assets | - | 1,637 |
| Profit on sale of business | 3 | 329 |
| Dividend income | 441 | 27 |
| Interest income | 1,997 | 1,399 |
| Sundry income | 960 | 144 |
| R&D Refundable tax offset | 287 | - |
| Total Other Income | 3,688 | 3,536 |

6. EARNINGS PER SHARE

Basic Earnings Per Share (EPS) amounts are calculated by dividing net profit or loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS amounts are calculated by dividing net profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

There were no dilutive potential ordinary shares in existence during the year (2024: Nil) as the share options and performance rights of the Company were antidilutive.

The following represents the share data used in the EPS computations:

| | Consolidated 2025 Number | Consolidated 2024 Number |
|---|-----------------------------|-----------------------------|
| Weighted average number of shares used in calculating earnings per share and diluted earnings per share | 300,694,883 | 317,757,331 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

Reconciliation of Cash and Cash equivalents

For the purposes of the statement of cash flows, cash includes cash at bank and in hand net of bank overdrafts. Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

| | Consolidated | |
|--|---------------|---------------|
| | 2025 \$000 | 2024 \$000 |
| Cash at bank and in hand | 25,914 | 64,986 |
| Restricted cash | 3,315 | 2,925 |
| Total Cash & Cash Equivalents | 29,229 | 67,911 |

Restricted cash

The restricted cash amounts of \$3.315 million (2024: \$2.925 million) are held as security for property lease bank guarantees issued by Commonwealth Bank of Australia on behalf of the Group.

8. TRADE AND OTHER RECEIVABLES

| | Consolidated | |
|--|---------------|---------------|
| | 2025 \$000 | 2024 \$000 |
| Trade receivables | 7,729 | - |
| Allowance for impairment of receivables | (184) | - |
| | 7,545 | - |
| Unsecured loans – at call ¹ | 378 | 378 |
| Other receivables | 942 | 144 |
| Total Trade and Other Receivables | 8,865 | 522 |

¹ Unsecured loans represent loans granted to key management personnel and employees to allow them to take up shares in a capital raising undertaken by 5G Networks Limited in FY21.

The Group applies the AASB 9 simplified model of recognising lifetime expected credit losses for all trade receivables as these items do not have a significant financing component.

In measuring the expected credit losses, the trade receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the past due and also according to the geographical location of customers.

The expected loss rates are based on the payment profile for sales over the past 36 months before 30 June 2025 and 1 July 2024 respectively as well as the corresponding historical credit losses during that period. The historical rates are adjusted to reflect current and forward-looking macroeconomic factors affecting the customer's ability to settle the amount outstanding.

Trade receivables are written off (i.e. derecognised) when there is no reasonable expectation of recovery. Failure to make payments within 120 days from the invoice date and failure to engage with the Group on alternative payment arrangements amongst other is considered indicators of no reasonable expectation of recovery.

9. CONTRACT ASSETS AND LIABILITIES

Contract assets consist of the following:

| | Consolidated | |
|------------------------------------|---------------|---------------|
| | 2025 \$000 | 2024 \$000 |
| Contract assets² | | |
| Work in progress | 975 | - |
| | 975 | - |

Movement of contract assets during the period:

| | Consolidated | |
|--------------------------------------|---------------|---------------|
| | 2025 \$000 | 2024 \$000 |
| As at 1 July 2024 | - | 1,089 |
| Additions | 2,899 | 1,946 |
| Cash received | (1,924) | (2,275) |
| Assets reclassified as held for sale | - | (760) |
| As at 30 June 2025 | 975 | - |

² The Group makes use of a simplified approach in accounting for contract assets and records the loss allowance as lifetime expected credit losses. After the assessment of contract asset on a collective basis, the Group determined to apply zero as the loss rate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10. PROPERTY, PLANT AND EQUIPMENT

| | Leasehold Improvements \$000 | Plant and Equipment \$000 | Total \$000 |
|--|------------------------------------|---------------------------------|-----------------|
| Gross carrying amount | | | |
| At 1 July 2024 | - | - | - |
| Assets acquired in the business acquisition | 219 | 5,349 | 5,568 |
| Additions | 7 | 3,981 | 3,988 |
| Disposals | - | (3) | (3) |
| Assets reclassified as held for sale | 255 | 10,242 | 10,497 |
| Closing value at 30 June 2025 | 481 | 19,569 | 20,050 |
| | | | |
| Depreciation and impairment | | | |
| At 1 July 2024 | - | - | - |
| Depreciation | (114) | (1,691) | (1,805) |
| Net loss on transfer of assets held for sale | - | (3,094) | (3,094) |
| Disposals | - | - | - |
| Assets reclassified as held for sale | - | - | - |
| Closing value at 30 June 2025 | (114) | (4,785) | (4,899) |
| CARRYING AMOUNT AT 30 JUNE 2025 | 367 | 14,784 | 15,151 |
| | | | |
| Gross carrying amount | | | |
| At 1 July 2023 | 4,410 | 30,994 | 35,404 |
| Additions | - | 4,381 | 4,381 |
| Disposals | (46) | (123) | (169) |
| Assets reclassified as held for sale | (4,364) | (35,252) | (39,616) |
| Closing value at 30 June 2024 | - | - | - |
| | | | |
| Depreciation and impairment | | | |
| At 1 July 2023 | (3,864) | (21,735) | (25,599) |
| Depreciation | (291) | (3,337) | (3,628) |
| Disposals | 46 | 62 | 108 |
| Closing value at 30 June 2024 | (4,109) | (25,010) | (29,119) |
| CARRYING AMOUNT AT 30 JUNE 2024 | - | - | - |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

11. LEASES

The Group has leases for data centres and related facilities, and offices premises. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate (such as lease payments based on a percentage of Group sales) are excluded from the initial measurement of the lease liability and asset.

Set out below are the amounts recognised in profit and loss during the period:

| | 2025 \$000 | 2024 \$000 |
|--|---------------|---------------|
| Depreciation expense of right-of-use assets | 3,818 | 2,622 |
| Net Loss on transfer of assets held for sale | 942 | - |
| Interest expense on lease liabilities | 825 | 1,062 |
| Rent expense - short-term leases | - | 119 |

Right-of-use asset

| | Building \$000 | IT Equipment \$000 | Total \$000 |
|--|-------------------|-----------------------|----------------|
| As at 1 July 2024 | - | - | - |
| Additions during the year | 5,092 | - | 5,092 |
| Disposals during the year | - | - | - |
| Depreciation expense | (3,798) | (20) | (3,818) |
| Assets reclassified as held for sale | 7,224 | 33 | 7,257 |
| Net loss on transfer of assets held for sale | (929) | (13) | (942) |
| As at 30 June 2025 | 7,589 | - | 7,589 |
| | | | |
| As at 1 July 2023 | 9,954 | 422 | 10,376 |
| Additions during the year | 1,844 | - | 1,844 |
| Disposals during the year | (2,080) | - | (2,080) |
| Depreciation expense | (2,494) | (129) | (2,623) |
| Assets reclassified as held for sale | (7,224) | (293) | (7,517) |
| As at 30 June 2024 | - | - | - |

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can only be used by the Group. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to purchase the underlying leased asset outright at the end of the lease, or to extend the lease for a further term. The Group is prohibited from selling or pledging the underlying leased assets as security. For leases over data centres and office premises the Group must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Group must insure items of property, plant and equipment and incur maintenance fees on such items in accordance with the lease contracts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12. GOODWILL

The following table shows the movements in goodwill:

| | Consolidated | |
|---|-----------------|-----------------|
| | 2025 \$000 | 2024 \$000 |
| Gross carrying amount | | |
| Balance at beginning of period | 23,884 | 67,253 |
| Acquired through business combination (refer note 19) | 12,057 | 1,375 |
| Disposed through sale of business | - | (44,744) |
| Balance at end of the period | 35,941 | 23,884 |
| | | |
| Accumulated impairment | | |
| Balance at beginning of period | (23,884) | (16,973) |
| Impairment loss recognised | - | (6,911) |
| Balance at end of the period | (23,884) | (23,884) |
| | | |
| Carrying amount at end of the period | 12,057 | - |

Goodwill is assessed annually for impairment where the carrying value is compared to the highest of fair value less disposal costs and value-in-use for each cash generating unit.

Goodwill is allocated to the Group's cash generating units (CGU), which are the units expected to benefit from the synergies of the business combinations in which the goodwill arises.

| | Consolidated | |
|--|---------------|---------------|
| | 2025 \$000 | 2024 \$000 |
| AUCyber | 12,057 | - |
| Goodwill allocation at 30 June 2025 | 12,057 | - |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

13. OTHER INTANGIBLE ASSETS

The following table shows the movements in other intangible assets:

| | Customer contract \$'000 | Brand name \$'000 | Other Intangibles \$'000 | Capitalised software \$'000 | Marketing Related Intangibles \$'000 | Total \$'000 |
|--|-----------------------------|----------------------|-----------------------------|--------------------------------|---|-----------------|
| Gross carrying amount | | | | | | |
| At 1 July 2024 | - | - | - | - | - | - |
| Additions | 789 | 787 | 98 | - | - | 1,674 |
| Assets reclassified as held of sale and other disposals | 27 | 3,270 | - | - | - | 3,297 |
| Net Loss on transfer of assets held for sale | (15) | (327) | - | - | - | (342) |
| Closing Value at 30 June 2025 | 801 | 3,730 | 98 | - | - | 4,629 |
| Amortisation and impairment | | | | | | |
| At 1 July 2024 | - | - | - | - | - | - |
| Amortisation | (61) | (493) | - | - | - | (554) |
| Closing value at 30 June 2025 | (61) | (493) | - | - | - | (554) |
| Carrying Amount at 30 June 2025 | 740 | 3,237 | 98 | - | - | 4,075 |
| | | | | | | |
| Gross carrying amount | | | | | | |
| At 1 July 2023 | 20,486 | 4,017 | - | 5,432 | 231 | 30,166 |
| Additions | - | 3,553 | - | - | - | 3,553 |
| Assets reclassified as held for sale and other disposals | (20,486) | (7,570) | - | (5,432) | (231) | (33,719) |
| Closing Value at 30 June 2024 | - | - | - | - | - | - |
| Amortisation and impairment | | | | | | |
| Balance at 1 July 2023 | (5,314) | (2,044) | - | (1,704) | (37) | (9,099) |
| Amortisation | (947) | (732) | - | (529) | (17) | (2,225) |
| Assets reclassified as held for sale and other disposals | 6,261 | 2,776 | - | 2,233 | 54 | 11,324 |
| Closing value at 30 June 2024 | - | - | - | - | - | - |
| Carrying Amount at 30 June 2024 | - | - | - | - | - | - |

(a) Brand Name and Customer Contracts

Brand names and customer contracts acquired in a business combination that qualify for separate recognition are recognised as intangible assets at their fair values.

Brand names and customer contracts are amortised on a straight-line basis over their estimated useful lives of five to ten years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

14. OTHER ASSETS

Other assets consist of the following:

| | Consolidated | |
|-----------------------------------|---------------|---------------|
| | 2025 \$000 | 2024 \$000 |
| Other prepayments | 1,244 | - |
| Inventory | 645 | - |
| Security deposits | 2,258 | 871 |
| Bond payments | 36 | - |
| Other | 175 | - |
| Other Assets - Current | 4,358 | 871 |
| Other Receivables | 121 | 426 |
| Other Assets - Non-Current | 121 | 426 |

15. TRADE AND OTHER PAYABLES

| | Consolidated | |
|---------------------------------------|---------------|---------------|
| | 2025 \$000 | 2024 \$000 |
| Trade payables | 5,774 | 3,874 |
| Accrued liabilities | 889 | 136 |
| Other Creditors | 938 | 1,014 |
| Total trade and other payables | 7,601 | 5,024 |

All amounts are short-term. The carrying values of trade and other payables are considered to be a reasonable approximation of fair value.

16. OTHER LIABILITIES

| | Consolidated | |
|------------------------------------|---------------|---------------|
| | 2025 \$000 | 2024 \$000 |
| GST and PAYG due to ATO | 2,050 | - |
| Payroll tax provision | 117 | - |
| Other | 1,474 | - |
| Other liabilities - Current | 3,641 | - |

EMPLOYEE BENEFITS PROVISIONS

| | Consolidated | |
|---|---------------|---------------|
| | 2025 \$000 | 2024 \$000 |
| Current | | |
| Annual leave | 1,374 | - |
| Long Service Leave | 799 | - |
| Wages Payable | (32) | - |
| Superannuation payable | 634 | - |
| Accrued bonuses and sales commission | 120 | - |
| Employee Benefits Provisions - Current | 2,895 | - |
| Non-Current | | |
| Long service leave | 280 | - |
| Employee Benefits Provisions - Non-current | 280 | - |

18. ASSETS CLASSIFIED AS HELD FOR SALE

As at 30 June 2024, the assets and liabilities of the Group's primary operating subsidiary, 5G Networks Operations Pty Ltd and its cyber security consultancy business operated by Security Shift Pty Ltd were classified as held for sale.

On 27 November 2024, the Company announced that the proposed sale would not proceed and that the Sale Agreements have been terminated by agreement between the Company and the entities associated with Mr Joe Demase. Accordingly, the assets and liabilities of the Group's primary operating subsidiary, 5G Networks Operations Pty Ltd and its cyber security consultancy business operated by Security Shift Pty Ltd were reclassified from assets held for sale as at 27 November 2024.

A loss on remeasurement of a non-current asset (or disposal group) classified as held for sale of \$3,339,150 has been recorded in the profit or loss from continuing operation.

This amount represents the depreciation and amortisation of property, plant and equipment, right-of-use assets and intangible assets for the period when these assets were classified as held for sale.

NOTES TO THE FINANCIAL STATEMENTS

19. BUSINESS ACQUISITIONS

AUCyber Limited

On 3 February 2025, 5G Networks Limited (ASX:5GN) acquired control of AUCyber Limited (ASX:CYB), a specialist provider of cyber security solutions, including threat detection, penetration testing, and managed security services, operating within the Australian enterprise and government sectors.

AUCyber Limited's product offering and workforce complement that of 5GN, and we expect to realise synergies between the two companies.

(a) Details of the purchase consideration, the net assets acquired and goodwill are as follows:

| | \$'000 |
|-------------------------------------|---------------|
| Cash paid | 10,762 |
| Total purchase consideration | 10,762 |

This was a stepped acquisition, with 5GN initially acquiring a 10.737% interest in AUCyber on 20 December 2024. Total ownership came to 50.709% on 3 February 2025, at which point new directors were appointed and control was obtained.

(b) Remeasurement of Previously Held Interest:

In accordance with AASB 3, previously held ownership interests acquired up to the point of acquisition were remeasured to fair value at the acquisition date, resulting in a loss of \$267,683, recognised in profit or loss.

(c) Details of the net assets acquired and goodwill are as follows.

The provisional fair value of the net assets acquired were:

| | \$'000 |
|---|---------------|
| Cash | 4,091 |
| Trade receivables | 2,838 |
| Prepayments and Other Receivables | 884 |
| Plant and equipment | 10,146 |
| Other Intangible Assets | 84 |
| Trade payables | (2,130) |
| Accruals and Other Payables | (6,044) |
| Employee benefit obligations | (948) |
| Customer Related Intangibles | 789 |
| Brand Names | 787 |
| Net identifiable assets acquired | 10,497 |
| Goodwill | 12,057 |

The goodwill is attributable to the workforce and potential synergies to be realised in the acquired business. It will not be deductible for tax purposes.

(d) Revenue and profit contribution

The acquired business contributed revenues of \$10m and net loss of \$3.97m to the group for the period from 3 February 2025 to 30 June 2025.

Pro-forma revenue and loss for the year ended 30 June 2025 would have been \$85m and \$20.46m respectively. These amounts have been calculated using the acquired entities' results.

(e) Non-controlling Interest

In accordance with AASB 3, the non-controlling interest (NCI) in AUCyber Limited was measured at its fair value at the acquisition date, using the prevailing share price of AUCyber Limited (ASX:CYB) and market-based valuation benchmarks for comparable entities. This approach reflects the full goodwill method and results in the recognition of goodwill attributable to both the parent and the non-controlling interest.

As at 3 February 2025, following the acquisition of control of AUCyber Limited, 5G Networks Limited held a 50.709% ownership interest, with the remaining 49.291% held by non-controlling shareholders.

As at 30 June 2025, further share acquisitions were undertaken by 5GN, reaching a total 89.96% ownership in AUCyber.

For the period from 3 February 2025 to 30 June 2025:

- The profit/(loss) attributable to the NCI was (\$391,750)
- The equity interest attributable to the NCI as at 30 June 2025 was \$1,825,941.

(f) Reconciliation of NCI in AUCyber Limited

| | \$'000 |
|--|--------------|
| Opening NCI balance (as at acquisition date) | 10,884 |
| Transactions with NCI (purchase/sale of additional interest without loss of control) | (8,666) |
| Share of (loss)/profit for the period | (392) |
| Balance at end of year | 1,826 |

NOTES TO THE FINANCIAL STATEMENTS

20. ISSUED CAPITAL

The Company acquired 17,062,448 shares on-market pursuant to an on-market share buyback during the period.

| | Consolidated | |
|-----------------------------------|----------------|----------------|
| | 2025 \$'000 | 2024 \$'000 |
| Issued and paid-up capital | | |
| Ordinary shares each fully paid | 195,463 | 198,292 |

| Movement in ordinary shares on issue | 30 June 2025 | | 30 June 2024 | |
|---|---------------------|----------------|---------------------|----------------|
| | Number of shares | \$'000 | Number of shares | \$'000 |
| Beginning of the financial period | 317,757,331 | 198,292 | 329,126,229 | 200,521 |
| - Issue of shares to vendor | - | - | 7,294,118 | 1,240 |
| - Acquisition of shares through on-market share buyback | (17,062,448) | (2,829) | (20,943,629) | (3,145) |
| - Cancellation of shares – unmarketable parcel facility | - | - | (4,144,387) | (580) |
| - Shares issued following exercise of options | - | - | 1,625,000 | 280 |
| - Transaction costs for share issue | - | - | - | (24) |
| Shares issued and fully paid | 300,694,883 | 195,463 | 312,957,331 | 198,292 |
| - Issue of shares under ESOP | - | - | 4,800,000 | - |
| End of the financial period | 300,694,883 | 195,463 | 317,757,331 | 198,292 |

NOTES TO THE FINANCIAL STATEMENTS

21. RESERVES

| | Consolidated | |
|-------------------------------------|------------------|------------------|
| | 2025 \$'000 | 2024 \$'000 |
| Share-based payments reserve | 16,982 | 15,153 |
| Other reserve | 6,470 | 5,450 |
| Foreign currency reserve | (88) | 147 |
| Reorganisation reserve | (150,804) | (150,804) |
| Total | (127,440) | (130,054) |

| Share-based payment reserve | Consolidated | |
|--|----------------|----------------|
| | 2025 \$'000 | 2024 \$'000 |
| Balance at the beginning of the period | 15,153 | 13,017 |
| Arising on share-based payments | 1,829 | 2,136 |
| Balance at the end of the year | 16,982 | 15,153 |

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

| Other reserves | 2025 \$'000 | 2024 \$'000 |
|--|----------------|----------------|
| Balance at the beginning of the period | 5,450 | 5,450 |
| Other reserves | 1,020 | - |
| Balance at the end of the year | 6,470 | 5,450 |

Other reserves represent the fair value reserve (for equity investments at fair value through equity). The fair value reserve of financial assets at FVOCI is used to record changes to the fair value of non-current financial asset as disclosed in note 27 to the financial statements.

| Foreign currency reserve | 2025 \$'000 | 2024 \$'000 |
|--|----------------|----------------|
| Balance at the beginning of the period | 147 | 288 |
| Currency translation differences | (235) | (141) |
| Balance at the end of the year | (88) | 147 |

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

| Reorganisation reserve | 2025 \$'000 | 2024 \$'000 |
|--|------------------|------------------|
| Balance at the beginning of the period | (150,804) | (150,804) |
| Balance at the end of the year | (150,804) | (150,804) |

Reorganisation reserve is used to record any difference arising when applying a book-value method to business combinations under common control.



ABOUT 5G NETWORKS

5G Networks is a licenced telecommunications carrier operating across Australia. Our mission is to be the partner of choice for unifying a seamless digital experience for our customers across data connectivity, cloud and data centre services, underpinned by a dedication to expert managed services.

Digital leadership, people and exceptional customer experience are key foundations to enabling customers to thrive in a digital world. We are dedicated to providing our customers with a valued and unique experience, underlined by our vision.

Our culture is centred around people, collaboration and trust, enabling our team to continually unlock value for our customers through innovation and the expertise to transform digital challenges into successful business outcome.