



EROAD

Market Release

22 June 2023

EROAD receives unsolicited, non-binding indicative proposal

EROAD Limited (NZX:ERD, ASX:ERD, “EROAD” or “the Company”) advises that it has today received an unsolicited, non-binding indicative proposal (“NBIO”) from Brillian APAC Pty Ltd (“Volaris”), part of the Volaris Group. The Volaris Group is an operating group of Toronto Stock Exchange-listed Constellation Software Inc. (TSX:CSU).

The NBIO from Volaris is seeking to acquire 100% of EROAD’s shares at a proposed price of \$1.30 per share in cash noting its preferred approach is by way of a scheme of arrangement.

The NBIO is subject to a number of conditions, including due diligence on an exclusive basis, negotiation and execution of a scheme implementation agreement with customary terms and conditions, unanimous support from EROAD’s Board of Directors and approval from Volaris’ investment committee.

Volaris has also disclosed that it has acquired an interest of 17.734% of EROAD’s shares on issue with the most recent acquisition of 15,994,438 shares being at \$1.30 per share with an agreed escalation payment to the sellers of these shares if within six months after the date on which the relevant escalation agreement was entered into, Volaris enters into a scheme of arrangement with EROAD at a higher price, or gives notice under rule 41 of the Takeovers Code of its intention to make a full takeover offer at a higher price.

EROAD’s Board of Directors has commenced a process to consider the NBIO alongside its advisors, Goldman Sachs as financial advisor and Chapman Tripp as legal advisor. The Board will act in what it considers to be the best interests of the Company and its shareholders, including assessing the merits of this NBIO from Volaris relative to the work underway on reviewing partnership options to contribute some combination of market access, expertise and capital to drive further growth in the North American market and other alternatives.

There is no certainty that the NBIO or the strategic review will result in any transaction. EROAD shareholders do not need to take any action at this time in relation to the NBIO by Volaris. The EROAD Board will continue to keep shareholders and the market informed of material developments.

ENDS

Authorised for release to the NZX and ASX by the Chair of the Board of Directors.

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