



## PENTANET DELIVERS FIRST FULL-YEAR OF POSITIVE EBITDA IN FY25

### KEY HIGHLIGHTS FY25 (UNAUDITED)

- Consolidated revenue grew 8% YoY to \$22.6 million, driven by organic growth across both segments
- Consolidated revenue is up 2% QoQ to \$5.8 million
- Consolidated gross profit increased 15% YoY to \$11.0 million
- First full-year positive EBITDA<sup>1</sup> of \$1.4 million, a \$2.7 million YoY improvement
- EBITDA of \$0.6 million for Q4FY25, marking the third consecutive positive quarter
- 5G subscribers are up 126% YoY to 904 subscribers
- Gaming segment revenue increased 31% YoY to \$2.4 million.
- Gaming segment gross profit increased 242% YoY to \$1.4 million
- CloudGG average ARPU increased by 34% YoY to \$19
- CloudGG average ARPU increased 11% QoQ to \$20
- Cash receipts from customers increased 9% YoY to \$23.2 million
- Net cash from operating activities improved YoY from \$(0.6) million to \$1.4 million
- CapEx reduced by 67% YoY, aiding cash preservation during network expansion

**Pentanet Managing Director, Mr Stephen Cornish**, said, “FY25 marks a significant milestone in Pentanet’s journey with the Company delivering positive EBITDA<sup>1</sup> for the first time in its history. We ended the year with \$1.4 million in EBITDA, representing a \$2.7 million turnaround year-on-year (YoY), a testament to our focused execution across high-margin growth initiatives, improved gross profit, and disciplined cost control.

We continued to build 5G coverage using a capital-efficient equipment swap that allowed us to build our on-net footprint to ~25% of our tower network, all while preserving cash. We closed the year with 18,157 subscribers, up 4% YoY, and our 5G subscriber base increased by 126% YoY to 904. Churn is down to 1.23% from 1.39%, underscoring the effectiveness of our simplified plans and targeted experience initiatives.

The gaming segment performance has continued its upward trend with gaming subscription revenue up 31% YoY to \$2.4 million and gross profit increasing by 242% YoY to \$1.4 million. The Average Revenue Per User (ARPU) uplift to \$19 reflects the success of our plan structure, as well as higher-value and performance-driven membership growth.

We delivered solid growth with consolidated revenue increasing 8% YoY to \$22.6 million and gross profit increasing by 15% YoY. Operating cash flow improved by \$2 million YoY, ending the year with a



\$1.4 million operating cash inflow. Strong operational execution and capital management have positioned us well for the next phase of growth.

1 Earnings Before Interest, Tax, Depreciation and Amortisation (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.

Looking ahead, we plan to reinvest a portion of our growing EBITDA in targeted growth initiatives, including strengthening our go-to-market capabilities and continuing to leverage our 5G and Graphics Processing Unit (GPU) infrastructure, while maintaining a disciplined approach to profitability. With targeted marketing and platform optimisation, our focus is on accelerating subscriber acquisition, maximising infrastructure utilisation, and delivering long-term value for both customers and shareholders."

## OPERATIONAL UPDATE

### Telecommunications

Telecommunications	FY24			FY25			Change	
	On-net	Off-net	Total	On-net	Off-net	Total	On-net	Off-net
Subscribers								
Opening Balance	6,692	10,362	17,054	6,794	10,589	17,383		
Sales	1,171	2,054	3,225	1,016	2,441	3,457	(13%)	19%
Churn	(1,069)	(1,827)	(2,896)	(966)	(1,717)	(2,683)	(10%)	(6%)
Average Monthly Churn	1.31%	1.44%	1.39%	1.18%	1.26%	1.23%	(10%)	(12%)
Closing Balance	6,794	10,589	17,383	6,844	11,313	18,157		
Subscriber Split	39%	61%		38%	62%			

Pentanet's telecommunication subscriber base grew by 774 in FY25, up 135% from 329 in FY24, driven by continued off-net momentum and a 504 YoY increase in 5G subscribers. The strong 126% YoY uplift in 5G subscribers reflects growing demand for high-speed plans, supported by targeted marketing campaigns. Broader promotional efforts were deferred until coverage reaches critical mass. With the coverage net nearing critical mass, Pentanet is preparing to activate broader subscriber acquisition efforts in FY26.

Pentanet expanded 5G coverage to ~25% of its tower footprint during FY25, enabled by a capital-efficient equipment swap arrangement. This arrangement has materially reduced upfront capital expenditure, allowing the Company to maintain momentum in its 5G deployment. Sufficient Customer Premise Equipment (CPE) inventory remains on hand to meet expected deployment needs for H1FY26.

Churn improved from 1.3% to 1.2% QoQ and improved from 1.39% to 1.23% YoY, supported by clearer plan options, a more stable network environment, and focused improvement in customer experience and retention strategies.

Blended ARPU increased 2% YoY to \$94 with subscriber migration toward higher-speed NBN and

Fibre plans. On-net ARPU increased by 2% to \$90, and NBN gross margin improved from 19% to 24% YoY following supplier contract renegotiations.

With a more competitive product offering and foundational upgrades in place, Pentanet is entering FY26 focused on accelerating subscriber acquisition and enhancing the overall customer experience across both on-net and off-net services.

### GeForce NOW Cloud Gaming

FY25 was a pivotal year for the GeForce NOW platform. Significant advancements were made across the platform, guided by three strategic goals: improving service quality, simplifying the plan offering, and refining the free user experience to support better commercial outcomes.

Pentanet restructured its GeForce NOW offering by removing the entry-level Basic plan and adjusting monthly pricing. A revamped plan suite launched in January 2025 included rebranding the mid-tier Priority plan as “Performance” with added features, relaunching the free trial as a three-hour “Ultimate Trial”, and introducing a 100-hour playtime cap for new paid plans (with unlimited access grandfathered). The Casual plan was retired and the full transition to RTX SuperPODs was completed, enabling 4K resolution and high refresh rates.

These initiatives drove a 34% YoY improvement in ARPU to \$19 whilst exiting FY25 at \$20. While paid subscribers decreased 8% YoY due to the removal of lower-priced tiers, overall revenue and margin improved substantially. Platform retention remained strong, supported by higher-value subscriptions and targeted plan restructuring.

Total CloudGG captive audience grew by 23% YoY to over 725,000, reflecting the platform’s continued relevance and strong content offering. With more than 2,200 supported titles, including integration with Xbox Game Pass, and over 800 million minutes of gameplay logged, GeForce NOW enters FY26 as a more streamlined and scalable platform.

## FINANCIAL UPDATE

### Revenue

YoY consolidated revenue increased 8% to \$22.6 million across Pentanet’s two product segments. Telecommunications revenue has increased by 6% YoY to \$20.2 million, reflecting a 4% growth in subscribers and a 2% ARPU increase. Demand continued to shift toward higher-speed on-net and off-net plans, with recurring revenue steady at 96%.

Telecommunications growth in FY25 continued amid strong retail competition, including ongoing NBN fibre upgrades and pricing activity. Pentanet responded with targeted end of financial year promotional campaigns, simplified plan structures, and revised NBN pricing to better respond to evolving market dynamics. These actions supported a 4% subscriber growth and contributed to improved churn

performance across the year, positioning the telecommunications segment for renewed growth momentum heading into FY26.

GeForce NOW revenue increased by 31% YoY to \$2.4 million, underpinned by a stronger higher value plan mix and increased ARPU despite an 8% decline in paid memberships following the removal of lower-priced plans.

### Gross Profit

YoY consolidated gross profit increased by 15% YoY to \$11 million, and the gross margin improved by 3 percentage points (pp) from 46% to 49%. The gaming segment was a key contributor, with GeForce NOW benefiting from higher ARPU following the plan restructure and operational efficiencies within the gaming segment. These initiatives led to a 35pp increase in gross margin to 57% YoY.

The Telecommunication Gross Profit increased by 5% YoY to \$9.6 million, and the margin remained stable at 48%.

### Expenses

Overhead costs decreased significantly by 13% YoY to \$9.8 million in FY25, reflecting continued operational discipline across employee-related costs, marketing, and general overheads. Pentanet closed FY25 with \$1.4 million EBITDA, the Company's first full-year positive EBITDA result, representing a \$2.7 million YoY improvement.

Telecommunications segment EBITDA improved by 145% YoY to \$1.9 million, underpinned by disciplined cost management and stable margin performance. Gaming segment EBITDA improved by \$1.6 million YoY to \$1.0 million from a \$0.6 EBITDA million loss in FY24, reflecting successful plan restructuring and operational efficiencies.

### Q4 Cash Flow

Cash flow remained steady in Q4FY25, with net cash from operating activities of \$0.4 million, bringing the full year operating cash inflow to \$1.4 million, a \$2 million improvement YoY. This was driven by improved underlying EBITDA performance and continued disciplined working capital management.

Cash used in investing activities totalled \$0.4 million, covering tower lease expenses, labour costs for tower upgrades, and traditional fixed wireless CPEs.

The company closed the quarter with a cash balance of \$2.2 million and unused financing facilities of \$6.6 million.

Subsequent to year-end, Pentanet also secured a \$2 million finance facility with Moneytech Finance Pty Ltd to support the Company's ongoing capital investment program. This facility provided Pentanet with the flexibility to fund the final 5G spectrum licence payment of \$1.7 million which was paid later in July 2025.

### 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 \$396,000 with receipts from customers of \$5,925,000. The Company's operational expenses mainly comprised of product and manufacturing costs (\$3,051,000) and staff costs (\$1,690,000).

In accordance with ASX Listing Rule 4.7C.3, payments in the June 2025 quarter to related parties (and their associates) of \$329,961 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.*

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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 725,000 users.

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