

5G

INVESTOR UPDATE

FY21 Full Year Results



PENTACORE

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PROJECT GIGALINK

Pentanet has begun deploying Terragraph technology over existing network infrastructure with each subscriber forming part of the Pentanet neXus.

neXus is an innovative and resilient wireless mesh, which will increase our wireless capability to gigabit, and have enough bandwidth and coverage to service more customers with a superior form of connectivity.

Traditional Fixed Wireless (120Mbps top speed)

Obstructions will prevent a customer from connecting to the network.



nexus

(1-2Gbps achieved in field testing)

Network re-routes to subscriber in a resilient mesh design



MARKETING & BRAND

The Pentanet brand continues to build in market, positioned around **high-performance, speed, gaming, and next-generation technology.**

The Company maintains strong customer satisfaction results with a weighted average of **4.6 stars** across Facebook, Google and Product Review for our telecommunications services.



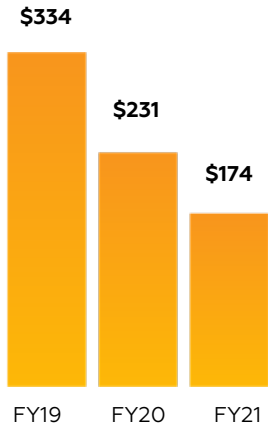
Some of our FY21 awards:

- **RISE Business Awards – WA Employer of the Year** (finalist)
- **INCITE Awards - Transformative Solutions** (finalist) and **People’s Choice** (winner)
- **Business News 40Under40 - Timothy Cornish** (winner)
- **Deloitte Technology Fast 500™ Asia Pacific 2020**



CUSTOMER ACQUISITION COST (CAC)

↓ **25%**
YoY





PENTANET.GG

ESPORTS

Pentanet.GG Esports

League of Legends Circuit Oceania Split 1 – 1st Place

Won place at Mid-Season Invitational global competition in Reyjavik, Iceland.
Placed 6th in the World.

League of Legends Circuit Oceania Split 2 – 1st Place

Grand Final on Tuesday 31 August at 16:00 AEST on twitch.tv/lco

100M+ **15k USD**

Social Media Impressions

LCO 1st Place Prize Money

Traditional
media
recognition





**GEFORCE
NOW™**

POWERED BY



PENTANET

Pentanet's Alliance Agreement with NASDAQ-listed NVIDIA – one of the world's largest producers of specialised graphic chips used in gaming – gives Pentanet the exclusive distribution rights to bring their GeForce NOW technology to Australia this year.



**18 of 36 RTX servers
successfully deployed across
PER and SYD locations**

Photo: RTX server installation at NEXTDC P2 Perth.



CloudGG

CloudGG manages the user community, subscription and promotes the completion of **Quests**, where users gain XP to win rewards and enables the cloud gaming provider to gather valuable behavioural data on users for oversubscription efficiencies.

We plan to further develop the CloudGG platform, to have the ability for the platform to be 'white labelled' to potentially help other cloud gaming deployments globally.



BADGES

Badges are awards only given to members who have shown dedication to GeForce NOW Powered by Pentanet.



LEVELS

Users can level up by completing quests. Levelling up unlocks more quests and also impacts your multiplier.

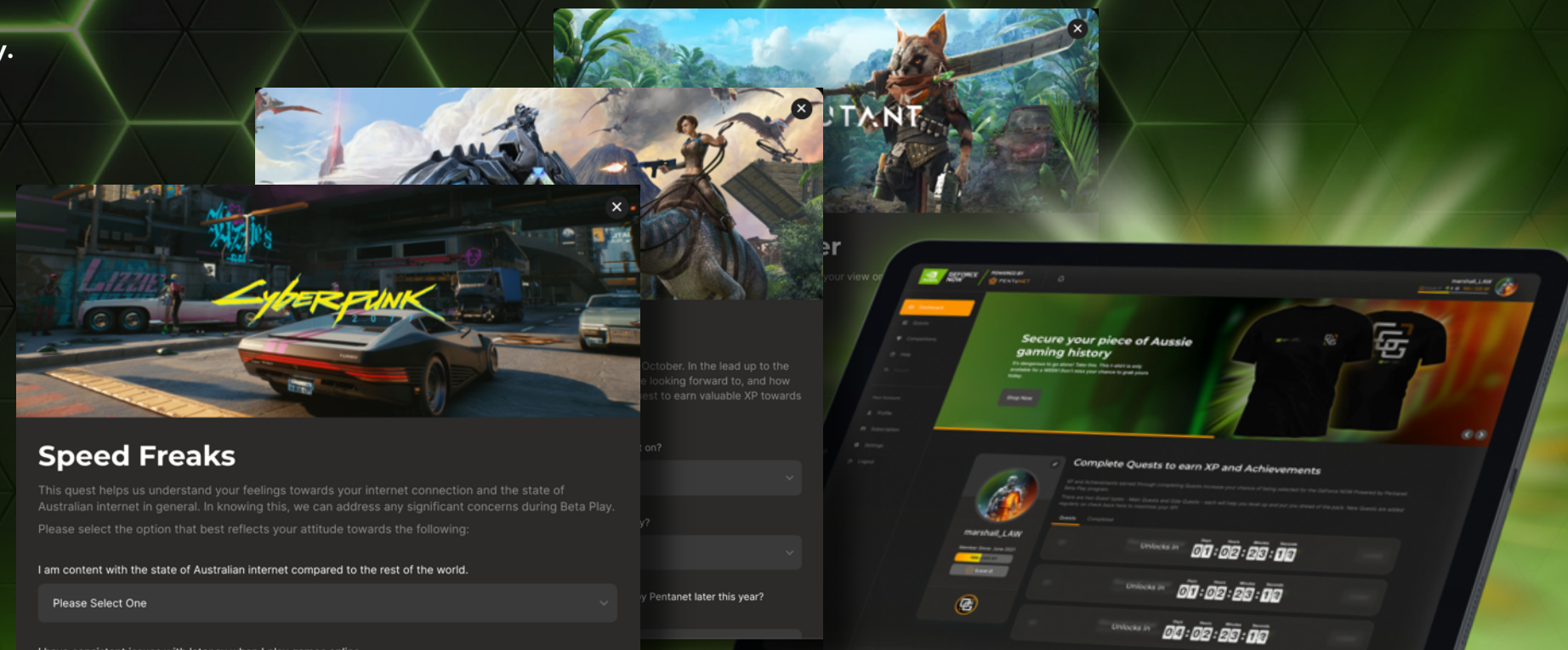


MULTIPLIERS

Multipliers can be earned by completing achievements. Multipliers increases a user's chance at becoming a Beta Tester.

67k
QUESTS COMPLETED

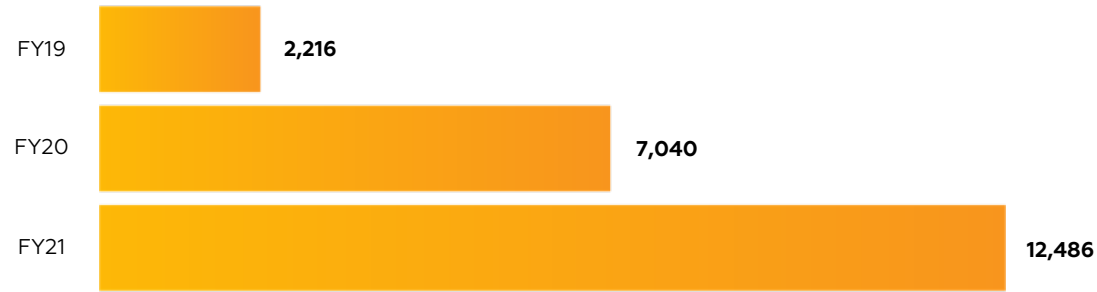
5.9m
XP EARNT



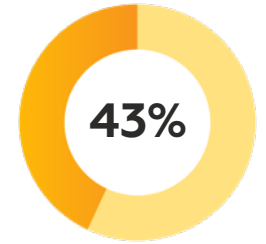
FINANCIAL HIGHLIGHTS

FY21

TOTAL SUBSCRIBERS



On-net customers in Q4FY21

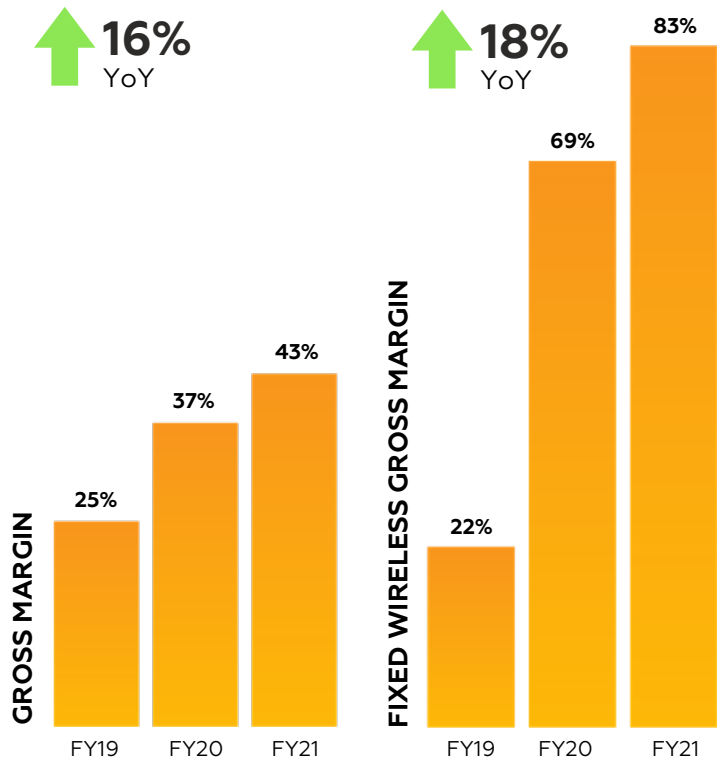


↑ 77% YoY

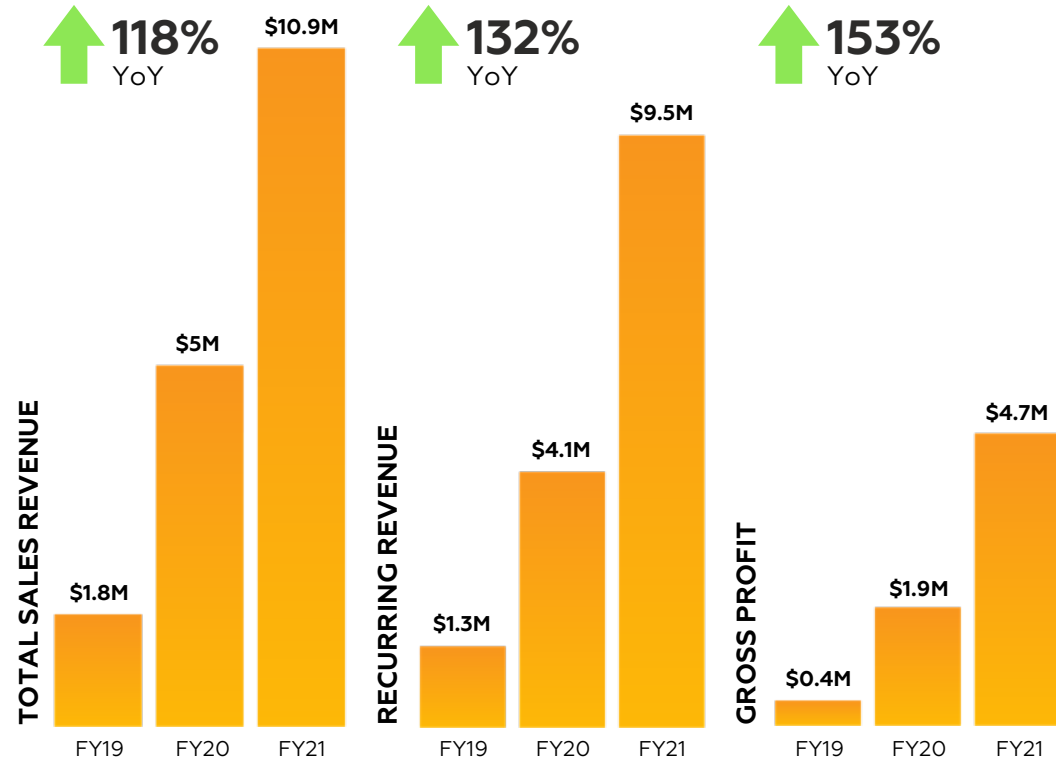
0.82% Churn

\$91 ARPU

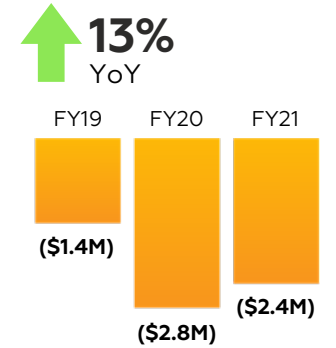
GROSS MARGINS



REVENUE & GROSS PROFIT



UNDERLYING EBITDA



EBITDA 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. Underlying EBITDA is EBITDA adjusted to exclude share-based payments, options exercised on behalf of employees and IPO cost.

Gross Profit Margin is a measure of profitability that shows the percentage of revenue that exceeds the cost of goods sold (COGS). Cost of goods sold consist of network, carrier and hardware expenses.

PROFIT AND LOSS SUMMARY

FY21

FY21 Results	FY21 (\$M)	FY20 (\$M)	Change
Revenue	10.9	5.0	118%
Gross profit	4.7	1.9	153%
Gross margin	43%	37%	16%
EBITDA	(8.3)	(3.9)	111%
Depreciation & amortisation	(1.5)	(1.0)	
EBIT	(9.8)	(5.0)	98%
Net interest	(3.9)	(0.2)	
Profit before tax	(13.7)	(5.1)	168%
Tax	-	-	
Actual net loss after tax	(13.7)	(5.1)	168%
Once-off items			
Share-based payments	4.5	1.1	
IPO related cost	0.3	-	
Cost of option exercise on behalf of staff	1.1	-	
Interest on convertible notes	3.8		
Adjusted loss after tax	(4.0)	(4.0)	1%

- **Increase in revenue supported by 5,446 net new customers for FY21 (77% YoY increase). Churn remained unchanged at 0.82% YoY**
- YoY increase in gross profit is representative of the impact of the true earning potential of owned and operated infrastructure
- Further 5% point improvement in gross margin supported by superior margins of the fixed wireless service offering.
- Underlying EBITDA of (\$2.4m) is a 13% improvement YoY from (\$2.8m) in FY20
- Share-based payments from options granted in FY21 is fully vested and expensed in FY21.

ONGOING STRATEGY

GROW OUR SUBSCRIBER BASE

- Introduce new technology to increase on-net coverage
- Deliver high-quality customer experience
 - Limit churn
 - Customers become advocates
- Competitive service offering
- Targeted marketing and media strategy

EXPAND NETWORK INCREASING POTENTIAL MARKET

- Deployment of large-scale mmWave wireless telecommunications network
- Increase available speeds to 1Gbps for more fixed wireless customers
- Line of sight to tower no longer required for every subscriber
- Increase market penetration with greater fixed wireless coverage across Perth metro area

INCREASE MARGINS

- Attract more off-net subscribers to higher margin on-net services
- Diversify product offering (VOIP, consumer electronics)
- NVIDIA GeForce NOW Alliance Member bringing cloud gaming service to Australia
- Continue development of premium brand for alignment to speed and quality

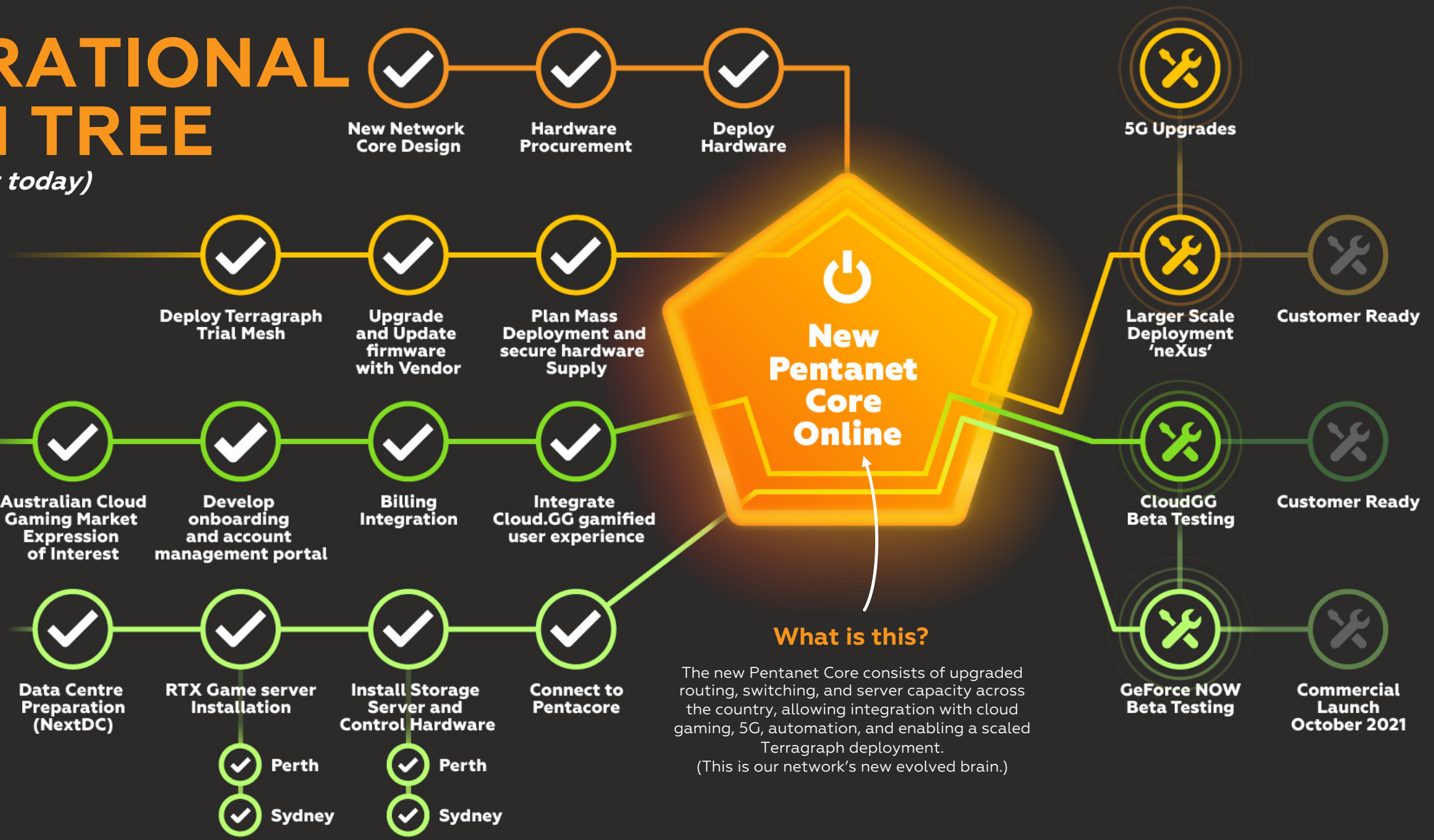
OPERATIONAL TECH TREE

(Where we at today)

PROJECT
GIGALINK

CloudGG

GEFORCE NOW / POWERED BY
PENTANET



✓ **New Network Core Design** ✓ **Hardware Procurement** ✓ **Deploy Hardware**

✓ **Deploy Terragraph Trial Mesh** ✓ **Upgrade and Update firmware with Vendor** ✓ **Plan Mass Deployment and secure hardware Supply**

✓ **Australian Cloud Gaming Market Expression of Interest** ✓ **Develop onboarding and account management portal** ✓ **Billing Integration** ✓ **Integrate Cloud.GG gamified user experience**

✓ **Data Centre Preparation (NextDC)** ✓ **RTX Game server Installation** ✓ **Install Storage Server and Control Hardware** ✓ **Connect to Pentacore**

- ✓ Perth
- ✓ Sydney
- ✓ Perth
- ✓ Sydney

⚙️ **5G Upgrades**

⚙️ **Larger Scale Deployment 'neXus'** ⚙️ **Customer Ready**

⚙️ **CloudGG Beta Testing** ⚙️ **Customer Ready**

⚙️ **GeForce NOW Beta Testing** ⚙️ **Commercial Launch October 2021**

THANK YOU

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