

PENTANET MAINTAINS POSITIVE EBITDA AND BEGINS STRATEGIC BRAND REINVESTMENT TO DRIVE GROWTH

KEY HIGHLIGHTS Q1FY26 (UNAUDITED)

(QoQ: Quarter on Quarter, being Q1FY26 vs Q4FY25, PcP: Prior Comparative Period, being Q1FY26 vs Q1FY25)

- Consolidated revenue up 1% QoQ and 9% on PcP to \$5.9 million
- Consolidated gross profit⁽¹⁾ of \$2.9 million, up 21% on PcP
- EBITDA⁽²⁾ maintained at \$0.6m, marking the fourth consecutive positive quarter
- 5G subscribers are up 9% QoQ and 63% on PcP to 986 subscribers
- Gaming segment revenue at \$0.66 million, up 33% on PcP, with gross profit of \$0.45 million for Q1FY26
- CloudGG ARPU up 6% QoQ to \$21 and up 51% on PcP
- Cash receipts from customers stable at \$5.9 million QoQ, up 10% on PcP
- Net cash from operating activities improved 50% QoQ from \$0.4 million to \$0.6 million
- Net cash used in investing activities includes the final 5G Spectrum license payment of \$1.7 million

Pentanet Managing Director, Mr Stephen Cornish, said, “Following a year of disciplined cost management and positive EBITDA⁽²⁾, Pentanet is positioned for a new phase of marketing reinvestment.

Having focused on targeted digital and social engagement in recent years, our new creative platform – launching November 1 across a broader channel mix - marks an exciting step towards renewed market visibility and growth. We’re reigniting awareness with a new brand campaign that’s simple, flexible, and unmistakably ours. It marks a deliberate return to growth, focused on driving subscriber acquisition and enhancing Pentanet’s position as Perth’s own ISP. This platform signals the next chapter for Pentanet, strengthening engagement, trust, and pride in what we do best: delivering ridiculously reliable internet, backed by local support that genuinely cares.

Our financial foundation remains solid, for a fourth consecutive quarter, giving us the confidence to reinvest in growth while maintaining cost discipline and remaining EBITDA positive.”

- (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: Earnings Before Interest, Tax, Depreciation and Amortisation is a financial measure which is not prescribed by Australian Accounting Standard ('AAS') and represents the profit under AAS adjusted for depreciation, amortisation, interest and tax.

OPERATIONAL UPDATE

Telecommunications

Telecommunications	On-net		Off-net		Total		Change	
Subscribers	Q4FY25	Q1FY26	Q4FY25	Q1FY26	Q4FY25	Q1FY26	On-net	Off-net
Opening Balance	6,857	6,844	11,145	11,313	18,002	18,157	(0%)	2%
Gross new subscribers	206	134	585	766	791	900	(35%)	31%
Churn	(219)	(221)	(417)	(476)	(636)	(697)	1%	14%
Closing Balance	6,844	6,757	11,313	11,603	18,157	18,360	(1%)	3%
Average Monthly Churn	1.1%	1.1%	1.2%	1.4%	1.2%	1.3%	0%	11%
Subscriber Split	38%	37%	62%	63%				

Pentanet's telecommunications segment maintained steady operational performance in Q1FY26, with growth in off-net and 5G subscribers. The quarter also marked the start of preparations for the upcoming Q2 brand campaign, Pentanet's first large-scale brand initiative since FY23.

Total subscribers increased 1% QoQ and 4% on PcP to 18,360, reflecting strong off-net performance. Gross new off-net subscribers (primarily NBN) increased 31% QoQ to 766, while on-net additions decreased 35% QoQ to 134.

Off-net growth was supported by NBN's Speed Boost program, which automatically upgraded eligible higher-speed fibre and HFC connections during September 2025. The upgrades, offered at no additional cost, increased achievable speed across several plan tiers, driving stronger customer acquisition within Pentanet's NBN base.

5G subscribers, included within the on-net base, increased 9% QoQ to 986, reflecting continued adoption across Pentanet's 5G coverage net. Pentanet's 5G network now represents approximately a quarter of the Company's tower footprint, with the strategic focus shifting to subscriber growth and utilisation. Sufficient Customer Premise Equipment (CPE) inventory remains on hand to meet expected deployment needs for H1FY26.

Churn increased marginally from 1.2% to 1.3% QoQ, driven primarily by heightened promotional activity off the back of the NBN Speed Boost program. On-net churn remained stable at 1.1%, while off-net churn increased from 1.2% to 1.4%.

Blended ARPU remained steady at \$95, supported by the higher value mix of NBN and 5G plans and continued customer migration toward higher-speed plans.

Operationally, the quarter focused on consolidating network capacity and preparing for the next phase of growth. Planning advanced for Pentanet's upcoming Q2 brand campaign, which is expected to strengthen market awareness, attract new subscribers, and reinforce Pentanet's positioning as Perth's own ISP.

GeForce NOW Cloud Gaming

Pentanet's GeForce NOW Powered by CloudGG platform delivered stable performance in Q1FY26, with 9% QoQ growth in the Performance plan and 3% QoQ growth in the Ultimate plan. The planned retirement of the Casual Plan offset overall subscriber growth. Despite this adjustment, churn continued its downward trend from January 2025, and engagement remained strong across the premium tiers. CloudGG ARPU increased 6% QoQ to \$21 and 51% on PcP, reflecting an uptick in higher-value subscriptions. The platform also benefited from a strong game lineup and expanded marketing activity ahead of the seasonal peak expected in Q2.

Total CloudGG captive audience grew 21% on PcP to over 749,000 members, reflecting the platform's continued relevance and strong content offering.

FINANCIAL UPDATE

Revenue

Consolidated revenue increased 1% QoQ and 9% on PcP to \$5.9 million across Pentanet's two product segments.

Telecommunications revenue has increased by 2% QoQ and 7% on PcP to \$5.2 million supported by stable subscriber metrics and an ongoing shift to higher-value plans. 5G Revenue increased 11% QoQ to \$0.2 million. Recurring revenue remained steady at 96%.

GeForce NOW revenue remained stable at \$0.7 million QoQ and up 33% on PcP. The gaming segment continued to benefit from prior-year pricing and plan optimisation, as well as a higher-value subscription mix.

Gross Profit

Consolidated gross profit remained steady at \$2.9 million QoQ and up 22% on PcP, and the gross margin improved strongly by 5 percentage points (pp) from 44% to 49% on PcP. The gaming segment was a key contributor, with GeForce NOW benefiting from higher ARPU following the plan restructuring and operational efficiencies. These initiatives led to a 51pp increase in gross margin to 67% on PcP.

Telecommunication Gross Profit remained stable at \$2.5 million and increased by 7% on PcP. The QoQ margin declined by 1pp to 47% due to increased NBN wholesale costs, while PcP remained stable.

Expenses & EBITDA

EBITDA remained positive at \$0.6 million in line with Q4FY25. Overhead costs remained stable at \$2.4 million and are down 15% on PcP, reflecting continued operational discipline across employee-related expenses, marketing, and general overheads.

Telecommunication segment overheads are down 12% QoQ, driven primarily by a 15% QoQ reduction in employee costs. EBITDA softened slightly from \$0.6 million to \$0.5 million, reflecting an additional \$50k investment in marketing in preparation for the Q2 brand campaign, with the remaining campaign expenditure to be recognised in Q2 and Q3.

The Gaming segment EBITDA remained stable at \$0.4 million QoQ.

Q1 Cash Flow

The Cash position improved by \$0.2 million QoQ, with net cash from operating activities of \$0.6 million, up 50% QoQ, a \$1.2 million improvement on PcP. This was driven by improved underlying EBITDA performance and continued disciplined working capital management.

Cash used in investing activities totalled \$2.1 million, including the final \$1.6 million payment for the 15-year, high-band 5G Spectrum License, and an additional \$0.1 million for the annual spectrum license fee. The remainder of cash used in investing activities, totalling \$0.4 million, covers tower leases expenses, labour costs and equipment for traditional and 5G CPE installations.

Cash from financing activities included a \$2 million finance facility with Moneytech Finance Pty Ltd. This facility provided Pentanet with the flexibility to fund the spectrum licence payments of \$1.7 million, which are included in cash used in investing activities.

The company closed the quarter with a cash balance of \$2.4 million and unused financing facilities of \$6.9 million.

Use of funds and related party transactions

In accordance with ASX Listing Rule 4.7C.1, the Company's net cash inflow from operations for the quarter was \$594,000 with receipts from customers of \$5,932,000. The Company's operational expenses mainly comprised of product and manufacturing costs (\$2,928,000) and staff costs (\$1,465,000).

In accordance with ASX Listing Rule 4.7C.3, payments in the September 2025 quarter to related parties (and their associates) of \$324,643 included in Item 6 in Appendix 4C consisted of directors' fees and director associate fees, rent paid and received, and accounting services paid to associates of directors.

This announcement has been authorised for release by the Managing Director of Pentanet Limited, Mr Stephen Cornish.

For further information, please contact:

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About Pentanet

Pentanet is a Perth-based, growth-focused telco delivering high-speed internet to a growing number of subscribers by providing next-generation internet speeds. This is achieved through Pentanet's market-leading private wireless network, the largest in Perth, as well as reselling fixed-line services such as nbn® and Opticomm.

The Company's flagship wireless network has benefits for both customers and investors, offering an outstanding customer experience and a fixed wireless product that is technically superior to most of the nbn with attractive margins for investors. This sets Pentanet apart from most broadband providers, which typically only resell the nbn.

Pentanet is also part of the rollout of the next wave of subscription-based entertainment services – cloud gaming. The Company's Alliance Partner Agreement with NVIDIA allowed Pentanet to be the first to bring their GeForce NOW technology to Australia in 2021. Since launch, the platform has amassed over 749,000 users.

Pentanet invites existing and prospective shareholders to join the conversation within the Company's interactive Investor Hub at investorhub.pentanet.com.au