APPENDIX 4E

FOR THE YEAR ENDED 30 JUNE 2026

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

Level 7, 505 Little Collins Street, Melbourne VIC 3000
www.5gnetworks.au
investor@5gnetworks.com.au
1300 10 11 12

APPENDIX 4E

1. COMPANY INFORMATION

Name of entity: 5G Networks Limited
ABN: 21 073 716 793
Reporting period: Year ended 30 June 2026 (Comparative period – Year ended 30 June 2025)

2. RESULTS FOR ANNOUNCEMENT TO THE MARKET

	30-Jun-26			30-Jun-25
	12 months $'000	Movement $'000	Movement %	12 months $'000
Revenue from ordinary activities and continuing operations	71,445	8,235	13	63,210
Underlying loss before tax	(12,224)	7,669	39	(19,893)
Loss after tax attributable to members of the parent	(11,762)	(2,018)	(21)	(9,744)

COMMENTARY

The key strategic and financial growth highlights for the year ended 30 June 2026 were as follows:

- The board undertook over $4m on market buy back of 5G Networks Shares.
- Acquired an additional controlling investment, increasing the Group's interest to 90.03% of AUCyber (ASX.CYB)
- Cash position of $14.6 million at 30 June 2026. This includes $3.3m of restricted cash.
- Revenue increased 13% to $71.4 million compared to $63.2m in FY25.

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	6.16 cents	11.99 cents

Net tangible assets are calculated firstly from the Group's net assets at 30 June 2026 of $28.83 million and adjusted for $5.03 million of right-of-use lease assets, and $7.34 million of intangible assets associated with the Group's previous acquisitions.

5. EARNINGS PER SHARE

	30-Jun-26 12 months cents	30-Jun-25 12 months cents
Basic loss per share	(4.40)	(3.21)
Diluted loss per share	(4.40)	(3.21)
Attributable to members of the parent		
Basic profit/(loss) per share	(4.42)	(3.23)
Diluted profit/(loss) per share	(4.42)	(3.23)
Reconciliation of earnings used in calculating earnings per share	$'000	$'000
Loss for the period	(12,224)	(10,136)
Comprehensive income	(36)	(66)
Profit/(Loss) for the period attributable to members of the parent	**(11,798)**	**(9,810)**
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	267,138,720	297,841,762
Number for diluted earnings per share - ordinary shares	267,138,720	297,841,762

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 (2025: 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 BUSINESS

On 4th September 2025, the Group acquired 0.52% shareholding of AUCyber (ASX.CYB) for $ increasing the Group's interest to 90.03% at 30 June 2026 from 89.68% at 30 June 2025.

AUCyber is an Australian-owned and operated provider of secure cloud and cyber security solutions. They specialise in supporting Australian Government, Critical National Industries, and secure enterprise organisations 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.

7. AUDIT OF ACCOUNTS

The Appendix 4E is based on audited accounts.

Signed

Mr Joseph Demase
Managing Director
Melbourne
28 August 2026

2026 Annual Report

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

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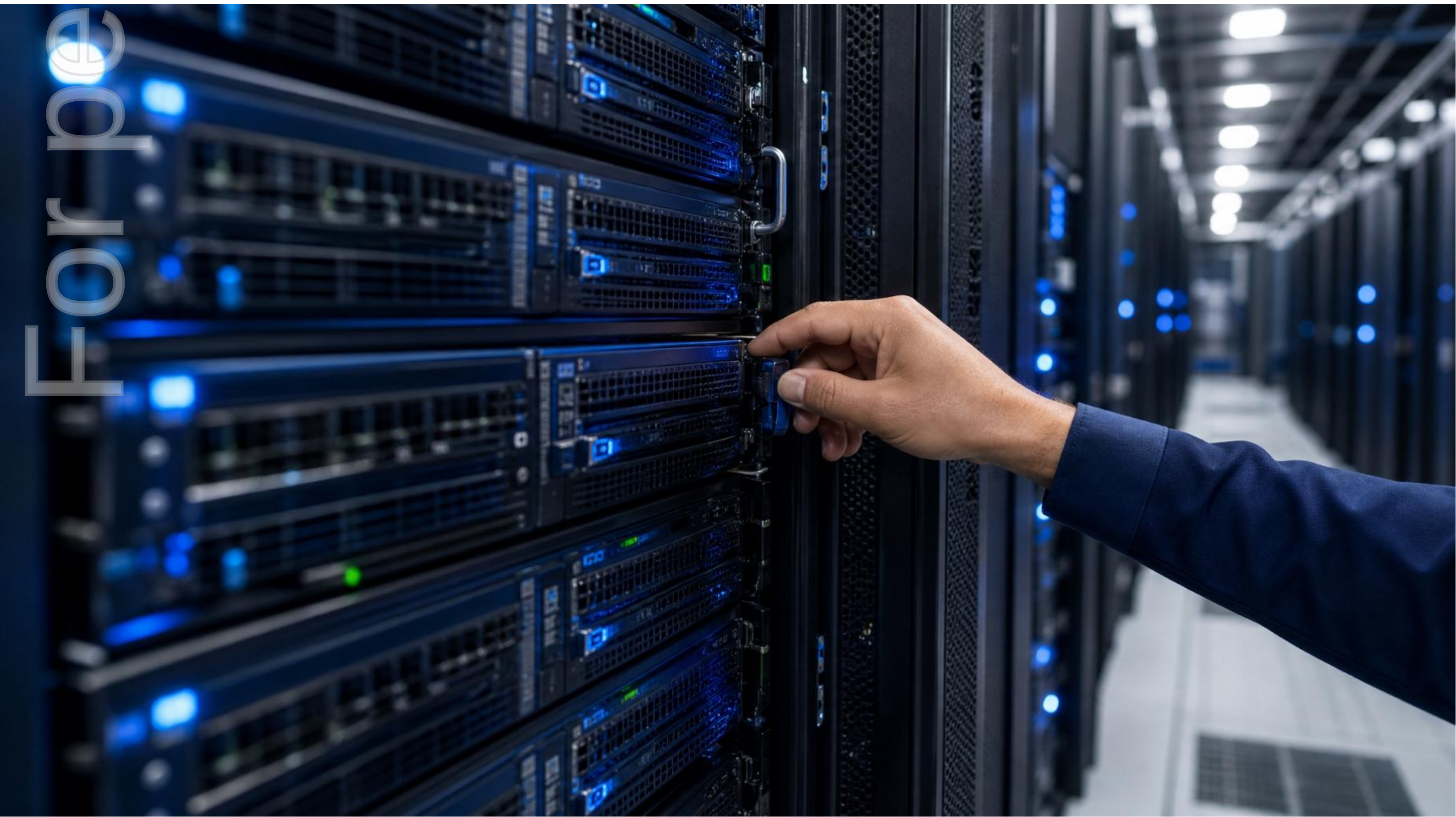

CORPORATE DIRECTORY

DIRECTORS
Hugh Robertson Jnr (Chairperson)
Joseph Demase (Managing Director)
Natalie Mactier (Non-Executive Director)
Chris Scott (Non-Executive Director)

COMPANY SECRETARY
Adam Gallagher

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS
Level 7, 505 Little Collins Street
Melbourne VIC 3000

COMPANY NUMBER
ACN 073 716 793

COUNTRY OF INCORPORATION
Australia

ASX Code:
5GN

COMPANY DOMICILE AND LEGAL FORM
5G Networks Limited is the parent entity
and an Australian Company limited by shares

LEGAL ADVISORS
AJ & Co Lawyers Pty ltd
30/80 Collins Street
Melbourne, VIC, 3000

SHARE REGISTER
Automic Registries
5/530 Collins Street
Melbourne, VIC 3000

AUDITORS
Grant Thornton Audit Pty Ltd
Tower 5, 727 Collins Street
Melbourne VIC 3000

INTERNET ADDRESS
5gnetworks.au

150km

of fibre (Sydney, Melbourne, Brisbane, Perth, Adelaide)

4

Data Centres, total rack capacity 1,500

13

Offices around Australia, 70+ Field Techs

100+

On-net buildings and 51 DCs

4

Private Cloud Zones
Memory 750TB+
Storage 2PB+

500+

Bare Metal Servers

15+

Peering Exchanges, 800+ IPv4 Peers
1TB+ IP Transit Capacity

1TB+

DDoS Mitigation, AUD, SGP, US, NZ

CHAIR'S STATEMENT

STRATEGIC EVOLUTION AND FINANCIAL YEAR OVERVIEW

As Chair of the Board, I am pleased to provide an overview of our Group's achievements and progress for the financial year ended 30 June 2026. FY26 was a pivotal year for 5G Networks — a year of transformation, disciplined execution, and strategic expansion into cyber security. We delivered positive underlying EBITDA, strengthened our balance sheet, and broadened our core infrastructure and services portfolio, positioning the Group for sustainable long-term growth.

STRENGTHENING CORE OPERATIONS

Our strategy remains centred on high-value, resilient business units where 5GN holds competitive advantage:

- **Advanced Telecommunications Services:** We continue to operate and expand our nationwide and international fibre and data networks, serving both enterprise and wholesale markets. These assets provide the backbone for cloud, data centre, and managed services delivery.

- **Cloud and Data Centres:** Our owned and operated facilities across Melbourne, Sydney, Brisbane, and Adelaide — with more than 1,200 rack capacity— remain integral to our offering. Re-pricing initiatives and expanded capacity contributed to growth in FY26.

- **Managed IT and Cyber Security Services:** The acquisition of AUCyber has deepened our expertise in sovereign cloud and cyber security. Together with our existing managed IT services, we now serve more than 1,500 corporate clients and 100 wholesale partners, with growing demand from government and critical industries.

STRATEGIC TRANSACTIONS: EXPANSION AND PORTFOLIO FOCUS

This year we executed disciplined capital allocation and portfolio moves.

Capital Return

We returned $4.7 million to shareholders through our on-market buyback while maintaining balance sheet strength.

The Board has also initiated a strategic review of AUCyber, assessing how closer integration can unlock operational synergies and long-term value. We view cyber security as a significant growth vector, highly complementary to our infrastructure and managed services.

FINANCIAL PERFORMANCE REVIEW

The Group's financial performance highlights the effectiveness of our refined focus:

- **Revenue Growth:** Revenue grew 13% to $71.4 million in FY26, up from $63.2 million in FY25.

- **Gross Profit:** Increased 14% to $34.9 million, representing a margin of 48.9%.

- **EBITDA Turnaround:** Delivered underlying EBITDA of $1.6 million, a decline of $1.7 million year-on-year due to absorbing more costs in FY26 as a result of the AUCyber acquisition.

CHAIR'S STATEMENT

- **Cash and Capital Position:** Closed the year with $11.3 million cash, after funding the share buyback and an increase in overheads as a result of the AUCyber acquisition.

This performance reflects both organic growth across Enterprise and Wholesale segments, and the contribution of AUCyber.

OUTLOOK

Looking ahead to FY27, the Board and management remain focused on:

- Completing the integration and considering full ownership of AUCyber.
- Scaling enterprise and wholesale revenue through expanded data centre and cloud capacity.
- Leveraging cyber expertise to secure government and critical industry contracts.
- Maintaining capital discipline while investing in infrastructure and customer reach.

Yours sincerely,

Hugh Robertson Jnr
Chair

KEY MILESTONES & ACHIVEMENTS

- Revenue grew 13% to $71.5 million.
- Total consolidated revenue including AUCyber contributions rose 13% to $71.4 million.
- Gross profit increased 14% to $34.9 million (48.9% gross margin).
- Underlying EBITDA of $1.6 million
- Enterprise revenue up 24% to $52.4 million
- Spare data centre capacity of 2.2MW represents an estimated $935,000 in additional monthly revenue potential, at a 50% incremental margin.

MANAGING DIRECTOR'S REVIEW

5G NETWORKS AND STRATEGIC DEVELOPMENTS

As we reflect on the financial year ended 30 June 2026, it is clear that 5G Networks has taken another decisive step forward. FY26 was a year of disciplined execution, strong financial performance, and a strategic expansion into cyber security, reinforcing our position as a trusted provider of critical telecommunications infrastructure, cloud services, and managed IT.

PRINCIPAL ACTIVITIES

Our Group's activities continue to be centred around the delivery of essential infrastructure and services:

- **Telecommunications Services:** Through 5GN, we provide carrier-grade services to enterprise and wholesale customers across Australia and internationally. Our operations include fibre networks, private cloud solutions, and managed IT services, supporting more than 2,500 enterprise clients and 100 wholesale partners.

- **Cloud and Data Centres:** Our owned and operated facilities in Melbourne, Sydney, Brisbane, and Adelaide, with a combined capacity of more than 1,200 racks and total power capacity of 4.2MW, remain critical to client success. Approximately 2MW of this capacity is currently monetised, generating approximately $850,000 in revenue per month at a 50% incremental margin. The remaining 2.2MW of spare capacity represents a significant growth opportunity: on a like-for-like basis with our current utilisation economics, fully monetising this spare capacity could generate approximately $935,000 in additional monthly revenue, or over $5.6 million in additional annualised incremental margin, without material additional capital investment. Re-pricing and capacity expansion during FY26 supported sustained growth.

- **Managed IT and Cyber Security:** With the acquisition of a controlling stake in AUCyber, we have significantly strengthened our sovereign cloud and cyber capabilities. These services are increasingly critical for government and industry clients, aligning closely with our managed IT offerings.

STRATEGIC DEVELOPMENTS

Brand Consolidation:

We rebranded 5GN's enterprise, security, and government services under the AUCyber brand during the year. This gives us a tighter focus on security across these customer segments, simplifies our service offering, and provides clearer, more consistent communication for customers engaging with us on security and government-related services.

Capital Management:

- Share Buyback: We returned $4.7 million to shareholders via our on-market share buyback, underlining our commitment to shareholder value.

- Strong Balance Sheet: Despite this capital return and the AUCyber investment, we closed FY26 with $11.3 million in cash, providing flexibility for future growth.

MANAGING DIRECTOR'S REVIEW

FINANCIAL PERFORMANCE

Our FY26 results reflect the success of our refined focus and disciplined execution:

- Revenue: Revenue grew 13% to $71.4 million.
- Gross Profit: Increased 14% to $34.9 million, delivering a solid 48.9% margin.
- Underlying EBITDA: Delivered positive underlying EBITDA of $1.6 million.
- Enterprise and Wholesale Growth: Enterprise revenue rose 24% to $52.4 million, while wholesale declined 9% to $19 million.

CONCLUSION

FY26 marks a turning point for 5G Networks. We continued to deliver positive underlying EBITDA, successfully expanded into sovereign cloud and cyber security, and maintained a strong capital position. These achievements would not have been possible without the dedication of our Board, Executive Team, and employees across Australia and abroad.

I would also like to thank our customers for their continued trust in 5G Networks to deliver and safeguard the critical infrastructure that underpins their success.

Together, we are building a stronger, more resilient company, positioned to create sustainable value for shareholders while enabling our clients to thrive in a digital-first economy.

Yours sincerely,

Joseph Demase
Managing Director

Director's Report

5G NETWORKS LTD
AND ITS CONTROLLED
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DIRECTOR'S REPORT

Your Directors submit their report for the year ended 30 June 2026.

Directors were in office for the entire period unless otherwise stated.

DIRECTORS

Mr. J. Demase
Ms. N. Mactier
Mr. H. Robertson Jr
Mr C. Scott

MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

Mr. J. Demase

CHIEF FINANCIAL OFFICER

Mr N. Legg (appointed 20 April 2026)
Mr. K. Donovan (resigned 6 April 2026)

COMPANY SECRETARIES

Mr A. Gallagher (appointed 2 September 2025)
Mr. M. Wilton (resigned 2 September 2025)

DETAILS OF DIRECTORS' EXPERIENCE, EXPERTISE AND DIRECTORSHIPS

Directors in office during the period are presented below:

HUGH ROBERTSON JNR

Non-Executive Director and Chair (appointed 28 November 2024)
Chair of the Audit & Risk Committee and Member of the Nomination & Remuneration Committee

Experience and Expertise

Hugh Robertson Jnr is a Director, Corporate Advisory at Morgans Financial Limited, where he works with clients across various industries, including financial services, technology, and FMCG. With expertise in equity capital markets, business development, strategic planning, and corporate finance, he has a robust track record in capital raising and advising on financial management. Prior to Morgans, Hugh was a Director, Corporate Finance at Bell Potter Securities, he was involved in initial public offerings (IPOs), capital raisings, mergers, acquisitions, and divestments for public entities. His leadership in managing multiple high-profile capital raises for both public and private companies at Morgans Financial further highlights his proficiency in managing complex financial transactions for publicly listed organisations.

DIRECTOR'S REPORT

Other Current Listed Company Directorships
AUCyber Limited (ASX: CYB)

Former Listed Company Directorships in Last Three Years
Health and Plant Protein Group Limited (ASX: HPP)

JOSEPH DEMASE
Managing Director & CEO (since 2020)
Member of the Audit & Risk Committee and Member of the Nomination & Remuneration Committee

Experience and Expertise
Mr Demase comes from a background in building a host of successful businesses, including the completion of two ASX listings in the telecommunications sector. Further to this, Joseph has acquired experience in the telecommunications sector amongst both the Australian and UK divisions, along with over 25 years of business experience, allowing Joseph to skilfully identify market opportunities across the board. Joseph displays an abundance of experience, having succeeded in a broad range of executive positions.

Other Current Listed Company Directorships
AUCyber Limited (ASX:CYB)

Former Listed Company Directorships in Last Three Years
Powerhouse Ventures Limited (ASX:PVL)

DIRECTOR'S REPORT

NATALIE MACTIER

Non-Executive Director (since 2020) and Chair (from 14 August 2024 to 28 November 2024)
Member of the Audit & Risk Committee and Member of the Nomination & Remuneration Committee

Experience and Expertise

Natalie has over 20 years' experience in the tech industry having held senior management and Executive roles at Australian start-up and scale-up organisations. With a background in Sales and Marketing, Natalie helped build online brands SEEK and Kidspot before being approached by Square Peg capital to create School Places, an online private school marketplace. Since 2018 Natalie has been the CEO of Vivi International, an Australian technology company that is transforming the way that educators connect with and engage students though innovative software solutions. Natalie believes in the importance of creating diverse and inclusive environments in tech, ensuring that future generations have the skills and opportunities they need to thrive.

Other Current Listed Company Directorships

Nil

Former Listed Company Directorships in Last Three Years

Nil

CHRIS SCOTT

Non-Executive Director (appointed 9 May 2025)

Experience and Expertise

Chris Scott is a seasoned leader with over 25 years' experience in elite performance, strategic leadership, and cultural transformation. As the current Head Coach of the Geelong Football Club since 2011, Chris has driven one of the most successful eras in modern AFL history, underpinned by a disciplined, values-driven approach to leadership and team development. His earlier career included a successful playing tenure with the Brisbane Lions during their premiership era (1994–2007), followed by an assistant coaching role at the Fremantle Football Club. Chris is widely regarded for his expertise in people management, leadership development, and building high performing teams in complex, competitive environments. His corporate and academic credentials include executive education programs at Harvard University (3), Stanford University, New York University (2), Columbia University, and The Wharton School at the University of Pennsylvania, where he completed the Maximising Your Effectiveness in the Boardroom governance program.

DIRECTOR'S REPORT

Other Current Listed Company Directorships

Nil

Former Listed Company Directorships in Last Three Years

Nil

COMPANY SECRETARIES

MR ADAM GALLAGHER
Company Secretary (appointed 2 September 2025)

Adam is a highly experienced company secretary, director and executive with a broad corporate skill-set and provides governance services to listed companies through his firm Applied Corporate Governance Partners. Adam holds a Bachelor of Economics, Master in Commerce, Graduate Diploma in Information Systems and Graduate Diploma in Applied Corporate Governance and is a Fellow of the Governance Institute of Australia.

MR MICHAEL WILTON
Company Secretary since 2020 (resigned 2 September 2025)

Mr Wilton has a wealth of domestic and international experience, spanning across mergers and acquisitions and equity capital market strategies, most recently as a partner at Cornwalls and Norton Rose Fulbright prior to that. His expertise includes public company takeovers, private treaty sales and acquisitions, joint ventures and corporate reconstructions. His ECM experience includes a number of IPOs and many secondary capital raisings for ASX listed companies. In the IT and Telecommunications sector, Michael has worked with the Commonwealth Government on a number of major transactions including the Telstra privatisation and the State of Victoria where he was engaged in a number of large government IT and Telecommunications projects.

PRINCIPAL ACTIVITIES

The Group's principal activities during the period were:

- 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.

There have been no other significant changes in the nature of the Group's activities.

"Our strength lies not in choosing between services and infrastructure, but in uniting them. Secure networks, sovereign cloud, and cyber expertise together create the foundation for Australia's digital future."

DIRECTOR'S REPORT

REVIEW OF OPERATIONS AND RESULTS

	Year ended	
	30-Jun-26 $'000	30-Jun-25 $'000
Total revenue from contracts with customers	71,445	63,210
Underlying EBITDA[1]	1,581	3,242
Loss after tax	(12,224)	(10,136)
Profit/(Loss) after tax attributable to members of the parent	(11,798)	(9,811)

1. Refer section below – Management performance measures – underlying EBITDA

A review of the Group during the period and the results of those operations found that revenue was $71.4 million, representing 13% growth on the prior period. Growth was driven by Cloud, Networks & Data Centres, and Managed Services, supported by contract re-pricing, organic sales execution, and the initial contribution from AUCyber. Enterprise revenue rose 24% to $52.4 million, and Wholesale revenue decreased 9% to $19 million. Gross profit increased 14% to $34.9 million (48.9% margin).

The Group delivered an Underlying EBITDA of $1.6 million, a $1.7 million decline year-on-year, reflective of the Group's investment in future growth after spending much of FY26 realising synergies between 5GN and AUCyber. The Group closed the year with cash of $14.6 million, including $3.3 million restricted, after funding the share buyback and an increase in overheads as a result of the AUCyber acquisition.

The Board has commenced a strategic review of the Enterprise business focused on driving integration of the managed IT services, sovereign cloud and cyber security services into one entity to create efficiencies and alignment. The Board will continue to evaluate the best opportunities for the Enterprise business and how it can grow shareholder value.

KEY STRATEGIC AND FINANCIAL HIGHLIGHTS – YEAR ENDED 30 JUNE 2026

- Continued positive Underlying EBITDA of $1.6 million.
- Revenue growth: $71.4 million (+13%).
- Gross profit: $34.9 million (48.9% margin).
- Segment momentum: Enterprise +24% to $52.4 million; Wholesale -9% to $19 million.
- Capital management: $4.7 million returned via on-market buyback; year-end cash $14.6 million, including $3.3 million restricted cash.
- Strategic review: Board-led process focused on driving integration of MIT services, sovereign cloud and cyber security services into one entity.

MANAGEMENT PERFORMANCE MEASURES – UNDERLYING EBITDA

The Group makes use of a management performance measure, "Underlying EBITDA" (Earnings before Interest, Tax, Depreciation and Amortisation). Underlying EBITDA aids users in assessing the Group's underlying business performance after adjusting for non-recurring and unusual items affecting period-to-period comparability. It is the primary internal financial performance indicator used for business decisions and remuneration outcomes.

Underlying EBITDA is a non-IFRS, unaudited measure and may not be comparable to similarly titled measures used by other entities. For FY26, the Group recorded Underlying EBITDA of $1.6 million. A detailed reconciliation to statutory IFRS measures (profit before tax) will be provided in the financial statements notes.

DIRECTOR'S REPORT

	Year ended	
	30-Jun-26 $'000	30-Jun-26 $'000
(Loss) / profit before tax	(12,224)	(19,893)
Depreciation and amortisation expense	10,414	7,125
Share based expenses	1,313	1,829
Finance costs (excl. bank charges and merchant fees)	1,614	1,169
Non-recurring costs	464	2,479
Impairments of financial assets, goodwill, fixed assets and intangible assets	-	7,629
Net Gain / (Loss) on FV of Financial Instruments	-	(435)
Loss on remeasurement of Assets held for sale	-	3,339
Underlying EBITDA	**1,581**	**3,242**

CAPITAL STRUCTURE

On-market share buyback: The Group returned $4.7 million to shareholders during FY26. Year-end cash was $14.6 million including $3.3 million restricted cash, providing balance sheet strength to pursue disciplined growth and integration initiatives.

Debt: The Group maintained a conservative funding position through FY26, consistent with the objective of preserving flexibility for infrastructure scaling and strategic options. (See notes to the accounts for facility details)

MATERIAL BUSINESS RISKS

The material business risks that have the potential to impact on the future prospects of the Group include:

Competition

The digital services industry is rapidly evolving with a heightened environment of change characterised by disruptive technologies. The Group therefore faces potential loss of its competitive or market position as a result of potential product innovation by existing competitors or new entrants to the market. The Group may not anticipate or respond to any such developments with sufficient speed to maintain its market position. Other competitive risks faced by the Group include price competition, competitor marketing campaigns, mergers of, or acquisitions by, competitors and possible new entrants to the market.

Changes in Technology

The digital services industry is evolving rapidly with the frequent introduction of new technologies, products and innovations. Consumer behaviours, preferences and trends are also constantly changing upon the onset of new methods of communication and digital platforms. The Group must likewise evolve and adapt its products and service offering to maintain pace with the industry in which it operates and to maintain its competitive position. Given the pace of change, there is no guarantee that the Group will be able to continue to introduce new and superior products, or products that are perceived to be new and superior by consumers, at the rate seen by other competitors in the market generally.

The Group's ability to do so is constrained by factors including its available capacity, resources and capital to invest in product develop, innovation and design. This may adversely impact on the Group's long- and short-term business performance.

DIRECTOR'S REPORT

The Group's businesses are heavily dependent on information communication technology for the delivery of their various services, across large geographic distance, and it has invested significantly in technology to maximise the efficiency of its operations. Should these systems not be adequately maintained, secured and updated, or the Group's disaster recovery processes not be adequate, system failures may negatively impact the Group's performance.

The Group has undertaken IT transformation programs in recent years which are still in progress and may cause unexpected disruptions, fail to provide anticipated benefits or otherwise be unsuccessful. A significant implementation and migration failure could result in a major impact on the Group's customer retention, revenues, costs and reputation.

Infrastructure and Technology Failure

The Group relies on its technical infrastructure and networks to provide its customers with a highly reliable service.

There may be a failure to deliver this level of service as a result of numerous factors, including human error, power loss, failure of third-party equipment, services or networks, improper maintenance by landlords and security breaches. Service interruptions, regardless of their cause, may cause contractual and other losses to the Group.

Cyber and Security Risks

Protection of customer and third-party data is critical to the Group's ongoing business and any breaches of this could have significant negative financial ramifications. The Group retains a significant amount of sensitive customer and third-party information. Customers and third parties have high expectations regarding the protection of their information. Additionally, the legal and regulatory environment surrounding information security and privacy is increasingly complex and demanding. Failures or breaches of data protection systems can result in reputational damage, regulatory impositions (such as for breaches of the Privacy Act 1988 (Cth)) and financial loss, including claims for compensation by customers or penalties by telecommunications regulators or other authorities.

As a technology business, the Group's business may be particularly adversely affected by technological disruptions, including through impacts of malicious third-party applications or other form of cyber-attack on the Group that could result in failures and interfere with its systems, products and platforms. It is possible that the measures taken by the Group will not prevent unauthorised access to its systems and technologies, risking third party access to confidential or otherwise sensitive data.
This could lead to loss of key business or customer information, reputational damage and claims from customers or other third parties whose data may be affected.

If, as a consequence, the Group is unable to provide services to its customers, it may experience loss of market share, damage to reputation and brand, customer compensation claims and regulatory action. This may result in the Group incurring significantly increased expenses or suffering reduced revenue.

Compliance Risks

The Group relies on certain accreditations and licences to operate their businesses. In particular, the Group holds a carrier licence under the Telecommunications Act 1997 which is essential to operate as a carrier of telecommunications infrastructure. If this licence or other
licences were to be cancelled it could severely restrict the ability of the Group to operate and could result in the Group breaching a number of its contractual obligations.

DIRECTOR'S REPORT

The Group's businesses are reliant on wholesale licences to provide digital services to customers and cannot be assured that it will continue to be provided with these brand licences. If the Group were to not have such brand licences, its ability to attract customers or provide attractive offerings could be negatively affected, which in turn could have a material adverse effect on its business, financial condition and results or operations of the Group.

The Group operates in a highly regulated environment with several accreditation and licensing compliance obligations. These compliance obligations have strong penalties for non-compliance, including undertakings or the imposition of substantial civil and criminal penalties. Possible changes to existing regulation may impose substantial risks to the Group's businesses and increased compliance costs.

The Group is also exposed to risks from unexpected regulatory policies, outcomes or decisions by regulators empowered to regulate the telecommunications sector, including the Australian Competition & Consumer Commission and the Australian Communications and Media Authority which may result in an increase in compliance costs and delays in having to seek additional, or variations to, government approvals, adverse impacts upon the Group's ability to continue to acquire goods and services from existing suppliers from foreign countries, or fines and penalties being imposed for contraventions of relevant laws.

Availability of Equipment

The Group is dependent upon third party suppliers for IT and network infrastructure and, in some cases, licences, services, equipment and content from parties over whom the Group may have no direct operational or financial control. If any of these third party providers fail to maintain their products, solutions, services or offerings properly or fails to respond and adapt quickly to any of the Group's requirements, customers may experience service interruptions.

The dependence on these third party suppliers for support and delivery of certain core business functions means that the impact of regulatory changes or issues with the Group's supply chain could have a significant adverse impact on the timeliness or cost of building or maintaining the Group's network.

There is also a risk that third party suppliers may provide services or products with defects, which may lead to network underperformance or other impacts on customers. This could, in turn, adversely affect the Group's market share or revenue.

Equity and Debt Market Risks

The Company's balance sheet remains well capitalised with $14.6 million of cash, including $3.3 million in restricted cash. In the event that the Company required debt to fund ongoing operations, the Group's ability to service its existing debt depends upon its financial performance and cash flows which to some extent are subject to general economic, financial, regulatory and other factors beyond the control of the Group. If the Group is unable to generate sufficient cash flow to meet specific debt repayment obligations, it may face additional financial penalties, higher interest rates or difficulty obtaining further funding in the future.

DIRECTOR'S REPORT

The Group may in the future require additional debt or equity capital in order to fund growth strategies, in particular for acquisition opportunities that may arise from time to time. There is a risk that the Group may be unable to access debt or equity funding from the capital markets on favourable terms, or at all.

Financial and Economic Conditions

The financial performance of the Group and the value of its shares may fluctuate due to various factors, including movements in the Australian and international capital markets, recommendations by brokers and analysts, interest rates, exchange rates, inflation, Australian and international economic conditions, change in international economic conditions, change in government, fiscal, monetary and regulatory policies, prices of commodities, global geo-political events and hostilities, global health pandemics and acts of terrorism, investor perceptions and other factors that may affect the Group's financial position and earnings. In the future, these factors may affect the Group and may cause the price of its shares to fluctuate and trade below current prices.

In light of recent global macroeconomic events, including the impact of the recent COVID-19 pandemic, Australia may experience an economic recession or downturn of uncertain severity and duration which could impact the Group's ability to attract and retain customers, to invest sufficiently to develop, adopt and integrate the latest technologies into existing infrastructure, and to secure and maintain third party suppliers for IT and network infrastructure over whom the Group may have no direct operational or financial control. These economic disruptions may adversely impact the Group's earnings and assets, as well as the value of its shares.

Employee Relations and Personnel Risks

The Group's ongoing success depends in part upon its ability to retaining its key employees. If there is a departure of key employees, the Group's business could be adversely affected.

The Group may have to incur significant costs in identifying, hiring and retaining replacements for departing employees and may lose significant expertise and talent relating to the business. Certain key executives and other employees of the Group may terminate their management positions or their employment contracts on their own initiative. If members of the Group's senior management depart, the Group may not be able to find effective replacements in a timely manner, or at all, and its business may be disrupted

DIVIDENDS

No Dividends were paid during the period.

SIGNIFICANT EVENTS AFTER REPORTING DATE

Nil

LIKELY DEVELOPMENTS, BUSINESS STRATEGIES AND PROSPECTS

The Group's strategy for FY26 and future years is to achieve revenue and EBITDA growth across each of its customer segments to deliver growth in returns to its shareholders. The Group's believes that the continued growth in demand for digital, cloud and network services will support the growth in demand for the Group's products and services.

The Board also expects to focus on EBITDA-accretive acquisition of businesses that complement the Group's existing products and services.

DIRECTOR'S REPORT

Further information on the Group's future prospects are contained in the Chairman's and Managing Director's Reports on pages 5 and 8 respectively.

INSURANCE OF OFFICERS

During the period, 5G Networks Limited agreed to pay a premium to insure the Directors and secretaries of the Group and its Australian-based controlled entities.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Group.

Details of the amount of the premium paid in respect of insurance policies are not disclosed as such disclosure is prohibited under the terms of the contract.

The Group has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify any current or former officer of the Group against a liability incurred as such by an officer.

MEETINGS OF DIRECTORS

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

	Full meetings of Directors		Meetings of Committees	
			Audit & Risk	
Number of meetings held	19		3	
NAME OF DIRECTOR	**ELIGIBLE**	**ATTENDED**	**ELIGIBLE**	**ATTENDED**
Hugh Robertson Jnr	11	11	3	3
Joseph Demase	11	11	3	3
Natalie Mactier	11	11	3	3
Chris Scott	11	10	3	3

INDEMNITY AND INSURANCE OF AUDITOR

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

During the financial year, the Group has not paid a premium in respect of a contract to insure the auditor of the Group 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.

DIRECTOR'S REPORT

No proceedings have been brought or intervened in on behalf of the company with leave of the Court under section 237 of the Corporations Act 2001.

NON-AUDIT SERVICES

The Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group are important.

Details of the amounts paid or payable to the auditor for audit and non-audit services provided during the period are set out below in relation to the Group's current auditor, Grant Thornton Audit Pty Ltd.

The Board of Directors has considered the position and, in accordance with advice received from the audit committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services have been reviewed by the audit committee to ensure they do not impact the impartiality 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.

During the year the following fees were paid or payable for non-audit services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	Consolidated	
	2026 $	2025 $
OTHER ASSURANCE SERVICES		
Due Diligence Services	-	35,504
Total Remuneration for Other Assurance Services	**-**	**35,504**
Total Remuneration for Non-Audit Services	**-**	**35,504**

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 on page 42.

ROUNDING

The Group is a type of Company referred to in ASIC Corporations (Rounding in Financial / Directors' Reports) Instrument 2016/191 and therefore the amounts contained in this report and in the financial report have been rounded to the nearest $1,000, or in certain cases, to the nearest dollar.

DIRECTOR'S REPORT

CORPORATE GOVERNANCE

The Company's Corporate Governance Statement is available on the Company's website 5gnetworks.au.

Signed in accordance with a resolution of the Board of Directors:

Hugh Robertson Jnr
Chair
28 August 2026

Remuneration Report

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

REMUNERATION REPORT

The Directors present the 5G Networks Limited 2026 remuneration report, outlining key aspects of our remuneration policy and framework as well as remuneration awarded this year. It has also been audited as required by section 308(3C) of the Corporations Act 2001.

The Report is structured as follows:
(A) Key management personnel (KMP) covered in this report
(B) Remuneration policy and link to performance
(C) Elements of remuneration
(D) Remuneration expenses for executive KMP
(E) Non-executive Director arrangements
(F) Other statutory information

(A) KEY MANAGEMENT PERSONNEL (KMP) COVERED IN THIS REPORT

Directors:

- Hugh Robertson Jnr – Non-Executive Chair (appointed 28 November 2024)
- Joseph Demase – Managing Director
- Natalie Mactier – Non-Executive Director (Chair from 14 August 2024 to 28 November 2024)
- Chris Scott – Non-Executive Director (appointed 9 May 2025)

Other Key Management Personnel:

- Chris Wright – Chief Operating Officer (resigned 13 February 2026)
- Mr Kieran Donovan – Chief Financial Officer (resigned 6 April 2026)
- Mr Nathan Legg – Chief Financial Officer (appointed 20 April 2026)

There have been no other changes in KMP since the end of the reporting period.

(B) REMUNERATION POLICY AND LINK TO PERFORMANCE

Our remuneration committee is currently made up of all directors. The Committee makes recommendations to the Board with respect to appropriate remuneration and incentive policies for executive Directors and senior executives that:

a. Motivate Executive Directors and senior executives to pursue long term growth and success of the Group within an appropriate control framework;
b. Demonstrate a clear correlation between key performance and remuneration; and
c. Align the interests of key leadership with the long-term interests of the Group's shareholders.

Executive KMP Remuneration Policy Statement

Consistent with contemporary Corporate Governance standards the Group's remuneration policy aims to set employee and executive remuneration that is fair, competitive and appropriate for the markets in which it operates. Specific objectives of the policy include the following:

REMUNERATION REPORT

a. Ensuring executive remuneration packages involve a balance between fixed and incentive pay, reflecting short and long term performance objectives appropriate to the Group's circumstances and objectives;

b. A proportion of executives' remuneration is structured in a manner designed to link reward to corporate and individual performances; and

c. Ensure that incentive plans are designed around appropriate and realistic performance targets that measure relative performance and provide rewards when they are achieved.

Group Performance and Link to Remuneration

In considering the Group's performance and benefit of shareholder's wealth, the Nomination and Remuneration Committee had regard to the following measures in respect of the current financial year and the previous four financial years.

Measure	2026 $'000	2025 $'000	2024 $'000	2023 $'000	2022 $'000
Underlying EBITDA from continuing operations[1]	1,581	3,237	(2,861)	(9,630)	17,561
Net profit/(loss) after tax	(12,224)	(10,136)	49,416	(19,109)	(24,738)
	2026 Cents	**2025 Cents**	**2024 Cents**	**2022 Cents**	**2021 Cents**
Dividend per share	-	-	2.0	-	0.5
Change in share price	(8.0)	(1.0)	2.5	(8.5)	(26.5)
Share price close	6.0	14.0	15.0	12.5	21.0

1. Underlying EBITDA from continuing operations is a management performance measure (Earnings before Interest, Tax, Depreciation and Amortisation) that the Group believes is useful for users of financial reports when assessing the Group's underlying business performance and profit generation after adjusting for non-recurring and unusual items affecting comparability between financial periods. Underlying EBITDA is also the primary financial performance indicator used by the Group and is the basis for driving internal business decision-making as well as setting remuneration and reward outcomes.

(C) ELEMENTS OF REMUNERATION

Fixed Annual Remuneration

Executives may receive their fixed remuneration as cash, superannuation and fringe benefits.

Short-term Incentives ("STI") – Operational Bonuses

The short-term performance objectives implemented for the following KMP in relation to FY26 were as follows:

KMP	STI targets for the year	STI achieved and forfeited for the year
Chris Wright	• Bi-annual performance-based bonus of up to $175,000 every 6 months. • Revenue retention bonus (50%) • Revenue growth bonus (50%)	• Forfeited: 100% / $175,000

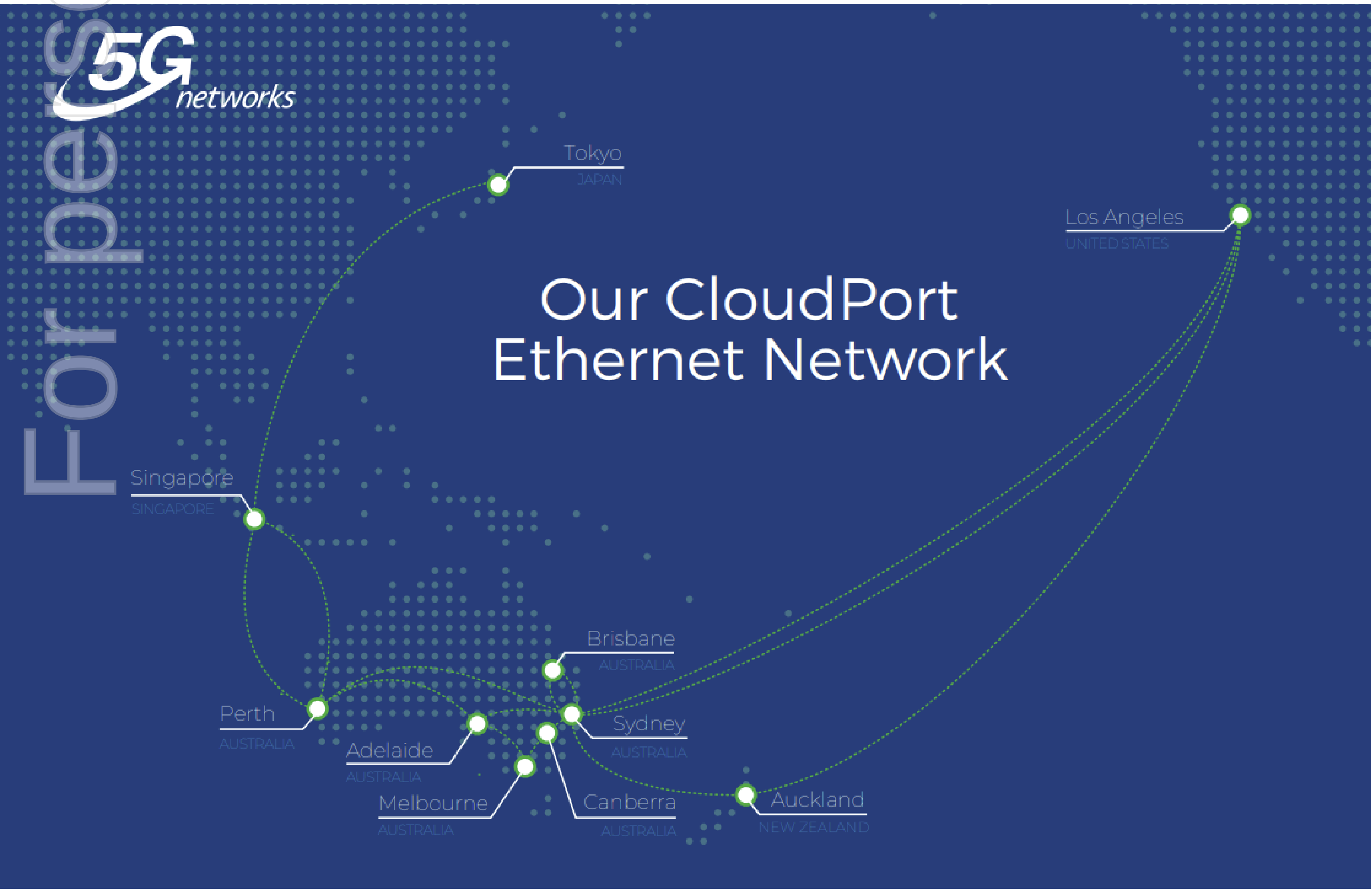
No other short-term incentives were paid to KMP during the year.

REMUNERATION REPORT

Long-term Incentives

The 5G Networks Limited Executive and Director Share Option Plan (ESOP) was adopted in December 2020 for directors and executives of the Group. The 5G Networks Limited Executive Equity Plan (EEP) was adopted in April 2022 for executives and senior leaders of the Group.

During the year ended 30 June 2026 the Group issued 11,000,000 share options to KMP under the ESOP as a means of rewarding and incentivising executives. Further details of the performance rights and share options, including details of rights issued during the financial year, are set out in section D below.



"We don't just operate infrastructure—we safeguard trust. By combining cyber resilience with national networks and data centres, we are building a platform for growth that our customers, shareholders and communities can rely on."

REMUNERATION REPORT

(D) REMUNERATION EXPENSES FOR EXECUTIVE KMP

The following table shows details of the remuneration expense recognised for the Group's executive key management personnel for the current and previous financial year measured in accordance with the requirements of the accounting standards. Remuneration paid to Directors and executives is valued at the cost to the Group.

		Short Term Benefits				Post Employment Benefits	Share Based Payments	Other		
Name	Year	Cash Salary & Fees	Cash STI[1]	Annual Leave & Long Service Leave	Other[2]	Superannuation	Options & Performance Rights[3]	Termination Pay	Total	Performance Related[4]
		$	$	$	$	$	$	$	$	%
MANAGING DIRECTOR										
Joseph Demase	2026	319,039	-	30,961	3,748	30,000	690,477	-	1,074,225	64%
	2025	324,423	-	25,577	2,043	29,932	1,562,193	-	1,944,168	80%
OTHER MANAGEMENT PERSONNEL										
Chris Wright	2026	192,949	-	40,385	1,353	22,000	-	199,168	455,855	-
	2025	116,667	175,000	-	1,353	6,453	78,479	-	377,952	67%
Nathan Legg[5]	2026	43,132	-	-	-	5,283	1,491	-	49,906	3%
	2025	-	-	-	-	-	-	-	-	-
Kieran Donovan[6]	2026	109,622	-	8,242	15,270	15,666	-	1,800	150,600	-
	2025	-	-	-	-	-	-	-	-	-
Glen Dymond[7]	2026	-	-	-	-	-	-	-	-	-
	2025	65,428	50,000	2,647	4,354	6,577	17,937	-	146,943	44%
Total KMP excluding Non-Executive Directors	2026	664,742	-	79,588	20,371	72,949	691,968	200,968	1,730,586	40%
	2025	506,518	225,000	28,224	7,750	42,962	1,658,609	-	2,469,063	76%
Total Non-Executive Directors (Section E)	2026	195,531	-	-	-	5,514	380,516	-	581,561	64%
	2025	210,666	-	-	-	7,841	(347)	-	218,160	(0%)
Total KMP	**2026**	**860,273**	**-**	**79,588**	**20,371**	**78,463**	**1,072,484**	**200,968**	**2,312,147**	**46%**
	2025	**717,184**	**225,000**	**28,224**	**7,750**	**50,803**	**1,658,262**	**-**	**2,687,223**	**70%**

1. Represents STIs paid in relation to the 2026 financial period.
2. Represents the cost to the business of any non-cash business benefits provided.
3. Represents the expense recorded during the period in relation to the fair value of Performance Rights and Options.
4. Calculated as STI plus Performance Rights and Options expense, as a proportion of total remuneration.
5. Mr Nathan Legg was appointed on 20 April 2026
6. Mr Kieran Donovan resigned on 6 April 2026
7. Mr Glen Dymond resigned on 13 September 2024.

REMUNERATION REPORT

OPTIONS AND RIGHTS HELD

Name	Balance at 1 July 2025 or date of appointment	Grant Details			Exercised	Exercised	Lapsed	Balance at 30 June 2026
Key Management Personnel	No.	Grant Date	No.	Fair Value $'000	No.	Value $'000	No.	No.
Hugh Robertson Jnr	-	17/12/2025	3,000,000	234	-	-	-	3,000,000
Joseph Demase	35,000,000	-	-	-	-	-	5,000,000	30,000,000
Natalie Mactier	4,500,000	17/12/2025	3,000,000	234	-	-	-	7,500,000
Chris Scott[1]	250,000	17/12/2025	3,000,000	234	-	-	250,000	3,000,000
Chris Wright	4,000,000	-	-	-	-	-	4,000,000	-
Glen Dymond	1,100,000	-	-	-	500,000	70	600,000	-
Nathan Legg	-	20/4/2026	2,000,000	15	-	-	-	2,000,000
KMP Total	**44,850,000**		**11,000,000**	**717**	**500,000**	**70**	**9,850,000**	**45,500,000**

1. These were existing options that Chris Scott held from 2022 - they were not issued in relation to remuneration for his role as director.

The key criteria for performance rights and options granted during the period are as follows:

- Options (Directors) – the completion of tenure periods of two and three years. There is no performance condition in relation to these options as the Board considers the service condition is sufficient.

The weighted average fair value per option is $0.13 for the 11,000,000 options granted during the period. The following table summarises information about performance rights and options held by KMP as at 30 June 2026.

15,000,000 performance rights and 3,000,000 options were exercisable at period end (2025: 5,000,000 performance rights and 2,850,000 options):

Issue Date and Type	Number	Grant date	Vesting date	Expiry date	Weighted average exercise price
2021 Performance Rights - Director	15,000,000	22/12/2021	n/a	21/12/2026	$0.45
2021 Options - Director	1,500,000	22/12/2021	22/12/2023	21/12/2026	$0.45
2021 Options – Executive (3)	600,000	15/07/2021	15/07/2023	15/07/2026	$0.45
2022 Options – Executive (2)	1,400,000	2/06/2022	2/06/2024	2/06/2027	$0.25
2022 Options – Executive (3)	1,400,000	1/09/2022	1/09/2024	1/09/2027	$0.20
2023 Performance Rights - Director	15,000,000	7/12/2023	7/12/2025	7/12/2028	$0.11
2023 Options - Director	3,000,000	7/12/2023	7/12/2025	7/12/2028	$0.11
2024 Options - Executive (4)	3,500,000	6/12/2024	6/12/2026	6/12/2029	$0.15
2025 Options - Director	9,000,000	15/12/2025	15/12/2027	15/12/2030	$0.14
2026 Options - Exec	2,000,000	20/04/2026	20/04/2028	20/06/2031	$0.06
	52,400,000				**$0.23**

1. Vesting period is dependent on the achievement of inclusion in the S&P ASX300 Index.

REMUNERATION REPORT

The fair values of options granted were determined using a variation of the binomial option pricing model that takes into account factors specific to the ESOP, such as the vesting period. The following table lists the inputs to the Black-Scholes-Merton models used for the LTI Grants:

	Share price	Dividend yield	Expected volatility	Risk-free interest rate	Fair value per option
2021 Rights	$0.465	0.0%	45.0%	1.27%	$0.192
2021 Options	$0.465	0.0%	45.0%	1.27%	$0.3031
2021 Options (3)	$0.475	0.0%	73.4%	0.69%	$0.205
2022 Options (3)	$0.175	2.9%	96.1%	3.50%	$0.08
2023 Options (1)	$0.130	3.8%	92.8%	3.93%	$0.06
2023 Rights	$0.240	2.1%	90.0%	3.86%	$0.17
2023 Options - Director	$0.240	2.1%	90.0%	3.86%	$0.17
2025 Options	$0.170	4.9%	94.0%	3.76%	$0.08
2025 Options - Director	$0.15	0.0%	65.0%	3.56%	$0.08
2026 Options	$0.06	0.0%	53.0%	4.38%	$0.01

The expected volatility was determined using the group's average five-year share price. The risk-free rate is derived from the yield on Australian Government Bonds of an appropriate term.

Historical share price volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future volatility.

(E) NON-EXECUTIVE DIRECTOR ARRANGEMENTS

Current Board fees are $110,000 per annum for the Chair and $90,000 per annum for non-executive directors.

The fees for Hugh Robertson Jnr are paid 50% In cash and 50% in fully paid ordinary shares in the Company. For the period 28 November 2024 to 30 November 2025 the share price will be the lower of 15 cents per share and the 5-day VWAP on the day immediately prior to issue. For periods on and after 1 December 2025 the share component will be at risk and subject to quarterly vesting hurdles and the share price will be the 5-day VWAP on the day immediately prior to issue. The issue of shares is subject to shareholder approval and if shareholder approval is not obtained by the time of Company's AGM each year the share component will be paid in cash. As at the date of this report, 411,676 shares have been exercised.

The fees for Chris Scott are paid 50% in cash and 50% in fully paid ordinary shares in the Company. The share component will be at risk and subject to quarterly vesting hurdles and the share price will be the 5-day VWAP on the day immediately prior to issue. The issue of shares is subject to shareholder approval and if shareholder approval is not obtained by the time of Company's AGM each year the share component will be paid in cash. As at the date of this report, 195,359 shares have been exercised.

REMUNERATION REPORT

The table below represent the amounts paid during the periods in which their services were provided.

		Short term benefits			Post Employment benefits	Long term benefits	Share based payments		
Key Management Personnel	Year	Cash Salary & Fees	Cash STI	Annual Leave	Superannuation	Long Service Leave	Options & Performance Rights	Total	Performance related
		$	$	$	$	$	$	$	%
NON-EXECUTIVE DIRECTORS									
Mr Hugh Robertson Jnr[1]	2026	59,583	-	-	-	-	118,235	177,818	66%[5]
	2025	32,083	-	-	-	-	32,083	64,166	50%
Ms Natalie Mactier	2026	90,000	-	-	-	-	172,946	262,946	66%
	2025	96,651	-	-	-	-	251,852	348,503	72%
Mr Chris Scott[2]	2026	45,948	-	-	5,514	-	89,335	140,797	63%[5]
	2025	-	-	-	-	-	-	-	-
Mr Joe Gangi[3]	2026	-	-	-	-	-	-	-	-
	2025	13,750	-	-	-	-	(142,141)	(128,391)	111%
Mr Jason Ashton[4]	2026	-	-	-	-	-	-	-	-
	2025	68,182	-	-	7,841	-	(142,141)	(66,118)	215%
Total	**2026**	**195,531**	**-**	**-**	**5,514**	**-**	**380,516**	**581,561**	**65%**
	2025	**210,666**	**-**	**-**	**7,841**	**-**	**(347)**	**218,160**	**0%**

1. Mr Hugh Robertson Jnr was appointed as Chair on 28 November 2025.
2. Mr Chris Scott was appointed on 9 May 2025.
3. Mr Joe Gangi resigned on 13 August 2024.
4. Mr Jason Ashton resigned on 2 May 2025.
5. Performance related % exceeds 50% due to options granted to directors outside of their agreed remuneration.

All Non-Executive Directors enter into a service agreement with the Group in the form of a letter of appointment. The letter summarises the Board policies and terms, including remuneration, relevant to the office of Director.

REMUNERATION REPORT

(F) OTHER STATUTORY INFORMATION

Shareholdings

The numbers of shares in the Group held (directly, indirectly or beneficially) during the financial year by KMP, including their related parties, are set out below.

	Balance at 1 July 2025 or Date of Appointment	Received on the Exercise of Option or Right	Net Other Changes	Balance at 30 June 2026
DIRECTORS				
Hugh Robertson Jnr[1]	280,000	411,676	140,000[3]	831,676
Joseph Demase	58,668,719	-	(10,000,000)[4]	48,668,719
Natalie Mactier	1,000,000	-	-	1,000,000
Chris Scott[2]	61,829	195,359	-	257,188
Total Directors	**60,010,548**	**607,035**	**(9,860,000)**	**50,757,583**
OTHER MANAGEMENT PERSONNEL (OMP)				
Chris Wright	7,294,118	-	-	7,294,118
Total OMP	**7,294,118**	-	**-**	**7,294,118**
Group Total	**67,304,666**	**607,035**	**(9,860,000)**	**58,051,701**

1. Mr Hugh Robertson Jnr was appointed on 27 November 2024.
2. Mr Chris Scott was appointed on 9 May 2025. Mr Chris Scott's FY26 opening balance has been restated to incorporate historical shareholdings relating to periods prior to the director's appointment that were not included in prior year balances.
3. Purchase of ordinary shares on 3 December 2025.
4. Sale of ordinary shares into the Company's on-market buyback on 15 October 2025.

Voting and comments made at the Company's Annual General Meeting

At the 2025 annual general meeting, the Group received more than 90% of unfavourable votes against the 2025 Remuneration Report, which constituted a second strike for the purposes of the Corporations Act 2001. A Spill resolution was put to the meeting and was not carried.

Service Agreements

Remuneration and other terms of employment for the Managing Director and other Key Management Personnel are formalised in an Executive Service Agreement between the Company and each executive:

Executive	Base Salary	Term of Agreement	Notice Period
Joseph Demase	$350,000	Unspecified	6 months
Nathan Legg	$214,285	Unspecified	6 months

REMUNERATION REPORT

Loans to Key Management Personnel

(i) Executive and Director Share Plan

Under the Executive and Director Share Plan the Company may loan its Executives some or all of the amount of the exercise price for options exercised to acquire shares.

Such loans are non-recourse and no interest is charged in respect of the loan amounts. The executive does not have a beneficial interest in the shares until the loan is repaid with any such shares subject to a holding lock. For accounting purposes, this arrangement is not considered as loan receivable but considered as share-based payment in substance. The granting of a loan is considered to be a modification to the existing option. Any increase in the fair value of the option recognised as an expense immediately at the date the loan is granted. If the executive fails to repay the loan, the Company can sell some of the shares to repay the loan. In the event that the shares are sold for an amount less than the value of the loan, the executive is only required to repay the loan out of the sale proceeds. The Company has no other recourse against the employee. During the year no loans were provided under the Executive and Director Share Plan (2025: Nil).

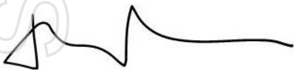
Other Transactions with Key Management Personnel

During the year, the Group has conducted the following related party transactions:

- A total of $10,938 (2025: $41,791) was paid to Studio Inc., an entity related to Joseph Demase, for the design of marketing materials for the Group. All transactions are carried at commercial third-party rates.
- A total of $61,039 was paid by Mr Christopher Demase to the Group for the purchase of a vehicle. The transaction was carried out at commercial rates for the vehicle.

End of Remuneration Report

This report, incorporating the Remuneration Report is signed in accordance with a resolution of Directors.



Hugh Robertson Jnr
Chair
28 August 2026

Corporate Governance Statement

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

CORPORATE GOVERNANCE STATEMENT

The Board of 5G Networks Limited (5GN or the Company) recognises the importance of maintaining high standards of corporate governance, accountability and ethical conduct. The Board is committed to creating sustainable value for security holders through responsible and transparent business practices.

5GN's corporate governance framework is guided by the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition) (Governance Principles and Recommendations), the ASX Listing Rules and the *Corporations Act 2001* (Cth). This Statement summarises the Company's corporate governance framework, policies and practices for the financial year ended 30 June 2026 and as at the date of this Statement, except where otherwise indicated.

Further information about 5GN's corporate governance framework, including its key policies and Board and Committee charters, is available on the Corporate Governance page of the Company's website.

<table>
<tr><th>Principles & Recommendations</th><th>Compliance</th><th>Comply</th></tr>
<tr><td colspan="3">Principle 1 – Lay solid foundations for management and oversight</td></tr>
<tr><td>1.1 Establish the functions expressly reserved to the Board and those delegated to management and disclose those functions.</td><td>The Board is responsible for the overall corporate governance of the Company. It has adopted various charters and key corporate governance documents which set out the policies and procedures followed by the Company.</td><td>Compliant</td></tr>
<tr><td>1.2 Undertake appropriate checks before appointing a person as a director and provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.</td><td>Before appointing a Director or recommending a candidate for election, the Company undertakes appropriate background checks regarding the candidate's character, experience, education, criminal record and bankruptcy history.
The Company provides security holders with all material information in its possession relevant to a decision on whether to elect or re-elect a Director, including the candidate's qualifications and experience, other material directorships, any interests or associations that may affect their independence, the Board's assessment of their independence and whether the Board supports their election or re-election.</td><td>Compliant</td></tr>
<tr><td>1.3 Have a written agreement with each director and senior executive setting out the terms of their appointment.</td><td>The Company has written agreements with each director and senior executive. On appointment of directors and senior executives the Company will issue necessary written agreements outlining the terms of their appointment.</td><td>Compliant</td></tr>
<tr><td>1.4 The company secretary should be accountable directly to the Board on all matters to do with the proper functioning of the Board.</td><td>The Company Secretary reports directly to the Board, through the Chairman, on matters relating to the proper functioning of the Board. All Directors have access to the Company Secretary.</td><td>Compliant</td></tr>
<tr><td>1.5 Establish a diversity policy and disclose the policy. The policy should include requirements for the Board to establish measurable objectives for achieving gender diversity and for the Board to assess annually both the objectives and progress in achieving them, for reporting against in each reporting period.</td><td>The Company is committed to fostering an inclusive workplace that values diversity and provides equal opportunities regardless of gender, age, race, disability, cultural background, sexual orientation or other personal attributes.
The Company has adopted a Diversity and Inclusion Policy, which is available on the Corporate Governance page of the Company's website.
As at 30 June 2026, the respective proportions of women and men within the Company were:
<table>
<tr><th>Category</th><th>Women</th><th>Men</th></tr>
<tr><td>Board</td><td>25%</td><td>75%</td></tr>
<tr><td>Senior executives</td><td>20%</td><td>80%</td></tr>
<tr><td>Total workforce</td><td>87%</td><td>13%</td></tr>
</table>
For these purposes, "senior executives" means [members of the executive leadership team/the Managing Director and executives who report directly to the Managing Director].
The Company did not establish measurable objectives for achieving gender diversity during the reporting period. Accordingly, the Company</td><td>Not Compliant</td></tr>
</table>

CORPORATE GOVERNANCE STATEMENT

Principles and Recommendations	Compliance	Comply
	did not assess its progress against measurable objectives and does not fully comply with Recommendation 1.5. The Board will consider establishing gender-diversity objectives appropriate to the Company's size, operations and workforce composition for future reporting periods.	
1.6 Have a process for periodically evaluating the performance of the Board, its committees and individual directors, and disclose that process and, at the end of each reporting period, whether such performance evaluation was undertaken in that period.	The Nomination and Remuneration Committee ('NRC') is responsible for, among other things, reviewing the performance of the Board, its Committees, the Board and Committee Chairs and individual Directors While no formal meetings of the NRC were held during the reporting period the committee members met regularly to discuss and form positions on relevant matters under the NRC Charter to take to the Board. The Chair of the committee conducted informal evaluations of each directors' performance through individual meetings and assessments in consultation with the executive and peer directors. A similar review and assessment was conducted in reviewing the Chair's performance as well as the performance of the overall NRC and the Board. The NRC Charter is available on the Corporate Governance page of the Company's website.	**Compliant**
1.7 The Company should have a process evaluating the performance of the Company's senior executives, and disclose that process and, at the end of each reporting period, whether such performance evaluation was undertaken in that period.	The Managing Director (MD) reviews the performance of the senior executives on a regular basis throughout the reporting period. Additionally, the Board reviews the Managing Director's performance throughout the reporting period. These reviews were conducted in the current reporting period.	**Compliant**
Principle 2 – Structure the Board to be effective and add value		
2.1 The Company should have a nomination committee, which has at least three members, a majority of independent directors and is chaired by an independent director. The functions and operations of the nomination committee should be disclosed.	The Company has established a Nomination and Remuneration Committee ('NRC') under its own charter. The NRC currently comprises the following Directors: • Hugh Robertson Jnr (Committee Chair, Independent Non-Executive Director); • Natalie Mactier (Independent, Non-Executive Director); • Chris Scott (Independent, Non-Executive Director). The committee members met regularly informally to discuss and form positions on relevant matters under the NRC Charter to take to the Board. As no formal meetings of the NRC were held during the reporting period, the Company did not report on attendance and is therefore not fully compliant with 2.1. The NRC Charter is available on the Corporate Governance page of the Company's website.	**Not Compliant**
2.2 Have and disclose a board skills matrix, setting out what the board is looking to achieve in its membership.	The Company maintains a Board skills matrix that identifies the skills, experience and expertise considered necessary for the Board to oversee the Company's business and strategic objectives effectively. The matrix is reviewed periodically to identify any gaps in the Board's collective capabilities and to inform Board succession planning and the appointment of new Directors. The current skills matrix comprising the collective skill-sets of the Board as at the date of this Report is summarised overleaf.	**Compliant**

CORPORATE GOVERNANCE STATEMENT

Principles and Recommendations	Compliance	Comply
	Sector knowledge and Experience: Technology, Telecommunications and Digital Infrastructure Cloud, Managed Services, Cybersecurity and Data Centres International Business Experience Professional and Commercial Skills: Financial Literacy, Accounting and Audit Corporate Finance, Capital Markets and Capital Management Information Technology, Software and Digital Innovation Sales, Marketing, Customer and Brand Management Enterprise Risk, Regulatory and Compliance Management People, Culture, Remuneration and Succession Planning Executive Leadership Strategy and Business Growth Commercial Acumen Mergers, Acquisitions, Corporate Transactions and Integration Start-up, Scale-up and Organisational Transformation Governance: Board, Director and Listed Company Governance Stakeholder, Investor and Reputation Management	
2.3 Disclose the names of the directors that the Board considers to be independent directors, and an explanation of why the Board is of that opinion if a factor that impacts on independence applies to a director, and disclose the length of service of each director	The Board considers Hugh Robertson Jnr (Non-Executive Director, appointed 27 November 2024), Natalie Mactier (Non-Executive Director, appointed 22 October 2020) and Chris Scott (Non-Executive Director, appointed 9 May 2025) to be independent directors. The Board notes that on account of his executive and shareholding interests in the Company, Joseph Demase is not an independent director for the purposes of the Governance Principles and Recommendations.	**Compliant**
2.4 A majority of the Board should be independent directors.	The Board is presently comprised of four directors, of which three are independent, non-executive directors.	**Compliant**
2.5 The Chair of the Board should be an independent director and should not be the CEO.	The Chair of the Board, Hugh Robertson Jnr, is an independent, non-executive director.	**Compliant**
2.6 The Company should have a program for inducting new directors and providing appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as a director effectively	The Company provides each newly appointed Director with an induction program appropriate to their role, experience and responsibilities. The Board also supports ongoing professional development to enable Directors to maintain and enhance the skills and knowledge required to perform their roles effectively. These processes are set out in the Board Charter, which is available on the Corporate Governance page of the Company's website.	**Compliant**

CORPORATE GOVERNANCE STATEMENT

Principles & Recommendations	Compliance	Comply
Principle 3 – Act lawfully, ethically and responsibly		
3.1 The Company should articulate and disclose its values	The Company articulates and discloses its guiding principles and values in its Code of Conduct. The Code of Conduct is available on the Corporate Governance page of the Company's website.	**Compliant**
3.2 The Company should have a Code of Conduct and ensure that any material breaches of that Code are reported.	The Company has a Code of Conduct that articulates the standards of behaviour it expects of its directors, senior executives and employees. The Code also sets out the process for identifying and reporting material breaches of the Code. The Code of Conduct is available on the Corporate Governance page of the Company's website.	**Compliant**
3.3 The Company should have a whistleblower policy and ensure that the Board is informed of any material breaches reported under that policy.	The Company encourages directors, senior executives and employees to speak up about any unlawful, unethical or irresponsible behaviour within the organisation. The Company has a Whistleblower Policy to guide the directors, senior executives and employees as to the practices necessary to report unlawful, unethical or irresponsible behaviour. The Policy is available on the Corporate Governance page of the Company's website.	**Compliant**
3.4 The Company should have an anti-bribery and corruption policy and ensure that the Board is informed of any material breaches reported under that policy	The Company recognises the serious criminal and civil penalties that may be incurred and the reputational damage that may be done, if the Company and any of its directors, as well as officers, employees, contractors, consultants and other persons that act on its behalf, engages in bribery or corruption. The Company has an Anti-Bribery and Corruption policy that articulates the standards of behaviour it expects of its directors, senior executives and employees as regards observing and upholding the prohibition on bribery and related improper conduct. The Company's Anti-Bribery and Corruption Policy is available on the Corporate Governance page of the Company's website.	**Compliant**

CORPORATE GOVERNANCE STATEMENT

Principles and Recommendations	Compliance	Comply
Principle 4 – Safeguard the integrity of corporate reports		
4.1 The Company should have an audit committee, which consists of only Non-Executive Directors, a majority of independent directors, is chaired by an independent chairman who is not chairman of the Board, and has at least three members. The functions and operations of the audit committee should be disclosed.	The Board has established an Audit and Risk Committee ('ARC'), which operates under an audit and risk committee charter. The Company discloses the members, the number of meetings held and attendance in its Annual Report. The Audit and Risk Committee members are: • Hugh Robertson Jnr (Committee Chair, Independent, Non-Executive Director); • Natalie Mactier (Independent, Non-Executive Director); • Chris Scott (Independent, Non-Executive Director). The ARC oversees the Company's corporate reporting process pursuant to the rules of its Charter which is available on the Corporate Governance page of the Company's website.	**Compliant**
4.2 The Board should, before approving financial statements for a financial period, receive a declaration from the CEO and CFO that, in their opinion, the financial records have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company, formed on the basis of a sound system of risk management and internal controls, operating effectively.	In accordance with section 295A of the *Corporations Act 2001* (Cth), each year the CEO and CFO state in writing to the Board that, for the relevant financial year, the financial records of the Company have been properly maintained, the financial statements and the notes comply with the accounting standards and give a true and fair view of the financial position and performance of the Company, and that their statement has been provided on the basis of a sound system of risk management and internal control which is operating effectively.	**Compliant**
4.3 A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	Periodic corporate reports that are not audited or reviewed by the external auditor are subject to an internal verification process appropriate to their nature and content and reviewed for compliance and approved by the Board or an appropriately authorised delegate before release.	**Compliant**
Principle 5 – Make timely and balanced disclosure		
5.1 The Company should have a written policy for complying with its continuous disclosure obligations under ASX Listing Rule 3.1.	The Company has a Disclosure Policy which is designed to ensure that all material matters are appropriately disclosed in a balanced and timely manner and in accordance with the requirements of the ASX Listing Rules. The Policy is available on the Corporate Governance page of the Company's website.	**Compliant**

CORPORATE GOVERNANCE STATEMENT

Principles and Recommendations	Compliance	Comply
5.2 The Company should ensure that its Board receives copies of all material market announcements promptly after they have been made.	The Company has an approval process under which Directors review and approve material market announcements before release where practicable. The Board receives market announcements promptly after they have been made.	**Compliant**
5.3 The Company should release copies of presentation materials on the ASX Market Announcements Platform ahead of the presentation.	The Company releases copies of all of its new and substantive presentation materials on the ASX Market Announcements Platform ahead of presentations.	**Compliant**
Principle 6 – Respect the rights of security holders		
6.1 The Company should provide information about itself and its governance to investors via its website	The Company provides information about itself and its governance through its website, including information about the Board and senior executives, the Constitution, Board and Committee charters, governance policies, financial reports, ASX announcements, investor presentations and notices of meetings.	**Compliant**
6.2 The Company should have an investor relations program that facilitates effective two-way communication with investors.	The Company uses its website, half year and annual reports, market announcements and media disclosures to communicate with its security holders, as well as encourage participation at general meetings.	**Compliant**
6.3 The Company should disclose how it facilitates and encourages participation at meetings of security holders.	The Company facilitates participation at general meetings by providing clear notices and explanatory material, inviting questions before and during meetings and giving security holders the opportunity to address the Board and the external auditor. Security holders may vote in person, by proxy or electronically, as provided in the relevant notice of meeting.	**Compliant**
6.4 The Company should ensure that all substantive resolutions at a meeting of security holders are decided by a poll.	All resolutions at meetings of security holders are decided on a poll.	**Compliant**
6.5 The Company should give security holders the option to receive communications from, and send communications to, the Company and its security registry electronically.	The Company's security holders have the option to electronically receive communications from, and send communications to, the Company and its securities registry.	**Compliant**
Principle 7 – Recognise and manage risk		
7.1 The Board should have a committee to oversee risk with at least three members, a majority of whom are independent directors; and is chaired by an independent director.	The Board has established an Audit and Risk Committee ('ARC'), which operates under an audit and risk committee charter. The Company discloses the members, the number of meetings held and attendance in its Annual Report. The Audit and Risk Committee members are: • Hugh Robertson Jnr (Committee Chair, Independent, Non-Executive Director); • Natalie Mactier (Independent, Non-Executive Director); • Chris Scott (Independent, Non-Executive Director). The ARC oversees the Company's corporate reporting process pursuant to the rules of its Charter which is available on the Corporate Governance page of the Company's website.	**Compliant**

CORPORATE GOVERNANCE STATEMENT

Principles and Recommendations	Compliance	Comply
7.2 The Board should review the Company's risk management framework at least annually; and disclose, in relation to each reporting period, whether such a review has taken place.	The Board reviews the Company's risk management framework at least annually, with input from the Audit and Risk Committee, to satisfy itself that the framework remains sound and that the Company is operating with due regard to the risk appetite set by the Board. This review was completed during the reporting period.	**Compliant**
7.3 The Company should disclose if it has an internal audit function, how the function is structured and what role it performs, or if it does not have an internal audit function, that fact and the processes the Company employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	The ARC oversees the Company's internal audit program. It reviews and approves the Company's internal audit plan and monitors the progress of the Company's internal audit.	**Compliant**
7.4 The Company should disclose whether the Company has any material exposure to economic, environmental and social sustainability risks and, if so, how it manages those risks.	The Board does not believe that the Company has any such material risks. While the Company is not exposed to such risks, the Board has adopted an Environment & Sustainability Policy to deal with such risks if they are ever to eventuate. The Environment & Sustainability Policy is available on the Corporate Governance page of the Company's website.	**Compliant**
Principle 8 – Remunerate fairly and responsibly		
8.1 The Board should have a remuneration committee which is structured so that it consists of a majority of independent directors, is chaired by an independent director, and has at least three members. The functions and operations of the remuneration committee should be disclosed.	A Nomination and Remuneration Committee ('NRC') has been established under its own charter and currently comprises the following Directors: • Hugh Robertson Jnr (Committee Chair, Independent, Non-Executive Director); • Natalie Mactier (Independent, Non-Executive Director); • Chris Scott (Independent, Non-Executive Director). The committee members met regularly informally to discuss and form positions on relevant matters under the NRC Charter to take to the Board. As no formal meetings of the NRC were held during the reporting period, the Company did not report on attendance and is therefore not fully compliant with 8.1.	**Compliant**
8.2 The Company should disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	Non-executive Directors receive fixed fees within the aggregate fee pool approved by security holders and is not linked to performance. Executives may receive a combination of fixed remuneration and incentives linked to performance. The Company's policies and practices are in the Remuneration Report.	**Compliant**
8.3 The Company should have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme, and disclose that policy or a summary of it.	The Company operates an Executive and Director Share Option Plan (ESOP) in which directors and senior management participate. In accordance with the Company's Share Trading Policy, participants are not permitted to enter into transactions which limit economic risk without written clearance.	**Compliant**

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Auditor's Independence Declaration

To the Directors of 5G Networks Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of 5G Networks Limited for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

M J Climpson
Partner – Audit & Assurance

Melbourne, 28 August 2026

Financial Statements For The Year Ended 30 June 2026

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2026

	Notes	Year ended	
		30 June 2026 $000	30 June 2025 $000
Revenue	5	71,445	63,210
Other income	6	1,473	3,112
Revenue and other income		**72,918**	**66,322**
Network and data centre costs		(36,541)	(32,672)
Rent and office expenses		(839)	(1,304)
Marketing and travel expenses		(465)	(614)
Employee benefits expenses		(29,046)	(24,034)
Other expenses		(4,446)	(4,456)
Loss on remeasurement of assets held for sale		-	(3,339)
Impairment of assets		-	(7,629)
Share-based payment expenses		(1,313)	(1,829)
Depreciation expenses		(9,397)	(6,571)
Amortisation expenses		(1,017)	(554)
Finance costs		(1,614)	(1,169)
Net gain/(loss) on fair value of financial instruments at FVTPL		-	435
Non-recurring costs		(464)	(2,479)
Total expenses		**(85,142)**	**(86,215)**
Loss before income tax		**(12,224)**	**(19,893)**
Income tax (expense) / benefit	8	**-**	9,757
Loss after tax		**(12,224)**	**(10,136)**
DISCONTINUED OPERATION Profit from discontinued operation, net of tax		-	-
Profit/ (Loss) after tax for the year		**(12,224)**	**(10,136)**
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		(36)	(66)
- 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**		**(36)**	**(66)**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**(12,260)**	**(10,202)**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2026

	Notes	Year ended	
		30 June 2026 $000	30 June 2025 $000
Profit/(Loss) for the year attributable to:			
Members of the parent		(11,762)	(9,744)
Non-controlling interests		(462)	(392)
		(12,224)	**(10,136)**
Total comprehensive income attributable to:			
Members of the parent		(11,798)	(9,810)
Non-controlling interests		(462)	(392)
		(12,260)	**(10,202)**
Total comprehensive income attributable to members of the parent arises from:			
Continuing operations		(11,798)	(9,811)
Discontinued operations		-	-
		(11,798)	**(9,811)**
		30-Jun-26 cents per share	**30-Jun-25 cents per share**
Loss per share from continuing operations			
Basic loss per share	7	(4.40)	(3.21)
Diluted loss per share	7	(4.40)	(3.21)
Profit/(Loss) per share attributable to members of the parent			
Basic loss per share	7	(4.42)	(3.23)
Diluted loss per share	7	(4.42)	(3.23)

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 2026

	Notes	Year ended	
		30 June 2026 $000	30 June 2025 $000
ASSETS			
Current Assets			
Cash and cash equivalents	9	11,304	25,914
Restricted cash	9	3,301	3,315
Trade and other receivables	10	9,640	8,865
Contract assets	11	907	975
Other assets	16	3,586	4,467
		28,738	**43,536**
Total Current Assets		**28,738**	**43,536**
Non-Current Assets			
Property, plant and equipment	12	10,460	15,151
Right-of-use assets	13	5,030	7,589
Goodwill	14	4,429	4,429
Other intangible assets	15	2,910	4,075
Other investments		725	725
Other assets	16	137	125
Total Non-Current Assets		**23,691**	**32,094**
TOTAL ASSETS		**52,429**	**75,630**
LIABILITIES			
Current Liabilities			
Trade and other payables	17	7,784	7,601
Lease liability		4,588	5,323
Employee benefits	19	3,074	2,895
Contract liabilities		256	304
Other liabilities	18	340	3,641
Total Current Liabilities		**16,042**	**19,764**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 30 JUNE 2026

	Notes	Year ended	
		30 June 2026 $000	30 June 2025 $000
NON-CURRENT LIABILITIES			
Lease liability		6,783	10,779
Employee benefits	19	298	280
Deferred tax liabilities	8	473	473
Total Non-Current Liabilities		**7,554**	**11,532**
TOTAL LIABILITIES		**23,596**	**31,296**
NET ASSETS		**28,833**	**44,334**
EQUITY			
Share capital	21	191,026	195,464
Reserves	22	(126,297)	(127,579)
Accumulated losses		(37,139)	(25,377)
Equity attributable to members of the parent		**27,590**	**42,508**
Non-controlling interests	22	1,244	1,826
TOTAL EQUITY		**28,834**	**44,334**

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 2026

	Notes	Share Capital	Reserves	Accumulated Losses	Non-controlling Interest	Total Equity
		$000	$000	$000	$000	$000
BALANCE AT 1 JULY 2025		**195,464**	**(127,579)**	**(25,377)**	**1,826**	**44,334**
Loss for the period		-	-	(11,762)	(462)	(12,224)
Other comprehensive income		-	(36)	-	-	(36)
Total comprehensive income for the period		**-**	**(36)**	**(11,762)**	**(462)**	**(12,260)**
Transactions with owners in their capacity as owners:						
Cancellation of shares pursuant to on-market buy back	21	(4,742)	-	-	-	(4,742)
Share options Exercised		304				304
Share based payments expensed	22	-	1,313	-	-	1,313
NCI arising on acquisition of subsidiary		-	-	-	(14)	(14)
Acquisition of additional interest in subsidiary (no change in control)		-	-	-	-	-
Other Transactions	22	-	5	-	(106)	(101)
BALANCE AT 30 JUNE 2026		**191,026**	**(126,297)**	**(37,139)**	**1,244**	**28,834**
BALANCE AT 1 JULY 2024		**198,292**	**(130,054)**	**(15,633)**	**-**	**52,605**
Loss for the period		-	-	(9,744)	(392)	(10,136)
Other comprehensive income		-	(66)	-	-	(66)
Total comprehensive income for the period		**-**	**(66)**	**(9,744)**	**(392)**	**(10,202)**
Transactions with owners in their capacity as owners:						
Cancellation of share pursuant to on market buy back	21	(2,828)	-	-	-	(2,828)
Share based payments expensed	22	-	1,829	-	-	1,829
NCI arising on acquisition of subsidiary		-	-	-	2,218	2,218
Acquisition of additional interest in subsidiary (no change in control)		-	-	-	-	-
Other Transactions	22	-	712	-	-	712
BALANCE AT 30 JUNE 2025		**195,464**	**(127,579)**	**(25,377)**	**1,826**	**44,334**

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 2026

	Notes	Year ended	
		30 June 2026 $000	30 June 2025 $000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		77,785	68,768
Payments to suppliers and employees		(83,779)	(80,037)
Interest received		2,068	5,445
Interest paid		-	(770)
Income tax paid		(1,372)	(4,289)
Payments for acquisition and restructuring costs		(463)	(2,479)
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES		**(5,761)**	**(13,362)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Net cash on purchase of Security Shift		-	(1,100)
Net cash on purchase of AUCyber		-	(15,009)
Purchase of plant and equipment		(454)	(3,988)
Proceeds from sale of plant and equipment		-	1,211
Increase in pledged bank deposits		-	(390)
NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		**(454)**	**(19,276)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Options and performance rights exercised		304	-
Payment for security deposit		-	(1,350)
Payments of share buyback		(4,740)	(4,556)
Payment of lease liabilities		(3,919)	(3,798)
NET CASH FLOWS USED IN FINANCING ACTIVITIES		**(8,356)**	**(9,704)**
NET (DECREASE) IN CASH AND CASH EQUIVALENTS		**(14,570)**	**(42,342)**
NET INCREASE / (DECREASE) IN CASH CLASSIFIED WITHIN CURRENT ASSETS HELD FOR SALE		**-**	**3,336**
Net foreign exchange differences		(36)	(66)
Cash and cash equivalents at beginning of period		25,914	64,986
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**9**	**11,304**	**25,914**

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

Notes to the Financial Statements For The Year Ended 30 June 2026

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

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The consolidated financial statements of 5G Networks Limited ('the **Company**' or '**5GN**') and its subsidiaries (collectively, 'the **Group**') for the year ended 30 June 2026 were authorised for issue in accordance with a resolution of the directors on TBC.

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 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. MATERIAL ACCOUNTING POLICIES

BASIS OF PREPARATION

These general purpose financial statements have been prepared in accordance with Australian Accounting Standard and Interpretations issued by the Australian Accounting Standards Board (**AASB**) and the *Corporations Act 2001*, as appropriate for for-profit oriented entities.

These financial statements also comply with International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board (**IASB**).

The financial statements have been prepared on an accruals basis except for cash flow information. The financial statements have been prepared on a historical cost basis, except for assets held for sale which have been measured at the lower of carrying amount and fair value less costs to sell.

GOING CONCERN

The financial report for the full year ended 30 June 2026 has been prepared on the going concern basis that contemplates the continuity of normal business activities and the realisation of assets and extinguishment of liabilities in the ordinary course of business.

NEW OR AMENDED ACCOUNTING STANDARDS NOT YET ADOPTED IN THE PERIOD

At the date of authorisation of these financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by AASB.

None of these Standards or amendments to existing Standards have been adopted early by the Group. Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Group's financial statements.

NOTES TO THE FINANCIAL STATEMENTS

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of 5G Networks Limited as at 30 June 2026 and the result of all subsidiaries for the year then ended.

Subsidiaries are all those entities over which the Group has control. The group controls an entity when the group 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 Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group 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 Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. Refer to the ‘Business Combinations’ accounting policy for further details.

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.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity.

The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

BUSINESS COMBINATIONS

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquire and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquirer’s identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the Group assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Group’s operating or accounting policies and other pertinent conditions in existence at the acquisition date.

Where the business combination is achieved in stages, the Group remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

Contingent consideration to be transferred by the acquirer is recognised at the acquisition date fair value. Subsequent changes in the fair value of contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition date, but only after a reassessment of the identification and measurement of the net assets acquired, the non- controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquiree.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date.

The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

FOREIGN CURRENCY TRANSACTIONS

Both the functional and presentation currency of the Group and its Australian subsidiaries is Australian dollars (AUD).

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

The assets and liabilities of overseas subsidiaries are translated into the presentation currency of the Group at the rate of exchange ruling at the reporting date, and the statement of comprehensive income is translated at the weighted average exchange rates for the period.

The exchange differences arising on retranslation are taken directly to other comprehensive income. On disposal of a foreign entity, the deferred cumulative amount recognised in other comprehensive income relating to that particular foreign operation is recognised in the determination of profit and loss for the period.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designed as hedges of such investments, are taken to the foreign currency translation reserve in equity. When a foreign operation is sold, or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange differences is recognised in the statement of comprehensive income, as part of the gain on sale or loss on sale where applicable.

NOTES TO THE FINANCIAL STATEMENTS

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 changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

(i) Current Taxes

Current tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred Taxes

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply 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 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.

(iii) Tax Consolidation

The Group and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation as of 1 January 2006. Members of the tax consolidated group have entered into a tax-funding agreement. Each entity is responsible for remitting its share of the current tax payable (receivable) assumed by the head entity.

AUCyber Limited and its controlled entities are not part of the 5G Networks Limited tax consolidated group.

NOTES TO THE FINANCIAL STATEMENTS

In accordance with UIG 1052 and Group accounting policy, the Group has applied the 'separate taxpayer within group approach', in which the head entity, 5G Networks Limited, and the controlled entities in the tax consolidated group continue to account for their own current and deferred tax amounts.

In addition to its own current and deferred tax amounts, the Group also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax credits assumed from controlled entities in the tax consolidated group. The allocation of taxes to the head entity is recognised as an increase/decrease in the controlled entity's inter-company accounts with the tax consolidated Group head entity.

Members of the Group have entered into a tax-sharing agreement that provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. No amounts have been recognised in the financial statements in respect of this agreement, on the grounds that the possibility is remote.

REVENUE

Revenue is recognised either at a point in time or over time when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers. All revenue is stated net of the amount of Goods and Services Tax (GST).

(i) Hardware and software sales

Sale of hardware and software products for a fixed fee is recognised as revenue when the goods are delivered and control is transferred to the customer.

(ii) Rendering of Services – network and voice, data centre, managed services, cyber services

The Group provides network, voice, data centre and managed services under fixed-price and variable price contracts. Revenue from providing services is recognised in the accounting period in which the services are rendered.

For fixed-price contracts, revenue is recognised over time based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously. In case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the Group exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised. If the contract includes a variable fee, revenue is estimated at the amount the Group expects to receive. Customers are invoiced on a monthly basis and consideration is payable when invoiced.

(iii) Rendering of Services –digital marketing

Online marketing revenue consists of search engine optimisation (SEO), pay-per-click (PPC) advertising, and social media advertising. Where consideration is received in advance of performance, it is initially recorded as income received in advance. Revenue is recognised as the performance obligations are satisfied, which is considered to be evenly over time in line with the contracted term as the customer simultaneously receives and consumes the benefits of online marketing services.

Contract fulfilment costs incurred in advance of revenue recognition are capitalised when they are directly attributable to the contract, generate the resources to satisfy the performance obligations, and will be recovered. These costs are expensed over the period when revenue is recognised.

NOTES TO THE FINANCIAL STATEMENTS

OTHER INCOME

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

(i) Interest

Interest revenue is recognised as interest accrues under the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(ii) Dividend

Dividend is defined as distributions of profits to holders of equity investments in proportion to their holdings of a particular class of capital and it is recognised as dividend income on the basis when the shareholder's right to receive payment is established.

(iii) Sale of other assets

The sale of other assets is recognised at the time the sale is completed and consideration is transferred.

LEASES

(i) The Group as a lessee

As a lessee, the Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract. That coveys the right to use as asset (the underlying asset) for a period of time in exchange for consideration'.

Measurement and recognition of leases as a lessee

At the commencement date, the Group recognises a right- of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight- line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted lease payments using its incremental borrowing rate. The weighted-average rate applied is in the range of 6%-8%.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), and variable payments based on an index or rate stated in the lease agreements.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

NOTES TO THE FINANCIAL STATEMENTS

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes 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. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings of current liabilities on the statement of financial position.

INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost includes all expenses directly attributable to the manufacturing process as well as suitable portions of related production overheads, based on normal operating capacity. Costs of ordinarily interchangeable items are assigned using the first in, first out cost formula. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

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 provided on a straight-line or diminishing value basis on all plant and equipment. Major depreciation periods are:

Leasehold improvements	Lease term or 6 years if the lease term is over 6 years
Plant and Equipment	2 to 10 years
Furniture and fittings	2 to 5 years

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

Leasehold improvements and plant and equipment under lease 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 Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

INTANGIBLE ASSETS

(i) Goodwill

Goodwill arises on the acquisition of a business combination. Goodwill is calculated as the excess sum of:

- the consideration transferred;
- any non-controlling interest; and
- the acquisition date fair value of any previously held equity interest; over the acquisition date fair value of net identifiable assets acquired.

NOTES TO THE FINANCIAL STATEMENTS

Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Goodwill is allocated to the Group's cash-generating units representing the lowest level at which goodwill is monitored.

(ii) 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.

IMPAIRMENT OF NON-FINANCIAL ASSETS

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other 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.

FINANCIAL INSTRUMENTS

(i) Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

(ii) Classification and measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into one of the following categories:

- amortised cost
- fair value through profit or loss (FVTPL), or
- fair value through other comprehensive income (FVOCI).

NOTES TO THE FINANCIAL STATEMENTS

Financial assets at amortised cost

All of the Group's financial assets are classified as financial assets at amortised cost as they meet the following conditions:

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, restricted cash, trade and other receivables fall into this category of financial assets.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at FVTPL. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply (see below).

The category also contains an equity investment. The Group accounts for the investment at FVTPL and did not make the irrevocable election to account for the investment in Tiger Pistol and listed equity securities at fair value through other comprehensive income (FVOCI). The fair value was determined in line with the requirements of IFRS 9 'Financial Instruments', which does not allow for measurement at cost.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Financial assets designated at fair value through OCI (FVOCI)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under AASB 132: Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of comprehensive income when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its Other non-listed equity investments under this category.

(i) Impairment of Financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with other receivables carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

NOTES TO THE FINANCIAL STATEMENTS

The Group makes use of a simplified approach in accounting for trade receivables as well as contract assets and records the loss allowance as lifetime expected credit losses.
These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Group assess impairment of trade receivables on a collective basis as they possess shared credit risk characteristics they have been grouped based on the days past due. Refer to Note 10 for a detailed analysis of how the impairment requirements of AASB 9 are applied.

(ii) Classification and measurement of financial liabilities

The Group's financial liabilities include trade and other payables, loans and borrowings, derivative financial instruments and contingent consideration.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group 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.

Any reimbursement that the Group is virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote. Refer to Note 27 for liabilities disclosed as contingent.

EMPLOYEE BENEFITS

(i) Wages and Salaries and Annual Leave

Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.


Capacity
Volume
5G networks
DCI
Kidman Park
EQUINIX
AAPT
colocity
NEXTDC
Adelaide
CBD
ADELAIDE
Parkside
YourDC
Hawthorn

NOTES TO THE FINANCIAL STATEMENTS

(ii) Long Service Leave

The liability for long service leave is recognised in current and non-current liabilities, depending on the unconditional right to defer settlement of the liability for at least 12 months after the reporting date. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Expected future payments are discounted using market yields at the reporting date on high quality Australian corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(iii) Share-based payments

The Group operates equity-settled share-based remuneration plans for its employees. None of the Group's plans are cash- settled. All goods and services received in exchange for the grant of any share-based payment are measured at their fair values.

Where employees are rewarded using share-based payments, the fair value of employees' services is determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example profitability and sales growth targets and performance conditions).

All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to retained earnings. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest.

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any adjustment to cumulative share-based compensation resulting from a revision is recognised in the current period.

The number of vested options ultimately exercised by holders does not impact the expense recorded in any period.

Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, are allocated to share capital up to the nominal (or par) value of the shares issued with any excess being recorded as share premium.

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.

EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to the owners of the Group, by the weighted average number of ordinary shares outstanding during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

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 associated 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 which 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.

COMPARATIVE FIGURES

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

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 exception of income tax, was the same as those applied in the Group's last annual financial statements for the year ended 30 June 2025. 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 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 accounting policy stated in Note 2.

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.

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. The deductibility of prior and current period tax losses is uncertain as the Group is continuing to assess its ability to recoup current and prior year capital losses. Refer to note 8 Uncertain tax position.

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.

NOTES TO THE FINANCIAL STATEMENTS

4. SEGMENT INFORMATION

From 1 July 2025, Management has identified the operating segments monitored by the Group's Chief Operating Decision Maker ("CODM") as being Enterprise and Wholesale:

- **Enterprise:** cloud hosting, domain names, data centre, networks and voice, IT managed services, hardware and software and digital marketing products and services provided to Enterprise and Government customers.
- **Wholesale:** cloud hosting, data centre, networks and voice products and services provided to wholesale telecommunications and Segment information is provided below in relation to these segments.

Segment information for the reporting period is as follows:

2026	Enterprise $'000	Wholesale $'000	Total $'000
Segment revenue	**52,417**	**19,028**	**71,445**
Network and data centre costs	**(23,255)**	**(13,286)**	**(36,541)**
Gross margin	**29,162**	**5,742**	**34,904**
Other income	1,473	-	**1,473**
Rent and office expenses	(839)	-	**(839)**
Marketing and travel expenses	(465)	-	**(465)**
Employee benefits expenses	(27,323)	(1,723)	**(29,046)**
Other expenses	(4,446)	-	**(4,446)**
Total Adjusted EBITDA	**(2,438)**	**4,019**	**1,581**
Depreciation and amortisation expenses	(13,206)	2,792	**(10,414)**
Finance costs	(1,614)	-	**(1,614)**
Share-based payment expenses	(1,313)	-	**(1,313)**
Non-recurring costs	(464)	-	**(464)**
Loss before income tax expense	**(19,035)**	**6,811**	**(12,224)**
Total Segment assets	**47,399**	**5,030**	**52,429**
Total Segment liabilities	**12,225**	**11,371**	**23,596**

NOTES TO THE FINANCIAL STATEMENTS

2025	Enterprise $'000	Wholesale $'000	Total $'000
Segment revenue	**42,310**	**20,900**	**63,210**
Network and data centre costs	**(15,799)**	**(16,873)**	**(32,672)**
Gross margin	**26,511**	**4,027**	**30,538**
Other income	3,112	-	**3,112**
Rent and office expenses	(1,304)	-	**(1,304)**
Marketing and travel expenses	(562)	(52)	**(614)**
Employee benefits expenses	(24,034)	-	**(24,034)**
Other expenses	(4,456)	-	**(4,456)**
Total Adjusted EBITDA	**(733)**	**3,975**	**3,242**
Depreciation and amortisation expenses	(5,426)	(1,699)	**(7,125)**
Finance costs	(1,169)	-	**(1,169)**
Impairment of Assets	(7,629)	-	**(7,629)**
Share-based payment expenses	(1,829)	-	**(1,829)**
Restructuring costs	(2,479)	-	**(2,479)**
Net gain/(loss) on FV of financial instruments	435	-	**435**
Loss on remeasurement of assets held for sale	(2,410)	(929)	**(3,339)**
Loss before income tax expense	**(21,240)**	**1,347**	**(19,893)**
Total Segment assets	**68,041**	**7,589**	**75,630**
Total Segment liabilities	**15,194**	**16,102**	**31,296**

(a) Adjusted EBITDA

Adjusted EBITDA excludes discontinued operations and the effects of significant items of income and expenditure which may have an impact on the quality of earnings such as restructuring costs, legal expenses and impairments where the impairment is the result of an isolated, non- recurring event. It also excludes the effects of equity- settled share-based payments and unrealised gains or losses on financial instruments.

Interest income and finance cost are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the group.

NOTES TO THE FINANCIAL STATEMENTS

5. REVENUE FROM CONTRACTS WITH CUSTOMERS

The revenue breakdown by product and service line for the year ended 30 June 2026 is shown below:

	2026 $'000	2025 $'000
Types of goods or service		
Cloud	12,398	10,392
Network & Voice	5,253	7,285
Data Centres	13,540	13,615
Managed Services	19,014	18,825
Cyber	6,541	3,552
Hardware & Software	14,699	9,541
Total Revenue from Contracts with Customers	**71,445**	**63,210**
Timing of revenue recognition		
Goods and services transferred at a point in time	14,699	9,541
Services transferred over time	56,746	53,669
Total Revenue from Contracts with Customers	**71,445**	**63,210**

The Group's revenue disaggregated by pattern of revenue recognition is as follows:

	For the year ended 30 June 2026						
	Cloud	Network & Voice	Data Centres	Managed Services	Hardware & Software	Cyber	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Goods transferred at a point in time	-	-	-	-	14,699	-	14,699
Service transferred over time	12,398	5,253	13,540	19,014	-	6,541	56,746

	For the year ended 30 June 2025						
	Cloud	Network & Voice	Data Centres	Managed Services	Hardware & Software	Cyber	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Goods transferred at a point in time	-	-	-	-	9,541	-	9,541
Service transferred over time	10,392	7,285	13,615	18,825	-	3,552	53,669

NOTES TO THE FINANCIAL STATEMENTS

6. 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	
	2026 $000	2025 $000
Dividend income	143	441
Interest income	736	1,997
Sundry income	594	387
R&D Refundable tax offset	-	287
Total Other Income	**1,473**	**3,112**

7. 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 (2025: 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 2026 Number	Consolidated 2025 Number
Weighted average number of shares used in calculating earnings per share and diluted earnings per share	267,138,720	297,841,762

NOTES TO THE FINANCIAL STATEMENTS

8. INCOME TAX

	Consolidated	
	2026 $000	2025 $000
(A) INCOME TAX BENEFIT / (EXPENSE)		
Loss from continuing operations before income tax expense	(12,224)	(19,893)
Profit from discontinued operation before income tax expense	-	-
Profit/(Loss) before income tax expense	**(12,224)**	**(19,893)**
Tax at the Group's statutory income tax rate of 30% (2025: 30%)	3,667	5,987
Other tax-exempt income	(25)	73
Non-deductible goodwill impairment charge	-	(2,289)
Expense on performance rights and options	(168)	(549)
Other non-deductible expenses	(183)	(100)
Net under/over	-	(157)
Non-assessable gain on lease modification	326	-
Deductible s40-880 expenditure	360	-
Derecognition of DTA	-	10,063
Unrecognised tax loss for the year	(3,977)	(3,271)
Utilisation of tax losses	-	-
Actual tax benefit / (expense)	**-**	**9,757**
Tax expense comprises:		
- Current tax	-	(306)
Resolution of uncertain tax position	-	10,063
Aggregate Income tax (expense) / benefit	**-**	**9,757**
Tax (Expense) / Benefit reported in the Statement of Comprehensive Income:		
- From continuing operations	-	9,757
- From discontinued operation	-	-
Aggregate Income tax (expense) / benefit	**-**	**9,757**
(B) DEFERRED TAX ASSETS AND LIABILITIES		
Deferred tax assets and liabilities are comprised of the following temporary differences:		
Allowable section 40-880 deductions	281	552
Accrued expenses and provisions	1,921	1,782
Plant & equipment and leased assets	676	684
Lease liability	1,804	2,663
Tangible and intangible assets	(820)	(1,089)
ACA impact on depreciating assets	(40)	(40)
Brand and Customer contract	(939)	(746)
Accrued income	(305)	(189)
Brand and Customer contract – AUCyber	(473)	(473)
NET DEFERRED TAX ASSET / (DEFERRED TAX LIABILITY)	**2,105**	**3,144**
Derecognition of Deferred Tax Asset	**(2,578)**	**(3,617)**
DEFERRED TAX ASSET	**(473)**	**(473)**

NOTES TO THE FINANCIAL STATEMENTS

Deferred Tax Asset

The Group has not recognised a deferred tax asset in respect of unused tax losses [and deductible temporary differences], as it is not yet probable that sufficient future taxable profit will be available against which they can be utilised, in accordance with AASB 112 Income Taxes.

9. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

(A) 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	
	2026 $000	2025 $000
Cash at bank and in hand	11,304	25,914
Restricted cash	3,301	3,315
Total Cash & Cash Equivalents	**14,605**	**29,229**

Restricted cash

The restricted cash amounts of $3.301 million (2025: $3.315 million) are held as security for property lease bank guarantees issued by Commonwealth Bank of Australia on behalf of the Group.

(B) RECONCILIATION OF LOSS AFTER TAX TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	Consolidated	
	2026 $000	2025 $000
Loss after income tax	(12,224)	(10,136)
Non-operating cash flows in profit:		
Depreciation and amortisation	10,414	7,125
Share-based payment expenses	1,313	1,829
Impairment expenses	-	7,629
Income tax benefit	-	(9,757)
Other non-cash expenses / (income)	(1,066)	5,989
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
Movement in trade and other receivables	(774)	(8,343)
Movement in other assets	869	(1,831)
Movement in trade and other payables	183	(5,499)
Movement in employee benefits provisions	197	280
Movement in Income tax payable	(1,372)	(4,289)
Movement in other liabilities	(3,301)	3,641
NET CASH FROM OPERATING ACTIVITIES	**(5,761)**	**(13,362)**

NOTES TO THE FINANCIAL STATEMENTS

10. TRADE AND OTHER RECEIVABLES

	Consolidated	
	2026 $000	2025 $000
Trade receivables	8,832	7,729
Allowance for impairment of receivables	(23)	(184)
	8,809	**7,545**
Unsecured loans – at call[1]	378	378
Other receivables	453	942
Total Trade and Other Receivables	**9,640**	**8,865**

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 days 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 2026 and 1 July 2025 respectively as well as the corresponding historical credit losses during that period. The historical rates are adjusted to reflect current and forwarding 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 arrangement amongst other is considered indicators of no reasonable expectation of recovery.

On the above basis the expected credit loss for trade receivables as at 30 June 2026 and 30 June 2025 was determined as follows:

	2026			2025		
	ECL Rate	Gross $'000	ECL $'000	ECL Rate	Gross $'000	ECL $'000
Current	0.00%	7,161	-	0.00%	5,335	-
1-30 days past due	0.06%	1,156	(1)	0.28%	1,365	(4)
31-60 days past due	0.26%	119	(0)	8.29%	723	(60)
61-90 days past due	1.95%	131	(3)	19.53%	80	(16)
91 days + past due	7.53%	265	(19)	46.40%	226	(104)
CLOSING BALANCE		**8,832**	**(23)**		**7,729**	**(184)**

NOTES TO THE FINANCIAL STATEMENTS

The closing balance of the trade receivables loss allowance as at 30 June 2026 reconciles with the trade receivables loss allowance opening balance as follows:

	$000
Opening loss allowance as at 1 July 2025	184
Reduction in loss allowance	(161)
Loss allowance as at 30 June 2026	**-**
Increase in loss allowance	-
Loss allowance as at 30 June 2026	**23**

In respect of trade and other receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various industries and geographical areas. Based on historical information about customer default rates management consider the credit quality of trade receivables that are not past due or impaired to be good.


NEXTDC
BRENNAN IT
5G
F
E
Capacity
Volume
5G networks
DCI
EQUINIX
Fortitude Valley
OvertheWire
Spring Hill
NEXTDC
CITEC
AAPT
Brisbane CBD
iseek
Data Centres · Cloud · Connectivity
BRISBANE

NOTES TO THE FINANCIAL STATEMENTS

11. CONTRACT ASSETS AND LIABILITIES

Contract assets consist of the following:

	Consolidated	
	2026 $000	2025 $000
Contract assets[1]		
Work in progress	907	975
	907	**975**

Movement of contract assets during the period:

	Consolidated	
	2026 $000	2025 $000
As at 1 July 2025	975	-
Additions	2,464	2,899
Cash received	(2,532)	(1,924)
As at 30 June 2026	**907**	**975**

1. The Group makes uses 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.

Contract liabilities consist of the following:

	Consolidated	
	2026 $000	2025 $000
Deferred revenue	256	304
Contract liabilities - current	**256**	**304**
Deferred revenue	-	-
Contract liabilities - non-current	**-**	**-**

NOTES TO THE FINANCIAL STATEMENTS

12. PROPERTY, PLANT AND EQUIPMENT

	Leasehold Improvements	Plant and Equipment	Total
	$000	$000	$000
Gross carrying amount			
At 1 July 2025	481	19,569	20,050
Assets acquired in the business acquisition			-
Additions	7	447	454
Disposals	-	(122)	(122)
Closing value at 30 June 2026	**488**	**19,894**	**20,382**
Depreciation and impairment			
At 1 July 2025	(114)	(4,785)	(4,899)
Depreciation	(78)	(4,945)	(5,023)
Disposals	-	-	-
Closing value at 30 June 2026	**(192)**	**(9,730)**	**(9,922)**
CARRYING AMOUNT AT 30 JUNE 2026	**296**	**10,164**	**10,460**
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	-	-	-
Closing value at 30 June 2025	**(114)**	**(4,785)**	**(4,899)**
CARRYING AMOUNT AT 30 JUNE 2025	**367**	**14,784**	**15,151**

NOTES TO THE FINANCIAL STATEMENTS

13. 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:

	2026 $000	2025 $000
Depreciation expense of right-of-use assets	3,460	3,818
Net Loss on transfer of assets held for sale	-	942
Interest expense on lease liabilities	882	825
Rent expense - short-term leases	-	336

Right-of-use asset

	Building $000	IT Equipment $000	Total $000
As at 1 July 2025	7,589	-	7,589
Additions during the year	2,567	-	2,567
Disposals during the year	(1,666)	-	(1,666)
Depreciation expense	(3,460)	-	(3,460)
As at 30 June 2026	**5,030**	**-**	**5,030**
As at 1 July 2024	-	-	-
Additions during the year	853	-	853
Assets Acquired in the business acquisition	4,239	-	4,239
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**

NOTES TO THE FINANCIAL STATEMENTS

Lease liabilities

	Consolidated	
	2026 $000	2025 $000
CURRENT		
Obligations under property leases	4,588	5,323
Obligations under equipment leases	-	-
NON-CURRENT		
Obligations under property leases	6,783	10,779
Obligations under equipment leases	-	-
	6,783	**10,779**

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.

The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognised on balance sheet, included within assets classified as held for sale:

	Right-of-Use Asset					
	No. of right-of-use assets leased	Range of remaining term	Average remaining lease term	No. of leases with extension options	No. of leases with variable payments linked to an index	No. of leases with termination options
Data centres and related facilities	4	0-5 years	3 years	3	3	0
Office premises	5	0-3 years	1 year	4	4	0

NOTES TO THE FINANCIAL STATEMENTS

The lease liabilities that are included within liabilities directly related to assets classified as held for sale are secured by the related underlying assets. Future minimum lease payments at 30 June 2025 were as follows:

	Minimum Lease Payments Due						
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	After 5 years	Total
30 June 2026							
Lease payments	3,731	1,626	733	771	-	-	6,861
Finance charges	(708)	(171)	(87)	(32)	-	-	(998)
Net present values	**3,023**	**1,455**	**646**	**739**	**-**	**-**	**5,863**
30 June 2025							
Lease payments	3,958	2,028	1,337	540	540	225	8,628
Finance charges	(538)	(217)	(130)	(78)	(40)	(4)	(1,007)
Net present values	**3,420**	**1,811**	**1,207**	**462**	**500**	**221**	**7,621**

Lease payments not recognised as a liability

The group has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

The expense relating to payments not included in the measurement of the lease liability is as follows:

	Consolidated	
	2026 $000	2025 $000
Short-term leases	-	336
Total	**-**	**336**

NOTES TO THE FINANCIAL STATEMENTS

14. GOODWILL

The following table shows the movements in goodwill:

	Consolidated	
	2026 $000	2025 $000
GROSS CARRYING AMOUNT		
Balance at beginning of period	35,942	23,884
Acquired through business combination (refer note 19)	-	12,058
Disposed through sale of business	-	-
Balance at end of the period	**35,942**	**35,942**
ACCUMULATED IMPAIRMENT		
Balance at beginning of period	(31,513)	(23,884)
Impairment loss recognised	-	(7,629)
Balance at end of the period	**(31,513)**	**(31,513)**
Carrying amount at end of the period	**4,429**	**4,429**

Impairment Disclosures and Testing of Goodwill

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	
	2026 $000	2025 $000
AUCyber	-	4,429
Goodwill allocation at 30 June 2026	**-**	**4,429**

The recoverable amount of the CGU is determined based on value-in-use calculations. To determine the value-in-use, management estimates expected future cash flows from each CGU and determines a suitable discount rate in order to calculate the present value of those cash flows.

A value in use model was developed to provide a forecast of free cash flows for the five financial years ending on 30 June 2031 and a terminal value, based on a one-year budget approved by the Board followed by an extrapolation of expected cash flows using growth rates of 3% per annum for year 2 onward being the long-term target CPI rate. The present value of the expected cash flows of each CGU is determined by applying a suitable discount rate.

The data used for impairment testing procedures are directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount rates are determined for each CGU and reflect current market assessments of the time value of money and asset-specific risk factors.

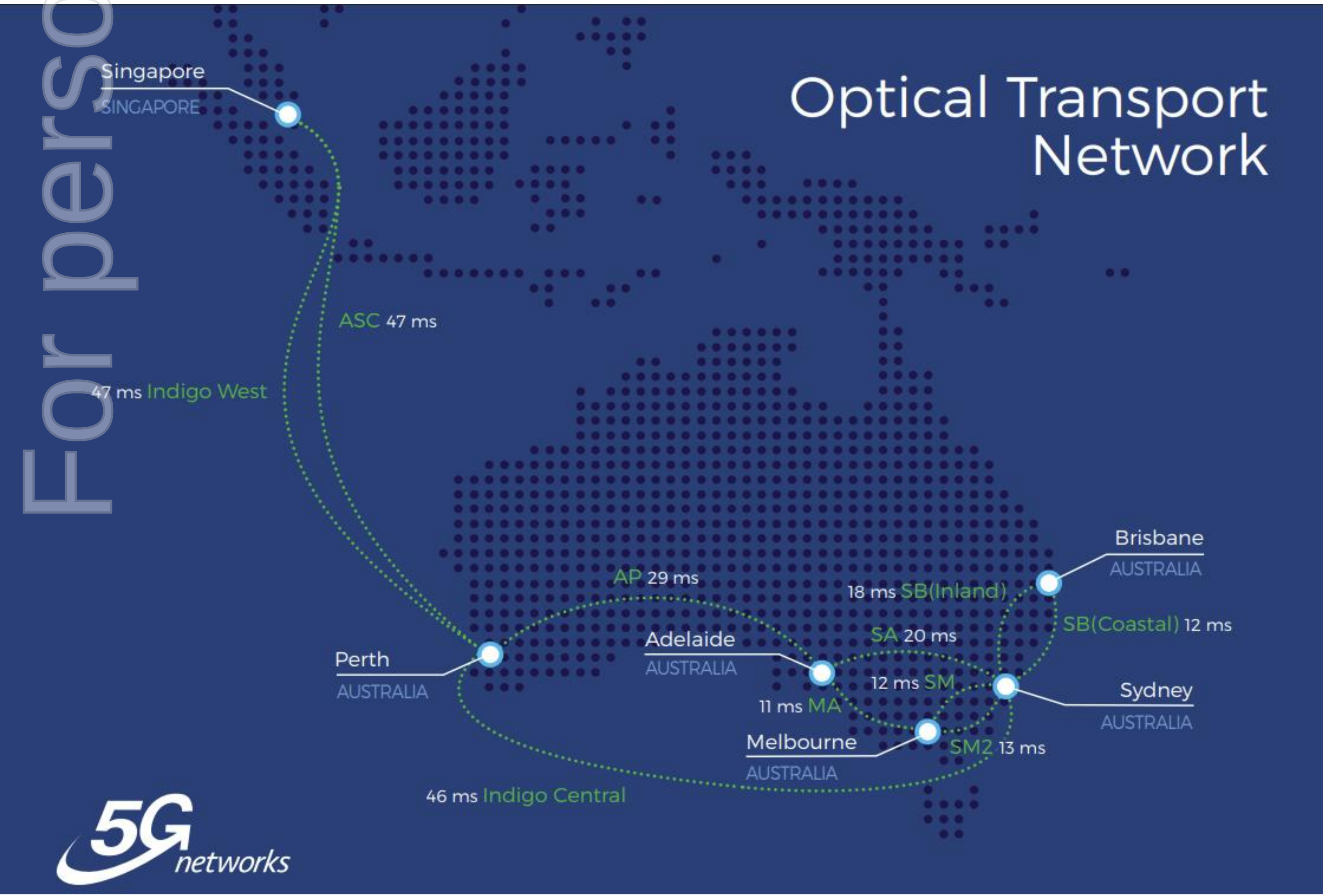
NOTES TO THE FINANCIAL STATEMENTS

CGU	Discount Rate (Post Tax)
Cloud	12.5%
Managed IT	12.5%
AUCyber	12.5%

Impairment Charge for Goodwill

No impairment charge was recorded for the Cloud, Managed IT and AUCyber CGUs as their respective recoverable amounts exceeds their carrying values by $0.5 million, $12.5 million and $8.2 million respectively.

Sensitivity analysis undertaken on the key impairment model assumptions indicates that in order for the recoverable amounts to be equal to their carrying values for the Cloud, Managed IT and AUCyber CGUs, the discount rate would need to increase to 16.02%, 24.62% and 21.74% respectively or the revenue growth rate would need to decrease to 2.79%, 1.52% and 0.93% respectively. Management are not aware of any events that are expected to have an adverse effect on revenue growth.



NOTES TO THE FINANCIAL STATEMENTS

15. OTHER INTANGIBLE ASSETS

The following table shows the movements in other intangible assets:

	Customer Contract	Brand Name	Other Intangibles	Total
	$'000	$'000	$'000	$'000
Gross carrying amount				
At 1 July 2025	801	3,730	98	4,629
Additions	-	-	-	-
Closing Value at 30 June 2026	**801**	**3,730**	**98**	**4,629**
Amortisation and impairment				
At 1 July 2025	(61)	(493)	-	(554)
Amortisation	(228)	(789)	-	(1,017)
Closing value at 30 June 2026	**(289)**	**(1,282)**	**-**	**(1,571)**
Carrying Amount at 30 June 2026	**512**	**2,448**	**98**	**3,058**
Gross carrying amount				
At 1 July 2024	-	-	-	-
Additions	789	787	98	1,674
Assets reclassified as held for 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				
Balance 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**

(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 FINANCIAL STATEMENTS

16. OTHER ASSETS

Other assets consist of the following:

	Consolidated	
	2026 $000	2025 $000
Other prepayments	1,490	1,244
Inventory	991	645
Security deposits	166	2,258
Bond payments	35	36
Other	904	285
Other Assets – Current	**3,586**	**4,468**
Other Receivables	137	125
Other Assets - Non-Current	**137**	**125**

17. TRADE AND OTHER PAYABLES

	Consolidated	
	2026 $000	2025 $000
Trade payables	6,400	5,774
Accrued liabilities	1,384	1,827
Total trade and other payables	**7,784**	**7,601**

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

18. OTHER LIABILITIES

	Consolidated	
	2026 $000	2025 $000
GST and PAYG due to ATO	-	2,050
Payroll tax provision	-	117
Other	340	1,474
Other liabilities – current	**340**	**3,641**

NOTES TO THE FINANCIAL STATEMENTS

19. EMPLOYEE BENEFITS PROVISIONS

	Consolidated	
	2026 $000	2025 $000
CURRENT		
Annual leave	1,664	1,374
Long Service Leave	640	799
Superannuation & Wages payable	658	602
Accrued bonuses and sales commission	112	120
Employee Benefits Provisions – Current	**3,074**	**2,895**
NON-CURRENT		
Long service leave	298	280
Employee Benefits Provisions – Non-current	**298**	**280**

20. BUSINESS COMBINATIONS

The acquisition accounting for the acquisition of AUCyber Limited, which was disclosed as provisional at 30 June 2025, has been finalised during the current financial year. No further information was identified that resulted in material adjustments to the provisional fair values recognised at the acquisition date and the measurement period under AASB 3 has now ended

21. ISSUED CAPITAL

During the period, the Company acquired 32,203,042 shares on-market pursuant to an on-market share buyback. No ordinary shares were issued to vendors or through the exercise of options. In addition, there were no cancellations of shares under an unmarketable parcel facility

	Consolidated	
	2026 $000	2025 $000
Issued and paid-up capital		
Ordinary shares each fully paid	191,026	195,464

Movement in ordinary shares on issue	30 June 2026		30 June 2025	
	Number of shares	$'000	Number of shares	$'000
Beginning of the financial period	**297,841,762**	**195,464**	**317,757,331**	**198,292**
- Issue of shares to vendor	-	-	-	-
- Cancellation of shares pursuant to on-market buy back	(32,810,077)	(4,742)	(19,915,569)	(2,828)
- Share options exercised	607,035	304	-	-
Shares issued and fully paid	**265,638,720**	**191,026**	**297,841,762**	**195,464**
- Issue of shares under ESOP	1,500,000	-	-	-
End of the financial period	**267,138,720**	**191,026**	**297,841,762**	**195,464**

NOTES TO THE FINANCIAL STATEMENTS

ORDINARY SHARES

Ordinary shares entitle the holder to participate in dividends and the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.
The fully paid ordinary shares have no par value.

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 BASED PAYMENTS - EMPLOYEE SHARES

During the year, 1,488,288 ordinary Shares were issued to employees under the Employee Share Plan at a price of $0.0645 per Share.

Shares acquired under this plan carry all of the same rights and obligations of other shares, except for any rights attaching to shares by reference to a record date prior to the date of issue or transfer.

SHARE BASED PAYMENTS – OPTIONS

During the year the Group issued 11,000,000 options to key management personnel under the Executive and Director Share Option Plan as a means of rewarding and incentivising key employees.

Further details of the performance rights, including details of rights issued during the financial year, are set out in Note 23.

There were 30,000,000 performance rights and 22,400,000 unlisted options on issue at the end of the year.

TREASURY SHARES

The loans granted under Executive and Director Share Plan (Note 26) are limited in recourse over the shares issued on exercise of the options, and the Company placed a holding lock over these shares to secure repayment. These shares were treated as treasury shares. During the year, there were no performance rights and unlisted options on issue at the end of the year (2025: Nil).

Movement in treasury shares:

	30 June 2026		30 June 2025	
	Number of shares	$'000	Number of shares	$'000
Beginning of the financial period	6,800,000	-	6,800,000	-
- Issue of shares under ESOP	-	-	-	-
End of the financial period	**6,800,000**	**-**	**6,800,000**	**-**

NOTES TO THE FINANCIAL STATEMENTS

22. RESERVES

	Consolidated	
	2026 $'000	2025 $'000
Share-based payments reserve	18,295	16,982
Other reserve	6,167	6,162
Foreign currency reserve	45	81
Reorganisation reserve	(150,804)	(150,804)
Total	**(126,297)**	**(127,579)**

Share-based payment reserve	Consolidated	
	2026 $'000	2025 $'000
Balance at the beginning of the period	16,982	15,153
Arising on share-based payments	1,313	1,829
Balance at the end of the year	**18,295**	**16,982**

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	2026 $'000	2025 $'000
Balance at the beginning of the period	6,162	5,450
Other reserves	5	712
Balance at the end of the year	**6,167**	**6,162**

Other reserves represent the fair value reserve (for equity investments at fair value through equity) and transactions with NCI reserve. 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. The transactions with NCI reserve represents the difference between the consideration paid (or received) for changes in the Group's ownership interest in a subsidiary, without a change in control, and the carrying amount of the non-controlling interest at the date of the transaction. This reserve reflects transactions with non-controlling interests that are recognised directly in equity rather than through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

Foreign currency reserve	2026 $'000	2025 $'000
Balance at the beginning of the period	81	147
Currency translation differences	(36)	(66)
Balance at the end of the year	**45**	**81**

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

Reorganisation reserve	2026 $'000	2025 $'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.

23. SHARE-BASED PAYMENTS - PERFORMANCE RIGHTS AND OPTIONS

The Group operates two long-term incentive (**LTI**) plans as a means of rewarding and incentivising directors, executives and senior leaders of the Group.

The Company's Executive and Director Share Option Plan (**ESOP**) was adopted in December 2020 for directors and executives of the Group. The Company's Executive Equity Plan (**EEP**) was adopted in April 2022 for executives and senior leaders of the Group.

The key criteria for options issued under the ESOP and EEP during the year are the completion of tenure periods between one and three years and the achievement of individual KPIs.

The Performance Rights and Options will not give the holder a legal or beneficial interest in ordinary fully paid shares in the Company until those Performance Rights and Options vest. Prior to vesting, Performance Rights and Options do not carry a right to vote or receive dividends. When the Performance Rights and Options have vested, ordinary fully paid shares will be allocated, and these shares will rank equally with existing Company shares.

(a) Rights and options held at the beginning of the reporting period

There were 58,470,000 rights and options held as at 1 July 2025 in relation to the ESOP and EEP.

NOTES TO THE FINANCIAL STATEMENTS

(b) Movement of rights and options during the reporting period

The following table summarises the movement in performance rights and options issued during the year:

	2026 Number	2025 Number
Outstanding at the beginning of the year	58,470,000	58,220,000
Granted during the year[1]	11,000,000	9,250,000
Vested and exercised during the year	(1,500,000)	-
Lapsed during the year	(5,720,000)	-
Forfeited during the year[2]	(9,850,000)	(9,000,000)
Outstanding at year end	**52,400,000**	**58,470,000**

1. During the year, 11,000,000 Options were issued under the ESOP (2025: 9,250.000) and no Options were issued under the EEP (2025: nil).
2. During the year, 9,850,000 Options were forfeited under the ESOP (2025: 9,000,000) and none were forfeited under the EEP (2025: 1,950,000).

(c) Rights and options vested during the reporting period

During the year, no Performance Rights were vested (2025: Nil) and 3,000,000 Options vested (2025: Nil).

(d) Rights and options forfeited during the reporting period

During the year, 9,850,000 Options were forfeited by employees (2025: 9,000,000) with a weighted average exercise price of $0.15 (2025: zero) under the ESOP.

(e) Rights and options held at the end of the reporting period

The following table summarises information about Performance Rights and Options held by Directors and employees as at 30 June 2026. 15,000,000 Performance Rights and 7,900,000 Options are exercisable at 30 June 2026 (2025: 5,000,000 Rights and 9,720,000 Options):

Issue Date and Type	Number	Grant date	Vesting date	Expiry date	Weighted average exercise price	Weighted average remaining contractual life
2021 Performance Rights - Director	15,000,000	22/12/2021	n/a	21/12/2026	$0.45	1.48
2021 Options – Director	1,500,000	22/12/2021	22/12/2023	21/12/2026	$0.45	1.48
2021 Options – Executive (3)	600,000	15/07/2021	15/07/2023	15/07/2026	$0.45	1.04
2022 Options – Executive (2)	1,400,000	2/06/2022	2/06/2024	2/06/2027	$0.25	1.92
2022 Options – Executive (3)	1,400,000	1/09/2022	1/09/2024	1/09/2027	$0.20	2.17
2023 Performance Rights - Director	15,000,000	7/12/2023	7/12/2025	7/12/2028	$0.11	3.44
2023 Options – Director	3,000,000	7/12/2023	7/12/2025	7/12/2028	$0.11	3.44
2024 Options - Executive (4)	3,500,000	6/12/2024	6/12/2026	6/12/2029	$0.15	4.44
2025 Options – Director	9,000,000	15/12/2025	15/12/2027	15/12/2030	$0.15	5.46
2026 Options – Exec	2,000,000	20/04/2026	20/04/2028	20/06/2031	$0.06	4.97
	52,400,000				**$0.23**	**2.23**

NOTES TO THE FINANCIAL STATEMENTS

(f) Pricing model: LTI grants

The fair values of options granted were determined using a variation of the binomial option pricing model that takes into account factors specific to the Executive Share Plan, such as the vesting period. The following principal assumptions were used in the valuation:

	Share price	Dividend yield	Expected volatility	Risk-free interest rate	Fair value per option
2021 Rights	$0.47	0.00%	45.00%	1.27%	$0.19
2021 Options	$0.47	0.00%	45.00%	1.27%	$0.30
2021 Options (3)	$0.48	0.00%	73.40%	0.69%	$0.21
2022 Options (2)	$0.23	0.00%	73.40%	3.28%	$0.09
2022 Options (3)	$0.18	2.90%	96.10%	3.50%	$0.08
2023 Rights	$0.24	2.10%	90.00%	3.86%	$0.17
2023 Options (4)	$0.17	0.83%	94.00%	3.97%	$0.06
2023 Options (4)	$0.17	0.83%	94.00%	3.76%	$0.08
2025 Options – Director	$0.14	0.00%	65.00%	3.56%	$0.08
2026 Options	$0.06	0.00%	53.00%	4.38%	$0.01

The expected volatility was determined using the group's average five-year share price. The risk-free rate is derived from the yield on Australian Government Bonds of an appropriate term. The weighted average fair value of the performance rights and options granted during the year was $0.013 (2025: $0.17).

The total consolidated share-based payment expense for the year was $1,313 million (2025: $1.829 million).

24. DIVIDENDS

No dividends were declared or paid during the financial year 2026.

NOTES TO THE FINANCIAL STATEMENTS

25. PARENT INFORMATION

The following information has been extracted from the books and records of the parent and has been prepared in accordance with Australian Accounting Standards.

The parent entity for the group is 5G Networks Limited and following information is the financial position for 5G Networks Limited.

PARENT ENTITY STATEMENT OF FINANCIAL POSITION As at 30 June 2026	2026 $'000	2025 $'000
Current assets	15,190	28,478
Non-current assets	19,957	19,642
Total assets	**35,147**	**48,120**
Current liabilities	12,516	20,055
Non-current liabilities	0	66
Total liabilities	**12,516**	**20,121**
Net assets	**22,631**	**27,999**
Contributed equity	208,100	212,000
Share-based payments reserve	44,991	44,035
Reorganisation reserve	(150,804)	(150,804)
Foreign currency reserve	(88)	(88)
Other reserves	(2,784)	(2,870)
Non-controlling interest	1,244	1,826
Retained earnings	(78,028)	(76,100)
Total Equity	**22,631**	**27,999**
Profit/(Loss) of the parent entity	(2,496)	(206)
Total comprehensive income of the parent entity	**(2,496)**	**(206)**

GUARANTEES

During the reporting period, each of the companies in the Group (excluding AUCyber Limited, Sovereign Cloud Australia Pty Ltd, AUCyber Solutions Pty Ltd, Venn IT Solutions Pty Ltd & AU123 Pty Ltd), including 5G Network Limited provided a cross guarantee to CBA for the facilities provided by CBA (refer note 26).

CONTINGENT LIABILITIES

The Group is involved in legal proceedings arising in the ordinary course of business. As at 30 June 2026, the Group is defending a claim brought by 148 Brunswick Street Pty Ltd in relation to a commercial lease dispute.

NOTES TO THE FINANCIAL STATEMENTS

26. CONTROLLED ENTITIES

Investments in controlled entities are initially recognised at cost, being the fair value of the consideration given. Following initial recognition, investments are measured at cost less any accumulated impairment losses.

The consolidated financial statements include the financial statements of 5G Networks Limited and the subsidiaries in the following table:

Entity	Country of incorporation	Equity holding as at 30 June	
		2026	2025
5G Networks Limited	Australia	100%	100%
5G Networks Holdings Pty Ltd	Australia	100%	100%
5G Network Operations Pty Ltd	Australia	100%	100%
Intergrid Group Pty Ltd	Australia	100%	100%
Annitel Pty Ltd	Australia	100%	100%
Hostworks Group Pty Ltd	Australia	100%	100%
Hostworks Pty Ltd	Australia	100%	100%
Enspire Pty Ltd	Australia	100%	100%
Australian Pacific Data Centres Pty Ltd	Australia	100%	100%
Asian Pacific Telecommunications Pty Ltd	Australia	100%	100%
Modular I.T. Pty Ltd	Australia	100%	100%
Security Shift Pty Ltd	Australia	100%	100%
Security Shift Holdings Pty Ltd	Australia	100%	100%
Security Shift Group Pty Ltd	Australia	100%	100%
5G Networks Finance Pty Ltd	Australia	100%	100%
Uber Global Pty Ltd	Australia	100%	100%
Uber Business Pty Ltd	Australia	100%	100%
5G Networks Lanka (PVT) Ltd	Sri Lanka	100%	100%
5G Networks Singapore PTE Ltd	Singapore	100%	100%
AUCyber Limited	Australia	90.03%	N/A
Sovereign Cloud Australia Pty Ltd	Australia	90.03%	N/A
AUCyber Solutions Pty Ltd	Australia	90.03%	N/A
Venn IT Solutions Pty Ltd	Australia	90.03%	N/A
AU123 Pty Ltd	Australia	90.03%	N/A

NOTES TO THE FINANCIAL STATEMENTS

27. Contingent Liabilities – Legal Proceedings

The Group is involved in legal proceedings arising in the ordinary course of business. As at 30 June 2026, the Group is defending a claim brought by 148 Brunswick Street Pty Ltd in relation to a commercial lease dispute.

As at 30 June 2026, 5G Network Operations Pty Ltd (5GNO), a wholly owned subsidiary of the Company, was a party to separate proceedings in the Supreme Court of Queensland with its former landlord, 148 Brunswick Street Pty Ltd as trustee for the 148 Brunswick Street Discretionary Trust (148).

On 26 May 2026, 5GNO commenced proceedings against 148 seeking declaratory relief in relation to a commercial lease. On 27 May 2026, 148 commenced separate proceedings against 5GNO seeking damages and other relief said to arise from the same lease and an ancillary services agreement. Subsequent to the reporting date, the two proceedings were consolidated by consent order of the Supreme Court of Queensland dated 28 July 2026.

148's claims comprise amounts claimed under an ancillary services agreement, the repayment of a rental rebate provided on entry into the lease, future rent for the balance of the lease term and make-good costs. 148 has attributed a monetary value to these claims. Having reviewed the claims, the underlying lease and ancillary services agreement, and the facts relied upon by 148, the Directors do not consider that figure to be a reliable or reasonable indicator of 5GNO's potential financial exposure, and have concluded that disclosing it without that context would risk giving a misleading impression of the Group's likely financial effect. Accordingly, the Directors have not disclosed that figure in this note. These amounts remain fully disputed and do not represent an admitted liability of, or a reliable estimate of the probable financial exposure of, 5GNO or the Group.

5GNO disputes 148's claims in full and intends to defend the proceedings vigorously. 5GNO is also pursuing its own counterclaim against 148. No liability has been admitted by 5GNO.

The proceedings are at an early stage. 5GNO's defence and counterclaim have not yet been filed, disclosure has not commenced, no trial date has been set, and the evidence underlying the claims has not been tested.

The Directors consider that 5GNO has strong prospects of successfully defending the claims. As at 30 June 2026, based on the information at hand at this early stage of the proceedings, the Directors do not consider it probable that the resolution of the claims will result in a material outflow of economic benefits. The amounts claimed by 148 are fully disputed and are not admitted liabilities of the Group.

The Company will continue to monitor the proceedings and will update its disclosure, including recognising a provision if required, as the matter progresses and in accordance with its continuous disclosure obligations under the ASX Listing Rules and the Corporations Act 2001 (Cth).


Deer Park
DIGITAL REALTY
Derrimut
EQUINIX
AIRTRUNK
5G
Capacity
Volume
5G networks
MDC
NEXTDC
Melbourn
CBD
VOCUS
DXN
EQUINIX
NEXTDC
Interactive
HANSEN
Port
Melbourne
MELBOURNE

NOTES TO THE FINANCIAL STATEMENTS

28. FINANCIAL RISK MANAGEMENT

The main risks the Group is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

FINANCIAL RISK MANAGEMENT OBJECTIVES

The Group's financial instruments consist mainly of deposits with banks, local money market instruments, accounts receivable and payable, loans to and from subsidiaries, and leases.

The main purpose of non-derivative financial instruments is to raise finance for Group operations. The Group does not have any derivative instruments at 30 June 2026 or 30 June 2025.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

30 June 2026	Amortised Cost	FVTPL	FVOCI	Total
	$000	$000	$000	$000
Cash and cash equivalents	11,304	-	-	11,304
Restricted cash	3,301	-	-	3,301
Trade and other receivables	8,809	-	-	8,809
Unsecured loans	-	378	-	378
Other financial assets	4,177		725	4,902
Total financial assets	**27,591**	**378**	**725**	**28,694**
Non-current lease liabilities	6,783			6,783
Trade and other payables	7,784			7,784
Lease liabilities	4,588			4,588
Other financial liabilities	340			340
Total financial liabilities	**19,495**	**-**	**-**	**19,495**

30 June 2025	Amortised Cost	FVTPL	FVOCI	Total
	$000	$000	$000	$000
Cash and cash equivalents	25,914	-	-	25,914
Restricted cash	3,315	-	-	3,315
Trade and other receivables	7,545	-	-	7,545
Unsecured loans	-	378	-	378
Other financial assets	5,425	-	725	6,150
Total financial assets	**42,199**	**378**	**725**	**43,302**
Non-current lease liabilities	10,779	-	-	10,779
Trade and other payables	7,601	-	-	7,601
Lease liabilities	5,323	-	-	5,323
Other financial liabilities	3,466	175	-	3,641
Total financial liabilities	**27,169**	**175**	**-**	**27,344**

NOTES TO THE FINANCIAL STATEMENTS

FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The Group measures financial instruments such as derivatives at fair value at each reporting date. Fair value is 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. The fair- value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that the market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within their fair-value hierarchy, described as follows, based on the lowest level of input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The following table provides the fair value measurement hierarchy of the Group's financial assets and liabilities as at 30 June 2026:

	Note	Date of valuation	Total	Fair value measurement using		
				Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
			$'000	$'000	$'000	$'000
Assets / (liabilities) measured at fair value						
Financial assets						
Investment in The Pistol shares		30-Jun-26	725	-	-	725
Unsecured loans		30-Jun-26	378	-	-	378

There have been no transfers between Level 1, 2 and 3 during the period.

NOTES TO THE FINANCIAL STATEMENTS

CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued capital, all other equity reserves attributable to the equity holders of the parent and debt capital, principally raised from the Group's banking partners, but inclusive of other debt- like instruments, such as earn-outs due. The Board's primary objective is to maximise the value of the Group's operations to its shareholders.

The Group manages its capital structure and financing facilities and makes adjustments in light of changes in economic and market conditions, requirements of the business operations and requirements of its financial covenants. To maintain or adjust the capital structure, the Group may raise or repay debt, adjust the dividend payment to shareholders, return capital to shareholders, issue new shares, or sell assets to fund these activities.

LIQUIDITY RISK

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

Cash flows realised from financial assets in the table below reflect management's expectation as to the timing of realisation. Actual timing may therefore defer from that disclosed.

The table below sets out the available financing facilities as at 30 June 2026:

	Total facility amount	Amount drawn	Unused financing facilities
	$000	$000	$000
CBA contingent loan facilities (bank guarantees)[1]	3,301	3,301	-
Total	**3,301**	**3,301**	**-**

1. The bank guarantees are cash-backed with a term deposit with Commonwealth Bank of Australia. The term deposit is recorded as Restricted Cash in the Statement of Financial Position.

The table below sets out the maturity periods of the financial liabilities of the consolidated Group as at 30 June 2026 and 30 June 2025. All carrying amounts of IT equipment finance are undiscounted contractual cash flows.

Contracted maturities at 30 June 2026	< 6 Months	6-12 Months	1-2 Years	2-5 Years	> 5 Years	Total
	$000	$000	$000	$000	$000	$000
Trade & Other Payables	7,784	-	-	-	-	7,784
Other Financial Liabilities	340	-	-	-	-	340

Contracted maturities at 30 June 2025	< 6 Months	6-12 Months	1-2 Years	2-5 Years	> 5 Years	Total
	$000	$000	$000	$000	$000	$000
Trade & Other Payables	7,601	-	-	-	-	7,601
Other Financial Liabilities	3,641	-	-	-	-	3,641

NOTES TO THE FINANCIAL STATEMENTS

CREDIT RISK

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

There are no material amounts of collateral held as security at 30 June 2026 or 30 June 2025.

Credit risk is managed on a Group basis and reviewed regularly by the Board. It arises from exposures to customers as well as through deposits with financial institutions.

The following table provides information regarding the credit risk relating to cash and money market securities based on Moody's counterparty credit ratings.

	Consolidated	
	2026 $'000	2025 $'000
Aa3 rated cash & cash equivalents	11,304	25,914
Aa3 rates restricted cash (term deposit)	3,301	3,315
TOTAL	**14,605**	**29,229**

The Group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Group.

INTEREST RATE AND MARKET RISK

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

At 30 June 2026, the Group is not exposed to changes in market interest rates through bank borrowings at variable interest rates. All of the Group's bank guarantees are at a fixed interest rate.

TREASURY RISK

The Board's overall risk management strategy seeks to assist the consolidated Group in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

FOREIGN CURRENCY RISK

The Group conducts some of its business in US dollars ('USD'), New Zealand Dollars ('NZD'), Singapore Dollars ('SGD') and Japanese Yen ('JPY') and is therefore exposed to movements in the AUD exchange rates with USD, NZD, SGD and JPY respectively. The Group actively manages the gross margin risk by its foreign currency risk management strategy.

Both the functional and presentation currency of the Group is in Australian dollars (AUD). The consolidated Group contains functional currencies in USD, NZD, SGD and JPY. Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

The exchange differences arising on the retranslation are taken directly to other comprehensive income. On disposal of a foreign entity, the deferred cumulative amount recognised in other comprehensive income relating to that particular foreign operation is recognised in the determination of profit and loss for the year.

At 30 June 2026, the Group had the following exposures to USD, NZD, SGD and JPY. denominated assets and liabilities, where the functional currency is not USD, NZD, SGD and JPY. The Group's exposure to foreign currency changes for all other currencies is not material. Assets and liabilities that are designated in cash flow hedges are not included:

	2026 $'000	2025 $'000
Financial assets		
Cash and cash equivalents	142	103
Trade and other receivables	14	511
Financial liabilities		
Trade and other payables	9	(558)
Net exposure	**165**	**56**

The following sensitivity is based on foreign currency risk exposures in existence at the reporting date.

At 30 June 2026, had the AUD moved as illustrated in the table below with all other variables held constant, post-tax profit and equity would have been affected as follows:

	Net profit Higher / (Lower)		Equity Higher / (Lower)	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Consolidated				
- AUD/USD +10%	48	5	48	5
- AUD/USD -10%	(48)	(4)	(48)	(4)

The Group also has exposures to foreign exchange when retranslating foreign currency subsidiaries into AUD. The sensitivity range has been determined using an expected range of 0.632 to 0.773 USD/AUD for the retranslation of USD denominated balances for the forthcoming year.

SENSITIVITY ANALYSIS

As the Group's bank guarantee loans are not material to the Group and at a fixed interest rate, no sensitivity analysis has been performed, as any +/- variation in interest rates would not have a material impact on the post-tax profit for the remaining period of the loans.

A change in interest rates on the Cash on Deposit would not have a material impact to the Group and therefore no sensitivity analysis has been performed.

NOTES TO THE FINANCIAL STATEMENTS

29. RELATED PARTY DISCLOSURES

SUBSIDIARIES

Details relating to subsidiaries are included in Note 25.

ULTIMATE AND DIRECT PARENT

5G Networks Limited is the ultimate parent entity in the wholly owned Group comprising the Company and its wholly owned controlled entities.

KEY MANAGEMENT PERSONNEL (KMP) COMPENSATION

	Consolidated	
	2026 $'000	2025 $'000
Short-Term Employee Benefits	975	978
Post-Employment Benefits	78	51
Termination Payments	201	-
Share based Payments	1,073	1,658
TOTAL	**2,327**	**2,687**

Detailed remuneration disclosures are provided in the remuneration report on pages 24 to 34.

Transactions with related parties

During the year, the Group has conducted the following related party transactions:

- A total of $10,938 (2025: $41,791) was paid to Studio Inc., an entity related to Joseph Demase, for the design of marketing materials for the Group. All transactions are carried at commercial third-party rates.
- A total of $61,039 was paid by Mr Christopher Demase to the Group for the purchase of a vehicle. The transaction was carried out at commercial rates for the vehicle.

Terms and conditions of related party trading transactions Purchases from related parties are made at arm's length at normal market prices and on normal commercial terms.

The Group settles related party trade payables according to the payment conditions confirmed by the supplier of invoices and are non-interest bearing and generally on 30 day terms from invoice. Transactions with key management personnel

The table below provides aggregate information relating to the Company's loans to key management personnel during the year:

	2026 $'000
Balance at the start of the year	**128**
Repayment from KMP	-
Balance at the end of the year	**128**

NOTES TO THE FINANCIAL STATEMENTS

30. AUDITORS' REMUNERATION

	2026 $	2025 $
During the year ended 30 June 2025, the following fees were paid or payable for services provided by Grant Thornton:		
Grant Thornton Audit Pty Ltd in respect of:		
Audit and review	248,410	305,035
Taxation and other compliance services		-
Due diligence services		35,504
Bentleys Brisbane (Audit) Pty Ltd in respect of:		
Audit and review	93,300	87,200
	341,710	**427,739**

31. EVENTS SUBSEQUENT TO REPORTING DATE

There has not been any matter or circumstance in the interval between the end of the year and the date of this report that has materially affected or may materially affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial periods.


NEXTDC
Macquarie Park
FUJITSU
North Ryde
Chatswood
Telstra
IDC
AIRTRUNK
5G networks
St Leonards
5G
Capacity
Volume
Lane Cove
OPTUS
North Sydney
Balmain
BRENNAN IT
5G
Capacity
Volume
5G networks
Pyrmont
GLOBAL SWITCH
Darlinghurst
macquarie DATA CENTRES
AAPT
SYDNEY
Alexandria
EQUINIX
VOCUS
Mascot

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

Set out below is a list of entities that are consolidated in this set of Consolidated Financial Statements at the end of the financial year.

Name of Entity	Type of entity	Trustee, partner, or participant in JV	Place of incorporation	% of Share Capital as at 30 June 2025	Australian or foreign tax resident	Jurisdiction for foreign tax resident
5G Networks Limited	Body corporate	-	Australia	100%	Australian	N/A
5G Networks Holdings Pty Ltd	Body corporate	-	Australia	100%	Australian	N/A
5G Network Operations Pty Ltd	Body corporate	-	Australia	100%	Australian	N/A
Intergrid Group Pty Ltd	Body corporate	-	Australia	100%	Australian	N/A
Annitel Pty Ltd	Body corporate	-	Australia	100%	Australian	N/A
Hostworks Group Pty Ltd	Body corporate	-	Australia	100%	Australian	N/A
Hostworks Pty Ltd	Body corporate	-	Australia	100%	Australian	N/A
Enspire Pty Ltd	Body corporate	-	Australia	100%	Australian	N/A
Australian Pacific Data Centres Pty Ltd	Body corporate	-	Australia	100%	Australian	N/A
Asian Pacific Telecommunications Pty Ltd	Body corporate	-	Australia	100%	Australian	N/A
Modular I.T. Pty Ltd	Body corporate	-	Australia	100%	Australian	N/A
Security Shift Pty Ltd	Body corporate	-	Australia	100%	Australian	N/A
Security Shift Holdings Pty Ltd	Body corporate	-	Australia	100%	Australian	N/A
Security Shift Group Pty Ltd	Body corporate	-	Australia	100%	Australian	N/A
5G Networks Finance Pty Ltd	Body corporate	-	Australia	100%	Australian	N/A
Uber Global Pty Ltd	Body corporate	-	Australia	100%	Australian	N/A
Uber Business Pty Ltd	Body corporate	-	Australia	100%	Australian	N/A
5G Networks Lanka (PVT) Ltd	Body corporate	-	Sri Lanka	100%	Australian	N/A
5G Networks Singapore PTE Ltd	Body corporate	-	Singapore	100%	Australian	N/A
AUCyber Limited	Body corporate	-	Australia	90.03%	Australia	N/A
Sovereign Cloud Australia Pty Ltd	Body corporate	-	Australia	90.03%	Australia	N/A
AUCyber Solutions Pty Ltd	Body corporate	-	Australia	90.03%	Australia	N/A
Venn IT Solutions Pty LTd	Body corporate	-	Australia	90.03%	Australia	N/A
AU123 Pty Ltd	Body corporate	-	Australia	90.03%	Australia	N/A

BASIS OF PREPARATION

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the Corporations Act 2001 and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB10: Consolidated Financial Statements.

DETERMINATION OF TAX RESIDENCY

Section 295 (3A)(vi) of the Corporation Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency. In determining tax residency, the consolidated entity has applied the following interpretations:

- **Australian tax residency**
  The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5

- **Foreign tax residency**
  Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295(3A)(vii) of the Corporations Act 2001).

DIRECTORS' DECLARATION

1. In the Directors' opinion:

   (a) The financial statements and notes of 5G Networks Limited for the year ended 30 June 2026 are 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 2026 and of its performance for the financial year ended on that date; and

      (ii) complying with Australian Accounting Standards (Including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*;

   (b) There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable; and

   (c) The consolidated entity disclosure statement on page 104 is true and correct.

2. The Directors have been given the declaration required by Section 295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer for the year ended 30 June 2026.

3. Note 2 confirms that the consolidated financial statements also comply with international financial reporting standards.

Signed in accordance with a resolution of the Directors made pursuant to section 303(5) of the *Corporations Act 2001*. On behalf of the Board of Directors

Joseph Demase
Managing Director
Melbourne, 28 August 2026

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Melbourne VIC 3001

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Independent Auditor's Report

To the Members of 5G Networks Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of 5G Networks Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, 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:

a giving a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the year ended on that date; and

b 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 auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

Key audit matter	How our audit addressed the key audit matter
Revenue recognition – Note 5	
In the financial year ended 30 June 2026, the Group recorded revenue of $71,445,000. The Group generates revenue from a variety of service offerings with differing contractual arrangements. The diversity of these arrangements requires management to assess the nature of the performance obligations and determine the appropriate pattern of revenue recognition based on when those obligations are satisfied. This is a key audit matter due to the significance of revenue to the consolidated statement of profit or loss and other comprehensive income, and the auditor judgement involved in assessing management's determination of the appropriate revenue recognition.	Our procedures included: • Assessing the Group's accounting policy over revenue recognition against the requirements of AASB 15 Revenue Contracts with Customers; • Obtaining an understanding of the processes and testing the design and implementation of relevant controls around evaluating contracts under the five-step model of AASB 15; • For a sample of customer contracts, evaluating the contractual terms and conditions and assessing management's revenue recognition against the requirements of AASB 15; • For a sample of revenue transactions, assessing whether the transactions were recognised appropriately by agreeing to signed contract, invoice and proof of delivery or confirmation from customer; • For a sample of hardware and software sales recognised before and after year end, agreeing the transactions to delivery documentation to assess whether revenue had been recognised in the appropriate reporting period; and • Assessing the disclosures against the requirements of Australian Accounting Standards.
Goodwill – Note 14	
As at 30 June 2026 the Group had goodwill of $4,429,000 as a result of acquisitions over recent years. In accordance with AASB 136 *Impairment of Assets*, goodwill acquired in a business combination must be allocated to the Group's cash generating units ("CGUs"). For each CGU to which goodwill has been allocated, the Group is required to assess if the carrying value of the CGU is in excess of the recoverable amount. The recoverable amount is estimated using a value-in-use (VIU) model, with significant management judgement required in determining growth rates, discount rate and terminal value. This is a key audit matter due to the significant auditor judgement required to assess management's assumptions underlying the annual impairment assessment.	Our procedures included: • Assessing management's identification of the CGUs based on the nature of the business and the economic environment in which the CGU operate; • Evaluating management's value-in-use model against the requirements of AASB 136 by: – assessing the reasonableness of forecast cash flows, working capital assumptions and capital expenditure forecasts by reference to historical results and current trading performance; – assessing the reasonableness of the growth rate, discount rate and terminal value assumptions by comparing them to historical performance and available market and industry data; – performing sensitivity analysis of the key assumptions to identify the higher risk assumptions to focus our further audit procedures; and • Assessing the disclosures against the requirements of the Australian Accounting Standards.

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2026 but does not include the financial report and our 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* (other than the consolidated entity disclosure statement); 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 Group's ability 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 have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in pages 24 to 34 of the Directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of 5G Networks Limited, for the year ended 30 June 2026 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

M J Climpson
Partner – Audit & Assurance

Melbourne, 28 August 2026

SHAREHOLDER INFORMATION

The shareholder information set out below was applicable as at 13 September 2026.

5G Networks Limited

Issued capital ordinary shares: 305,295,838 as at 13 September 2026.

Substantial Shareholders

Substantial shareholders and the number of equity securities in which it has an interest, as shown in the Company's register of Substantial Shareholders is:

	Shares	%
J D Management Pty Ltd, JMD Superannuation Fund, Studio Incorporate Pty Ltd and Joseph Demase	58,668,719	18.74%
Boutique Capital Pty Ltd ATF Tectonic Opportunities Fund	23,281,276	7.45%
TOTAL	**81,949,995**	**26.19%**

DISTRIBUTION OF EQUITY SHARES

	Ordinary Shares	
	Number Held	Number of Holders
1 – 1,000	76,417	160
1,001 – 5,000	4,891,016	1,389
5,001 – 10,000	8,320,180	1,108
10,001 – 100,000	41,075,586	1,504
100,001 – and over	186,326,444	190
TOTAL	**240,689,643**	**4,351**

There were 135 unmarketable parcels as at 28 August 2026.

VOTING RIGHTS

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

ORDINARY SHARES

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

THE NUMBER AND CLASS OF RESTRICTED SECURITIES SUBJECT TO VOLUNTARY ESCROW THAT ARE ON ISSUE

Voluntary Escrow

There are no shares under voluntary escrow.

SHAREHOLDER INFORMATION

The 20 Largest Holders of Each Class of Quoted Equity Securities

	Ordinary Shares	
	Number	%
	55,761,985	23.17%
BNP PARIBAS NOMINEES PTY LTD	47,628,060	19.79%
5GN CLOUD PTE LTD	6,800,004	2.83%
MR XU WANG	5,305,988	2.20%
CITICORP NOMINEES PTY LIMITED	3,714,018	1.54%
MR ALBERT SAYCHUAN CHEOK & MR ERIC VICTOR CHEOK	2,500,001	1.04%
CITICORP NOMINEES PTY LIMITED	2,433,666	1.01%
MOLINI INVESTMENTS PTY LTD	1,833,334	0.76%
MIH INVESTMENTS PTY LTD	1,639,170	0.68%
MR MICHAEL TIPPELT	1,504,284	0.62%
MR FRANCIS ANDREW KING & MRS MARGARET SUSAN KING	1,500,000	0.62%
ALBERT CHEOK	1,499,491	0.62%
MRS MARIA O'CONNOR	1,460,204	0.61%
MR CLINTON BARRY MICHAEL	1,394,283	0.58%
PAC EQUITIES PTY LTD	1,270,140	0.53%
BEEBEE HOLDINGS PTY LTD	1,204,896	0.50%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED – A/C 2	1,053,978	0.44%
MR IVAN ANTON LEGISA	1,001,375	0.42%
MR HAIDENG LIAO	1,000,000	0.42%
DEMASE ENTERPRISES PTY LTD	1,000,000	0.42%
JOMALCO PTY LTD	900,000	0.37%
TOTAL	**142,402,877**	**59.16%**

UNISSUED EQUITY SECURITIES

Number of options issued: 59,470,000

SECURITIES EXCHANGE

The Company is listed on the Australian Securities Exchange.

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.