



EROAD

EROAD Share Purchase Plan successfully closes oversubscribed

Auckland 28 February 2018: EROAD Limited (**EROAD**) is pleased to announce that its \$6 million Share Purchase Plan (**SPP**) has closed oversubscribed. EROAD's Chairperson, Michael Bushby, said "we are pleased with the level of demand, both for our December placement and for the Share Purchase Plan. This is a strong endorsement by our shareholders of our plan to support three key areas of our business: business processes, non-bank debt replacement and incremental growth." The price at which the shares will be issued under the SPP is \$3.04 per share, which represents the lesser of:

- a 4.7% discount to the average end of day market price of EROAD shares over the 5 day trading period from 21 February to 27 February 2018; and
- \$3.04 per share (being the price paid by investors in EROAD's equity placement completed in December 2017).

The SPP received strong shareholder support, with EROAD receiving and processing applications totalling approximately \$11.2 million, exceeding the offer size by 86.838% or approximately \$5.2 million. In accordance with the terms of the SPP, EROAD will scale back all applications on a proportionate basis by reference to the size of each applicant's shareholding at 5.00pm on 7 February 2018 (the record date for the SPP), unless EROAD determines otherwise in its discretion. EROAD is continuing to process a number of SPP applications and will provide details of the final level of oversubscription after close of trading today.

Allotment of the SPP shares is expected to occur on 6 March 2018, with refunds paid to shareholders by either direct credit or by cheque within 5 business days of the allotment date. No interest will be paid on any application monies returned to shareholders.

- Ends -

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About EROAD

EROAD modernises road charging and tax compliance and health and safety compliance for road transport by replacing paper-based systems with easy-to-use electronic systems that also improve fleet management. The company is headquartered in Auckland, New Zealand, and listed on the New Zealand Exchange (NZX). Its US business is based in Portland, Oregon, serving customers with vehicles operating in every US mainland state, growing outward in concentration from the Northwest. In 2009 EROAD introduced the world's first nationwide electronic road user charging (eRUC) system in New Zealand. Currently half of all heavy transport RUC is collected electronically, representing a rapid transition to e-commerce on a voluntary, industry-led basis, due to the cost



savings and benefits to customers. EROAD is also a leading provider of health and safety compliance services, including vehicle management and driver behaviour and performance measures.

For more information please visit www.eroad.com.

For a detailed description of EROAD's business, and terms including Total Contracted Units, Future Contracted Income and Retention Rate, which are non GAAP measures used by EROAD to manage the business, please refer to the Appendix of the November 2017 Half Year Presentation.