FY26 RESULTS ANNOUNCEMENT

EBITDA UP 74% DRIVEN BY STRONG GROWTH IN HIGHER-MARGIN GAMING SEGMENT

Pentanet Ltd **(ASX:5GG or Pentanet or Company)** is pleased to provide its financial results for the year ended 30 June 2026 ("FY26").

FY26 KEY HIGHLIGHTS

- **Group revenue up 8% on PcP[1] to $24.4 million**
  - Gaming revenue up 16% on PcP to $2.8 million
  - Telco revenue up 7% to $21.6 million
- **Group EBITDA up 74% to $2.4 million**
  - Gaming segment EBITDA[2] up 61% to $1.7 million[3]
  - Gaming gross margin of 68%, Telco gross margin of 46%
- **Strategic importance of NVIDIA GeForce NOW Alliance Partner status in Aus & NZ**
  - Pentanet's CloudGG premium cloud-gaming services are based on NVIDIA GPUs
  - Pentanet operates one of Australia's larger clusters of high-powered NVIDIA gaming GPUs
- **Net Loss After Tax of $6.9 million**
  - Includes one-off impairment on GeForce NOW Gen 2 RTX servers of $4.0 million, following the migration of subscribers to the Gen 3 platform
- **Positive Net Operating Cash Inflow up 17% to $1.6 million**
- **Positive outlook for FY27**
  - Lifting utilisation of the GPU capacity already deployed to grow cloud-gaming
  - Steady growth in Telco business
  - Improved operating leverage and profitability

[1] PcP refers to Prior Corresponding Period, being FY26 vs FY25

[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] Group EBITDA includes $1.3 million (FY25: $1.5 million) in corporate costs, which are excluded from segment EBITDA

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FY26 Results Overview

$m	FY26	FY25	Change[4]
Revenue	24.4	22.6	**8%**
EBITDA	2.4	1.4	**74%**
One-off impairment	(4.0)	(0.6)	**523%**
Net (Loss) After Tax	(6.9)	(4.5)	**55%**
Net Operating Cash Flow	1.6	1.4	**17%**

[4] Percentages are arithmetic movements in the reported figure.

Note: Figures in this announcement 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.

Stephen Cornish, Managing Director Pentanet, commented:

"FY26 was a year of disciplined execution for Pentanet, ensuring a solid foundation before we enter the next phase of growth. We have built leading-edge NVIDIA GPU and telco infrastructure, which underpins two subscription revenue layers across telco and gaming subscriptions. We have an established platform with a growing premium subscriber base, telco connectivity across Australia, and a high-growth potential gaming business.

Pentanet is also exploring a path to further GPU expansion as part of its NVIDIA alliance. Then we will focus on putting our infrastructure to work – more gamers on the platform and higher utilisation of every asset."

FY26 Financial Overview

Pentanet owns and operates leading-edge NVIDIA GPU and telco infrastructure, the platforms behind next-generation cloud gaming on any screen, and fast and reliable internet at home.

FY26 was a defining year for Pentanet, as the Company executed on its strategy to accelerate growth in the higher-margin gaming segment. Pentanet delivered Group revenue of $24.4 million, up 8% on PcP. This was driven by solid growth in Telco revenue, up 7% on PcP to $21.6 million, as well as strong growth in Gaming revenue, up 16% on PcP to $2.8 million.

Group gross profit increased 7% on PcP to $11.8 million, at a gross margin of 48%. Importantly, the composition of that gross profit is shifting, as gaming scales faster than the Group as a whole, and now contributes an expanding share of gross profit and EBITDA. The Gaming segment delivered a gross profit margin of 68%, compared to the Telco gross profit margin of 46%. This validates Pentanet's strategy of leveraging its existing infrastructure to build a scalable cloud-gaming platform on top of an established telecommunications base.

Group EBITDA increased 74% on PcP to $2.4 million, materially outpacing revenue growth and demonstrating the operating leverage in Pentanet's business model. As higher-margin gaming revenue grows against a relatively fixed cost base, incremental revenue is converting to EBITDA at an accelerating rate. Gaming contributed $1.7 million and Telco contributed $2.0 million to Group EBITDA, before $1.3 million in corporate costs. Gaming EBITDA now accounts for 46% of Group EBITDA, before corporate costs, up from 35% in FY25.

Pentanet delivered a net loss after tax of $6.9 million, which includes a one-off impairment of $4.0 million on the GeForce NOW Gen 2 RTX servers. During the year, NVIDIA advised that support for the GeForce NOW Gen 2 platform would cease. Following the successful migration of workloads and subscribers to the Gen 3 platform, the Gen 2 servers were decommissioned and their value in use was assessed as nil.

All GeForce NOW workloads and subscribers now operate on the Gen 3 platform.

Net Operating Cash Flow of $1.6 million was up 17% on PcP, and the cash balance was $1.5 million at 30 June 2026.

Gaming Segment Overview

	FY26	FY25	Change[4]
Key Metrics			
ARPU	$24	$17	36%
Customers	9,882	10,738	(8%)
Registered accounts	~840,000	~725,000	16%
Key Financials			
Revenue	$2.8m	$2.4m	16%
Gross Profit	$1.9m	$1.4m	40%
Gross Margin	68%	57%	11pp
EBITDA	$1.7m	$1.0m	61%

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. Cloud-gaming allows customers to access premium gaming performance through a subscription, without needing to purchase and continually upgrade expensive gaming hardware.

Cloud gaming improvements in FY26 were driven by three key goals:
- Transitioning members to higher-value subscription tiers
- Improving platform economics
- Strengthening onboarding and retention

Gaming segment revenue of $2.8 million was up 16% on PcP, driven by a 36% increase in ARPU to $24. During FY26, the deliberate retirement of the Casual plan shifted subscribers toward the higher-value Performance and Ultimate tiers. This successful migration of customers to premium-tiers demonstrates that our customers are increasingly valuing a better cloud-gaming experience.

At 30 June 2026, Pentanet had 9,882 paying customers, down 8% on PcP, primarily due to the retirement of the Casual plan. The paid subscriber base opened FY26 at 10,738, added 31,773 gross new paying subscribers over the year and churned 32,629, closing at 9,882. Of the gross additions, ~49.5% were new to the platform and 50.5% were returning subscribers. The scale of both flows reflects the average subscription life cycle for cloud-gaming customers of 3-4 months, with subscribers frequently pausing and later resubscribing around content releases. Over the past year, the proportion of the paid subscriber base on the highest tier Ultimate plan has increased from 39% at June 2025 to 59% at June 2026.

This transition to higher-value subscription tiers underpinned the expanded gross margins of 68%, up 11 percentage points YoY, and led to a 61% increase in gaming segment EBITDA to $1.7 million.

Platform engagement was supported by a refreshed content line-up including the launch of ARC Raiders and ongoing engagement across established titles such as Fortnite, Battlefield 6 and Path of Exile 2, alongside continued improvements to onboarding and retention.

Pentanet remains focused on scaling GeForce NOW while enhancing profitability by optimising the subscriber mix, improving the user experience, and maintaining infrastructure efficiency and service quality.

Telco Segment Overview

	FY26	FY25	Change[4]
Key Metrics			
Blended ARPU	$96	$94	2%
Subscribers	18,936	18,157	4%
Churn	1.3%	1.2%	0.1pp
Key Financials			
Revenue	$21.6m	$20.2m	7%
Gross Profit	$9.8m	$9.6m	2%
Gross Margin	46%	48%	(2pp)
EBITDA	$2.0m	$1.9m	5%

The Telco segment delivered a stable result in FY26, with revenue up 7% on PcP to $21.6 million, gross profit up 2% on PcP to $9.8 million, gross margin down 2 percentage points to 46% and segment EBITDA up 5% to $2.0 million.

Total subscribers increased 4% on PcP to 18,936, with 779 net new subscribers added over the year.

Off-net subscribers increased 13% on PcP to 12,799. Off-net growth was supported by NBN's Speed Boost program, which automatically upgraded eligible higher-speed fibre and Hybrid Fibre Coaxial (HFC) connections during September 2025. Subscriber growth in off-net solutions on the NBN, Opticomm and fibre is a commoditised, lower margin product. The upgrades, offered at no additional cost, increased achievable speed across several plan tiers, driving stronger customer acquisition within Pentanet's NBN base.

In addition, there was continued growth in the higher-margin on-net 5G adoption. 5G subscribers, included within the on-net base, increased 15% on PcP to 1,039, with utilisation remaining the strategic focus rather than further network expansion.

Average monthly churn remained low at 1.3%, with on-net churn of 1.2% and off-net churn of 1.3%. Blended ARPU increased to $96, and Recurring Revenue ARPU increased 2% on PcP to $92, driven by subscribers shifting toward higher-speed plans.

	On-Net	Off-Net	Total
FY26 Subscribers			
Opening Balance	6,844	11,313	18,157
Gross New Subscribers	207	3,457	3,664
Churn	(914)	(1,971)	(2,885)
Net New Subscribers	(707)	1,486	779
Closing Balance	6,137	12,799	18,936
Average Monthly Churn	1.2%	1.3%	1.3%

During FY26, Pentanet developed and launched its new brand campaign, "Nothing But Net", which went live on 1 November 2025 in Perth. The campaign represented a deliberate reinvestment in brand following a period of reduced marketing activity and was designed to rebuild brand awareness and strengthen market positioning. The launch utilised a broad media mix and is showing early signs of improved brand awareness and stronger purchase intent among engaged audiences.

Pentanet's telecommunications strategic focus remains on disciplined organic subscriber growth, supported by continued investment in marketing to strengthen brand and consideration. Execution will remain balanced, with continued focus on maintaining positive EBITDA, preserving capital efficiency, and maintaining service quality across both on-net and off-net offerings.

Positive outlook for FY27

Pentanet has leading-edge telecommunications and digital infrastructure, and the Company is well positioned to capitalise on industry trends which are converging in its favour to support the next phase of growth. Pentanet is focused on lifting utilisation of the GPU capacity already deployed to support continued growth in cloud-gaming and is exploring a path to further GPU expansion as part of its NVIDIA alliance. The Telco business is expected to continue its steady growth and strong cash generation, thus underpinning new investment in digital infrastructure. Pentanet expects ongoing improvements in operating leverage and profitability, in line with growth in cloud-gaming over the next year.

Strategy Update Presentation

Pentanet will release a Strategy Update Presentation, which outlines how the business model has evolved from a Perth telco to a leading-edge telco & digital infrastructure business with multiple revenue layers. The presentation highlights the strategic importance of the NVIDIA GeForce NOW Alliance Partner status and outlines the key variables driving growth in the cloud-gaming market.

2026 Annual General Meeting & Key Dates

In accordance with ASX Listing Rule 3.13.1, Pentanet advises that its 2026 Annual General Meeting (AGM) will be held on Wednesday, 18 November 2026. An item of business at the AGM will be the re-election of directors. The closing date for the receipt of nominations from persons wishing to be considered for election as a director of the Company is Wednesday, 30 September 2026, being at least 35 business days before the date of the AGM. Nominations must be received at the Company's registered office no later than 5:00pm AWST (Perth time) on Wednesday, 30 September 2026. Further details will be advised in the notice of meeting that will be announced to the ASX and provided to shareholders in due course. The above dates are subject to change should circumstances require, with all changes to be advised to the ASX.

Strategy Update Investor Webinar

The FY26 Financial Results and Strategy Update investor webinar will be held by Managing Director Stephen Cornish and CFO Mart-Marie Derman on Friday, 4 September 2026, at 09:00 am AWST (Perth) time / 11:00 am AEST (Sydney) time. A formal presentation will be followed by Q&A. Participants may register in advance for this webinar at: https://investorhub.pentanet.com.au/webinars/PQ562P-fy26-results-presentation-and-strategy-update.

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

For further information, please contact:

Mr. Stephen Cornish	Mr. Patrick Holywell	Ms. Mart-Marie Derman
Managing Director	Company Secretary	Chief Financial Officer

About Pentanet

Pentanet (ASX:5GG) is a Perth-based digital infrastructure company that owns and operates compute and communications infrastructure in Australia. The Group pairs an established telecommunications business with a fast-growing cloud-gaming platform, CloudGG.

Pentanet's telecommunications network, anchored by its market-leading private fixed-wireless network (the largest in Perth) together with fixed-line services resold over nbn® and Opticomm, delivers high-speed internet to a growing subscriber base and generates a resilient, recurring-revenue foundation for the Group.

As an NVIDIA GeForce NOW Alliance Partner for Australia and New Zealand, Pentanet was the first to bring GeForce NOW to Australia in 2021 and today operates CloudGG on one of Australia's larger clusters of high-powered NVIDIA gaming GPUs. Cloud gaming gives customers access to premium gaming performance through a subscription, without needing to buy and continually upgrade expensive gaming hardware.

With established infrastructure and a strategic position in cloud gaming and improving Gaming unit economics, Pentanet is building a scalable digital-infrastructure and subscription platform, underpinned by the recurring revenue of its telecommunications business.

Pentanet invites existing and prospective shareholders to join the conversation within the Company's interactive Investor Hub at https://investorhub.pentanet.com.au/link/ya3Rlr