

PENTANET BUILDS ON EBITDA MOMENTUM WHILE EXPANDING 5G NETWORK AND CLOUD OPTIMISATION

KEY HIGHLIGHTS Q3 FY25 (Unaudited)

- EBITDA increased by 17% QoQ to \$0.7m, marking the second consecutive positive quarter
- Consolidated revenue of \$5.7m, stable QoQ and up 10% on PcP
- Consolidated gross profit increased 4% QoQ and 21% on PcP to \$2m
- 5G subscribers up 13% QoQ
- On track to double 5G network coverage in FY25 to 14 towers across Perth
- Gaming revenue growth is up 1% QoQ and 29% on PcP
- Cloud Gaming ARPU is up 6% QoQ and 38% on PcP to \$18
- Net operating cash flow of \$0.7m in Q3FY25, with net cash inflow of \$0.1m for Q3FY25

Pentanet Managing Director Mr Stephen Cornish said, “We’re pleased to share Pentanet achieved another positive EBITDA quarter, continuing positive financial growth momentum.

This demonstrates that the company has a strong financial foundation to support our upcoming growth objectives.

This quarter’s performance reflects the ongoing momentum across both core business segments and reinforces our confidence in the path ahead.”

OPERATIONAL UPDATE

Telecommunications

Telecommunications	On-net		Off-net		Total		Change	
	Q2FY25	Q3FY25	Q2FY25	Q3FY25	Q2FY25	Q3FY25	On-net	Off-net
Subscribers								
Opening Balance	6,936	6,925	10,796	10,931	17,732	17,856	(0.2%)	1.3%
Gross new subscribers	220	196	571	627	791	823	(10.9%)	9.8%
Churn	(231)	(264)	(436)	(413)	(667)	(677)	14.3%	(5.3%)
Closing Balance	6,925	6,857	10,931	11,145	17,856	18,002	(1.0%)	2.0%
Average Monthly Churn	1.1%	1.3%	1.3%	1.2%	1.2%	1.3%	15.4%	(7.1%)
Subscriber Split	39%	38%	61%	62%				

In Q3 FY25, Pentanet continued to accelerate its 5G network expansion as a key element of its telecommunications strategy. The Company is on track to double its 5G coverage footprint in FY25, with half of the existing tower network expected to have 5G capability upon completion of the current

upgrade program, laying the groundwork for the launch of an ultrafast, competitive on-net offering at scale.

5G subscriber growth continued steadily, reaching 801 customers, a 13% increase QoQ. This growth was achieved through targeted “overtaking” campaigns, with broader marketing efforts intentionally deferred until 5G coverage is more expansive. With the coverage net nearing critical mass, Pentanet is preparing to activate broader subscriber acquisition efforts.

To support the rollout while preserving capital, Pentanet previously secured 25 5G base stations and 423 Customer Premises Equipment (CPE) units via a stock swap agreement with its key equipment supplier. This arrangement has materially reduced upfront capital expenditure, enabling the Company to maintain momentum in its 5G deployment. Sufficient CPE inventory remains on hand to meet expected Q4 deployment needs.

Churn increased slightly to 1.3% QoQ, primarily due to seasonal factors. A higher number of customers relocated during the January and February period, a typical trend historically.

Blended average revenue per user (ARPU) remained steady at \$94, while average recurring revenue per user (ARRPU) increased to \$91, supported by subscriber migration toward higher-speed NBN and Fibre plans.

Pentanet’s telecommunications strategy continues to prioritise expanding 5G coverage to unlock subscriber growth and scale marketing opportunities. With ultrafast connectivity forming the foundation of its network, the Company is positioning to introduce a compelling on-net alternative that drives higher margins and long-term value.

GeForce NOW Cloud Gaming

Pentanet continued to advance its strategy to monetise and scale the GeForce NOW platform in Q3 FY25. While revenue remained steady at \$0.6m QoQ, this followed a period of strong growth in Q2 and reflects broader seasonal trends post-holiday.

Following pricing and usage limit changes introduced in the prior quarter, the platform retained revenue levels and maintained strong engagement, supported by continued optimisation of NVIDIA GPU infrastructure to enhance service quality and reduce costs.

Subscriber acquisition softened in Q3, attributed to seasonal factors following December's elevated engagement levels and the ending of unlimited trial access, narrowing the pool of active, engaged users.

Despite these factors, premium six-month plans increased 12% QoQ, contributing to a more stable recurring revenue base. The new campaign activity focused on value retention rather than broad acquisition.

Platform engagement remained high, driven by popular new title releases. The top games by minutes played in Q3 included Marvel Rivals, Kingdom Come: Deliverance 2, and Monster Hunter Wilds, with Assassin's Creed: Shadows also showing strong early traction.

CloudGG membership increased 5% QoQ to exceed 696,000 members, with user engagement strongest among Ultimate plan subscribers.

FINANCIAL UPDATE

Revenue

Consolidated revenue for Q3 FY25 increased by 10% on PcP to \$5.7m and remained stable QoQ. This growth reflects performance across both the Telecommunications and GeForce NOW segments.

Telecommunications revenue continued its steady upward trend, growing by 9% on PcP and 2% QoQ to \$5.1m. This growth aligns with the ongoing expansion of the subscriber base and increased network coverage.

Gaming revenue growth is up 29% on PcP to \$0.6m and 1% QoQ. This was driven by membership growth and the successful implementation of pricing adjustments across key monthly plans, which increased ARPU by 6% QoQ to \$18.

Gross Profit & Margins

Gross profit is up by 21% on PcP and 4% QoQ to \$2.9m. This reflects strong operational performance and effective cost management initiatives across the business. Consolidated gross margin increased by 2 percentage points (pp) to 51%, driven by margin expansion in both the telecommunications and gaming segments.

Telecommunications gross profit grew steadily during the quarter, supported by recurring revenue growth and successful NBN margin optimisation efforts. Gross margin in the telecommunications segment increased by 1pp to 49% QoQ.

GeForce NOW gross profit remained stable at \$0.4m with gross margin of 66%, showing the positive impact of pricing adjustments and operational efficiencies within the gaming segment.

Expenses

EBITDA increased strongly by 17% QoQ to \$0.7m, driven by margin expansion and continued cost-reduction initiatives.

Telecommunications EBITDA improved 50% to \$0.3m, while Gaming EBITDA increased by 2% QoQ to \$0.4m, reflecting stable platform performance and stronger recurring revenue from premium memberships. Note, the Group's corporate costs are currently recorded within the Telecommunications segment results and were approximately \$0.4m in Q3 FY25.

Marketing expenses represent 3% of revenue, a 1 pp increase from Q2 FY25, as the Company focused on high-impact, targeted campaigns rather than broader promotional activity.

Q3FY25 CASH FLOW

Cash flow improved during Q3 FY25, supported by strong operational and financial management. Net cash inflow increased by \$0.1m QoQ. This improvement was driven by improved EBITDA growth and improved working capital management.

Cash outflow on investing activities totalled \$0.5m for the quarter, covering tower lease expenses, labour costs for tower upgrades, and traditional fixed wireless (FW) CPEs.

The company closed the quarter with a cash balance of \$2.3m, available financing facilities totalling \$6.6m and significant 5G equipment stock for telecommunications network growth in FY25.

USE OF FUNDS AND RELATED PARTY TRANSACTIONS

In accordance with ASX Listing Rule 4.7C.1, the major expenditure items, including product manufacturing and operating cost, staff cost and other non-current asset payments, have been addressed in the report.

In accordance with ASX Listing Rule 4.7C.3, payments in the March 2025 quarter to related parties (and their associates) of \$304,627 included in Item 6 in Appendix 4C consisted of directors' fees and director associate fees, rent paid, 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 696,000 users.

Pentanet invites existing and prospective shareholders to join the conversation within the Company's interactive Investor Hub at <https://investorhub.pentanet.com.au/link/mep49e>