PENTANET

# 2026 Appendix 4E

Pentanet Limited
ASX: 5GG

**Pentanet Ltd**
**Appendix 4E**
**Preliminary final report**

## 1. Company details

| | |
|---|---|
| Name of entity: | Pentanet Ltd |
| ABN: | 29 617 506 279 |
| Reporting period: | For the year ended 30 June 2026 |
| Previous period: | For the year ended 30 June 2025 |

## 2. Results for announcement to the market

| | Movement from previous financial period | | | Current financial period ($'000) |
|---|---|---|---|---|
| Revenues from ordinary activities | up | 8% | to | 24,397 |
| Loss from ordinary activities after tax attributable to the owners of Pentanet Ltd | up | 55% | to | (6,890) |
| Loss for the year attributable to the owners of Pentanet Ltd | up | 55% | to | (6,890) |

This Appendix 4E should be read in conjunction with the 2026 Annual Report and Financial Statements which have been released to the ASX on the same day as this announcement.

## 3. Dividends

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

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

## 4. Net tangible assets

| | Current financial period $ | Previous financial period $ |
|---|---|---|
| Net tangible assets per ordinary security | 0.02 | 0.03 |

## 5. Control gained over entities

Not applicable.

## 6. Loss of control over entities

Not applicable.

## 7. Dividend reinvestment plans

Not applicable.

## 8. Details of associates and joint venture entities

Not applicable.

## 9. Foreign entities

Not applicable.

## 10. Audit qualification or review

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

The 2026 Annual Report and Financial Statements have been audited, and an unmodified opinion has been issued.

## 11. Attachments

*Details of attachments (if any):*

Additional Appendix 4E disclosure requirements and financial information are included in the 2026 Annual Report and Financial Statements which are attached.

## 12. Signed

Signed ____________ Date: 31 August 2026

David Buckingham
Non-Executive Chairman
Perth

PENTANET

# 2026 Annual Report

Pentanet Limited
ASX: 5GG

At Pentanet, we’re building more than just internet connections – **we’re shaping the future** of how Australians play, connect, and work in a digital-first world – with cloud gaming leading the way.

As an NVIDIA Alliance partner, bringing cutting-edge cloud Graphics Processing Unit (GPU) technology to Australia and New Zealand, to our privately owned telco network in Perth, everything we do is about putting leading-edge infrastructure to work – **powering how Australians connect, work, and play.**

**STEPHEN CORNISH**

**Founder & Managing Director**



# Contents

# **Chairman** and **Managing Director's** Address

## Dear Shareholder,

**Welcome to Pentanet Ltd's ("Pentanet's", "we", "us" or "the Company") Annual Report for the Financial Year ended 30 June 2026.**

FY26 was another year of solid growth for Pentanet. Consolidated revenue rose 8% to $24.4 million, EBITDA grew 74%
to $2.4 million, and the Company delivered increased positive net operating cash flow of $1.6 million.
Both business segments contributed to the improvements, but it was our gaming business, CloudGG, that set the pace, with revenue up 16% to $2.8 million and gross profit margin lifted from 57% to 68% as members migrated to higher-value subscription tiers.

Our telecommunications business had a solid year, prioritising utilisation of the network already built over further expansion. Segment revenue grew 7% to $21.6 million, total subscribers reached 18,936, and blended ARPU held at $96 per month. In November we launched a new brand platform, *Nothing But Net*, to support the next phase of subscriber growth.

But the story we most want to share with you this year is the one now forming ahead of us.

Something significant is happening in our industry, and Pentanet sits at the centre of it. The high-end graphics hardware that powers modern gaming has become scarcer and more expensive than at almost any time in memory. The newest generation of consumer GPUs are in constrained supply, with little relief expected in the near term. For a household considering a several-thousand-dollar upgrade, the economics of owning their gaming hardware are breaking down.

This is the kind of landscape shift that saw DVDs replaced by streaming and the shift from owning music to accessing it. Computing power is moving to the cloud, and gaming is following. As Australia and New Zealand's NVIDIA GeForce NOW Alliance Partner, Pentanet's CloudGG holds the infrastructure to meet that demand, turning a $3,000-plus hardware decision into an affordable monthly subscription with an equivalent gaming experience.

That scarcity is precisely what makes our position valuable. We already own the GPUs, and a growing subscription base funds them. Our task from here is to maximise utilisation of that capacity, building on the $1.7 million of EBITDA the gaming segment already generates.

Our near-term focus is converting our registered audience into paying members, lifting utilisation of the infrastructure we already have. Alongside this, Pentanet is exploring a path to further GPU expansion as part of its NVIDIA. Financially our focus remains on delivering disciplined growth across both segments while increasing sustainable profitability.

None of this would be possible without our people, whose talent and commitment turned strategy into results this year; our board and partners, and NVIDIA in particular; and you, our shareholders, whose support has been instrumental. We are more confident than ever in Pentanet's ability to deliver faster, smarter and richer digital experiences, and in the opportunity in front of us as we enter this next phase of growth.

Thank you for your continued support.

**David Buckingham**
**Non-Executive Chairman**
31 August 2026

**Stephen Cornish**
**Managing Director**
31 August 2026

Something significant is happening in our industry, and **Pentanet sits at the centre of it**.

# Our **Values**



## Impactful Innovation

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

## Good Connections

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

## We Meme Business

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

## PentaFam First

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

## Be The Supercar

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

# **Operational** and **Financial Overview**

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

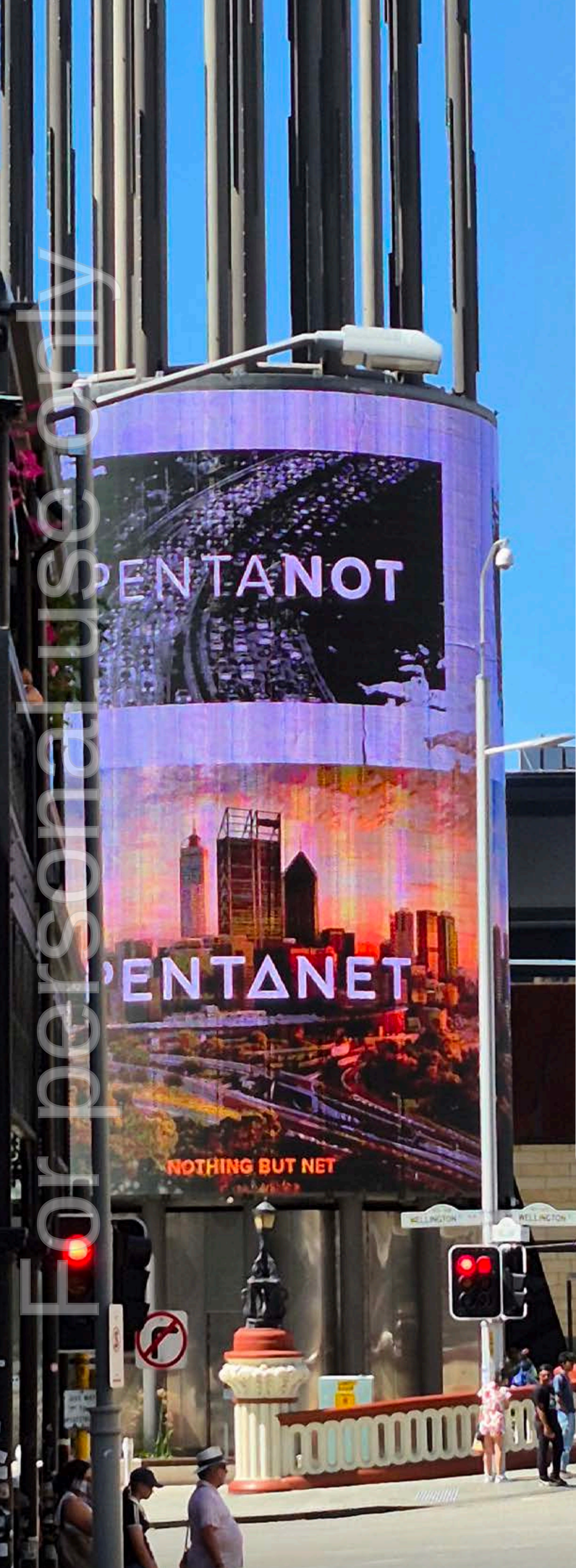
Our business goes beyond connectivity. We own and operate leading-edge NVIDIA GPU and telco infrastructure – the platforms behind next-generation cloud gaming on any screen, fast and reliable internet at home.

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

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

We remain focused on growing the value of our customer base while lifting the utilisation of the infrastructure we've already built, so that every platform delivers more value, more performance, and more moments that matter.

With both business segments EBITDA positive, an NVIDIA Alliance Partner, and infrastructure that is already built and largely paid for, we're well-positioned to keep delivering results, and really take things to the next level.






## From Telco to Digital Infrastructure

Pentanet's story is one of building real infrastructure. In 2017, we launched as a fixed wireless internet service provider in Perth – towers, spectrum and fibre backhaul serving customers the incumbents overlooked. In 2021, we put our GPU infrastructure to work delivering cloud gaming to Australians as NVIDIA's GeForce NOW Alliance Partner – and discovered that gaming infrastructure could serve a much larger market. Today, Pentanet is an established platform with a growing subscriber base, telco connectivity across Australia, and a gaming business that is profitable in its own right – with both operating segments EBITDA positive in FY26.

## One infrastructure, two revenue streams

Our leading-edge NVIDIA GPU and telco infrastructure underpins two subscription revenue layers: telco subscriptions and gaming subscriptions.

## Already built, largely paid for

The infrastructure behind both revenue streams is already in place. At 30 June 2026, Pentanet's property, plant and equipment had a carrying value of $12.1 million, split mainly between telco ($8.3 million) and gaming ($3.6 million) assets. With the major build phase behind us, the focus is utilisation rather than construction – existing assets working harder across gaming and connectivity.

## What's next

In FY27, Pentanet will focus on accelerating new user acquisition and increasing conversion of our registered audience to paid memberships. Any further GPU expansion would be scaled incrementally in line with demand, lifting the performance available to gaming subscribers.

# Operational Advancements and Future Growth Outlook



**FY26 was a year of disciplined execution for Pentanet. With the major network and GPU build phase complete, the Company shifted its focus from expansion to utilisation – simplifying its product suite, strengthening margins, and putting existing infrastructure to work across both business segments.**

In cloud gaming, Pentanet completed its transition toward higher-value subscription tiers, retiring the entry-level Casual plan to improve platform economics. Gaming revenue increased 16% year-on-year (YoY) to $2.8 million, with gross profit up 40% YoY to $1.9 million at a 68.4% margin. Premium-tier memberships grew 39% YoY, and paid members outside the retired Casual plan grew 18% YoY.

GeForce NOW Powered by CloudGG remains the home of NVIDIA GeForce NOW in Australia and New Zealand, with registered accounts growing to approximately 840,000 and more than 2,000 supported games available, with new titles added weekly.

In telecommunications, growth was led by off-net business NBN Services, with subscribers up 13% YoY as customers took up higher-speed NBN plans, while 5G Fixed Wireless subscribers grew 15% YoY to 1,039 on existing coverage. In November 2025, Pentanet launched its new brand platform, *Nothing But Net*, to support long-term subscriber acquisition.

Total telco subscribers closed the year at 18,936, up 4% YoY, with blended Average Revenue Per User (ARPU) improving to $96 per month as customers continued to migrate to higher-speed plans. Competitive promotional activity across the market lifted switching during the year, and strengthening retention remains a key focus for FY27.

Looking ahead, the telco strategy will prioritise disciplined organic growth, brand-led acquisition and capital efficiency – maximising the return on the network Pentanet has already built.

> The build is behind us. FY27 is about **putting our infrastructure to work** – more gamers on the platform and higher utilisation of every asset.

Pentanet will continue to operate with financial discipline and operational rigour. In FY27, the focus is on lifting the utilisation of deployed 5G and GPU infrastructure already deployed, growing the gaming subscriber base, and exploring new off-peak gaming plans that make use of available capacity to deliver sustained value for both customers and shareholders.

# **Financial** Performance

**Revenue**

▲ 8%


**Recurring Revenue**

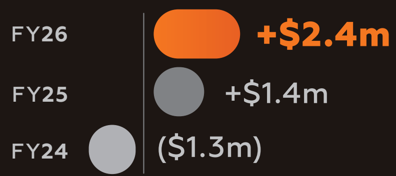
▲ 7%


**Gross Profit**

▲ 7%


**EBITDA**

▲ 74%




## Key Milestones

Revenue increased by **8%** YoY to $24.4m

EBITDA of **$2.4m,** **$1m** YoY improvement

Gross profit increased by 7% YoY to **$11.8m**

# **Results** Overview

| | FY26 $'000 | FY25 $'000 | Change |
|---|---|---|---|
| Revenue | 24,397 | 22,595 | 8% |
| Gross profit [1] | 11,753 | 11,006 | 7% |
| Gross margin [1] | 48% | 49% | (1pp) |
| Other income | 392 | 417 | (6%) |
| Operating Expenses | (9,780) | (10,063) | (3%) |
| EBITDA [2] | 2,365 | 1,360 | 74% |
| Depreciation and amortisation | (4,635) | (4,674) | (1%) |
| Impairment [3] | (4,040) | (648) | 523% |
| EBIT | (6,310) | (3,962) | 59% |
| Net finance cost | (580) | (491) | 18% |
| Net loss before tax | (6,890) | (4,453) | 55% |
| Other comprehensive income for the year, net of tax | - | - | - |
| Total comprehensive income for the year | (6,890) | (4,453) | 55% |

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

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

[3] During the year ended 30 June 2026, NVIDIA notified the Group that the RTX Bladerunner 1 platform supporting the Group's GeForce NOW Gen 2 infrastructure had reached end of service life. Vendor support ceased and the GeForce NOW service could no longer operate on this hardware from 31 March 2026. Following the migration of the relevant service workloads and subscribers to Gen 3 infrastructure, the Group decommissioned the Gen 2 RTX servers on 15 April 2026.

As a result, the Gen 2 RTX servers ceased to generate future cash inflows and their value in use was assessed as nil. Recoverable amount was determined as fair value less costs of disposal rather than value in use. Fair value less costs of disposal of $89,646.12 was determined using a market approach based on a written quotation obtained from a specialist IT asset disposal provider, less the quoted costs of collection, data sanitisation, freight and recycling. The quotation does not reflect observable prices for identical assets and the measurement is categorised within Level 3 of the fair value hierarchy. An impairment loss of $4,040,099 has been recognised in the profit and loss statement for the year ended 30 June 2026. The servers remain within property, plant and equipment at their written-down carrying amount of $89,646, as no decision has been made to sell them and the criteria for classification as held for sale have not been met.



YoY consolidated revenue increased 8% to $24.4 million across Pentanet's two product segments. Recurring revenue now constitutes 95.5% of total revenue.

Telecommunications revenue increased by 7% YoY to $21.6 million, reflecting a 4% YoY growth in subscribers from increased NBN customers.

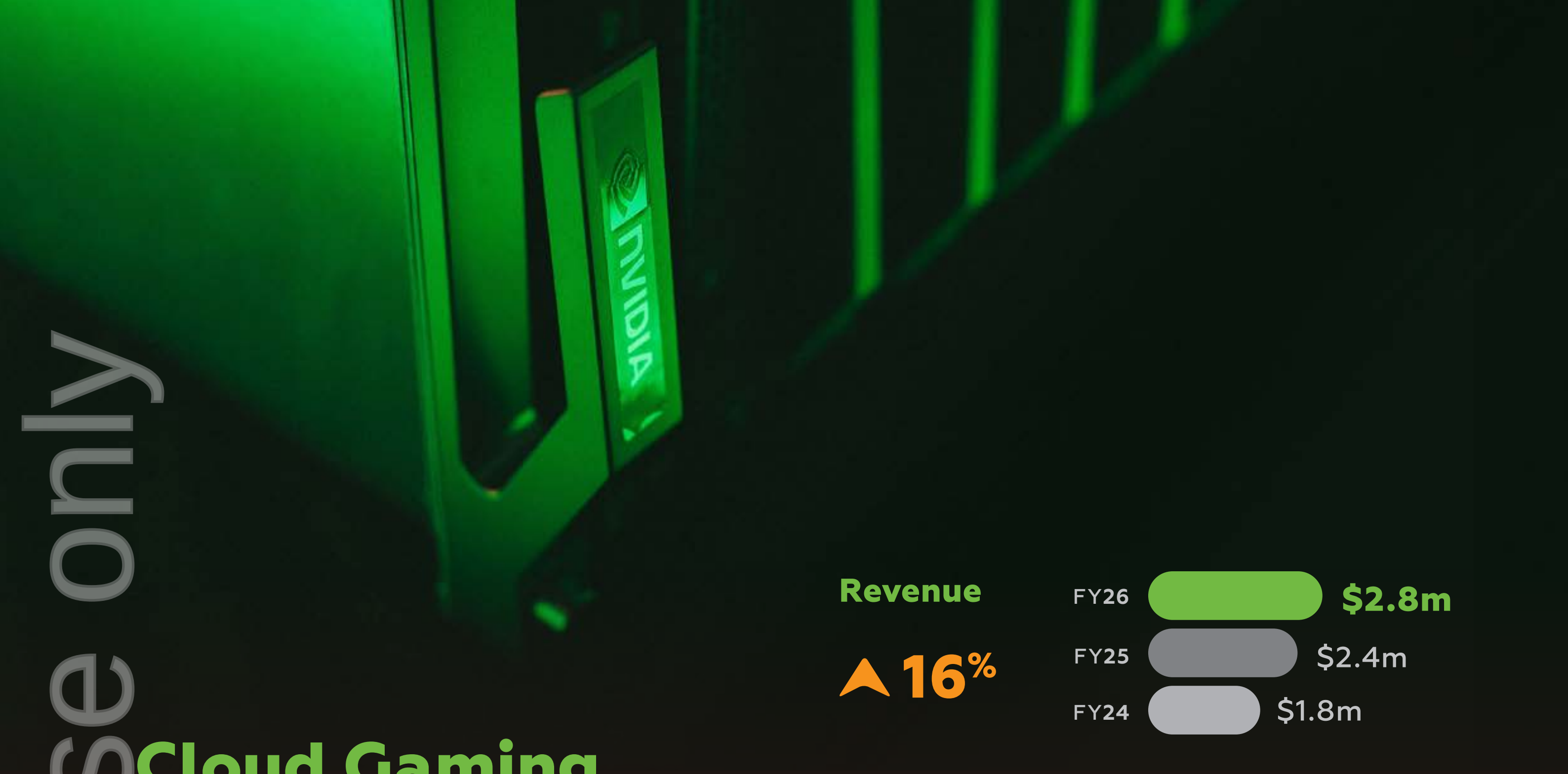
GeForce NOW revenue increased 16% YoY to $2.8 million, driven by the transition to higher-value subscription tiers and the retirement of the entry-level Casual plan. Total CloudGG membership reached approximately 840,000 registered users.

YoY consolidated gross profit increased by 7% to $11.8 million, with gross margin of 48% slightly below the prior year (49%). Gross profit growth was driven mainly by the gaming segment, as growth in higher-tier plans and strong support from NVIDIA delivered a Gross Profit increase of 40% YoY to $1.9 million.

Telecommunications Gross Profit increased by 2% YoY to $9.8 million, with gross margin easing to 46% (FY25: 48%) from increased NBN customers.

Operating expenses decreased by a further 3% YoY to $9.8 million, reflecting continued discipline across employee-related costs and general overheads while sustaining targeted marketing investment.

EBITDA for FY26 was $2.4 million, an improvement of $1.0 million YoY. This reflects the continued growth of both business segments as well as careful cost control and continued operational optimisation.






# **Cloud Gaming** Segment

"

In FY27, Pentanet will focus on **accelerating new user acquisition**, **increasing conversion** of its registered audience to paid memberships, and **lifting utilisation** of the platform already deployed.

**Revenue**

▲ 16%

FY26 $2.8m
FY25 $2.4m
FY24 $1.8m

**Gross Profit**

▲ 40%

FY26 $1.9m
FY25 $1.4m
FY24 $0.4m

**EBITDA**

▲ 61%

FY26 +$1.7m
FY25 +$1.0m
FY24 ($0.2m)

| Key Metrics | FY26 | FY25 | Change |
|---|---|---|---|
| ARPU [1] | $24 | $17 | 36% |
| Subscribers | 9,882 | 10,738 | (8%) |

| Cloud Gaming Segment | FY26 $'000 | FY25 $'000 | Change |
|---|---|---|---|
| Total revenue | 2,833 | 2,444 | 16% |
| Cost of sales | (894) | (1,057) | (15%) |
| Gross profit | 1,939 | 1,387 | 40% |
| Gross margin [2] | 68% | 57% | 11pp |
| EBITDA [3] | 1,660 | 1,028 | 61% |

[1] ARPU is calculated as recurring revenue divided by the average number of users in the period (non-IFRS measure).

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

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

Note: Figures in this table are presented on a rounded basis. Percentage changes and totals are calculated on unrounded figures, and components may not sum exactly to the totals shown due to rounding.



# **Cloud Gaming** Update

**Pentanet's regional Alliance Partnership with NVIDIA continues to underpin GeForce NOW Powered by CloudGG as the premier cloud gaming service across Australia and New Zealand – that has become increasingly strategic as NVIDIA's investment in AI extends the value of each new GPU generation.**

Cloud gaming improvements in FY26 were driven by three key goals: transitioning members to higher-value subscription tiers, improving platform economics, and strengthening onboarding and retention.

Building on the plan restructure completed through FY25, key changes and drivers in FY26 included:

- The entry-level Casual plan was retired, completing the transition to a streamlined range of higher-value memberships.
- Continued migration to the premium Ultimate tier, with Ultimate memberships growing 39% YoY to represent the majority of the paid base.
- Platform activity strengthened during the seasonal peak, supported by major new releases including ARC Raiders, Battlefield 6 and Path of Exile 2.
- An ongoing focus on onboarding, retention and infrastructure efficiency to improve platform economics.

These changes delivered a 16% increase in YoY gaming revenue to $2.8m, as members migrated to higher-margin plans, lifting gross margin to 68%.

With more than 2,000 titles supported on the platform, XBOX PC Game Pass integration, and RTX 4080 performance ,GeForce NOW remains Australia's premier cloud gaming solution, with the changes made through FY26 further strengthening the proposition heading into FY27.

### Key metrics across the gaming segment:

- Positive EBITDA of $1.7m for FY26, up 61% from $1.0m in FY25
- Gaming subscription revenue up 16% to $2.8m YoY
- Gaming subscription gross profit increased 40% YoY to $1.9m
- Gaming subscription gross margin improved to 68%, up 11pp YoY
- Gaming ARPU of $24 for FY26
- CloudGG paid subscriptions decreased by 8% YoY to 9,882 following the retirement of the Casual plan, with paid members outside the retired plan up 18% YoY
- CloudGG total captive audience of 840,000+ registered accounts



# Telecommunications Segment

| Key Metrics | FY26 | FY25 | Change |
|---|---|---|---|
| Recurring revenue % [1] | 96% | 96% | - |
| Blended ARPU [1] | $96 | $94 | 2% |
| Subscribers | 18,936 | 18,157 | 4% |
| Churn | 1.27% | 1.23% | 0.04pp |

| Telecommunications Segment | FY26 $'000 | FY25 $'000 | Change |
|---|---|---|---|
| Recurring revenue [1] | 20,630 | 19,315 | 7% |
| Non-recurring revenue | 934 | 836 | 11% |
| Total revenue | 21,564 | 20,151 | 7% |
| Cost of sales | (11,750) | (10,532) | 12% |
| Gross profit [2] | 9,814 | 9,619 | 2% |
| Gross margin | 46% | 48% | (2pp) |
| EBITDA [3] | 1,999 | 1,909 | 5% |

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

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

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

**Revenue**

▲ 7%


**Recurring Revenue**

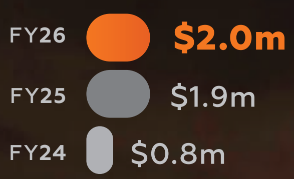
▲ 7%


**Gross Profit**

▲ 2%


**EBITDA**

▲ 5%




# **Telecommunications** Update



**Telecommunications growth in FY26 remained steady, supported by product improvements and a sharpened focus on utilising the existing network, despite an increasingly competitive landscape following the expansion of nbn® wholesale Fibre-to-the-Premises (FTTP) offers.**

In response, Pentanet continued to simplify its wireless plan structure, participate in the nbn Speed Boost program, and refine nbn promotional offerings to maintain competitiveness and better meet evolving customer needs. These strategies, combined with the November 2025 launch of the *Nothing But Net* brand platform, contributed to positive results, including 13% growth in off-net subscribers and continued migration to higher-speed plans.

Pentanet is participating in the industry-led 6 GHz Automatic Frequency Coordination (AFC) trial in Australia, which is intended to demonstrate safe and coordinated operation of 6 GHz fixed wireless equipment under AFC governance while protecting incumbent licensed link-holders. In February 2026 Pentanet lodged a submission to the Australian Communications and Media Authority's consultation on AFC-assisted spectrum sharing in the 6 GHz band, supporting an AFC-based framework implemented in stages and drawing on established overseas deployments. Under the trial's experimental conditions Pentanet ran a live customer trial in July 2026, converting a small number of existing 5 GHz subscribers to 6 GHz, with peak throughput of 790 Mbps download and 158 Mbps upload achieved on 80 MHz of spectrum. The consultation proposes making 660 MHz of spectrum available under an AFC framework. If the ACMA proceeds with an AFC framework, access to a further 660 MHz of spectrum would allow Pentanet to deliver materially higher fixed wireless speeds across its existing tower footprint.

A strong shift towards higher-speed on-net and off-net plans continued in FY26, contributing to ARPU growth from $94 to $96 and supporting overall revenue uplift.

Telecommunications gross profit increased by 2% YoY to $9.8 million, while gross margin eased to 46% (FY25: 48%), reflecting the continued shift in subscriber mix towards lower-margin off-net services.

Looking ahead, Pentanet remains focused on maximising utilisation of its existing network footprint, building brand-led subscriber acquisition through the *Nothing But Net* platform, and increasing adoption of higher-margin on-net and premium-speed services to strengthen long-term profitability.

# Ongoing **Strategy**

**The three pillars of Pentanet's strategy:**

## Scale and monetise cloud gaming

Convert Pentanet's registered gaming audience to paid memberships and grow premium-tier adoption on NVIDIA GeForce NOW, building on Pentanet's NVIDIA Alliance Partner status and lifting utilisation of the GPU capacity already deployed, to build a sustainable gaming revenue stream.

## Grow the telco subscriber base with capital efficiency

Drive disciplined, brand-led subscriber growth through the *Nothing But Net* platform and competitive value propositions, prioritising utilisation of the existing network over capital-intensive expansion to improve margin contribution.

## Maximise infrastructure utilisation and deliver sustainable profitability

Drive higher utilisation from Pentanet's network and GPU infrastructure, filling the capacity already built and extending platform usage into off-peak hours, to expand operating leverage and position the business for long-term, profitable growth.

# **Corporate** Directory

**David Buckingham**
Non-Executive Chairman

**Stephen Cornish**
Managing Director

**Timothy Cornish**
Non-Executive Director

**Dalton Gooding**
Non-Executive Director

**Dominic O'Hanlon**
Non-Executive Director

### Company Secretary
Patrick Holywell

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

### Principal place of business
Suite 25, 257 Balcatta Road
Balcatta, 6021 WA

### Principal banker
Commonwealth Bank
95 William Street
Perth, 6000 WA

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

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

### Stock exchange listing
Pentanet Ltd shares are listed on the
Australian Securities Exchange (ASX)
**ASX code: 5GG**

# **Directors'** Report



**The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity' or Group) consisting of Pentanet Ltd (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2026.**

## Directors

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

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

## Company Secretary

**Patrick Holywell**

## Principal Activities

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

## Dividends

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

# **Operating** and **Financial** Review



## Pentanet's Business Model and Objective

**Pentanet is proud to be Perth's own telco, dedicated to delivering exceptional internet connectivity to the community – and, as an NVIDIA Alliance Partner, the home of cloud gaming in Australia and New Zealand.**

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

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

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

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

Beyond connectivity, Pentanet operates a second revenue stream built on the same infrastructure base. As NVIDIA's GeForce NOW Alliance Partner for Australia and New Zealand, the Company delivers cloud gaming to consumers through its CloudGG platform, monetising its NVIDIA GPU infrastructure through gaming subscriptions at high gross margins.

Pentanet's objective is to maximise the return on its leading-edge, largely paid-for infrastructure by increasing utilisation across both revenue layers. Because cloud gaming demand peaks in the evenings and on weekends, GPU capacity that would otherwise sit idle during business hours can be directed to other GPU-intensive applications too, generating the opportunity for incremental new revenue at minimal additional cost and extending the Company's operating leverage.

### Review of Operations

The loss for the consolidated entity after providing for income tax and other comprehensive income amounted to $6.9 million (30 June 2025 $4.5 million loss), reflecting a 55% YoY deterioration. This result includes a non-cash impairment loss of $4.0 million recognised on GeForce NOW Gen 2 RTX servers following NVIDIA's end-of-service-life notification and the decommissioning of that platform in April 2026. Excluding this one-off, non-cash item, the loss for the year was $3.0 million, an improvement of $1.5 million (33%) on the prior year.

The Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) was $2.4 million (30 June 2025 $1.4 million), representing a $1.0 million YoY improvement.

The Company closed the year with $1.5 million in cash reserves. It plans to continue to increase top-line growth by converting its registered gaming audience to paid memberships and optimising utilisation of its 5G and GPU infrastructure.

Detailed commentary on the results for the year can be found in the Operating and Financial Overview section on page 7.

## Risk Management

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

## Material Business Risk

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

### Competitive Environment Risk

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

### Network Expansion Risk

The Company has substantially completed the major build phase of its Pentanet Fixed Wireless network, with its focus now on increasing utilisation of the existing network footprint. The Company's ability to generate an appropriate return on its investment is dependent on attracting and retaining customers within its coverage areas and increasing utilisation of available network capacity. Lower than anticipated subscriber growth, customer uptake or utilisation could limit revenue growth and delay the realisation of expected returns from the network investment.


## Cloud Gaming Commercialisation Risk

Successful commercialisation of the Company's cloud gaming services is dependent on market acceptance, effective execution and the continued operation of its strategic alliance with NVIDIA. The Gaming segment relies significantly on NVIDIA technology, platform support and the ongoing availability of GeForce NOW services. Any material change, disruption or termination of the NVIDIA relationship, or changes to the commercial or operational terms of the alliance, could adversely impact the Company's ability to deliver and grow its cloud gaming offering, resulting in reduced revenue, subscriber losses or additional costs.

The expansion into wholesale digital distribution also carries risks relating to market penetration, partner integration and the successful development of new revenue streams.

## Capital Access Risk

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

## Environmental, Social and Governance (ESG) Risks

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

- **Environmental:** The Company is subject to regulatory and licensing requirements to ensure its operations do not cause unauthorised environmental harm. While the Board considers Pentanet's environmental risk exposure to be low, the Company remains alert to evolving sustainability requirements and continues to monitor developments in this area.
- **Social:** Pentanet recognises that risks relating to data privacy, cybersecurity, employee wellbeing, and stakeholder expectations are critical to its operations. The Company maintains policies, systems and controls to safeguard customer information, protect its network, and promote a safe, diverse and inclusive workplace. Mental health among staff is a priority, with the Company committed to managing both physiological and psychosocial risks. This includes initiatives and frameworks that address stress, fatigue and burnout, as well as bullying, harassment, violence, aggression, discrimination, and misconduct. The Board and executives maintain oversight of these matters to ensure a safe and supportive work environment.
- **Governance:** Pentanet is committed to sound governance practices, including compliance with ASX Listing Rules, the *Corporations Act 2001* and telecommunications regulations. The Board and Company Secretary oversee governance processes to ensure integrity in disclosure and compliance.

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


### Field Staff Safety Risk

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

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

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

## Significant Changes in the State of Affairs

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

## Matters Subsequent to the End of the Financial Year

No matters or circumstances have arisen since 30 June 2026 that have materially affected, or may materially affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

## Likely Developments and Expected Results of Operations

### Telecommunication segment

In line with the Group's outlined strategic direction, Pentanet will focus on increasing utilisation of its existing 5G tower footprint. The priority will shift from broad coverage expansion to filling available capacity in the near term, driving subscriber acquisition through its *Nothing But Net* brand platform and targeted marketing initiatives.

By improving subscriber uptake, Pentanet aims to increase top-line revenue growth while maintaining disciplined churn management. Pentanet will also continue to provide competitive off-net service options, reinforcing its position in the Western Australia telecommunications market and supporting overall growth.

### Cloud gaming segment

In FY27, Pentanet will focus on increasing the revenue contribution from this segment, converting its registered gaming audience to paid memberships, and optimising ARPU through refined plan structures and targeted marketing. The Company is also exploring a path to further GPU expansion as part of its NVIDIA alliance.

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

## Share Options

**At 30 June 2026, the following unlisted options were on issue:**

| | Number of unlisted options | Exercise price | Expiry date |
|---|---|---|---|
| 1 | 3,849,075 | $0.124 | 30 June 2027 |
| 2 | 1,000,000 | $0.120 | 22 December 2026 |
| | **Total: 4,849,075** | | |

## Information on Directors

### David Buckingham

**Non-Executive Chairman**

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

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

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

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

**Other current directorships:**

- **Hiremii Ltd** – appointed 3 May 2021
- **Way2VAT Ltd** – appointed 15 September 2021
- **Macquarie Technology Group Limited** – appointed 24 September 2025

**Former directorships (last 3 years):**

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

**Ordinary shares:** 557,055

**Options over ordinary shares**: Nil

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

### Stephen Cornish

**Managing Director and Founder**

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

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

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

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

**Other current directorships:** None

**Former directorships (last 3 years):** None

**Ordinary shares:** 50,482,233

**Options over ordinary shares:** 2,544,727

**Committee Membership:** None

## Information on Directors (continued)

### Timothy Cornish

**Non-Executive Director**

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

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

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

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

**Other current directorships:** None

**Former directorships (last 3 years):** None

**Ordinary shares:** 16,031,375

**Options over ordinary shares:** None

**Committee Membership:** None

### Dalton Gooding

**Non-Executive Director**

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

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

**Other current directorship:**

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

**Former directorships (last 3 years):** None

**Ordinary shares:** 3,816,604

**Options over ordinary shares:** Nil

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

## Dominic O'Hanlon

**Non-Executive Director**

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

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

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

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

**Other current directorship:**

- **Adisyn Ltd** – appointed 17 March 2025
- **Felix Group Holdings Limited** – appointed 19 June 2026

**Former directorships (last 3 years):** None

**Ordinary shares:** 2,585,316

**Options over ordinary shares:** 1,000,000

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

## Patrick Holywell

**Company Secretary**

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

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

**Other current directorships:**

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

**Former directorships (last 3 years):**

- **Transcendence Technologies Ltd** – appointed 20 November 2019, resigned 31 July 2023
- **Coppermoly Ltd** – appointed 1 November 2024, resigned 16 December 2024

**Ordinary shares:** 1,671,278

**Options over ordinary shares:** Nil

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

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

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

## Meetings of Directors

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

| | Full Board | | Remuneration and Nomination Committee | | Audit and Risk Committee | |
|---|---|---|---|---|---|---|
| | Attended | Held | Attended | Held | Attended | Held |
| David Buckingham | 11 | 11 | 1 | 1 | 2 | 2 |
| Stephen Cornish | 10 | 11 | 1 | 1 | 2 | 2 |
| Timothy Cornish | 11 | 11 | 1 | 1 | 1 | 1 |
| Dalton Gooding | 10 | 11 | 1 | 1 | 2 | 2 |
| Dominic O'Hanlon | 11 | 11 | 1 | 1 | 2 | 2 |

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

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

For the financial year ended 30 June 2026, the Company had not yet formalised a policy which outlines measurable objectives for achieving gender diversity. Due to the current size and composition of the organisation, the Board does not consider it appropriate to provide measurable objectives in relation to gender diversity.

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

At 30 June 2026, the Company had 53 staff (which includes directors and executive management) and that number includes 13 female and 1 non-binary team members. The Company had 6 Key Management Personnel at 30 June 2026, of which one is female.

# Remuneration Report
(Audited)



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

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

For the year ended 30 June 2026, the following people were assessed to be KMP:

| Name | Role | Appointed |
|---|---|---|
| David Buckingham | Non-Executive Chairman of the Board and Remuneration and Nomination Committee | 10 September 2020 |
| Dalton Gooding | Non-Executive Director of the Board and Chairman of the Audit and Risk Committee | 26 November 2018 |
| Dominic O'Hanlon | Non-Executive Director of the Board | 6 October 2023 |
| Stephen Cornish | Managing Director | 20 February 2017 |
| Timothy Cornish | Non-Executive Director | 14 November 2024 |
| Mart-Marie Derman | Chief Financial Officer | 11 September 2020 |

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

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

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

## 1. Remuneration Governance

### 1.1 Remuneration and Nomination Committee

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

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

### 1.2 Use of remuneration consultants

No remuneration consultants were engaged, and no remuneration recommendations were made to the Company during the year ended 30 June 2026. Accordingly, no fees were paid to remuneration consultant. The Board reviews the executive incentive framework annually and will engage independent external advisers again where it considers such advice appropriate.

## 2. Executive Remuneration Approach and Structure

### 2.1 Remuneration philosophy

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

- Competitiveness and reasonableness
- Acceptability to shareholders
- Performance linkage/alignment of executive compensation
- Transparency

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

The reward framework is designed to align executive rewards to shareholders' interests. The Board has considered that it should seek to enhance shareholders' interests by:

- Having economic profit as a core component of plan design
- Focusing on sustained growth in shareholder wealth, consisting of growth in share price, and delivering a constant or increasing return on assets, as well as focusing the executive on key non-financial drivers of value
- Attracting and retaining high-calibre executives

Additionally, the reward framework should seek to enhance executives' interests by:

- Rewarding capability and experience
- Reflecting competitive reward for contribution to growth in shareholder wealth
- Providing a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of Non-Executive Director and Executive Director remuneration is separate.

### 2.2 Executive remuneration structure

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

The consolidated entity aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components. The combination of these comprises the executive's total remuneration. Fixed remuneration, consisting of base salary, superannuation, and non-monetary benefits, are reviewed annually by the Remuneration and Nomination Committee based on individual and business unit performance, the overall performance of the consolidated entity, and comparable market remunerations.

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

## 2.3 Remuneration practices

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

Where applicable, Executive Directors and executives receive a superannuation guarantee contribution required by the Government, which during the year was 12% (subject to the statutory cap), and do not receive any other retirement benefits. Upon retirement, specified Directors and executives are paid employee entitlements and incentives accrued to the date of their retirement. All remuneration paid to Directors and executives is valued at cost to the Company and expensed. Where performance rights and shares are given to Directors and executives, they are valued according to the accounting standards.

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

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

## 2.4 Short Term Incentive Plan ('STI')

The STI program is designed to align the targets of the business units with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPIs') being achieved. KPIs include revenue and gross profit growth, subscriber growth and new product launches, customer satisfaction, leadership contribution, and network capacity and capability.

### General terms of the STI plan

**How is it paid?**
Generally, in cash.

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

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

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

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

The FY26 STI was subject to a revenue gateway requiring achievement of budgeted FY26 revenue. This gateway was not satisfied, and accordingly no STI was payable to the Managing Director for FY26. Separately, the Board exercised its discretion to award the Managing Director a one-off cash bonus of $50,000 (gross) in recognition of a specific commercial negotiation with a key supplier, completed during the year that delivered a significant cash and cost benefit to the Group. This payment sits outside the STI plan and was not subject to the STI gateway or performance hurdles.

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

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

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

## 2.5 Long Term Incentive Plan (LTI)

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

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

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

# 3. Link Between Company Performance and Executive Remuneration

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

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

### Additional information:

The earnings of the consolidated entity for the five years to 30 June 2026 are summarised below:

| | 2026 $'000 | 2025 $'000 | 2024 $'000 | 2023 $'000 | 2022 $'000 |
|---|---|---|---|---|---|
| Revenue | 24,397 | 22,595 | 20,882 | 19,733 | 16,829 |
| EBITDA[1] | 2,365 | 1,360 | (1,267) | (3,114) | (4,398) |
| EBIT | (6,310) | (3,962) | (5,753) | (7,202) | (7,779) |
| Loss after income tax | (6,890) | (4,453) | (6,384) | (7,569) | (7,925) |
| | **2026** | **2025** | **2024** | **2023** | **2022** |
| Share price at financial year end | $0.015 | $0.027 | $0.046 | $0.078 | $0.270 |
| Basic loss per share (cents per share) | (1.59) | (1.03) | (1.47) | (2.45) | (2.68) |

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

### Shareholder voting at the 2025 Annual General Meeting

At the 2025 Annual General Meeting, 98.02% of votes cast on the remuneration report were in favour of its adoption and 1.98% were against. Accordingly, the Company did not receive a first strike.

## 4. Employment Contracts/Service Agreements of Key Management Personnel

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

**Details:**

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

Base salary for the year ended 30 June 2026 of $350,000 plus superannuation, to be reviewed annually by the Remuneration and Nomination Committee.

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

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

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

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

| | |
|---|---|
| Name: | **Timothy Cornish** |
| Title: | **Non-Executive Director** |
| Agreement commenced: | **14 November 2024** |

**Details:**

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

On 14 November 2024, Mr Cornish ceased his role as an Executive Director and was appointed as a Non-Executive Director. Following this change in role, the executive services agreement ceased to apply.

As a Non-Executive Director, Mr Cornish was entitled to a base fee of $50,000 per annum plus superannuation until 31 May 2026. Effective 1 June 2026, his annual base fee was increased to $60,000 plus superannuation.

The terms of Mr Cornish's appointment are subject to the provisions of the Company's Constitution relating to retirement by rotation and re-election of directors and will automatically cease at the end of any meeting at which he is not re-elected by shareholders.

Mr Cornish may participate in equity and other incentive arrangements as determined by the Remuneration and Nomination Committee and, where applicable, subject to shareholder approval.

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

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

**Details:**

Base salary for the year ended 30 June 2026 of $75,000 plus superannuation.

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

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

**Details:**

Base Non-Executive Director fee of $50,000 per annum plus superannuation until 31 May 2026. Effective 1 June 2026, the annual base fee was increased to $60,000 plus superannuation.

The terms of the appointment are subject to the provision of the constitution relating to retirement by rotation and re-election of directors and will automatically cease at the end of any meeting at which the non-executive director is not re-elected by shareholders.

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

**Details:**

For the period to 31 May 2026, Mr O'Hanlon was entitled to a base fee of $70,000 per annum plus superannuation and a consulting fee of $20,000 per annum.

Effective 1 June 2026, the consulting arrangement ceased and Mr O'Hanlon's remuneration was revised to a Non-Executive Director fee of $70,000 per annum plus superannuation.

The terms of the appointment are subject to the provision of the constitution relating to retirement by rotation and re-election of directors and will automatically cease at the end of any meeting at which the non-executive director is not re-elected by shareholders.

| | |
|---|---|
| Name: | **Mart-Marie Derman** |
| Title: | **Chief Financial Officer** |
| Agreement commenced: | **11 September 2020** |
| Term of agreement: | **Ongoing until terminated** |

**Details:**

Effective from 11 September 2020, Mrs Mart-Marie Derman was appointed to the position of Chief Financial Officer of the Company on a full-time basis.

Base salary for the year ended 30 June 2026 of $240,000 plus superannuation, to be reviewed annually by the Remuneration and Nomination Committee.

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

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

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

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

## 5. Non-Executive Director Fee Arrangements

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

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

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

## 6. Details of Remuneration

### Amounts of remuneration

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

| | Short-term benefits | | Post-employment benefits | Share-based payments | % Performance related | |
|---|---|---|---|---|---|---|
| **FY2026** | **Cash salary & fees $** | **Cash bonus[1] $** | **Super-annuation $** | **Equity-settled $** | | **Total $** |
| **Non-Executive Directors** | | | | | | |
| David Buckingham | 75,000 | - | 9,000 | - | - | 84,000 |
| Dalton Gooding | 50,833 | - | 6,100 | - | - | 56,933 |
| Dominic O'Hanlon | 88,333 | - | 10,600 | - | - | 98,933 |
| Timothy Cornish | 51,093 | - | 5,769 | - | - | 56,862 |
| **Executive Directors** | | | | | | |
| Stephen Cornish | 368,598 | 50,000 | 36,000 | 2,701 | 12% | 457,299 |
| **Other Key Management Personnel** | | | | | | |
| Mart-Marie Derman | 239,023 | 45,000 | 29,662 | (4,629) | 13% | 309,056 |
| | **872,880** | **95,000** | **97,131** | **(1,928)** | **9%** | **1,063,083** |

[1] Cash bonus (STI) awarded based on achievement of Board-approved performance KPIs and calculated as a percentage of base salary according to performance outcomes.

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

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

## Performance rights on issue

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

### Performance rights FY26

| Name | Balance at start of year | Granted during year | Vested | % | Expired / forfeited / other | % | Balance at end of year (unvested) | Maximum value yet to vest* |
|---|---|---|---|---|---|---|---|---|
| | Number | Number | Number | | Number | | Number | $ |
| Stephen Cornish | 1,474,854 | - | - | - | (1,474,854) | 100 | - | - |
| Mart-Marie Derman | 779,034 | - | - | - | (779,034) | 100 | - | - |
| **Total** | **2,253,888** | **-** | **-** | - | **(2,253,888)** | **100** | **-** | **-** |

### Performance rights FY25

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

## Additional disclosures relating to key management personnel

### Shareholding*

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

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

| | Balance at the start of the year | Received as part of remuneration | Additions | Disposals / other | Balance at the end of the year |
|---|---|---|---|---|---|
| **Ordinary shares** | | | | | |
| David Buckingham | 557,055 | - | - | - | 557,055 |
| Dalton Gooding | 3,816,604 | - | - | - | 3,816,604 |
| Dominic O'Hanlon | 2,585,316 | - | - | - | 2,585,316 |
| Stephen Cornish | 50,482,233 | - | - | - | 50,482,233 |
| Timothy Cornish | 13,531,375 | - | 2,500,000 | - | 16,031,375 |
| Mart-Marie Derman | 1,170,000 | - | - | - | 1,170,000 |
| | **72,142,583** | **-** | **2,500,000** | **-** | **74,037,583** |

### Option holding*

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

| | Balance at the start of the year | Granted | Exercised | Expired / forfeited / other | Balance at the end of the year | Vested and exercisable | Unvested |
|---|---|---|---|---|---|---|---|
| **Options over ordinary shares** | | | | | | | |
| Dominic O'Hanlon | 1,000,000 | - | - | - | 1,000,000 | 1,000,000 | - |
| Stephen Cornish | 3,918,145 | - | - | (1,373,418) | 2,544,727 | 2,544,727 | - |
| Timothy Cornish | 418,387 | - | - | (418,387) | - | - | - |
| Mart-Marie Derman | 1,184,393 | - | - | (415,162) | 769,231 | 769,231 | - |
| | **6,520,925** | **-** | **-** | **(2,206,967)**[1] | **4,313,958** | **4,313,958** | **-** |

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

[1] 2,206,967 Options that vested on 30 June 2025 expired unexercised during the year ended 30 June 2026. The remaining 4,313,958 Options vested on 30 June 2026, the service condition of the holder being employed by the Company on that date having been satisfied.

### Performance rights holding*

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

| | Balance at the start of the year | Granted | Exercised | Expired / forfeited / other | Balance at the end of the year |
|---|---|---|---|---|---|
| **Performance rights** | | | | | |
| Stephen Cornish | 1,474,854 | - | - | (1,474,854) | - |
| Mart-Marie Derman | 779,034 | - | - | (779,034) | - |
| | **2,253,888** | **-** | **-** | **(2,253,888)**[1] | **-** |

*Includes performance rights held directly, indirectly, and beneficially by KMP.

[1] The applicable performance conditions were not satisfied and all remaining performance rights lapsed on 30 June 2026. No performance rights were held by key management personnel at 30 June 2026.



### Other transactions with key management personnel and their related parties:

Pentanet Ltd spent $35,448 with DFK Gooding Partners for accounting and tax advisory services during the year, on commercial terms and market rates, which is a director related entity (Dalton Gooding), with $1,733 relating to this fee outstanding as at 30 June 2026.

**This concludes the remuneration report, which has been audited.**

### Indemnity and insurance of officers

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

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

### Indemnity and insurance of auditor

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

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

### Proceedings on behalf of the Company

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

### Non-audit services

No amounts were paid to the auditor for non-audit services during the financial year. Refer to Note 22 for details of amounts paid to the auditor.



## Rounding of amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183, issued by the Australian Securities and Investments Commission, relating to the rounding off of amounts in financial and directors' reports. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, unless otherwise stated.

## Auditor's independence declaration

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

## Auditor

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

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

On behalf of the Directors,

**David Buckingham**
**Non-Executive Chairman**

**31 August 2026**
Perth

# Auditor's Independence Declaration



BDO

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

As lead auditor of Pentanet Limited for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

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

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

**Jarrad Prue**

**Director**

**BDO Audit Pty Ltd**

Perth

31 August 2026

# **Financial** Report



## General information

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

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

### Registered office

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

### Principal place of business

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

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

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 28 August 2026. The Directors have the power to amend and reissue the financial statements.

All press releases, financial reports and other information are available at our Investor Centre on our website: pentanet.com.au

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

**For the year ended 30 June 2026**

| | Note | Consolidated 2026 $'000 | Consolidated 2025 $'000 |
|---|---|---|---|
| **Revenue** | 4 | 24,397 | 22,595 |
| Other income | | 392 | 417 |
| **Total revenue** | | **24,789** | **23,012** |
| **Expenses** | 5 | | |
| Network, carrier, and hardware expenses | | (12,644) | (11,589) |
| Employee benefits expense | | (6,228) | (6,714) |
| Share based payments | | 23 | (50) |
| Other expenses | | (3,575) | (3,299) |
| Finance costs | 5 | (580) | (491) |
| Depreciation and amortisation expense | 5 | (4,635) | (4,674) |
| Impairment expense | 5 | (4,040) | (648) |
| **Loss before income tax expense** | | **(6,890)** | **(4,453)** |
| Income tax expense | 6 | - | - |
| **Loss after income tax expense for the year attributable to the owners of Pentanet Ltd** | 27 | **(6,890)** | **(4,453)** |
| **Other comprehensive income** | | | |
| *Items that will not be reclassified subsequently to profit or loss* | | | |
| Changes in fair value of equity investments at fair value through other comprehensive income | | - | - |
| **Total comprehensive income for the year attributable to the owners of Pentanet Ltd** | | **(6,890)** | **(4,453)** |
| | | Cents | Cents |
| Basic and diluted (loss) per share attributable to owners of Pentanet Ltd | 27 | **(1.59)** | **(1.03)** |

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

# Consolidated Statement of **Financial Position**

**As at 30 June 2026**

| | | Consolidated | |
|---|---|---|---|
| | Note | 2026 $'000 | 2025 $'000 |
| **Assets** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | 7 | 1,513 | 2,213 |
| Trade and other receivables | | 301 | 331 |
| Inventories | | 228 | 204 |
| Deposits and prepayments | | 621 | 610 |
| **Total current assets** | | **2,663** | **3,358** |
| **Non-current assets** | | | |
| Property, plant, and equipment | 8 | 12,166 | 18,742 |
| Right-of-use assets | 9 | 4,058 | 4,809 |
| Intangibles | 10 | 5,850 | 6,661 |
| **Total non-current assets** | | **22,074** | **30,212** |
| **Total assets** | | **24,737** | **33,570** |
| **Liabilities** | | | |
| **Current liabilities** | | | |
| Trade and other payables | 11 | 1,635 | 2,022 |
| Contract liabilities | | 222 | 217 |
| Employee benefits | | 606 | 568 |
| Other liabilities | 12 | 165 | 1,946 |
| Lease liabilities | 13 | 1,090 | 1,026 |
| Borrowings | 14 | 1,209 | 696 |
| **Total current liabilities** | | **4,927** | **6,475** |
| **Non-current liabilities** | | | |
| Contract liabilities | | 23 | 16 |
| Employee benefits | | 238 | 191 |
| Other liabilities | 12 | - | 48 |
| Lease liabilities | 13 | 3,643 | 4,428 |
| Borrowings | 14 | 1,481 | 1,074 |
| **Total non-current liabilities** | | **5,385** | **5,757** |
| **Total liabilities** | | **10,312** | **12,232** |
| **Net assets** | | **14,425** | **21,338** |
| **Equity** | | | |
| Reserves | 15 | 1,357 | 1,451 |
| Issued capital | 16 | 67,310 | 67,310 |
| Accumulated losses | 17 | (50,242) | (43,423) |
| Accumulated other comprehensive income | 18 | (4,000) | (4,000) |
| **Total equity** | | **14,425** | **21,338** |

*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**

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

| Consolidated | Issued capital $'000 | Reserves $'000 | Accumulated losses $'000 | Accumulated other comprehensive income/(loss) $'000 | Total $'000 |
|---|---|---|---|---|---|
| **Balance at 1 July 2025** | 67,310 | 1,451 | (43,423) | (4,000) | 21,338 |
| Loss after income tax expense for the year | - | - | (6,890) | - | (6,890) |
| Other comprehensive income for the year, net of tax | - | - | - | - | - |
| **Total comprehensive loss for the year** | **-** | **-** | **(6,890)** | **-** | **(6,890)** |
| Transactions with owners in their capacity as owners: | | | | | |
| Issue of shares | - | - | - | - | - |
| Share issue costs | - | - | - | - | - |
| Share based payments | - | (23) | - | - | (23) |
| Expiration of options | - | (71) | 71 | - | - |
| **Balance at 30 June 2026** | **67,310** | **1,357** | **(50,242)** | **(4,000)** | **14,425** |

*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**

| | Note | Consolidated 2026 $'000 | Consolidated 2025 $'000 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Receipts from customers (inclusive of GST) | | 24,344 | 23,009 |
| Payments to suppliers and employees (inclusive of GST) | | (22,565) | (21,607) |
| **Cash generated from operations** | | **1,779** | **1,402** |
| Other income | | 362 | 442 |
| Interest received | | 38 | 8 |
| Interest and other finance costs paid | | (580) | (491) |
| **Net cash from operating activities** | 7 | **1,599** | **1,361** |
| | | | |
| **Cash flows from investing activities** | | | |
| Payments for property, plant, and equipment | 8 | (478) | (1,050) |
| Payments for intangibles | 10 | (1,803) | (1,788)[1] |
| **Net cash used in investing activities** | | **(2,281)** | **(2,838)** |
| | | | |
| **Cash flows from financing activities** | | | |
| Proceeds from issue of shares | 16 | - | - |
| Proceeds from borrowings | | 2,118 | 407 |
| Payments of borrowings | | (1,193) | (1,155) |
| Payment of lease liabilities | | (943) | (864) |
| **Net cash used in financing activities** | | **(18)** | **(1,612)** |
| | | | |
| Net (decrease) in cash and cash equivalents | | (700) | (3,089) |
| Cash and cash equivalents at the beginning of the financial year | | 2,213 | 5,302 |
| | | | |
| **Cash and cash equivalents at the end of the financial year** | 7 | **1,513** | **2,213** |

[1] Included in payments for intangibles in FY26 is the final $1.6m payment to ACMA for the 15-year Spectrum License. The full purchase amount of $7,986,200 is recognised in intangible assets and the Group has elected to pay the license fee over five equal instalments per the ACMA's allocation determination.

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

Notes to the
# Consolidated Financial Statements



## Note 1
## Material Accounting Policies

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

### Going Concern

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

For the year ended 30 June 2026, the Group held cash and cash equivalents of $1.5 million (30 June 2025: $2.2 million) and had a working capital deficiency of $2.3 million (30 June 2025: $3.1 million). The Group recorded a total comprehensive loss of $6.9 million (30 June 2025: $4.5 million), net cash inflows from operating activities of $1.6 million (30 June 2025: $1.4 million) and net cash outflows from investing activities of $2.3 million (30 June 2025: $2.8 million).

The Group's ability to continue as a going concern is dependent on maintaining its operating performance and sufficient liquidity to meet its obligations as and when they fall due. In assessing the appropriateness of the going concern basis of preparation, the Directors have considered the Group's cash-flow forecasts for at least 12 months from the date of this report and the following matters:

- Management's forecasts indicate that the Group is expected to generate positive EBITDA and operating cash flows over the forecast period.
- Forecast cash flows indicate that existing cash resources and expected operating cash inflows will be sufficient to meet the Group's working capital, financing and other funding requirements over the forecast period.
- Growth in the Group's nbn subscriber base is expected to support revenue growth without requiring significant additional capital investment.
- During the year, the Group paid the final instalment of approximately $1.6 million relating to its 15-year 26 GHz spectrum licence issued by the Australian Communications and Media Authority. No further instalments are payable and no amount was owing in respect of the licence at 30 June 2026. As a result, capital expenditure cash outflows are expected to reduce in the year ending 30 June 2027.
- The Group continues to manage discretionary expenditure in line with available funding and may seek additional debt or equity funding if required.
- Existing 5G equipment inventory is expected to support the Group's planned network expansion during the year ending 30 June 2027 without material additional capital expenditure.

Based on the cash-flow forecasts and the matters set out above, the Directors are satisfied that the Group will have sufficient cash flows and funding available to meet its obligations as and when they fall due for at least 12 months from the date of this report. Accordingly, the financial report has been prepared on a going concern basis.

### New or amended Accounting Standards and Interpretations adopted

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

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

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

# Note 1
## Material Accounting Policies (continued)



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

### Basis of preparation

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

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

Certain prior year amounts have been reclassified to conform with current year presentation. The reclassifications have been made to improve comparability between periods and have had no effect on the reported results of the Group.

#### *Critical accounting estimates*

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

### Parent entity information

In accordance with the *Corporations Act 2001*, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in Note 24.

### Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Pentanet Ltd ('Company' or 'parent entity') as at 30 June 2026, and the results of all subsidiaries for the year then ended.

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

Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

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

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

### Operating segment information

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

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

### Revenue recognition

The consolidated entity recognises revenue as follows:

#### *Revenue from contracts with customers*

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

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

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

## Note 1
## Material Accounting Policies (continued)



### *Sale of goods*

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

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

### *Rendering of services*

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

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

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

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

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

### *Disposal of assets*

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

### Income tax

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

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

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

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

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

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

### Current and non-current classification

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

## Note 1
## Material Accounting Policies (continued)

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

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or the consolidated entity does not have a right at the reporting date to defer settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

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

### Cash and cash equivalents

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

### Investments and other financial assets

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

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

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

### Property, plant, and equipment

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

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

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

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

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

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

### Right-of-use assets

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

# Note 1
## Material Accounting Policies (continued)

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

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

### Measurement

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

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

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

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

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

### Intangible assets

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

#### *Licenses*

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

#### *Other Intangible Assets*

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

### Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

# Note 1
## Material Accounting Policies (continued)

### Trade and other payables

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

### Borrowings

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

### Lease liabilities

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

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

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

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

### Finance costs

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

### Provisions

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

### Employee benefits

#### *Share-based payments*

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

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

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

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

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

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

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

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

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

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

### Fair value measurement

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

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

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

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

# Note 1
## Material Accounting Policies (continued)

### Issued capital

Ordinary shares are classified as equity.

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

### Dividends

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

### Earnings per share

#### *Basic earnings per share*

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

#### *Diluted earnings per share*

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

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

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

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

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

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

### Rounding of amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183, issued by the Australian Securities and Investments Commission, relating to rounding of amounts in financial and directors' reports. Amounts in this report have been rounded off in accordance with that Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

### New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2026.

The following new and amended Accounting Standards are considered most relevant to the Group:

#### *AASB 18 Presentation and Disclosure in Financial Statements*

AASB 18 replaces AASB 101 Presentation of Financial Statements and introduces new requirements for the presentation of the statement of profit or loss, including defined categories and subtotals, enhanced principles for the aggregation and disaggregation of information and disclosures relating to management-defined performance measures.

AASB 18 applies to the Group for annual reporting periods beginning on or after 1 January 2027 and will first apply to the Group for the financial year ending 30 June 2028. The Group has not early adopted the Standard and is assessing its effect on the presentation and disclosure of its financial statements. The Standard is not expected to affect the recognition or measurement of the Group's assets, liabilities, income or expenses.

Other new or amended Accounting Standards and Interpretations issued but not yet mandatory are not expected to have a material effect on the Group's financial statements.

## Note 2
## Critical Accounting Judgments, Estimates, and Assumptions



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

### *Share-based payment transactions*

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

### *Estimation of useful lives of assets*

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

### *Employee benefits provision*

As discussed in Note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

### *Fair value measurement hierarchy*

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

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs. Refer to Note 23 for further information.

### *Lease term*

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

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

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

### *Impairment Indicators assessment*

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

## Note 3
## Operating Segment Information

### Identification of reportable operating segments

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

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

### *Major customers*

There were no major customers in 2026 or 2025 that contributed more than 5% of revenue.

### *Operating segments*

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

- Telecommunications and related services
- Cloud Gaming and gaming technology services

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

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

## Note 3
## Operating Segment Information (continued)

| Consolidated – 2026 | Telecommunications services $'000 | Cloud Gaming and gaming technology services $'000 | Corporate $'000 | Total $'000 |
|---|---|---|---|---|
| **Revenue** | 21,564 | 2,833 | - | 24,397 |
| Other income | (7) | 378 | 21 | 392 |
| **Total revenue** | **21,557** | **3,211** | 21 | **24,789** |
| EBITDA[1] | 1,999 | 1,660 | (1,294) | 2,365 |
| Finance costs | (495) | (67) | (18) | (580) |
| Depreciation and amortisation | (3,506) | (960) | (169) | (4,635) |
| Impairment | - | (4,040)[2] | - | (4,040) |
| Loss before income tax expense | (2,002) | (3,407) | (1,481) | (6,890) |
| Income tax expense | - | - | - | - |
| **Profit/(loss) after income tax expense** | **(2,002)** | **(3,407)** | **(1,481)** | **(6,890)** |
| **Assets** | | | | |
| Segment assets | 18,786 | 4,112 | 1,839 | 24,737 |
| **Total assets** | **18,786** | **4,112** | **1,839** | **24,737** |
| **Liabilities** | | | | |
| Segment liabilities | 8,748 | 1,099 | 465 | 10,312 |
| **Total liabilities** | **8,748** | **1,099** | **465** | **10,312** |

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

[2] During the year ended 30 June 2026, NVIDIA notified the Group that the RTX Bladerunner 1 platform supporting the Group's GeForce NOW Gen 2 infrastructure had reached end of service life. Vendor support ceased and the GeForce NOW service could no longer operate on this hardware from 31 March 2026. Following the migration of the relevant service workloads and subscribers to Gen 3 infrastructure, the Group decommissioned the Gen 2 RTX servers on 15 April 2026.

As a result, the Gen 2 RTX servers ceased to generate future cash inflows and their value in use was assessed as nil. Recoverable amount was determined as fair value less costs of disposal rather than value in use. Fair value less costs of disposal of $89,646 was determined using a market approach based on a written quotation obtained from a specialist IT asset disposal provider, less the quoted costs of collection, data sanitisation, freight and recycling. An impairment loss of $4,040,099 has been recognised in the profit and loss statement for the year ended 30 June 2026. The servers remain within property, plant and equipment at their written-down carrying amount of $89,646, as no decision has been made to sell them and the criteria for classification as held for sale have not been met.

## Note 3
## Operating Segment Information (continued)

| Consolidated – 2025 | Telecommunications services $'000 | Cloud Gaming and gaming technology services $'000 | Corporate $'000 | Total $'000 |
|---|---|---|---|---|
| **Revenue** | 20,151 | 2,444 | - | 22,595 |
| Other income | 54 | 363 | - | 417 |
| **Total revenue** | **20,205** | **2,807** | - | **23,012** |
| EBITDA[1] | 1,909 | 1,028 | (1,577) | 1,360 |
| Finance costs | (364) | (111) | (16) | (491) |
| Depreciation and amortisation | (3,594) | (838) | (242) | (4,674) |
| Impairment | (648) | - | - | (648) |
| Loss before income tax expense | (2,697) | 79 | (1,835) | (4,453) |
| Income tax expense | - | - | - | - |
| **Profit/(loss) after income tax expense** | **(2,697)** | **79** | **(1,835)** | **(4,453)** |
| **Assets** | | | | |
| Segment assets | 22,297 | 10,090 | 1,183 | 33,570 |
| **Total assets** | **22,297** | **10,090** | **1,183** | **33,570** |
| **Liabilities** | | | | |
| Segment liabilities | 9,783 | 1,681 | 768 | 12,232 |
| **Total liabilities** | **9,783** | **1,681** | **768** | **12,232** |

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

## Note 4
## Revenue

| | Consolidated 2026 $'000 | Consolidated 2025 $'000 |
|---|---|---|
| Rendering of services – telecommunication services | 239 | 348 |
| Rendering of services – recurring network revenue | 20,666 | 19,349 |
| Gaming and technology revenue | 2,833 | 2,444 |
| Sale of goods | 659 | 454 |
| **Revenue** | **24,397** | **22,595** |
| *Timing of revenue recognition* | | |
| Services transferred overtime | 23,738 | 22,141 |
| Goods transferred at a point in time | 659 | 454 |
| **Revenue** | **24,397** | **22,595** |

Of the Group's revenue from contracts with customers, $306,857 was derived from customers in New Zealand, all of which related to gaming and technology revenue. The balance was derived from customers in Australia.

# Note 5
## Expenses

| | Consolidated | |
|---|---|---|
| | 2026 $'000 | 2025 $'000 |
| Loss before income tax includes the following specific expenses: | | |
| Network, carrier and hardware expenses | 12,644 | 11,589 |
| ***Depreciation*** | | |
| Leasehold Improvements | 231 | 237 |
| Plant and Equipment | 268 | 293 |
| Network Infrastructure | 2,290 | 2,298 |
| Right of use assets | 989 | 1,002 |
| **Total depreciation** | **3,778** | **3,830** |
| ***Amortisation*** | | |
| Amortisation of intangible assets | 857 | 844 |
| ***Impairment*** | | |
| Asset impairment[1] | 4,040 | 648 |
| **Total depreciation, amortisation and impairment** | **8,675** | **5,322** |
| ***Finance costs*** | | |
| Finance cost on loans | 346 | 233 |
| Finance cost on leases | 234 | 258 |
| **Finance costs expensed** | **580** | **491** |
| ***Share-based payments expense*** | | |
| Share-based payments expense | (23) | 50 |
| ***Employee benefits expense excluding superannuation*** | | |
| Employee benefits expense excluding superannuation | 5,727 | 6,119 |
| ***Superannuation expense*** | | |
| Defined contribution superannuation expense | 501 | 595 |
| **Total employee benefit expense including superannuation** | **6,228** | **6,714** |
| Advertising and promotion | 1,316 | 1,016 |
| Legal and professional services | 176 | 137 |
| Other operating expenses | 2,083 | 2,146 |
| **Other expenses** | **3,575** | **3,299** |

[1] During the year ended 30 June 2026, NVIDIA notified the Group that the RTX Bladerunner 1 platform supporting the Group's GeForce NOW Gen 2 infrastructure had reached end of service life. Vendor support ceased and the GeForce NOW service could no longer operate on this hardware from 31 March 2026. Following the migration of the relevant service workloads and subscribers to Gen 3 infrastructure, the Group decommissioned the Gen 2 RTX servers on 15 April 2026.

As a result, the Gen 2 RTX servers ceased to generate future cash inflows and their value in use was assessed as nil. Recoverable amount was determined as fair value less costs of disposal rather than value in use. Fair value less costs of disposal of $89,646 was determined using a market approach based on a written quotation obtained from a specialist IT asset disposal provider, less the quoted costs of collection, data sanitisation, freight and recycling. An impairment loss of $4,040,099 has been recognised in the profit and loss statement for the year ended 30 June 2026. The servers remain within property, plant and equipment at their written-down carrying amount of $89,646, as no decision has been made to sell them and the criteria for classification as held for sale have not been met.

## Note 6
## Income Tax Expense

| | Consolidated | |
|---|---|---|
| | 2026 $'000 | 2025 $'000 |
| ***Numerical reconciliation of income tax expense and tax at the statutory rate*** | | |
| Loss before income tax expense | (6,890) | (4,453) |
| Tax at the statutory tax rate of 25% (2025: 25%) | (1,745) | (1,113) |
| Tax effect amounts which are not deductible/(taxable) in calculating taxable income: | | |
| Add: other non-allowable items | 10 | (3) |
| Less: other deductible items | - | - |
| Current net deferred tax asset not recognised | (1,735) | (1,116) |
| Unrecognised deferred tax relating to tax losses | (1,755) | (1,116) |
| Unrecognised deferred tax relating to temporary differences | (1,368) | (244) |
| **Total deferred tax asset not brought to account** | **(3,123)** | **(1,360)** |
| Tax losses not recognised | (12,494) | (5,440) |
| Income tax expense | - | - |
| **The applicable weighted average effective tax rates are as follows:** | **0%** | **0%** |

Tax losses carried forward to later income years are $49,445,884 ($47,878,991 on 30 June 2025).

## Note 7
## Cash and Cash Equivalents

| | Consolidated | |
|---|---|---|
| | 2026 $'000 | 2025 $'000 |
| Cash at bank | 1,432 | 2,132 |
| Term deposits | 81 | 81 |
| **Total** | **1,513** | **2,213** |

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

| | Consolidated | |
|---|---|---|
| | 2026 $'000 | 2025 $'000 |
| Loss after income tax expense for the year | (6,890) | (4,453) |
| **Adjustments for:** | | |
| Depreciation, amortisation and impairment | 8,675 | 5,322 |
| Share-based payments | (23) | 50 |
| **Change in operating assets and liabilities:** | | |
| Decrease in trade and other receivables | 30 | 406 |
| (Increase)/decrease in inventories | (24) | 84 |
| Increase/(decrease) in prepayments | (11) | 84 |
| Increase in trade and other payables | (375) | (312) |
| Increase/(decrease) in contract liabilities | 5 | 103 |
| Net loss on disposal of non-current assets | 127 | - |
| Increase in employee benefits | 85 | 77 |
| **Net cash from operating activities** | **1,599** | **1,361** |
| **Non-cash investing and financing activities** | | |
| Additions to the right-of use assets | 241 | 47 |
| **Total** | **241** | **47** |

## Note 8
## Non-Current Assets – Property, Plant and Equipment

| | Consolidated | |
|---|---|---|
| | 2026 $'000 | 2025 $'000 |
| Leasehold improvements – at cost | 956 | 956 |
| Less: Accumulated depreciation | (774) | (543) |
| | **182** | **413** |
| Plant and equipment – at cost | 1,413 | 1,872 |
| Less: Accumulated depreciation | (1,026) | (1,273) |
| | **387** | **599** |
| Network infrastructure – at cost | 25,312 | 25,673 |
| Less: Accumulated depreciation | (13,715) | (7,943) |
| | **11,597** | **17,730** |
| | **12,166** | **18,742** |

### *Reconciliations*

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

| Consolidated | Leasehold improvements $'000 | Plant and equipment $'000 | Network infrastructure $'000 | Total $'000 |
|---|---|---|---|---|
| Balance at 30 June 2024 | 636 | 718 | 20,142 | 21,496 |
| Additions | 24 | 274 | 694 | 992 |
| Disposals | (10) | (100) | (160) | (270) |
| Impairment | - | - | (648) | (648) |
| Depreciation expense | (237) | (293) | (2,298) | (2,828) |
| Balance at 30 June 2025 | 413 | 599 | 17,730 | 18,742 |
| Additions | - | 60 | 430 | 490 |
| Disposals | - | (4) | (233) | (237) |
| Impairment | - | - | (4,040)[1] | (4,040) |
| **Depreciation expense** | **(231)** | **(268)** | **(2,290)** | **(2,789)** |
| **Balance at 30 June 2026** | **182** | **387** | **11,597** | **12,166** |

[1] During the year ended 30 June 2026, NVIDIA notified the Group that the RTX Bladerunner 1 platform supporting the Group's GeForce NOW Gen 2 infrastructure had reached end of service life. Vendor support ceased and the GeForce NOW service could no longer operate on this hardware from 31 March 2026. Following the migration of the relevant service workloads and subscribers to Gen 3 infrastructure, the Group decommissioned the Gen 2 RTX servers on 15 April 2026.

As a result, the Gen 2 RTX servers ceased to generate future cash inflows and their value in use was assessed as nil. Recoverable amount was determined as fair value less costs of disposal rather than value in use. Fair value less costs of disposal of $89,646 was determined using a market approach based on a written quotation obtained from a specialist IT asset disposal provider, less the quoted costs of collection, data sanitisation, freight and recycling. An impairment loss of $4,040,099 has been recognised in the profit and loss statement for the year ended 30 June 2026. The servers remain within property, plant and equipment at their written-down carrying amount of $89,646, as no decision has been made to sell them and the criteria for classification as held for sale have not been met.

## Note 9
## Non-Current Assets – Right-of-use Assets

| | Consolidated | |
|---|---|---|
| | 2026 $'000 | 2025 $'000 |
| Office lease – right-of-use | 991 | 796 |
| Less: Accumulated depreciation | (673) | (432) |
| | **318** | **364** |
| Network infrastructure – right-of-use | 6,999 | 6,989 |
| Less: Accumulated depreciation | (3,259) | (2,544) |
| | **3,740** | **4,445** |
| | **4,058** | **4,809** |

### *Reconciliations*

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

| Consolidated | Network infrastructure $'000 | Office lease $'000 | Total $'000 |
|---|---|---|---|
| Balance at 30 June 2024 | 5,135 | 609 | 5,744 |
| Additions | 47 | - | 47 |
| Disposals | - | (58) | (58) |
| Modifications | 23 | 55 | 78 |
| Depreciation expense | (760) | (242) | (1,002) |
| | | | |
| Balance at 30 June 2025 | 4,445 | 364 | 4,809 |
| Additions | 44 | 197 | 241 |
| Disposals | - | - | - |
| Modifications | - | (3) | (3) |
| Depreciation expense | (749) | (240) | (989) |
| **Balance at 30 June 2026** | **3,740** | **318** | **4,058** |

# Note 10
## Non-Current Assets – Intangibles

| | Consolidated | |
|---|---|---|
| | 2026 $'000 | 2025 $'000 |
| Other intangible assets – at cost | 844 | 944 |
| Less: Accumulated amortisation and impairment | (297) | (265) |
| | **547** | **679** |
| Licenses – at cost | 8,655 | 8,657 |
| Less: Accumulated amortisation | (3,352) | (2,675) |
| | **5,303** | **5,982** |
| | **5,850** | **6,661** |

***Reconciliations***

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

| Consolidated | Licenses $'000 | Other $'000 | Total $'000 |
|---|---|---|---|
| Balance at 30 June 2024 | 6,660 | 660 | 7,320 |
| Additions | 12 | 175 | 187 |
| Disposals | (2) | - | (2) |
| Amortisation expense | (688) | (156) | (844) |
| | | | |
| Balance at 30 June 2025 | 5,982 | 679 | 6,661 |
| Additions | 11 | 37 | 48 |
| Disposals | (1) | - | (1) |
| Amortisation expense | (689) | (169) | (858) |
| **Balance at 30 June 2026** | **5,303** | **547** | **5,850** |

# Note 11
## Current Liabilities – Trade and Other Payables

| | Consolidated | |
|---|---|---|
| | 2026 $'000 | 2025 $'000 |
| Trade payables | 980 | 885 |
| GST payable | 88 | 408 |
| Other payables | 567 | 729 |
| | **1,635** | **2,022** |

The carrying amounts of trade and other payables are the same as their fair values due to their short-term nature. Refer to Note 20 for further information on financial instruments.

## Note 12
## Other Liabilities

| | Consolidated | |
|---|---|---|
| | 2026 $'000 | 2025 $'000 |
| Term purchases | 165 | 190 |
| Intangible asset finance[1] | - | 1,756 |
| **Total current other liabilities** | **165** | **1,946** |
| Term purchases | - | 48 |
| Intangible asset finance[1] | - | - |
| **Total non-current other liabilities** | **-** | **48** |
| | **165** | **1,994** |

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

Refer to Note 20 for further information on financial instruments.

## Note 13
## Lease Liabilities

| | Consolidated | |
|---|---|---|
| | 2026 $'000 | 2025 $'000 |
| Current Lease liability | 1,090 | 1,026 |
| Non-current lease liabilities | 3,643 | 4,428 |
| **Total lease liabilities** | **4,733** | **5,454** |

### Description of Lease Arrangements

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

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

Refer to Note 20 for further information on financial instruments.

## Note 14
## Borrowings

| | Consolidated | |
|---|---|---|
| | 2026 $'000 | 2025 $'000 |
| **Current** | | |
| Bank loan | 548 | 517 |
| Equipment finance facility | 463 | - |
| Term purchase agreement | 198 | 179 |
| **Total current borrowings** | **1,209** | **696** |
| **Non-current** | | |
| Bank loan | 197 | 698 |
| Equipment finance facility | 1,105 | - |
| Term purchase agreement | 179 | 376 |
| **Total non-current borrowings** | **1,481** | **1,074** |

The Group's borrowings are secured as follows:

1. Toyota Fleet Management facility: Secured against the Company's fleet and installation vehicles financed under the facility.
2. Westpac loan facilities: Secured by a first-ranking General Security Agreement over all present and future property of the Group.
3. Cambium Networks NaaS facility: Secured against the 5G network equipment purchased under the facility, with legal title to the assets retained until repayment.
4. Moneytech Finance facility: Secured by a second-ranking General Security Agreement, subject to a Deed of Priority with Westpac.

## Note 15
## Equity – Reserves

| | Consolidated | |
|---|---|---|
| | 2026 $'000 | 2025 $'000 |
| Share-based payments reserve | **1,357** | **1,451** |

### *Movements in reserves*

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

| | Reserves | |
|---|---|---|
| **Consolidated** | 2026 $'000 | 2025 $'000 |
| Opening Balance: | 1,451 | 1,401 |
| Share-based payments expense | (23) | 50 |
| Expiration of options | (71) | - |
| **Closing Balance:** | **1,357** | **1,451** |

| Options on issue | Number of options |
|---|---|
| **Balance at 1 July 2025** | **7,168,777** |
| Granted during the year | - |
| Exercised during the year | - |
| Expired/forfeited during the year | (3,319,702) |
| **Balance at 30 June 2026** | **4,849,075** |

### Nature and purpose of reserves

#### *Share-based payments*

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

## Note 16
## Equity – Issued Capital

| | Consolidated | | | |
|---|---|---|---|---|
| | 2026 Shares | 2025 Shares | 2026 $'000 | 2025 $'000 |
| Ordinary shares – fully paid | 433,171,658 | 433,171,658 | 67,310 | 67,310 |

#### *Ordinary shares*

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

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

#### *Share buy-back*

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

#### *Capital risk management*

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

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

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

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

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

The capital risk management policy remains unchanged from the 30 June 2025 Annual Financial Statements.

## Note 17
## Equity – Accumulated Losses

| | Consolidated | |
|---|---|---|
| | 2026 $'000 | 2025 $'000 |
| Accumulated losses at the beginning of the financial year | (43,423) | (38,970) |
| Loss after income tax expense for the year | (6,890) | (4,453) |
| Expiration of options | 71 | - |
| **Accumulated losses at the end of the financial year** | **(50,242)** | **(43,423)** |

## Note 18
## Equity – Accumulated Other Comprehensive Income

| | Consolidated | |
|---|---|---|
| | 2026 $'000 | 2025 $'000 |
| Accumulated other comprehensive income/(loss) at the beginning of the financial year | (4,000) | (4,000) |
| Other comprehensive income for the year | - | - |
| **Accumulated other comprehensive income/(loss) at the end of the financial year** | **(4,000)** | **(4,000)** |

## Note 19
## Equity – Dividends

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

## Note 20
## Financial Instruments

### Financial risk management objectives

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

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

### Market risk

*Foreign currency risk*

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

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

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

## Note 20
## Financial Instruments (continued)

### *Price risk*

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

### *Interest rate risk*

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

### *Price risk exposure*

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

### *Credit risk*

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

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

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

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

### *Allowance for expected credit losses*

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

| | Expected credit loss rate | | Carrying amount | | Allowance for expected credit losses | |
|---|---|---|---|---|---|---|
| **Consolidated** | **2026 %** | **2025 %** | **2026 $'000** | **2025 $'000** | **2026 $'000** | **2025 $'000** |
| Not past due | 0% | 0% | 90 | 98 | - | - |
| 0-30 days past due | 0% | 0% | 52 | 46 | - | - |
| 31-60 days past due | 1% | 7% | 14 | 10 | - | 1 |
| 61-90 days past due | 5% | 55% | 13 | 19 | 1 | 10 |
| More than 90 days past due | 80% | 22% | 23 | 82 | 19 | 18 |
| | | | **192** | **255** | **20** | **29** |

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

| | Consolidated | |
|---|---|---|
| | **2026 $'000** | **2025 $'000** |
| Opening balance | 30 | 47 |
| Additional provisions recognised | 58 | 98 |
| Receivables written off during the year as uncollectable | (68) | (115) |
| **Closing balance** | **20** | **30** |

## Note 20
## Financial Instruments (continued)

### *Liquidity risk*

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

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

### *Remaining contractual maturities*

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

| Consolidated – 2026 | Weighted average interest rate % | 1 year or less $'000 | Between 1 and 2 years $'000 | Between 2 and 5 years $'000 | Over 5 years $'000 | Remaining contractual maturities $'000 |
|---|---|---|---|---|---|---|
| Non-derivatives | | | | | | |
| *Non-interest bearing* | | | | | | |
| Trade payables | | 980 | - | - | - | 980 |
| Other payables | | 655 | - | - | - | 655 |
| Contract liabilities | | 222 | 18 | 6 | - | 246 |
| *Interest bearing* | | | | | | |
| Term purchase and other finance arrangements | 11.75% | 825 | 699 | 585 | - | 2,109 |
| Bank loans | 7.63% | 548 | 196 | - | - | 744 |
| Lease liability | 4.27% | 1,186 | 959 | 2,322 | 891 | 5,358 |
| **Total non-derivatives** | | **4,416** | **1,872** | **2,913** | **891** | **10,092** |

| Consolidated – 2025 | Weighted average interest rate % | 1 year or less $'000 | Between 1 and 2 years $'000 | Between 2 and 5 years $'000 | Over 5 years $'000 | Remaining contractual maturities $'000 |
|---|---|---|---|---|---|---|
| Non-derivatives | | | | | | |
| *Non-interest bearing* | | | | | | |
| Trade payables | | 885 | - | - | - | 885 |
| Other payables | | 1,137 | - | - | - | 1,137 |
| Contract liabilities | | 217 | 13 | 3 | - | 233 |
| *Interest bearing* | | | | | | |
| Term purchase and other finance arrangements | 4.20% | 2,126 | 245 | 179 | - | 2,550 |
| Bank loans | 7.13% | 517 | 555 | 143 | - | 1,215 |
| Lease liability | 4.31% | 1,026 | 805 | 2,028 | 1,595 | 5,454 |
| **Total non-derivatives** | | **5,908** | **1,618** | **2,353** | **1,595** | **11,474** |

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

# Note 20
## Financial Instruments (continued)

### *Fair value of financial instruments*

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

There were no transfers between levels during the financial year.

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

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

The Group's investment in Canopus Networks Pty Ltd is classified as a financial asset at fair value through other comprehensive income (FVOCI). The investment is not held for trading and was designated as FVOCI on initial recognition as it is considered a strategic investment.

The investment is classified as a Level 3 financial instrument as its fair value is determined using unobservable inputs.

At 30 June 2026, the Group reassessed the fair value of its investment in Canopus Networks Pty Ltd in accordance with AASB 13 Fair Value Measurement. Based on management's review of available information, including Canopus Networks Pty Ltd's current financial position, business strategy and lack of expected near-term revenue, the fair value of the investment remains assessed at nil (2025: nil).

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

There were no transfers between levels during the financial year.

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

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

# Note 21
## Key Management Personnel Disclosures

### *Compensation*

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

| | Consolidated | |
|---|---|---|
| | 2026<br>$ | 2025<br>$ |
| Short-term employee benefits | 967,880 | 990,079 |
| Post-employment benefits | 97,131 | 95,254 |
| Share-based payments | (1,928) | 60,184 |
| | **1,063,083** | **1,145,517** |

### *Short-term Employee benefits*

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

### *Post-employment benefits*

These amounts are the superannuation payment made during the year.

## Note 22
## Remuneration of Auditors

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

| | Consolidated | |
|---|---|---|
| | 2026<br>$ | 2025<br>$ |
| ***Audit services – BDO Audit Pty Ltd*** | | |
| Audit or review of the financial statements | 122,050 | 118,093 |
| | **122,050** | **118,093** |

## Note 23
## Related Party Transactions

### *Parent entity*

Pentanet Ltd is the parent entity.

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

| | | Ownership interest held by the group | |
|---|---|---|---|
| **Name of subsidiary** | **Principal place of business** | **2026**<br>**%** | **2025**<br>**%** |
| Pentanet.GG Pty Ltd | Perth, Australia | 100 | 100 |
| Pentatech Pty Ltd | Perth, Australia | 100 | 100 |
| Pentacomm Pty Ltd | Perth, Australia | 100 | 100 |

### *Key management personnel*

Disclosures relating to key management personnel are set out in Note 21 and the remuneration report included in the Directors' report.

Directors are listed in the Directors' report.

## Note 23
## Related Party Transactions (continued)

### *Transactions with related parties*

The following transactions occurred with related parties:

| | Consolidated | |
|---|---|---|
| | **2026 $** | **2025 $** |
| **Transactions:** | | |
| DFK Gooding Partners | 35,448 | 35,255 |
| The Cornish Property Trust | - | 13,355 |
| **Current payables:** | | |
| Trade payables to other related party | **1,733** | - |

Pentanet Ltd spent $35,448 with DFK Gooding Partners for accounting and tax advisory services during the year, on commercial terms and market rates, which is a director related entity (Dalton Gooding), with a balance of $1,733 relating to this fee outstanding as at 30 June 2026.

### *Loans to/from related parties*

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

### *Terms and conditions*

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

## Note 24
## Parent Entity Information

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

### *Statement of profit or loss and other comprehensive income*

| | Parent | |
|---|---|---|
| | **2026 $'000** | **2025 $'000** |
| Loss after income tax | (7,392) | (4,400) |
| Other comprehensive income | 2 | 64 |
| **Total comprehensive loss** | **(7,390)** | **(4,335)** |

## Note 24
## Parent Entity Information (Continued)

*Statement of financial position*

| | Parent | |
|---|---|---|
| | 2026 $'000 | 2025 $'000 |
| Total current assets | **2,624** | **3,338** |
| Total assets | **24,214** | **33,551** |
| Total current liabilities | **4,905** | **5,941** |
| Total liabilities | **10,290** | **12,215** |
| **Equity** | | |
| Issued capital | 67,310 | 67,309 |
| Share-based payments reserve | 1,428 | 1,451 |
| Accumulated losses | (50,814) | (43,424) |
| Accumulated other comprehensive income | (4,000) | (4,000) |
| **Total equity** | **13,924** | **21,336** |

### *Financial Assets at fair value through other comprehensive income*

During the year ended 30 June 2026, the Company formally forgave intercompany loans owing by its wholly owned subsidiaries, Pentanet.GG, Pentatech Pty Ltd and Pentacomm Pty Ltd, totalling $2.124 million.

These loans had been fully impaired in prior periods. Before the loans were forgiven, the impairment provisions were adjusted to reflect the final outstanding loan balances, resulting in a net impairment gain of $2,000 for the year ended 30 June 2026.

Following this adjustment, the intercompany loan receivables and corresponding impairment provisions were derecognised. As the loans had a nil carrying amount immediately before forgiveness, no further gain or loss arose on forgiveness.

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

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2026 and 30 June 2025.

### *Contingent liabilities*

The parent entity had no contingent liabilities as at 30 June 2026 and 30 June 2025.

### *Capital commitments - Property, plant and equipment*

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2026 and 30 June 2025.

### *Material accounting policies*

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

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

## Note 25
## Events After the Reporting Period

No matters or circumstances have arisen since 30 June 2026 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

## Note 26
## Commitments

The consolidated entity had no commitments as at 30 June 2026.

## Note 27
## Earnings Per Share

| | Consolidated | |
|---|---|---|
| | 2026 $'000 | 2025 $'000 |
| *Loss per share for loss from continuing operations* | | |
| Loss after income tax | **(6,890)** | **(4,453)** |
| Loss after income tax attributable to the owners of Pentanet Ltd | **(6,890)** | **(4,453)** |
| | **Number** | **Number** |
| *Weighted number of ordinary shares* | | |
| Weighted average number of ordinary shares used in calculating basic earnings per share | **433,171,658** | **433,171,658** |
| | **Cents** | **Cents** |
| Basic and Diluted (loss) per share attributable to owners of Pentanet group | (1.59) | (1.03) |

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

The comparative basic and diluted loss per share for the year ended 30 June 2025 has been restated from (0.01) to (1.03) cents per share. The amount previously reported was expressed in dollars per share rather than cents per share. There is no change to the loss after income tax attributable to the owners of Pentanet Ltd or to the weighted average number of ordinary shares used in the calculation.

# **Consolidated Entity**
# Disclosure Statement

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

# **Directors'** Declaration

In the Directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in Note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2026 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

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

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

On behalf of the Directors

**David Buckingham**
**Non-Executive Chairman**

31 August 2026
Perth

# **Independent Auditor's** Report



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## INDEPENDENT AUDITOR'S REPORT

To the members of Pentanet Limited

## Report on the Audit of the Financial Report

### Opinion

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

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

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

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

### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the 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 audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

BDO

**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.

**Revenue Recognition**

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

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### Going Concern

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

### Other information

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

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

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

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

### Responsibilities of the directors for the Financial Report

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

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

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

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

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

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

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

### Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

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

This description forms part of our auditor's report.

## Report on the Remuneration Report

### Opinion on the Remuneration Report

We have audited the Remuneration Report included on pages 27 to 36 of the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Pentanet 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.

**BDO Audit Pty Ltd**

BDO

**Jarrad Prue**

**Director**

Perth, 31 August 2026

# **Shareholder** Information



## Additional ASX Information

The following additional information is required by the Australian Securities Exchange. The information is current as at 31 July 2026.

## Shareholding Information

The following information relates to fully paid ordinary shares in the Company. The Company has 433,171,658 fully paid ordinary shares on issue. The share price was $0.015.

## Shareholding Distribution

| Holding Ranges | Holders | Total Shares | % Issued Share Capital |
|---|---|---|---|
| above 0 up to and including 1,000 | 504 | 357,340 | 0.08% |
| above 1,000 up to and including 5,000 | 945 | 2,417,786 | 0.56% |
| above 5,000 up to and including 10,000 | 707 | 5,565,867 | 1.28% |
| above 10,000 up to and including 100,000 | 875 | 31,159,367 | 7.19% |
| above 100,000 | 377 | 393,671,298 | 90.88% |
| **Totals** | **3,408** | **433,171,658** | **100.00%** |

The number of holders holding less than a marketable parcel ($500) is 2,689 holders with a total of 18,464,656 fully paid ordinary shares amounting to 4.26% of issued share capital.

## Twenty Largest Shareholders

| Position | Holder Name | Holding | % of Issued Capital |
|---|---|---|---|
| 1 | STEPHEN CORNISH | 43,229,096 | 9.98% |
| 2 | CITICORP NOMINEES PTY LIMITED | 16,067,846 | 3.71% |
| 3 | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 13,247,636 | 3.06% |
| 4 | R J & A INVESTMENTS PTY LTD <MULLER MORVAN FAMILY A/C> | 11,000,000 | 2.54% |
| 5 | J P MORGAN NOMINEES AUSTRALIA PTY LIMITED | 10,875,353 | 2.51% |
| 6 | OCEANVIEW ROAD PTY LTD | 10,000,000 | 2.31% |
| 7 | MR ANTHONY WARREN SLATER | 9,250,000 | 2.14% |
| 8 | HILLBOI NOMINEES PTY LTD | 8,719,187 | 2.01% |
| 9 | PETER & SUSAN CORNISH | 8,666,410 | 2.00% |
| 10 | MR PETER JOHN CORNISH <THE CORNISH FAMILY A/C> | 7,253,137 | 1.67% |
| 11 | SEALEX PTY LTD <THE SEAL A/C> | 6,200,000 | 1.43% |
| 12 | CIRCLESTAR PTY LTD <DAVID SCHWARTZ FAMILY A/C> | 5,995,719 | 1.38% |
| 13 | PRM PROPERTY HOLDINGS PTY LTD | 5,512,821 | 1.27% |
| 14 | ONKAPARINGA RIVER PTY LTD <HAVEN HOLDINGS A/C> | 5,279,669 | 1.22% |
| 15 | TIMOTHY CORNISH | 5,018,000 | 1.16% |
| 16 | DEBUSCEY PTY LTD <THE G N NO 1 A/C> | 5,000,000 | 1.15% |
| 17 | TIMIGEV NOMINEES PTY LTD <THE PAYNE SUPER FUND A/C> | 4,629,752 | 1.07% |
| 18 | MR ROBERT EMMET O'HARA | 4,550,477 | 1.05% |
| 19 | KIMOSABI PTY LTD <LONE RANGER A/C> | 4,297,000 | 0.99% |
| 20 | BNP PARIBAS NOMS (NZ) LTD | 4,285,461 | 0.99% |
| | **Total Top Twenty** | **189,077,564** | **43.65%** |
| | **Total Issued Capital** | **433,171,658** | **100.00%** |

## Substantial Shareholders

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

| Shareholder | Number | % of Issued Share Capital | Date of Notice |
|---|---|---|---|
| STEPHEN CORNISH | 50,482,233 | 11.65% | 2 August 2024 |

## Unquoted Option Holding Information

The following relates to options over fully paid ordinary shares in the Company. Options are exercisable at different amounts and have various expiry dates. The Company has 4,849,075 options on issue.

### Unquoted option holding distribution

| Holding Ranges | Holders | Total Options | % Issued Option Capital |
|---|---|---|---|
| Above 0 up to and including 1,000 | - | - | - |
| Above 1,000 up to and including 5,000 | - | - | - |
| Above 5,000 up to and including 10,000 | - | - | - |
| Above 10,000 up to and including 100,000 | - | - | - |
| Above 100,000 | 4 | 4,849,075 | 100.00% |
| **Totals** | **4** | **4,849,075** | **100.00%** |

## Unquoted Options Over Fully Paid Ordinary Shares

| Class | Holders | Number |
|---|---|---|
| Unlisted Options – exercisable at 12 cents each on or before 22/12/2026 | 1 | 1,000,000 |
| Unlisted Options – exercisable at 12.4 cents each on or before 30/06/2027 (vesting on 30/06/2026, subject to vesting criteria) | 3 | 3,849,075 |
| **Total** | | **4,849,075** |

## Voting Rights

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

### *(i) Fully paid ordinary shares*

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

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

### *(ii) Options over fully paid ordinary shares*

No voting rights.

## Corporate Governance

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

## Other

There is no current on-market buy-back.

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

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

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

PENTANET

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