



EROAD (NZX: ERD ASX: ERD) RECAPITALISING OUR ROADMAP FOR GROWTH: MARKET UPDATE & EQUITY RAISE

7 September 2023

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This presentation has been authorised for release to NZX and ASX by the Company's Board of Directors.

EXECUTIVE SUMMARY

<p>Strategy execution</p>	<ul style="list-style-type: none"> ▪ During 2022 EROAD commenced a comprehensive strategic review of the business which included significant cost-out initiatives, rationalisation of its product suite and a more focused and disciplined strategy for executing its growth plan ▪ As a result, EROAD has stabilised its foundation and begun delivering on the strategy and growth plans
<p>Equity Raise</p>	<ul style="list-style-type: none"> ▪ EROAD is undertaking an approximately \$50m equity raise, comprising a fully underwritten: <ul style="list-style-type: none"> — Institutional placement to selected Institutional Investors to raise approximately \$11.6m (“Institutional Placement”); and — Pro-rata accelerated renounceable entitlement offer to Eligible Shareholders to raise approximately \$38.4m (“AREO” or “Entitlement Offer”) (together with the Institutional Placement, the “Equity Raise”)
<p>Use of proceeds</p>	<ul style="list-style-type: none"> ▪ The capital raised from the Equity Raise will strengthen EROAD’s balance sheet, positioning it with flexibility to continue its strategy of sustainable, profitable growth maximising long term shareholder value ▪ The net proceeds from the Equity Raise will be used to repay debt, providing funding headroom to allow EROAD to accelerate its growth strategy, especially in North America ▪ Net proceeds from the Equity Raise will result in: <ul style="list-style-type: none"> — An increase in funds available to ~\$65m¹ — A reduction in net leverage ratio² as of FY23 of 1.6x to 0.4x
<p>Debt facilities</p>	<ul style="list-style-type: none"> ▪ EROAD has secured commitments for a new 3-year debt facility, which will replace the current facility which had been due to mature in FY25. ▪ The new facility results in the extension of credit facilities to September 2026

¹ Based on a \$80m facility. The 3-year facility is amortised down to \$60m at maturity, starting in Dec-24. ² Net leverage ratio is calculated as borrowings (FY23: \$70.6m) minus cash (FY23: \$8.1m) divided by Normalised EBITDA (FY23: \$39.0m) and does not include leases.



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EROAD

01 OVERVIEW OF EROAD

ROAD: MORE THAN TELEMATICS

**DELIVERING INTELLIGENCE YOU CAN TRUST,
FOR A BETTER WORLD TOMORROW.**

We provide end-to-end technology solutions which connect vehicles, assets and operations to help businesses make real-time decisions from real-time data. Helping run safer, greener, more productive businesses.



OUR ROADMAP FOR A BETTER WORLD

WE HAVE IMAGINED THE FUTURE WE ARE HELPING CUSTOMERS CREATE

SAFER DRIVERS = SAFER ROADS

We believe that technology can aid drivers by alerting them in real time to enhance their driving, improving safety outcomes for all.

SMART = SUSTAINABLE

We believe that Operators will make sustainable decisions when provided with smart insights and the opportunity to benchmark against best in class.

PREDICTION = PREVENTION

We believe that data can be utilised to predict and prevent adverse outcomes for Operators.

EMPOWERING CUSTOMER TRANSFORMATIONS

OUR SUCCESS SO FAR HAS BEEN BUILT ON CONSISTENTLY DELIVERING OUR VALUE

INSIGHT, CONTROL & ROI

EROAD's value for customers is delivered through a continuous cycle. Real-time insight allows immediate action in the moment, plus improvements based on trends and productivity over time. This delivers instant returns: reduced administration, predictive loss prevention and most importantly safer outcomes for all.

PARTNERSHIP FOR GROWTH

Our goal is to become a system of record for our customers, serving as a catalyst for change. Our products are designed to help businesses identify efficiencies and opportunities for improvement. Our benchmarked insights and whole-of-fleet solutions enable us to partner with our customers to achieve their growth goals.

SIMPLE, INTUITIVE SYSTEMS

EROAD's customers generate billions of data points every year. But our customers are not data scientists. They're operators, and they need simple, intuitive interfaces to act on this data. We translate their data into ways they can save money, save time and operate in a safer and more sustainable way.

FOCUS FOR FY24 – EXECUTION OF STRATEGY (1/2)

WE ARE HERE



Turnaround the core

Future Growth

Approach	Corporate overhead reduction	Efficiency in ANZ / Growth in NA	Growth in NA Verticals
----------	------------------------------	----------------------------------	------------------------

Timing	FY23	FY24	~3-5 years
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Value focus and selected achievements	<ul style="list-style-type: none"> Headcount reduction Overhead expense reduction Asset tracking solution expanded Corehub Xtreme launched in NA Dashcam enhancements 	<ul style="list-style-type: none"> Accelerated 3G replacement program Ongoing cost-out for SaaS costs Supplier negotiations Overhead expense reduction Customer self service portal launched Reefer Predictive Maintenance launched Corehub Xtreme launch planned in AU Sustainability Module launch planned in ANZ
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Annualised savings	<ul style="list-style-type: none"> \$10m completed 	<ul style="list-style-type: none"> \$10m targeted ~\$7.5m identified year-to-date¹
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¹ ~\$7.5m has been identified and is underway to be implemented.

FOCUS FOR FY24 – EXECUTION OF STRATEGY (2/2)

WE ARE HERE



Turnaround the core

Future Growth

Approach	Corporate overhead reduction	Efficiency in ANZ / Growth in NA	Growth in NA Verticals
-----------------	------------------------------	----------------------------------	------------------------

Timing	FY23	FY24	~3-5 years
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Value focus and selected achievements

- Customer win – Sysco
- Major North American food service operator with 15,000 delivery vehicles
- 5-year agreement for fully-integrated CoreHub SaaS solutions to over 9,000 trucks
- 18-month procurement process; 12-month planned rollout

- Continue customer service segmentation
- Further product stabilisation and simplification
- Rollout Sysco and retain North American enterprise customers
- Strategic Partner Review Process
 - Strategic review to identify partners to accelerate North America strategy continues, seeking options to contribute expertise and additional market access for EROAD
 - EROAD continues to have a number of discussions with potential partners, including on refocusing its customer book, hardware financing, and sales partnerships

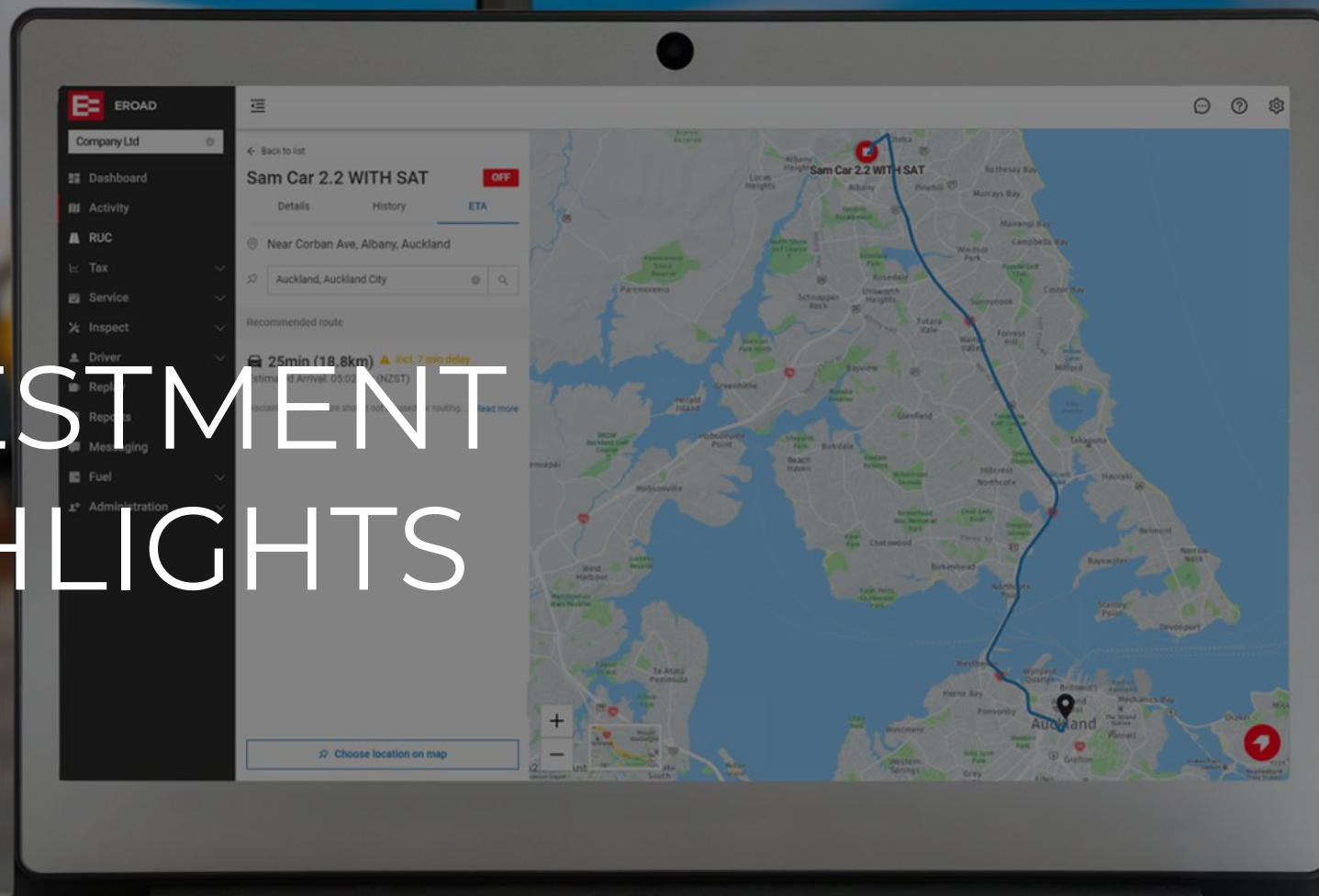
- Growth in large enterprise customer base
- Capitalise on sales and product improvements made
- Rationalisation of cost base
- Economies of scale on development, other functions



EROAD

02

INVESTMENT HIGHLIGHTS



EROAD – WELL POSITIONED WITH STRONG MARKET FUNDAMENTALS

1

ATTRACTIVE MARKET

Exposure to a large North American market with attractive growth prospects supported by long-term growth trends

2

PROVEN TRACK RECORD

Leading New Zealand operations and platform that positions the company to grow in existing markets

3

TANGIBLE ROI

Solutions generate tangible benefits and ROI to customers enabling safer and more sustainable, decarbonised transportation

4

BLUE-CHIP CUSTOMERS

Strong relationships with diverse pool of blue-chip customers resulting in high retention rates

5

SCALABLE PLATFORM

Ability to benefit from attractive unit economics driven by further growth and cost-out initiatives

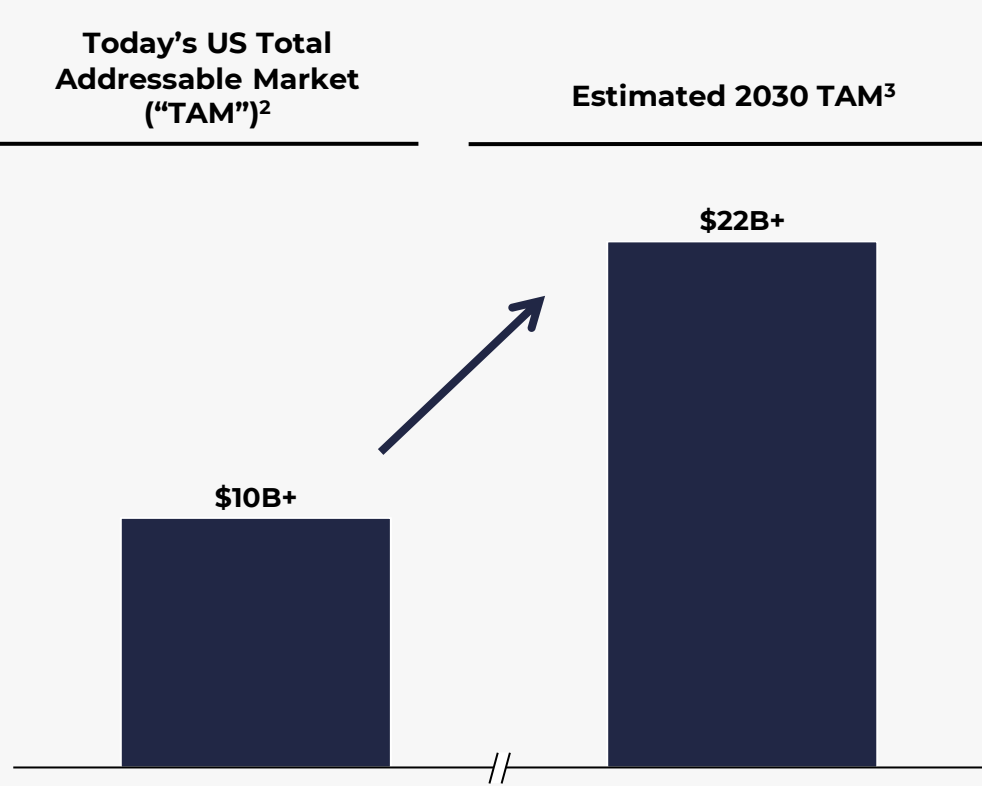
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EXPERIENCED MANAGEMENT

Highly engaged team with significant capability in their respective fields

1 | CLEARLY DEFINED GROWTH STRATEGY FOR ATTRACTIVE NORTH AMERICAN MARKET

North American Total Telematics Market¹



Key Trends

EROAD Focus

Telematics Industry Trends

Broader transport industry trends

- | | |
|---|---|
| <ul style="list-style-type: none"> 1 Demand for advanced workflow-based solutions | <ul style="list-style-type: none"> ➤ Demand for bespoke/custom workflow solutions |
| <ul style="list-style-type: none"> 2 OEM offering built-in telematics | <ul style="list-style-type: none"> ➤ IOT PLATFORM / DATA AGGREGATOR
Need for cohesive and standardised integration across multiple data sources |
| <ul style="list-style-type: none"> 3 Tighter integration across supply chain | <ul style="list-style-type: none"> ➤ WHOLE-OF-FLEET
As base telematics is further commoditised and fleets consolidate, EROAD will compete with whole-of-fleet solutions (including APIs, aggregation and enrichment) |
| <ul style="list-style-type: none"> 4 Commoditisation of base offering stack | <ul style="list-style-type: none"> ➤ SUSTAINABILITY FOCUS
Regulatory landscapes across all markets are changing, impacting both reporting requirements and tax impacts. Provides tailwind for telematics fleet management |
| <ul style="list-style-type: none"> 5 Fleet consolidation | <ul style="list-style-type: none"> ➤ |
| <ul style="list-style-type: none"> 6 Transition to EV fleets | <ul style="list-style-type: none"> ➤ |
| <ul style="list-style-type: none"> 7 Focus on sustainability and ESG (excl. electrification) | <ul style="list-style-type: none"> ➤ |
| <ul style="list-style-type: none"> 8 Future regulatory requirements | <ul style="list-style-type: none"> ➤ |

Source: ACT Research, I.H.S., Berg, Expert interviews.¹ Shows US market only (\$); revenue potential.² Defined as overall telematics market size including total revenue pool for telematics across varying fleet size, asset class and industries.
³ Assuming a 11% CAGR.

2 | FOCUSED ON THREE CORE MARKETS, STRONG LEADERSHIP POSITION AT HOME

New Zealand

Solid growth & profitable business with a focus on multi-product adoption

~6,400
Customers in FY23

\$53.7m
FY23 EBITDA¹

116,455
Units
(as at 31-Mar-23)

14,717
FY23 gross unit adds

~96%
FY23 asset retention rate²

4.8 years
Average customer tenure
(FY23)

33%
Of FY23 revenue was from new customers

Fonterra
Recent whole-of fleet solutions win (500+ units)

Australia

Opportunities to leverage Trans-Tasman fleets

~650
Customers in FY23

\$2.2m
FY23 EBITDA¹

15,636
Units
(as at 31-Mar-23)

1,985
FY23 gross unit adds

~97%
FY23 asset retention rate²

3.5 years
Average customer tenure
(FY23)

19%
Of FY23 revenue was from new customers

Enterprise win
(3,000+ units)

North America

Solid growth, with momentum building in one of the world's largest markets

~3,250
Customers in FY23

\$18.1m
FY23 EBITDA¹

95,058
Units
(as at 31-Mar-23)

15,394
FY23 gross unit adds

~93%
FY23 asset retention rate²

3.9 years
Average customer tenure
(FY23)

51%
Of FY23 revenue was from new customers

Sysco
Win
(9,000+ units)

¹ Does not include corporate & development costs. ² Asset retention rates are defined as the number of total contracted units at the beginning of the 12-month period and retained as total contracted units at the end of the 12-month period, as a percentage of total contracted units at the beginning of the 12-month period.

3

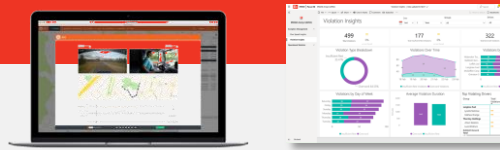
SOLUTIONS DELIVERING CUSTOMERS EVIDENCE-BASED ROI AS THEY PURSUE SMARTER, SAFER & MORE SUSTAINABLE TRANSPORTATION (1/2)

COMPLIANCE AND ASSURANCE



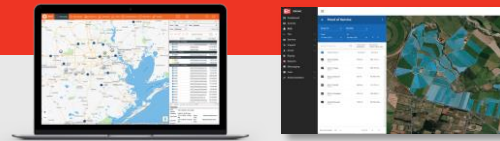
- **RUC and fuel tax compliance**
 - Electronic, automated RUC purchases and claims
 - Fuel tax reporting and IRP1 registration
- **Industry-specific solutions¹**
 - **Cold chain assurance**
 - **Construction assurance**
 - **Waste and recycling assurance**
- **Support compliance with emissions reporting obligations** including the climate standards published by the External Reporting Board (XRB)

HEALTH & SAFETY



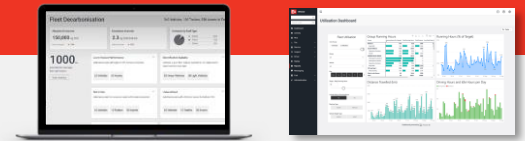
- **Driver behaviour monitoring and feedback**
- **Electronic logbook**
- **Vehicle inspections**
- **Speed monitoring**
- **Incident detection, alerting and replay**

PRODUCTIVITY



- **GPS tracking and geofencing**
- **Fleet maintenance**
- **Fuel management and idling reports**
- **Vehicle inspections**

SUSTAINABILITY



- **Fuel management and idling reports**
- **Fleet utilisation**
- **Decarbonisation assessment & insights**

POWERED BY²



IoT hubs



Trackers and sensors



Dashcams

¹ Ehubo ELD is certified by the FMCSA and by a third party provider. ² Select hardware models pictured.

3

SOLUTIONS DELIVERING CUSTOMERS EVIDENCE-BASED ROI AS THEY PURSUE SMARTER, SAFER & MORE SUSTAINABLE TRANSPORTATION (2/2)

Vertical

Measurable customer benefits¹

Select customer testimonials²



Refrigerated transportation

\$50,000
Monthly savings from automatic temperature monitoring (fleet of >1,000 trailers)

15%
Improvement in asset utilisation within 3 months

64%
Reduction in pre-cool time (100 minutes to 36 minutes)


0
Temperature alerts (vs. 5 previously)

25%
Reduction in hours reefers are on

33%
Less fuel consumption by reefers

“My overall experience with the product has been positive. Data harvested has given us a valuable look at our cold chain performances during transport. Using the trailer return air data for predictive analytics has been a game changer for GSF and has positioned us as industry leaders.”

*Tim Bates, Corporate Quality Systems Director
Golden State Foods (“GSF”)*



General transportation

80%+
Reduction in idle rates

7%
Reduction in insurance premiums

14%
Reduction in daily stop times

\$200,000
Annual savings through off-road mileage fuel tax recovery

10 minutes
To file fuel tax reports (vs. 2 weeks previously)

0.05
Monthly safety and compliance violations per driver (vs. 4 previously)

“We immediately recognised that EROAD was going to be transformative. Soon after, we moved EROAD into the light vehicle fleet, and we transitioned a lot of our mobile assets as well. We now run EROAD Ehubo2 in anything that has a cab, and we run a mixture of products including EROAD Asset Tracker to EROAD Where tag trackers in other applications.”

*Josh Hedley, New Zealand National Fleet Manager
Downer*

¹ Specific customer example.

² Measurable customer benefits are not necessarily connected to select customer testimonials.

ROI and sustainability / decarbonisation impact

4 | LONG STANDING, TRUSTED PARTNERSHIPS WITH BLUE CHIP CLIENTS

New Zealand and Australia

Unit split

58%

of FY23 total units by market (New Zealand and Australia)

Customer relationships



Fleet size of 500 - 6,000+

Average tenure of ~9 years

North America

42%

of FY23 total units by market (North America)



Fleet size of 1,000 - 11,000+

Average tenure of ~5 years

Asset retention¹

95.8%

94.4%

95.2%

94.9%

93.4%

94.8%

FY18A

FY19A

FY20A

FY21A

FY22A²

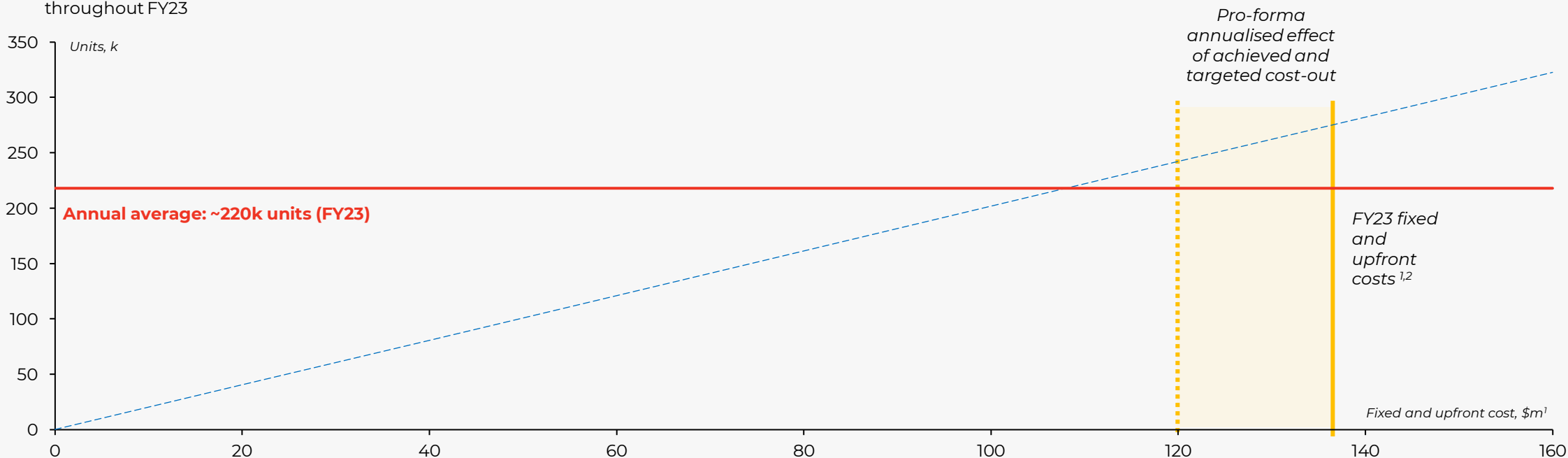
FY23A

¹(Asset) retention rates are defined as the number of total contracted units at the beginning of the 12-month period and retained as total contracted units at the end of the 12-month period, as a percentage of total contracted units at the beginning of the 12-month period. ² Excluding Coretex.

5 | ABILITY TO BENEFIT FROM ATTRACTIVE UNIT ECONOMICS DRIVEN BY FURTHER GROWTH AND COST OUT INITIATIVES

Illustrative fixed and upfront cost break even as a function of units (FY23)¹

--- Break-even average connections
 — Actual average connections throughout FY23



EROAD has achieved \$10m of annualised cost-out savings in FY23 and targets a further \$10m of annualised cost-out in FY24³

Note: Illustration shows a status quo and does not account for future cost inflation, revenue inflation or investments in future growth. ¹ Includes Hardware COGS, Installation COGS, Cost to Acquire (upfront costs) and In-market Costs, Corporate Overhead, Expensed R&D, Capitalised R&D (fixed costs). ² EROAD achieved annualised cost savings in FY23 of \$10m. \$3.5m were included in the FY23A results. ³ ~\$7.5m has been identified and is underway to be implemented.

6 | HIGHLY ENGAGED TEAM WITH SIGNIFICANT CAPABILITY IN THEIR RESPECTIVE FIELDS



MARK HEINE
CEO



MARGARET WARRINGTON
CFO



AKINYEMI KOYI
PRESIDENT NORTH AMERICA, CHIEF INNOVATION OFFICER



KONRAD STEMPIAK
EXECUTIVE GENERAL MANAGER ANZ



STEEN ANDERSEN
CHIEF TRANSFORMATION OFFICER



AARON LATIMER
CHIEF OPERATING OFFICER



SHELLEY PRENTICE
CHIEF PEOPLE OFFICER

GLOBAL EXECUTIVE TEAM



DEAN MARRIS
CHIEF DATA SCIENCE OFFICER, EVP CONSTRUCTION



JEREMY WILTON
VP PRODUCT AND ENGINEERING



TIM MOLE
DIRECTOR OF TECHNOLOGY



CRAIG MARRIS
CHIEF SUSTAINABILITY OFFICER, EVP MIXED FLEETS



EROAD

03

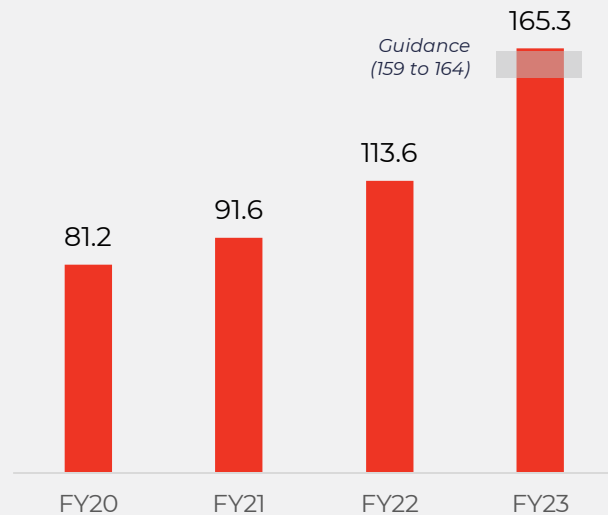
FINANCIAL PERFORMANCE UPDATE & GUIDANCE

FY23 GUIDANCE ACHIEVED

REVENUE GROWTH ACROSS ALL MARKETS AND PROGRESSING COST OUT PROGRAM

Normalised Revenue¹

\$m

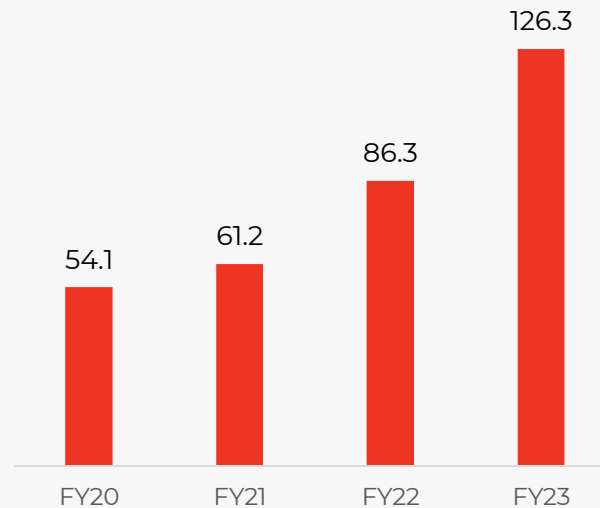


FY23 future contracted income \$219.6m (up 16%)

FY23 unit net adds 18,452 (up 8.8%)

Operating Costs²

\$m



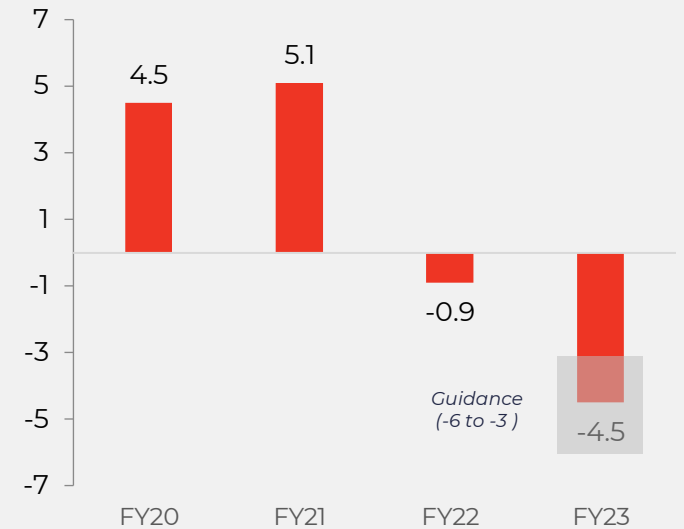
\$20m Cost-out

\$10m (annualised) completed in FY23
\$10m (annualised) targeted for FY24

\$27.5m of available liquidity at the end of March 2023

Normalised EBIT³

\$m



FY23 FCF⁴ -\$29.9m

Cash burn reduced from \$4.2m per month in H1 to \$1.8m per month in H2

FY23 R&D \$37.2m (23% of normalised revenue)

¹ Revenue normalised for \$9.6m in FY23 and \$1.3m in FY22, relating to accounting adjustment for contingent consideration.

² Operating costs normalised for transaction and integration costs of \$3.4m in FY23 and \$7.6m in FY22, respectively.

³ EBIT normalised for contingent consideration of \$9.6m in FY23 and \$1.3m in FY22 respectively, and integration costs of \$3.4m in FY23 and \$7.6m in FY22 respectively.

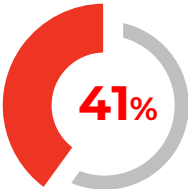
⁴ A non-GAAP measure representing operating cash flow and investing cash flow reported in the Statement of Cash Flows (excluding net interest paid).

TRADING UPDATE

DELIVERING AGAINST OUR STRATEGY

- 100,000 connections have been achieved in North America
- Due to the continued growth and right-sizing, EROAD's business is near an inflection point where it is expected to achieve Free Cash Flow¹ break-even in FY25
- The New Zealand business has a solid track record of growth and Free Cash Flow¹ generation
- Ongoing growth is expected to spread fixed R&D and platform costs over a larger base and contribute to positive operating leverage
- Excluding temporary costs associated with 3G replacement program EROAD would be Free Cash Flow¹ positive today

Current trading update as at 31 August

Enterprise customer growth	<ul style="list-style-type: none"> ▪ FY24 HAS STARTED STRONGLY WITH SUCCESS ACROSS 6 KEY ENTERPRISE CUSTOMERS 	5,300 Anticipated new units	5,250 Anticipated renewed units	7,414 Installed units
Pricing	<ul style="list-style-type: none"> ▪ IMPLEMENTED PRICE INCREASES ACROSS MOST CUSTOMERS TO REFLECT INFLATIONARY PRESSURES AND COMMENCED PRICING REVIEW 	6% Price increase applied (ANZ)		3% Price increase applied (NA)
Financial discipline	<ul style="list-style-type: none"> ▪ FY23 TRENDS HAVE CONTINUED INTO FY24, WITH VERY POSITIVE PROGRESS ON CASH & DEBT 	\$2m Draw down on debt FYTD	\$7.5m Additional cost savings (annualised) identified ²	
3G hardware upgrade	<ul style="list-style-type: none"> ▪ 41% OF ALL UNITS ACROSS ANZ ARE 4G COMPATIBLE 			

¹ A non-GAAP measure representing operating cash flow and investing cash flow reported in the Statement of Cash Flows (excluding net interest paid).

² ~\$7.5m has been identified and is underway to be implemented.

FOCUS FOR FY24 – OUTLOOK

EXECUTION AGAINST STRATEGIC PLAN DELIVERING
RETURN TO PROFITABILITY

Guidance reiterated

On track for FY24 guidance:

- Revenue growth of between 6 – 9%
- Cost-out program to continue
- EBIT of \$0m to \$5m normalised for accelerated 3G replacement program

FY24 Guidance	
Revenue	\$175m – \$180m
Normalised EBIT	\$0m to \$5m
R&D spend	\$30m

FINANCIALS – KEY METRICS AND TARGETS

Targeting Free Cash Flow¹ neutrality in FY25², and a positive Free Cash Flow¹ in FY26.
Implementation of refreshed strategy will provide pathway to sustainable, profitable growth

Goal	Metric	FY22	FY23	Strategy	FY26 Targets
SaaS Quality	AMRR	\$134.6m	\$153.7m*	Grow customer base in-line with estimated market growth ³	11% - 13% CAGR
	Churn	7%	5%	Maintain historical churn rate	5% - 7%⁴
	Average Lease Duration Remaining (years)	1.4	1.3	Rebalance toward longer-dated enterprise contracts	1.5 – 2.0⁵
Investment	R&D as % of revenue	28%	23%	Focus on projects with near-term ROI	13% - 15%⁶
Return	Free Cash Flow ¹ Margin	-39%	-18%	Improve cash efficiency and drive NA growth	9%+⁷

* Annualised monthly recurring revenue includes positive FX impact of \$8.6m

¹ A non-GAAP measure representing operating cash flow and investing cash flow reported in the Statement of Cash Flows (excluding net interest paid).

² Based on delivery plan of Project Switch.

³ Targeted growth in-line with blended market growth in North America and ANZ; ANZ fleet management unit market is estimated to grow at a 16% CAGR (2019-2024); North America private fleet telematics market is expected to grow by 11% per year until 20230 (Sources: ACT Research, I.H.S., Berg, Expert interviews).

⁴ In-line with historical churn rates (based on FY20-22A range).

⁵ Assumes that average lease duration remaining (years) increases with weighting to longer dated enterprise contracts.

⁶ Decrease in R&D as % of revenue is driven by streamlining of activities towards projects with near-term ROI.

⁷ Driven by additional cash efficiencies and growth in North America). Includes effects from roll-off of the switch program, leverage (holding fixed costs as we grow) and the anticipated \$20m cost-out.



EROAD

04

EQUITY RAISE & DEBT FACILITIES

EQUITY RAISE DETAILS (1/2)

Offer size and structure	<ul style="list-style-type: none"> ▪ \$50m fully underwritten Equity Raise, comprising (approximately) a: <ul style="list-style-type: none"> — \$11.6m Institutional Placement to selected Institutional Investors — \$38.4m 1 for 2.06 Entitlement Offer (being the pro-rata accelerated renounceable entitlement offer of New Shares detailed in the Offer Document, comprising the Institutional Offer, the Institutional Bookbuild, the Retail Offer and the Retail Bookbuild) — Approximately 71.5m New Shares will be issued under the Equity Raise (equivalent to 63.2% of current issued capital) 		
Offer price	<table border="0"> <tr> <td data-bbox="443 451 1014 718"> <p><u>Institutional Placement:</u></p> <ul style="list-style-type: none"> ▪ \$0.70 per New Share, representing: <ul style="list-style-type: none"> — 49.6% discount to last close price of \$1.39 as at 6 September 2023 </td> <td data-bbox="1014 451 2435 718"> <p><u>Entitlement Offer:</u></p> <ul style="list-style-type: none"> ▪ \$0.70 per New Share, representing: <ul style="list-style-type: none"> — 49.6% discount to last close price of \$1.39 as at 6 September 2023 — 37.7% discount to TERP¹ of \$1.12 ▪ The Australian dollar application price for the Retail Offer and Retail Bookbuild will be announced by EROAD on Monday, 11 September 2023 and will be determined using the \$:A\$ exchange rate published by the New Zealand Reserve Bank on its website at 3.00pm (NZST) on 8 September 2023 </td> </tr> </table>	<p><u>Institutional Placement:</u></p> <ul style="list-style-type: none"> ▪ \$0.70 per New Share, representing: <ul style="list-style-type: none"> — 49.6% discount to last close price of \$1.39 as at 6 September 2023 	<p><u>Entitlement Offer:</u></p> <ul style="list-style-type: none"> ▪ \$0.70 per New Share, representing: <ul style="list-style-type: none"> — 49.6% discount to last close price of \$1.39 as at 6 September 2023 — 37.7% discount to TERP¹ of \$1.12 ▪ The Australian dollar application price for the Retail Offer and Retail Bookbuild will be announced by EROAD on Monday, 11 September 2023 and will be determined using the \$:A\$ exchange rate published by the New Zealand Reserve Bank on its website at 3.00pm (NZST) on 8 September 2023
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Institutional Placement	<ul style="list-style-type: none"> ▪ Eligible Institutional Investors (which may include Institutional Shareholders and brokers/NZX Firms acting on behalf of retail clients and other invited participants at EROAD's discretion) will be invited to participate in the Institutional Placement being undertaken today ▪ New Shares issued to participants in the Institutional Placement will not be eligible to participate in the Entitlement Offer 		
Institutional Offer	<ul style="list-style-type: none"> ▪ Eligible Institutional Shareholders will be invited to take up their entitlements in an accelerated Institutional Offer ▪ New Shares relating to entitlements not taken up will be offered to Institutional Investors (which may include Eligible Institutional Shareholders, whether or not they took up their full entitlements under the Institutional Offer and brokers/NZX Firms acting on behalf of retail clients) in the Institutional Bookbuild ▪ Any Premium achieved in the Institutional Bookbuild will be returned to renouncing and ineligible shareholders as detailed further in the Offer Document 		
Retail Offer	<ul style="list-style-type: none"> ▪ Eligible Retail Shareholders will be sent offer materials and invited to take up their entitlements in a Retail Entitlement Offer ▪ Eligible Retail Shareholders seeking to participate in the Rights Offer will only be able to do so electronically and should visit the offer website for more details (www.shareoffer.co.nz/EROAD) ▪ New Shares relating to entitlements not taken up will be offered to Institutional Investors (which may include Eligible Institutional Shareholders whether or not they took up their full Entitlement under the Equity Raise and brokers/NZX Firms acting on behalf of retail clients) in the Retail Bookbuild. Any Premium achieved in the Retail Bookbuild will be returned to renouncing and ineligible shareholders as detailed further in the Offer Document. There will be no rights trading on market or oversubscription facility 		

¹Theoretical ex rights price ("TERP") is the theoretical price at which EROAD shares should trade immediately after the ex-date of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not equal TERP. TERP is calculated by reference to EROAD's closing price of \$1.39 on 6 September 2023 and includes the New Shares to be issued via the Institutional Placement.

EQUITY RAISE DETAILS (2/2)

Ranking

- New Shares issued under the Entitlement Offer and Institutional Placement will rank equally with Existing Shares

Underwriting

- The Equity Raise is fully underwritten by Goldman Sachs New Zealand Limited and Canaccord Genuity (Australia) Limited on customary terms for an offer of this nature

Offer eligibility

- The Institutional Offer is open to Eligible Institutional Shareholders only
- The Retail Offer is open to Eligible Retail Shareholders only

Board support

- Directors of EROAD who currently hold EROAD Shares intend to take up their full entitlements under the Entitlement Offer, with those and other Directors intending to participate in the Institutional Placement

Use of Proceeds

- The capital raised from the Equity Raise will strengthen EROAD's balance sheet, positioning it with flexibility to continue its strategy of sustainable, profitable growth maximising long term shareholder value
- The net proceeds from the Equity Raise will be used to repay debt, providing funding headroom to allow EROAD to accelerate its growth strategy, especially in North America
 - Following the Equity Raise, EROAD expects pro forma net leverage ratio² to reduce to 0.4x

Pro forma net debt and funds available

(\$m)	31-Mar-2023	Equity Raise (net)	New facility ¹	Pro forma (31-Mar-2023, post-raise)
Cash	8.1	47.1 ⁶		9.6
Revolving credit facility (drawn)	40.6 ⁴		-	-
Revolving credit facility (undrawn)	19.4 ⁵		55.0	55.0
Term Loan facility	30.0		25.0	25.0
Total net debt	62.5			15.4
Funds available	27.5			64.6
Net leverage ratio²	1.6x			0.4x
Net interest ratio³	5.7x			NM

¹ \$80m facility. The 3-year facility (\$80m) is amortised down to \$60m at maturity, starting in Dec-24. ² Net leverage ratio is calculated as borrowings (FY23: \$70.6m) minus cash (FY23: \$8.1m) divided by Normalised EBITDA (FY23: \$39.0m) and does not include leases. ³ Interest coverage ratio is defined as Normalised EBITDA (FY23: \$39.0m) divided by net financing costs (FY23: \$6.8m). ⁴ Includes \$1.4m of overdraft facility and \$0.5m of capitalised borrowing costs. ⁵ Includes \$3.6m of overdraft facility. ⁶ Assumes ~\$3m of transaction costs.

TIMETABLE

Event	Key Dates
Dates and Times are Subject to Change without Notice	
Record date – Institutional and Retail Entitlement Offer	7.00pm (NZST) or 5.00pm (AEST), 8 September 2023
Institutional Placement, Institutional Offer and Institutional Bookbuild	
Trading halt commences on the NZX Main Board and the ASX	Pre-market open, 7 September 2023
Institutional Offer and Institutional Placement	7 September 2023
Institutional Bookbuild	8 September 2023
Announce results of Institutional Offer, Institutional Bookbuild and Institutional Placement Trading halt lifted on the NZX Main Board and ASX	Pre-market open, 11 September 2023
Settlement of Institutional Offer, Institutional Bookbuild and Institutional Placement on ASX	15 September 2023
Settlement of Institutional Offer, Institutional Bookbuild and Institutional Placement on the NZX Main Board and commencement of trading of allotted New Shares on the NZX Main Board and ASX	18 September 2023
Retail Offer and Retail Bookbuild	
Retail Offer opens	10.00am (NZST) or 8.00am (AEST), 12 September 2023
Retail Offer closes	7.00pm (NZST) or 5.00pm (AEST) (last day for online applications), 21 September 2023
Trading halt commences on the NZX Main Board and ASX	Pre-market open, 26 September 2023
Retail Bookbuild	26 September 2023
Announce results of Retail Offer and Retail Bookbuild Trading recommences on NZX Main Board and ASX	Pre-market open, 27 September 2023
Settlement of Retail Offer and Retail Bookbuild on ASX	29 September 2023
Settlement of Retail Offer and Retail Bookbuild on the NZX Main Board and commencement of trading of allotted New Shares on the NZX Main Board	2 October 2023 with commencement of trading on the ASX on 3 October 2023

COMMITTED 3-YEAR DEBT FACILITY

EROAD has secured commitments for a new 3-year debt facility, which will replace the current facility which had been due to mature in FY25. The new facility results in the extension of credit facilities to September 2026

- \$80m new facility amount
 - Amortisation of \$20m by the end of the 3-year commitment to \$60m
- In addition to the two existing lenders (ANZ, BNZ), Kiwibank has joined the syndicate
- The new facility provides additional duration and flexibility, with headroom to covenants
 - Net leverage $\leq 1.50x$ reducing to $1.25x$ by September 2025 and $1.00x$ by June 2026
 - Interest coverage ratio $\geq 4.00x$

The new refinancing arrangements are only subject to the completion of the Equity Raise and final documentation

In combination with the announced Equity Raise of approximately \$50m, EROAD's available funds increases to ~\$65m¹

¹ Pro-forma as of 31-Mar-23. See page 27 for more details.





EROAD

05

KEY RISKS

KEY RISKS

This section describes the key risks that EROAD has identified in connection with the Equity Raise. EROAD considers it is important that these key risks, and their potential effect on the future operating and financial performance of EROAD, and EROAD's share price, are specifically highlighted to investors in the context of the Equity Raise. Like any investment, there are risks associated with an investment in EROAD shares. This section does not (and does not purport to) identify all of the risks related to the future operating and financial performance of EROAD, an investment in EROAD shares, the Equity Raise, or general market, industry, regulatory or legal risks. Some risks may be unknown and other risks, currently considered to be immaterial, could turn out to be material. This presentation should be read in conjunction with EROAD's other periodic and continuous disclosure announcements released to NZX and ASX.

Before deciding whether to invest in EROAD shares, you must make your own assessment of the risks associated with the investment, including the inherent risks from investing in shares, and consider whether such an investment is suitable for you having regard to all other publicly available information, your personal circumstances and following consultation with your financial and other professional advisers.

Risk

Risks Specific to Strategy Execution

EROAD is focused on executing its strategy to turn around the core and achieve growth in North America. If EROAD is less successful than anticipated in achieving these initiatives, this may have a material adverse effect on EROAD's financial performance and/or share price.

Key risks include:

- EROAD is forecasting growth in North America, enabled by a change in its approach to sales strategy. This change involves: i. focusing on two industry verticals (i.e., general transport and refrigerated transport), ii. implementing account-based management and iii. cultivating stronger relationships with larger enterprise customers. While changes are underway, EROAD will be in the process of incorporating this new approach to sales into its ongoing operations. This involves upskilling current teams and hiring additional experienced salespeople during FY24, FY25 and FY26. Until staff have been upskilled, additional staff have been recruited, and the North American business has demonstrably achieved sales momentum by finding and regularly converting enterprise opportunities to revenue, forecast growth may not occur at the rates or within the timeframes currently anticipated
- Concentrating on enterprise customers introduces unpredictability in conversion timeframes and success rates due to the longer lead times associated with such pursuits. Failed pursuits could result in prolonged periods before new opportunities with potential customers arise. However, succeeding in securing and retaining enterprise customers provides valuable references, endorsing EROAD's capabilities in North America and internationally
- Missing cost-saving targets in FY24 could affect EROAD's FY25 and FY26 growth forecasts. As of today, EROAD has realised \$10m of annualised cost savings in FY23, and is implementing additional \$7.5m of identified annualized cost savings YTD.

Customer Acquisition and Retention Risks

Given EROAD's shift towards focusing on referenceable enterprise customers, losing a key marquee or enterprise customer could have a significant impact on EROAD's revenue and perceived reliability and reputation. To mitigate this risk, EROAD is putting several measures in place including proactive relationship management, service and support and some access for marquee and enterprise customers to additional engineering resources, where necessary or relevant to a customer's procured solution.

There is a risk that acquisition of new customers may be slower or more costly than anticipated, in the event of slow transition away from competitors (due to integration with competitor products or existing contractual commitments), aggressive competitor responses or poor brand awareness or product market fit. EROAD's refreshed sales strategy seeks to mitigate this risk by better enabling a verifiable and growing pipeline for enterprise customers, but its success is reliant in part on scaling up EROAD's sales force to target and acquire a sufficiently high volume of enterprise scale customers.

Risk

New Zealand's 3G Network Sunset Risk

New Zealand's 3G network will start to switch off from 31 August 2024. While the affected EROAD products will work on the 2G network, it is anticipated that this network will also switch off sometime in the future. This requires EROAD and other telematics providers to replace, over time, any components used in telematics solutions that are only enabled for these networks. EROAD has planned for this change and is managing a project ("Project Switch") to swap out units that are reaching end of life, replacing these with units enabled for 4G networks.

This project is not without risk, as swapping units and installing different units can be disruptive for customers, which may cause some to reassess their preferred choice of telematics solution or seek to renegotiate terms or pricing. The costs of replacement unit components and installation may increase over time, exceeding assumed costs and requirements. Although potentially disruptive, the risks from this project are managed and regularly reviewed with the project anticipated to be substantially complete by the end of FY25.

A delay in project execution due to external or internal reasons, could result in EROAD failing to achieve its business plan, which in turn may have a material adverse effect on EROAD's financial performance and/or share price.

Capital Sufficiency and Banking Risk

EROAD has undertaken a capital sufficiency modelling exercise based on its forecasts for FY24 to FY26, which have been independently reviewed. Based on this work, EROAD expects to have sufficient liquidity to meet its capital requirements for delivering on its strategy and supporting plans, which have been assessed and modelled through to the end of FY26.

Key assumptions underpinning EROAD's forecast model to the end of FY26 include realistic cost reductions in FY24 and achieving its growth targets in North America in FY25 and FY26. There is a risk that these assumptions are not met. If this occurs, then EROAD may have insufficient liquidity to meet capital and operational requirements, necessitating additional equity or debt funding. This could have adverse effects on EROAD's operating and financial performance and/or share price.

Additionally, as part of enabling an optimal capital structure, EROAD has engaged with banks to renew its debt facilities. As a result, EROAD has recently secured a new facility with a limit to \$80m, extending its facility to September 2026, subject to successful completion of an equity raising and completion of the necessary documentation. If the Equity Raise is not successfully completed, for example because the underwriting agreement is terminated prior to the allotment of the Entitlement Offer and Institutional Placement, or EROAD's performance results in non-compliance with covenants or otherwise triggers any event of default under EROAD's facilities, EROAD would retain its existing debt facility and may have to refinance its debt on less favourable terms, which could have an adverse effect on EROAD's financial performance and/or share price.

Competition Risk

Maintaining competitiveness in EROAD's key markets is not without risk because:

- The telematics industry in which EROAD operates is highly competitive, particularly in North America. It includes companies with significantly greater resources than EROAD.
- Rapid advancements in technologies, OEM integrations, or others' investments in accelerating the adoption of artificial intelligence and other emerging technologies for telematics solutions could shift market dynamics and require adjustments to EROAD's currently prioritised products and services if EROAD is to remain competitive and achieve its forecasts.
- Larger global telematics operators may also seek to expand into new markets including New Zealand, which may risk decreasing EROAD's potential sales opportunities or increase customer churn.

However, the Equity Raise helps enable increased flexibility to better compete with well-resourced competitors by offering adequate headroom for EROAD to adjust its R&D priorities and planned products and services or elements of them where necessary to keep pace with others' offerings.

Risk

Product and Platform Reliability Risk

Platform and product stability is essential for reliable services and customer satisfaction. Any bugs, reliability and data quality issues can impact on customer interactions and EROAD's reputation. EROAD's refreshed strategy aims to create a robust, stable and scalable platform and products for its customers. To that end, EROAD has prioritised R&D activity to focus on projects that will improve platform and product reliability.

The focus on enterprise customers, especially in North America, raises scalability risks. Enterprise customers often require seamless integration with their existing systems. However, becoming more involved in customer operations, also creates a risk if EROAD products or services were to experience a failure. For example, customers could fail to comply with their regulatory requirements, if their EROAD product fails to work correctly. EROAD has put in place a North American engineering team to help address this risk and respond to customer needs quicker.

Product quality and reliability concerns may arise as EROAD creates new products and expands its existing products to cater to a more diverse customer base. Launching any system upgrades may result in deployment issues, which could impact on EROAD's reputation, sales and diversion of resources into remedial work (which could impact on innovation efforts). To mitigate these risks, EROAD intends to make further ongoing investment into systems and will increasingly leverage third party platform service providers' products and expertise which offer increased scalability and improved functionality. However, EROAD is mindful of the potential of relying too heavily on these providers, and will take careful measures to manage this risk effectively.

Product Development and Supply Chain Risks

EROAD's refreshed sales strategy is supported by deliberate decisions to prioritise investment in key markets and on research and development (R&D) activities that support the delivery of stable, robust, reliable and scalable products and services to meet market demands. However, all product development journeys carry inherent risks.

If EROAD's solutions lose relevance, due to quickly changing customer demands or slow product delivery caused by staffing challenges, alongside competitors introducing disruptive technologies at more competitive prices or service levels, there is risk of EROAD being unable to win or retain key customers. This could impact the projected growth for FY25 and FY26 and, therefore, EROAD's revenue forecasts and/or share price.

Bringing solutions to market, also involves reliance on external suppliers and original equipment manufacturers for key hardware components and technology. This reliance poses three main risks:

- Supplier dependency, which could result in delays in meeting customers' expectations if such suppliers are not delivering in a timely manner and in accordance with their contractual obligations.
- Due to EROAD's relatively modest scale, there are constraints on its negotiating leverage, particularly in cases where the supplier options are limited.
- Potential for sub-standard components, products or services if suppliers are not actively managed, monitored and where necessary challenged.

These risks are not unique to EROAD. EROAD's risk mitigation strategies include proactively taking steps to oversee and strengthen supplier relationships, enable contingency planning and diversify sourcing channels. The EROAD Board's Technology Committee oversees product development strategies and risks. This oversight ensures a strategic and informed approach to product development. EROAD also invests in innovation and proprietary technologies and measures to help protect it, which can help retain a competitive position and mitigate the risk of market erosion and unanticipated customer churn.

Risk

Key person risk

EROAD's success depends on the expertise and dedication of its directors, key senior management, and staff as a whole. The departure of any key team member or a high rate of turnover could lead to disruptions in EROAD's day-to-day operations in the short term and potentially adversely impact overall operational and financial performance. In an environment where competition for skilled professionals is intense, EROAD faces the challenge of retaining and attracting top talent. To mitigate this risk, EROAD has implemented several measures including a remuneration policy aimed at attracting, incentivising and retaining key talent and other employee value propositions (e.g. health insurance and hybrid working).

Cybersecurity risk

EROAD recognises that its operational and financial success hinges on the effective performance, availability and reliability of its products, services and business systems. The occurrence of any malicious attacks on or unauthorised penetration of these core systems or the data within them could lead to substantial disruption in EROAD's operations. Any breach or compromise of EROAD's cyber or information security, privacy and confidentiality measures, risks affecting both operations and reputation. Furthermore, the evolving regulatory landscape places risks of substantial financial penalties on data breaches, which could have cascading implications on EROAD's market reputation and overall financial performance. In light of these dynamics, EROAD is continuously committed to strengthening the security and resilience of its business systems.

General economic conditions

EROAD's operational and financial performance is intertwined with economic conditions both in New Zealand and internationally. A prolonged economic downturn, disruption or prolonged recession, could impact customers' investment choices and available cash and, therefore, EROAD's financial performance. Despite these potential challenges, EROAD's offerings encompass products and services that assist customers in managing compliance and optimising their management of expenses relating to their vehicles. This strategic positioning helps equip EROAD to navigate potential challenges with resilience and effectiveness as a necessary spend for enterprise customers, rather than a discretionary one.

Market volatility of EROAD's shares

Investing in equity capital carries inherent risks. EROAD's shares, currently listed on both NZX and ASX, are subject to market forces that can influence their price. There is no guarantee that trading in shares post-Equity Raise will not lead to share prices that are less than what investors paid. EROAD's share prices may fluctuate due to a range of factors including market-related forces, volatility, disclosed risk factors, unforeseen risks or extreme market conditions, the impact of currency fluctuations on portfolio values or a combination of any of these factors.















EROAD

APPENDIX & INTERNATIONAL OFFER RESTRICTIONS

EROAD AT A GLANCE

EROAD IS A TRANSPORTATION TECHNOLOGY SERVICES COMPANY THAT SIMPLIFIES TAX AND COMPLIANCE FOR ROAD TRANSPORT AND EMISSION REPORTING, CAPTURES DATA AND DELIVERS FLEET MANAGEMENT INSIGHTS THAT TRANSFORM FLEET PERFORMANCE, SAFETY AND VEHICLE MAINTENANCE.

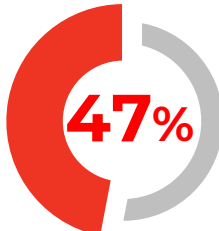
Key highlights – FY23

			10,260	CUSTOMERS
			227,149	UNITS
			116,599	ACTIVE PLATFORM USERS
			256,805	ACTIVE DRIVERS

63%	CUSTOMERS WITH EROAD >3YRS	94.8%	ASSET RETENTION RATE
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33.7bn+	DATA POINTS
9.2bn+	KM TRAVELLED
\$536m+	RUC PURCHASED (NZ)
205m+	API CALLS
352k+	TRIGGERED EVENTS CAPTURED ON VIDEO

EROADers **470**



47% CUSTOMERS USE 2+ PRODUCT CATEGORIES

TOITŪ

Our Values



WE DO WHAT'S RIGHT



WE PLAY AS A TEAM



WE LEARN & GROW



WE GET IT DONE

SYSCO | PIVOTING TO ENTERPRISE

ACCELERATED ROADMAP & STRENGTHENED SOLUTION ALLOWING FASTER PIVOT TOWARDS ENTERPRISE SALES

- Major North American food service operator with 15,000 delivery vehicles
- 5-year agreement for fully-integrated CoreHub SaaS solutions to over 9,000 trucks
- 18-month procurement process; upcoming 12-month planned rollout
- Growth potential beyond existing contract

“EROAD is more than just a technology provider. The team really took the time to **understand our challenges as well as our dedication to corporate social responsibility and sustainability.**

As a result, they presented a solution that not only addressed those challenges and unique needs but is **completely transforming our approach to fleet management.**

They’re helping us create an entirely new digital experience, and we’re excited to see all of the **benefits that will come from working with EROAD.**”

Daniel T. Purefoy, Chief Supply Chain Operations Officer, Sysco Corporation



EROAD BOARD



SUSAN PATERSON, CHAIR, INDEPENDENT DIRECTOR

- Professional Director with 25 years of governance experience
- Previously senior executive and consultant to several companies in New Zealand, the US and Europe
- Chair of Steel & Tube Holdings Ltd, Theta Systems and Evolution Healthcare, Director of Reserve Bank of New Zealand
- Based in Auckland



SARA GIFFORD, INDEPENDENT DIRECTOR

- Director of Spiro, co-founder and Director of Activote (both based in NA)
- Previously Chief Solutions Officer and executive board member of Quintiq
- Based in Boston, Massachusetts



SELWYN PELLETT, NON-EXECUTIVE DIRECTOR

- Founder and CEO of Coretex
- Previously Founder-CEO and Chairman of Endace Ltd
- Previously Sr. VP Avnet Asia and CEO Avnet Pacific
- 20+ years of investing and growing technology businesses from NZ
- 2009 recipient of Fly Kiwi Award for contributions to NZ Technology Sector
- Based in Auckland



BARRY EINSIG, INDEPENDENT DIRECTOR

- Advisor to companies on Transportation, Business, Technology and ESG
- Previous advised Singapore Ministry of Transportation on Highly Automated Vehicle Program and created technology used in Public Safety Networks
- Based in Pennsylvania



DAVID GREEN, INDEPENDENT DIRECTOR

- Chair of BT Funds Management (NZ) Ltd and MyFarm UFI GP Ltd
- Independent Director of Westpac New Zealand
- Previously held senior executive roles at ANZ and Deutsche Bank
- Based in Auckland
- **Commenced role on 1 August 2023**



GRAHAM STUART, INDEPENDENT DIRECTOR

- Previously CEO of Sealord Group
- CFO, then Director of Strategy & Growth at Fonterra
- On Boards of Vital Healthcare (VHP-NZX) and Tower Insurance (TWR-NZX)
- Based in Auckland
- **Former Chair, retiring at an appropriate date later in 2023 to ensure an orderly transition**

Glossary

AMRR (ANNUALISED MONTHLY RECURRING REVENUE)

A non-GAAP measure representing monthly Recurring Revenue for the last month of the period, multiplied by 12. It provides a 12 month forward view of revenue, assuming unit numbers, pricing and foreign exchange remain unchanged during the year.

ARPU (MONTHLY SAAS AVERAGE REVENUE PER UNIT)

A non-GAAP measure that is calculated by dividing the total SaaS Revenue for the year reported in Note 2 of the FY23 Financial Statements, by the TCU balance at the end of each month during the year.

ASSET RETENTION RATE

The number of Total Contracted Units at the beginning of the 12 month period and retained as Total Contracted Units at the end of the 12 month period, as a percentage of Total Contracted Units at the beginning of the 12 month period.

CAC (COSTS TO ACQUIRE CUSTOMERS)

A non-GAAP measure of costs to acquire customers. Total CAC represents all sales & marketing related costs. CAC capitalised includes incremental sales commissions for new sales, upgrades and renewals which are capitalised and amortised over the life of the contract. All other CAC related costs are expensed when incurred and included within CAC expensed.

CHURN

The inverse of the asset retention rate.

COREHUB

EROAD's next generation telematics hardware that collects rich data, meets Electronic Logging Device certification.

CTS (COSTS TO SERVICE & SUPPORT)

A non-GAAP measure of costs to support and service customers. Total CTS represents all customer success and product support costs. These costs are included in Administrative and other Operating Expenses.

CY (CALENDAR YEAR)

12 months ended 31 December

EBITDA

A non-GAAP measure representing Earnings before Interest, Taxation, Depreciation and Amortisation (EBITDA). Refer Consolidated Statement of Comprehensive Income in Financial Statements.

EBITDA MARGIN

A non-GAAP measure representing EBITDA divided by Revenue.

EHUBO, EHUBO2 and EHUBO 2.2

EROAD's first and second generation telematics hardware. EHUBO is a trade mark registered in New Zealand, Australia and the United States.

ELECTRONIC LOGGING DEVICE (ELD)

An electronic solution that synchronises with a vehicle engine to automatically record driving time and hours of service records

ENTERPRISE

A customer where the \$AMRR is more than \$100k in \$ for the Financial year reported

FCF (FREE CASH FLOW)

A non-GAAP measure representing operating cash flow and investing cash flow reported in the Statement of Cash Flows (excluding net interest paid).

FCI (FUTURE CONTRACTED INCOME)

A non-GAAP measure which represents contracted Software as a Service (SaaS) income to be recognised as revenue in future periods. Refer Revenue Note 2 of the FY23 Financial Statements.

FY (FINANCIAL YEAR)

Financial year ended 31 March.

H1 (HALF ONE)

For the six months ended 30 September.

H2 (HALF TWO)

For the six months ended 31 March.

LEASE DURATION

Future contracted income as a proportion of reported revenue.

NON-GAAP FINANCIAL MEASURES

Includes AMRR, CAC, CTS, EBITDA, EBITDA Margin, FCF, FCI, ARPU and all normalised financial information.

NORMALISED EBIT

A non-GAAP measure that excludes one-off items including acquisition accounting revenue (\$9.6m) and integration costs (\$3.4m). FY22 normalisations include acquisition accounting revenue (\$1.3m), due diligence costs (\$2.0m), transaction costs (\$1.6m), and integration costs (\$4.0m).

NORMALISED EBIT MARGIN

A non-GAAP measure that excludes one-off items, consistent with the definition provided for Normalised EBIT

NORMALISED EBITDA

A non-GAAP measure that excludes one-off items including acquisition accounting revenue (\$9.6m) and integration costs (\$3.4m). FY22 normalisations include acquisition accounting revenue (\$1.3m), due diligence costs (\$2.0m), transaction costs (\$1.6m), and integration costs (\$4.0m).

NORMALISED EBITDA MARGIN

A non-GAAP measure that excludes one-off items, consistent with the definition provided for Normalised EBITDA

NORMALISED REVENUE

A non-GAAP measure that excludes the one-off acquisition accounting revenue in FY23 (\$9.6m).

RUC (ROAD USER CHARGES)

In New Zealand, RUC is applicable to Heavy Vehicles and all vehicles powered by a fuel not taxed at source. The charges are paid into a fund called the National Land Transport Fund, which is controlled by NZTA, and go towards the cost of repairing the roads.

SAAS

Software as a Service, a method of software delivery in which software is accessed online via a subscription rather than bought and installed on individual computers.

SAAS REVENUE

Software as a service (SaaS) revenue represents revenue earned from customer contracts for the sale or rental of hardware, installation services and provision of software services.

TOTAL CONTRACTED UNITS

Represents EROAD and Coretex branded units subject to a customer contract both on Depot and pending instalment and Coretex branded units currently billed.

UNIT

A communication device fitted in-cab or on a trailer. Where there is more than one unit fitted in-cab or on a trailer, it is counted as one unit (excluding Philips Connect units).

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EROAD acknowledges the Indigenous Nations, First Peoples, Tangata Whenua and Custodians of the lands and waterways on which our offices reside in New Zealand, Australia and the United States of America. We express gratitude and appreciation to these peoples for sharing their culture and traditions and stewarding these lands. We recognise and pay respect to their elders, past, present and emerging.

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EROAD