EROAD

Delivering on strategy with sustainable, profitable growth

AUCKLAND, 26 May 2025: Leading transportation technology services company EROAD Limited (NZX/ASX: ERD), today released another strong financial performance for the 12 months ended 31 March 2025.

All numbers are stated in New Zealand dollars (NZ$) and relate to the 12 months ended 31 March 2025 (FY25), unless stated otherwise. Comparisons relate to the twelve months ended 31 March 2024 (FY24).

Financial Highlights[1]

- **Substantial improvement in Free Cash Flow position (to the firm)** rose to $16.0m in FY25 compared to $1.3m in FY24. This improvement is the result of the expansion of existing customer contracts, ongoing new customer wins, price increases and continued cost management discipline. When normalised for the temporary impact of the 4G upgrade program, free cash flow (to the firm) was $23.6m.
- **Revenue** climbed to $194.4m for FY25 from reported revenue of $182.0m in FY24. This represents a 6.8% increase against the prior comparable period. Growth in revenue was delivered across all markets.
- **Annualised Recurring Revenue** (restated)[2] increased by $10.1m (6.1%) to $175.1m in FY25 from $165.0m in FY24, reflecting growth across markets and supported by favourable foreign exchange rates.
- **EBIT** climbed to $5.9m in FY25 compared to $0.2m in FY24. Normalised[3] EBIT increased to $9.9m in FY25 up from $3.8m in FY24. Normalised for 4G hardware upgrade costs of $4.0m and $3.6m in FY25 and FY24, respectively.
- **NPAT** increased by $2.2m to $1.4m in FY25 from negative $0.8m in FY24.

Operational Highlights

- **Asset retention remains high** at 92.5% in FY25 (NZ 93.6%; AU 89.0%; NA 92.0%).

[1] EROAD has presented certain non-GAAP financial measures as part of its FY25 results, which EROAD's directors and management believe provide useful information as they exclude any impacts of one-offs which can make it difficult to compare and assess EROAD's performance. The non-GAAP financial measures EROAD has used in this document are Annualised Recurring Revenue (ARR), EBIT, Normalised EBIT, Normalised Revenue and Free Cash Flow. A detailed reconciliation of non-GAAP measures to EROAD's reported financial information is included on EROAD's website (http://www.eroadglobal.com/global/investors/). General information about EROAD's use of non-GAAP financial information is included on page 2 of the FY25 Investor Presentation.

[2] Annual recurring revenue from subscriptions only. Excludes uncontracted hardware sales and non-recurring revenue

[3] Normalised for the recognition of costs associated with the 4G hardware upgrade program in FY25 and FY24.

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- **Key enterprise customer wins and expansions during the period.** A large New Zealand customer renewed and expanded into their Australian business adding $1.1m of ARR in the period, with 3-4 months remaining on the rollout. In New Zealand, expansions and upsell of existing customers added ARR by $7.2m. In North America, customer expansion added $4.9m of ARR.
- **Enterprise customers (>$100k ARR) represent 54% of ARR.** The number of customers with greater than $100k of ARR increased by 7%.

Chair Susan Paterson said, "EROAD once again increased revenue, delivered to the top end of financial guidance on all measures, and significantly exceeded free cash flow expectations with $16m free cash flow to the firm – a standout achievement compared to the negative $29.9m FCF reported just two years ago.

EROAD's advantage lies in the tangible value provided to customers. Through consistent delivery of measurable savings for fleet operations, EROAD is positioned as a long-term investment even in constrained markets."

Co-CEOs Mark Heine and David Kenneson are confident in the financial and operational progress EROAD is making, "FY25 has been a year of strong performance and strategic progress for EROAD. We have delivered against our financial guidance, expanded our market opportunity, and strengthened our customer relationships."

"As we look ahead to FY26, EROAD, under its current reset strategy has gained real traction against its core growth metrics, has the potential to ignite further value for shareholders as momentum in what we are building here continues.

"We have the ambition and determination, grounded in the fact the EROAD technology stack really does deliver for our growing customer base. We will continue to seize market opportunities, leverage strategic partnerships and cutting-edge tech integrations to provide customers with innovative solutions for navigating the challenges of the transportation industry."

Outlook

Heine and Kenneson added, "Despite facing sustained macroeconomic headwinds in the freight and transport sectors across all our operating regions, we have delivered strong financial results which is expected to continue in FY26 – our strategy is designed to deliver sustainable, profitable growth and that is exactly what we are doing here, with the potential for more where we remain focussed and disciplined."

"We continue to adhere to the principles of our strategic plan, which has delivered a substantial improvement to free cash flow to the firm this year, by growing the business through a focus on enterprise fleets and maintaining cost discipline."

"Our FY26 guidance acknowledges recent economic uncertainty related to global trade and business spending, and its impact on deal timing."

- **FY26 Revenue guidance** of a minimum $205m
- **FY26 ARR guidance** of a minimum $188m, equating to 7.5% growth

  Revenue and ARR growth in excess of this guidance is subject to timing of closing large deals in the pipeline, foreign exchange and stable economic conditions
- **FY26 free cash flow yield** of 8% - 10%, normalised for the 4G hardware upgrade program
- **Medium-term ARR growth CAGR** of 11% - 13%

Investor Day

EROAD plans to hold an Investor Day in the upcoming months to provide deeper insight into EROAD's product roadmap and long-term strategic and financial targets.

We will provide notice to the market about how to participate in the near future.

CFO Update

EROAD is advanced in its search for a permanent CFO. Interim CFO Rebecca Lineham will be concluding her EROAD role in mid-June 2025 as she moves to a new permanent CFO role.

Tracey Herman, who was previously CFO of Coretex for 11 years and has been in senior finance roles at EROAD since its merger with Coretex in 2021, will step into the role of interim CFO until a permanent appointment is announced.

Heine and Kenneson stated that "Rebecca has made an excellent contribution to the finance function and EROAD over the last few months. We wish Rebecca all the best for the future."

ENDS

Authorised for release to the NZX and ASX by EROAD's Board of Directors.

Webcast details

EROAD's Co-Chief Executive Officers, Mark Heine and David Kenneson, and interim Chief Financial Officer, Rebecca Lineham will give a presentation on the company's financial and operational performance for FY25 via webcast, commencing on Monday 26 May 2025 at 12:00pm NZT.

Register in advance for this webcast:

Date:	Monday 26 May 2025
Time:	12:00pm NZT
Topic:	EROAD FY25 Financial Results Announcement
Registration Link:	https://www.eroad.co.nz/investor-presentation/

After registering, you will receive a confirmation email containing information about joining the webcast. A replay of this webcast will be available once it has been uploaded to the EROAD website under 'presentations' at https://www.eroadglobal.com/global/investors/

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About EROAD

EROAD (NZX/ASX: ERD) is a hardware-enabled SaaS company delivering safety, compliance, sustainability and efficiency solutions for complex vehicles fleets.

Its connected platform is used by commercial and government operators across New Zealand, Australia and North America to manage vehicles, assets and drivers with greater visibility and control. EROAD supports demanding, highly regulated fleet operations, including those moving food, concrete and aggregates, enabling them to operate smarter, safer and more sustainably.

EROAD's platform is built on a foundation of regulatory expertise, having delivered the world's first GPS-based road user charging system in New Zealand, where it remains the market leader today.

www.eroad.co.nz

EROAD

EROAD (NZX: ERD ASX: ERD) Financial Results

For the 12 months ended 31 March 2025 (FY25)

26 May 2025

Important Information

The information in this presentation is of a general nature and does not constitute financial product advice, investment advice or any recommendation. Nothing in this presentation constitutes legal, financial, tax or other advice.

This presentation may contain projections or forward-looking statements regarding a variety of items. Such projections or forward-looking statements are based on current expectations, estimates and assumptions and are subject to a number of risks, uncertainties and assumptions.

All numbers relate to the 12 months ended 31 March 2025 (FY25) and comparisons relate to the 12 months ended 31 March 2024 (FY24), unless otherwise stated. All dollar amounts are in NZD, unless otherwise stated.

There is no assurance that results contemplated in any projections or forward-looking statements in this presentation will be realised. Actual results may differ materially from those projected in this presentation. No person is under any obligation to update this presentation at any time after its release to you or to provide you with further information about EROAD.

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Non-GAAP Measures

EROAD has presented certain non-GAAP financial measures as part of its FY25 results, which EROAD's directors and management believe provide useful information as they exclude any impacts of one-offs which can make it difficult to compare and assess EROAD's performance. Non-GAAP financial measures are not prepared in accordance with NZ IFRS (New Zealand International Financial Reporting Standards) and are not uniformly defined, therefore the non-GAAP financial measures reported in this presentation may not be comparable with those that other companies report and should not be viewed in isolation or considered as a substitute for measures reported by EROAD in accordance with NZ IFRS. Non-GAAP financial measures are not subject to audit or review.

The non-GAAP financial measures EROAD has used in this presentation are identified and defined in the Glossary on page 32 of this presentation.

A detailed reconciliation of non-GAAP measures to EROAD's reported financial information is included on EROAD's website http://www.eroadglobal.com/global/investors/

Agenda

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Highlights & Metrics
Geographic

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Cash Flow
4G Hardware Upgrade Program

03 EROAD Strategy
Customer ROI
Product driven growth

04 Guidance

Mark Heine
Co-CEO

David Kenneson
Co-CEO

Rebecca Lineham
Interim CFO

01
FY25 Results Overview

EROAD

OUR PURPOSE

Delivering intelligence you can **trust** for a better world tomorrow

Powering visibility, compliance and operational excellence for fleets that keep the world moving.

FY25 Financial Results

Delivered to top-end or exceeded guidance on all key measures

Exceeded Expectations

FY25 FCF Guidance set at *Positive*

Free Cash Flow[1]

$16.0m

$1.3m FY24

Normalised for 4G Upgrade: $23.6m

Reported Revenue

$194.4m

+6.8% FY24 of $182m

FY25 Guidance: $190-$195m

ARR (restated)[2]

$175.1m

+6.1% FY24 $165.0m

4% in constant currency

Normalised EBIT

$9.9m

$3.8m FY24 *(restated)*

FY25 Guidance: $5-$10m

[1] Annualised billing provided cash receipts of $5.3m for services to be provided in future period.

[2] Annual recurring revenue from subscriptions only. Excludes purchased hardware sales and non-recurring revenue.

EROAD Evolution

Our journey from Regulatory Telematics in New Zealand, to global Fleet Operations Platform

Regulatory Telematics

Telematics focus with features to serve markets and customer need – leveraging compliance, regulatory, and great hardware

- Hardware reliant built on regulatory and compliance needs
- Driver first product and feature approach
- Value proposition built off simplicity & appealing to SMB
- New Zealand centric with beachhead footprint in US & AU

Enterprise Fleet Platform

Shifted the business to enterprise SaaS – larger more complex customers with a solution approach, increasing TAM with innovation

- Expanded to enterprise platform solution for whole of fleet across driver, asset & load with vertical specialisations
- Software-first approach enabled by hardware
- SaaS culture with annualised billing, financial discipline & balanced investment in sustainable growth

Fleet Operations Platform

Building the future in accelerated ways

New avenues for platform growth via:

- **Embedded Intelligence**
- **Platform Extensions**
- **Customer led innovations**

Regulatory Telematics — **FY20** — **Enterprise Fleet Platform** — **FY25** — **Fleet Operations Platform**

eRUC focused

FY19

DriveBuddy & eHubo 2

First US enterprise win

Product expansion with Dashcam

Merger with Coretex

42% NA customer base

FY22

Sysco

250k units

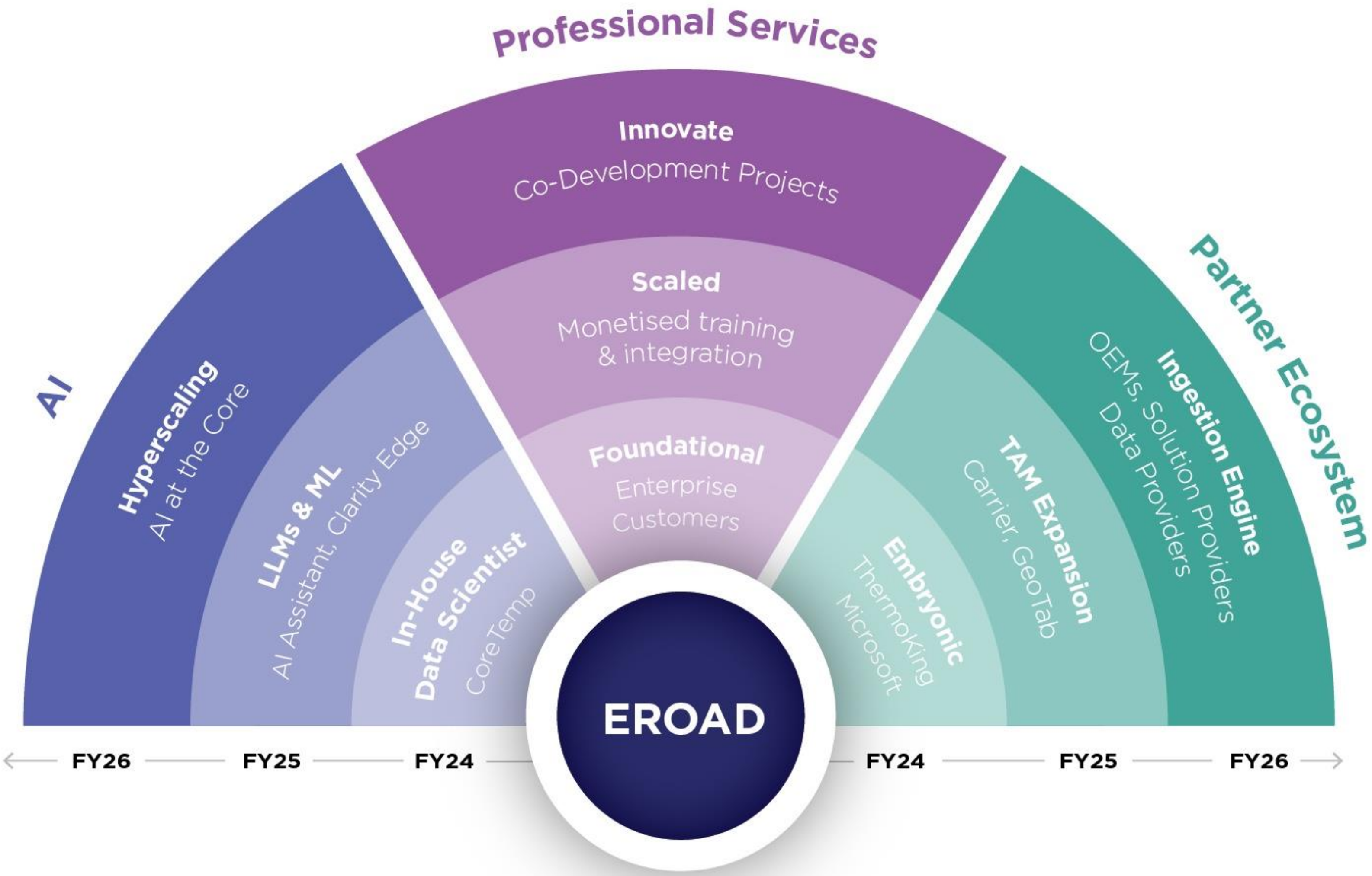
Partners: TK, Microsoft, Geotab

FY24

Internally cash generating

Positioned for Growth

Three priorities driving sustainable growth and deeper customer value



Disciplined Delivery

Focus on cost control and expanding with our customers has generated strong free cash flow

CASH GENERATION

- Produced $16.0m of free cash flow or $23.6m normalised for the temporary impact of the 4G upgrade program.
- Price increases to reflect value, customer expansions, customer retention and a focus on cost control underpin free cash flow growth.
- Strong balance sheet with $63.2m of liquidity following $11.3m debt repayment.

DISCIPLINED INVESTMENT

- Investing in customer-led innovation to derisk new development and bring new features to our wider customer base.
- Completion of 4G hardware upgrade program in FY26 will reduce capex requirements and contribute to higher free cash flow.
- Partnerships add functionality and reach without inflating R&D or slowing delivery.

CUSTOMER EXPANSIONS

- Expansion within North American fleets added NZ$4.9m of ARR upon final rollout.
- Increased number of customers with > $100k ARR by 7%, now represents 54% of global ARR.
- EROAD's products deliver cost savings to our customers and demonstrate a compelling ROI even in challenging economic conditions.

LATE-STAGE PIPELINE

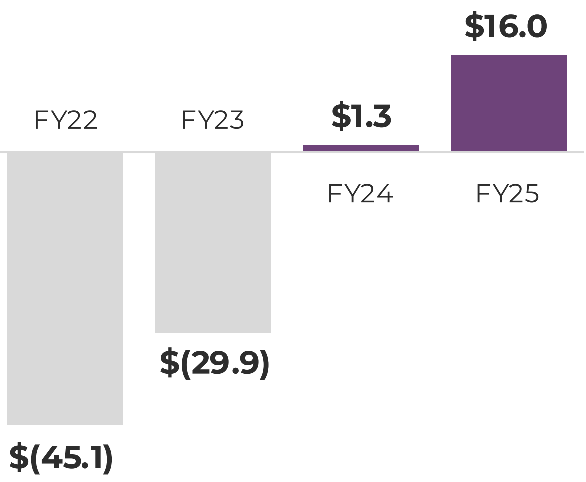
- Deal pipeline continues to increase as Enterprise customers sales cycle average 18-24 months.
- Top 5 Enterprise deals in the pipeline are weighted to Australia and North America and 47% comprised of New Logos.
- Deal times are expected to increase as customers assess the impact of US tariffs on their business.

Driving Efficient Growth

Enterprise Focus, Account Expansions, Cost Discipline & Cash Management

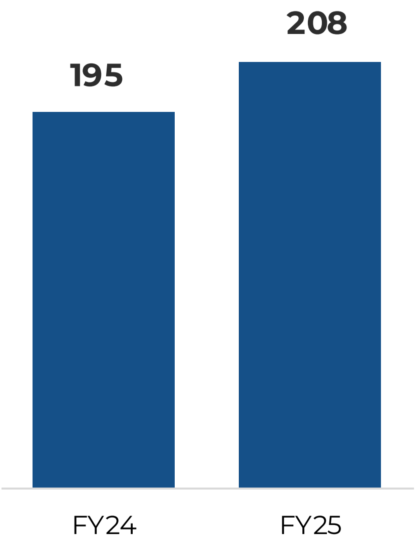
FCF (NZ$m)

Disciplined cost control continues to generate strong free cash flow, providing the flexibility to fund further growth and innovation.



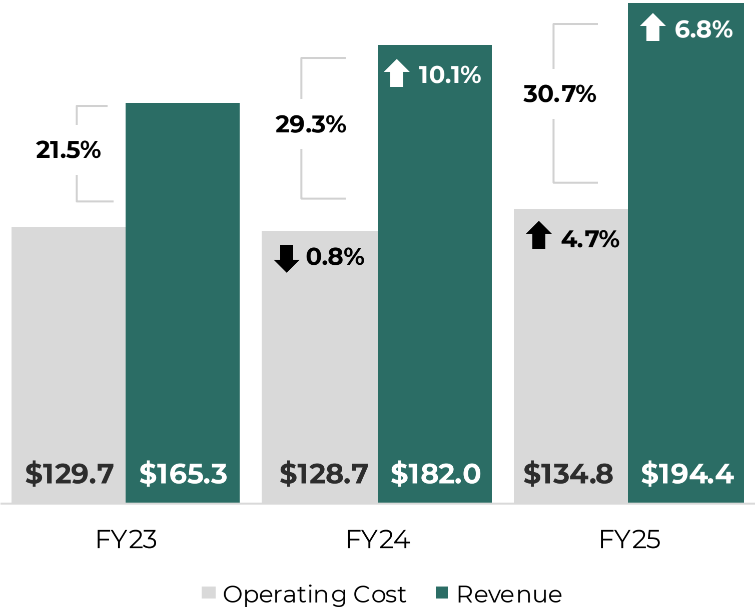
>$100k ARR Customers

Enterprise-led strategy is increasing customer value over time, with sustained growth in customers over $100k ARR in local currency.



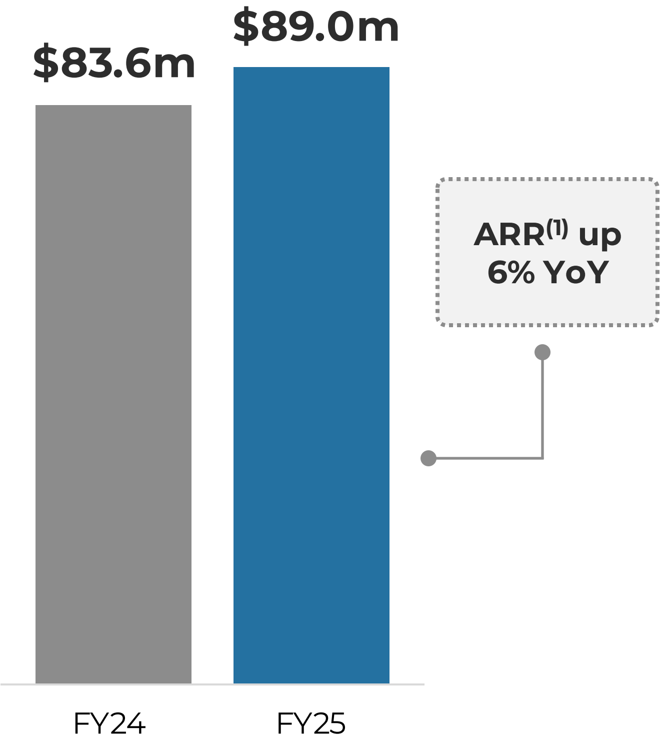
Operating Cost vs Revenue

Disciplined execution widened the gap between revenue and cost. Sustained momentum from here will be driven by continued investment in growth and cost discipline.



New Zealand

Ongoing solid growth and strong cash generation in a weak economy. Performance outpaced market conditions.



ARR (restated)

NZ$103.9m

Revenue ▲ 12.9%

FY24: $92.0m

NZ$70.0m

EBITDA

93.6%

Asset Retention Rate

NZ$60.14

Monthly SaaS ARPU

▲ 3%

FY25 HIGHLIGHTS

HIGHER VALUE

Generated $53.3m of free cash flow.

FCF increased 15% YoY, ARPU increased 3%.

CUSTOMER LOYALTY

Renewal of key enterprise customer for 6,000 units. Expansions and upsells with existing customers adding $7.2m of ARR.

CUSTOMER OPPORTUNITY

Geotab partnership for Etrack Locate product driving opportunities in light commercial.

ERUC EXPANDS

Heavy vehicle distance captured increased 4% for FY25, bringing EROAD share of total heavy vehicle RUC to 56%.

Across all NZ total distance travelled Heavy Vehicles was flat in FY25 after a 6% decline in FY24. Evidence of EROAD performing better than market.

[1] ARR - Annual recurring revenue from subscriptions only. Excludes purchased hardware sales and non-recurring revenue.

See Note 1 of EROAD's FY25 Financial Statements for segmented reporting of Revenue and EBITDA.

4G Hardware Upgrade Program ANZ

Unit upgrade program progressing with **76% of all units in ANZ 4G compatible**

4G NETWORK UPDATE

Program progressing on track, with spend fully funded from operational cashflow. This one-time cost relates to the shutdown of 2G & 3G networks by telcos in ANZ. Despite telco-driven delays, completion of upgrades is set for December 2025.

PROGRAM COSTS

- Program costs expected to increase to $32m (from $30m) to facilitate upgrade and installation of remaining 4G upgrade units
- Spent $7.6m of planned $8m-$10m in FY25
- Remaining $13-$15m of spend is expected to occur in FY26
- These costs are covered from existing cash flow.

NZ$m	FY26
Expected investment *(Hardware + Program costs)*	**$13–$15m**

One-off accelerated upgrade program costs relate specifically to the 3G Network shutdown

KEY POINTS

- 76% of ANZ units 4G compatible as at March 2025
- Telstra in Australia shutdown completed at October 2024
- One NZ network shutdown deadline remains December 2025. Program is on track for completion.
- Product development measures implemented to limit exposures from telco changes in future

December 2025 Deadline

Rollout progress

76% Active 4G units in ANZ

Units still to replace

New Zealand

Current market context and future opportunities

Growth continues due to strong brand, high customer retention and proven ROI despite challenging time for fleet operators.

eRUC-led value delivery, expanding light fleet offerings and EV uptake signal long-term platform opportunity with vehicle opportunity increasing from 1m to 4.6m.

Estimated SAM expands as platform evolves and unlocks new opportunities

~$380m

Against an estimated Total Addressable Market (TAM) of $0.5b

Product ROI & Value

- **eRUC returned $81M in customer value** in FY25 including rebates, automation and admin savings
- **Clear cost-benefit** drives high retention and platform stickiness

Fleet Expansion & TAM Growth

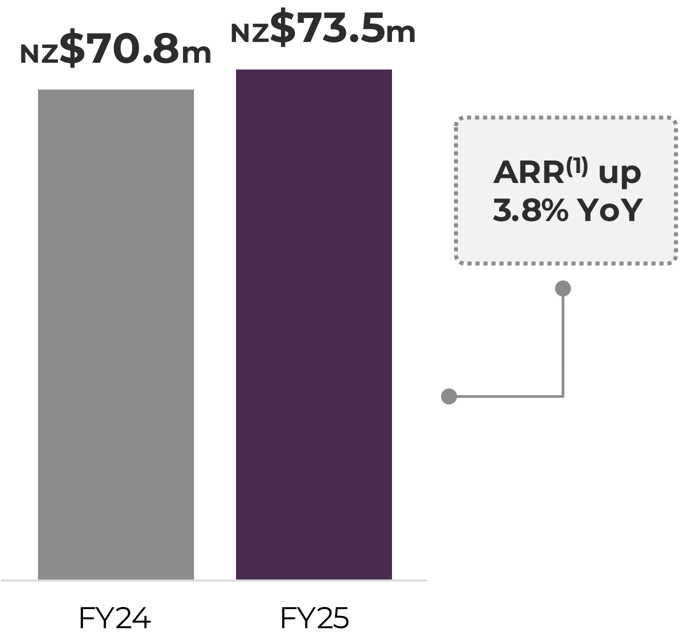
- **EV adoption and Time-of-Use pricing** open new RUC and optimisation opportunities
- **Light commercial TAM growth** with Geotab partnership
- **Clarity Edge AI Dashcam gaining traction,** driven by interest in safety, liability protection and driver performance visibility

Market Position

- **Strong brand recognition and stable customer base** support continued growth in constrained conditions
- **Increased sales velocity** as Sunrise hardware upgrade nears completion

North America

Controlled spend delivered modest growth and margin stability in soft market. Enterprise expansion progressing with late-stage pilots supporting FY26 pipeline.



ARR (restated)

[1] ARR - Annual recurring revenue from subscriptions only. Excludes purchased hardware sales and non-recurring revenue.

NZ$81.2m

Revenue ▲1.5%

FY24: NZ$80.0m

NZ$17.7m

EBITDA

92.0%

Asset Retention Rate

NZ$60.93

Monthly SaaS ARPU
USD$36.18

Unchanged YoY

See Note 1 of EROAD's FY25 Financial Statements for segmented reporting of Revenue and EBITDA.

FY25 HIGHLIGHTS

ENTERPRISE SALES CYCLES

Advanced late-stage opportunities creating healthy pipeline for FY26.

RENEWALS AND EXPANSIONS

Continued focus on account expansion with enterprise, adding NZ$4.9m SaaS ARR to existing customers.

TARGETED CAPITAL ALLOCATION

Acquisition spend dialled back while we prioritise conversion of late-stage pilots. Resulting in NZ$10.6m of FCF.

RETENTION

Enterprise unit churn impacted by previously disclosed large-customer roll off. 73% relates to SMB (direct & via dealer network) as we continue executing strategy toward enterprise fleets. A strong pipeline and improving multi-product uptake position the region for continued growth.

Navigating geopolitical uncertainty in global markets

EROAD is a SaaS company that adds value through services

EROAD generates 42% of its revenue from the US market, of which approximately 88% is revenue from services not subject to the US import tariffs.

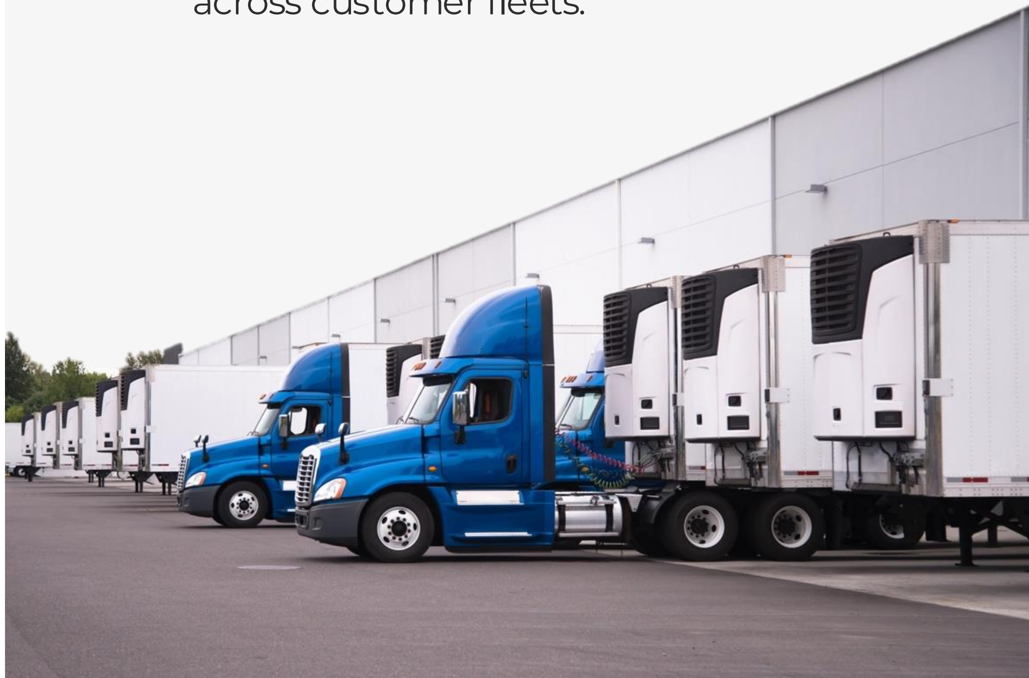
EROAD produces the majority of the hardware products that enable its SaaS services through contract manufacturers located in Indonesia, the Philippines, and Vietnam.

Management is examining options to reduce the impact of supplying hardware products, including moving production to more favourable geographies, refurbishment of existing US-based hardware, reviewing cross-border efficiencies, and pricing increases in-line with market dynamics.

Impact of tariffs mainly seen in the delays to buying decisions in the US. As certainty returns in the US market, expect to convert these opportunities.

Supply chains are shifting and EROAD is a long-term partner of very large US enterprise customers

- We will continue to monitor the opportunity for EROAD arising from the onshoring of US supply chains and increased transport activity.
- We continue to evolve the ability to deliver EROAD's solutions independent of EROAD supplied hardware, reducing upfront cost and accelerating rollout across customer fleets.



North America

Current market context and future opportunities

Freight market remains complex, but long-cycle enterprise strategy and compliance-driven demand create a **clear path to growth**.

Strategic pilots, camera adoption, and OEM partnerships position EROAD for expansion as conditions stabilise.

Estimated SAM expands as platform evolves and unlocks new opportunities

~US$2.6b

Against an estimated Total Addressable Market (TAM) of US$10b

Compliance & Regulation

- **Insurance and regulatory momentum** driving AI camera adoption
- **ELD requirements** continue to anchor platform presence

Enterprise Expansion

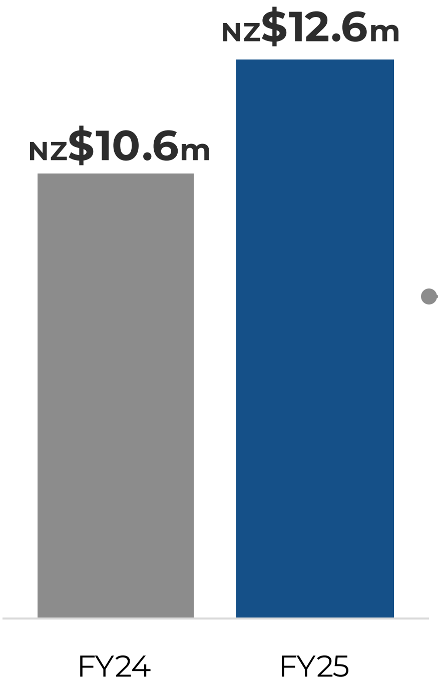
- **Late-stage pilots progressing**, with FY26 conversion potential
- **Multi-product adoption growing** within key enterprise accounts
- **Customer-led vertical expansion** in negotiation

Market Shifts & GTM Leverage

- **Onshoring and domestic logistics growth** supporting long-term freight recovery
- **OEM partnerships (e.g. Thermo King)** create scalable paths without reliance on EROAD hardware

Australia

Trans-Tasman enterprise win drove early momentum as strong growth outpaced a challenging freight market.



ARR (restated)

ARR[1] up 19% YoY
22.1% constant currency

NZ$13.7m
Revenue ▲ **28.0%**
FY24: NZ$10.7m

NZ$3.5m
EBITDA

89.0%
Asset Retention Rate

NZ$47.97
Monthly SaaS ARPU
AU$43.66
▲ **5%**

FY25 HIGHLIGHTS

TRANS TASMAN ENTERPRISE

Rollout of 5k units from existing NZ enterprise customer expansion partially reflected in ARR for the period. 49% of rollout remaining – full impact will show in FY26 ARR.

CONSISTENT GROWTH

Australia has delivered another year of double-digit revenue growth, climbing 28% to NZ$13.7m.

DRIVING VALUE

3.7% lift in ARPU driven by mix of pricing and sales focus on higher value opportunities & sustainable growth.

ASSET RETENTION

Asset retention rate of 89.0% primarily due to a known enterprise roll-off of 1,000+ units that concluded in August 2024.

[1] ARR - Annual recurring revenue from subscriptions only. Excludes purchased hardware sales and non-recurring revenue.

See Note 1 of EROAD's FY25 Financial Statements for segmented reporting of Revenue and EBITDA .

Australia

Current market context and future opportunities

Early enterprise traction in a compliance-focused market, with **significant runway to expand across safety**, **refrigerated transport** and **whole-of-fleet** solutions.

Estimated SAM expands as platform evolves and unlocks new opportunities

~AU$780m

Against an estimated Total Addressable Market (TAM) of AU$2.2b

Market Transition & Opportunity

- **Telematics market in transition,** with consolidation of providers creating opportunity
- **EROAD's footprint is small with a growing brand in the enterprise space**, offering room for expansion
- **Cross-Tasman strategy** proven effective at opening doors

Health, Safety & Compliance

- **Workplace and road safety** are critical drivers across key sectors like construction and food transport
- **Clarity Edge AI Dashcam** gaining traction for driver behaviour coaching, incident protection and compliance

Whole-of-Fleet Reach

- **Unified platform coverage across trucks, trailers and assets**, enabling complete operational oversight
- **Strong fit for enterprise fleets** seeking multi-product, scalable digital solutions

Fatigue Detection
EROAD Clarity Edge AI Dashcam

"How lucky he was to come out alive. All because of this technology"

Genevieve Power
National Health & Safety Manager, Booth's Logistics

BOOTH'S LOGISTICS
CAN DO. WILL DO.

As a long time customer, Booth's utilise a ***wide range of EROAD products across their fleet****, including new Clarity Edge AI Dashcams. Together, EROAD supports Booth's to protect its people and make smarter, faster decisions on the road.*

With 450 trucks across 23 sites, Booth's puts safety first through its core value: ***Be Safe.***

Watch the video and ***find out more here***

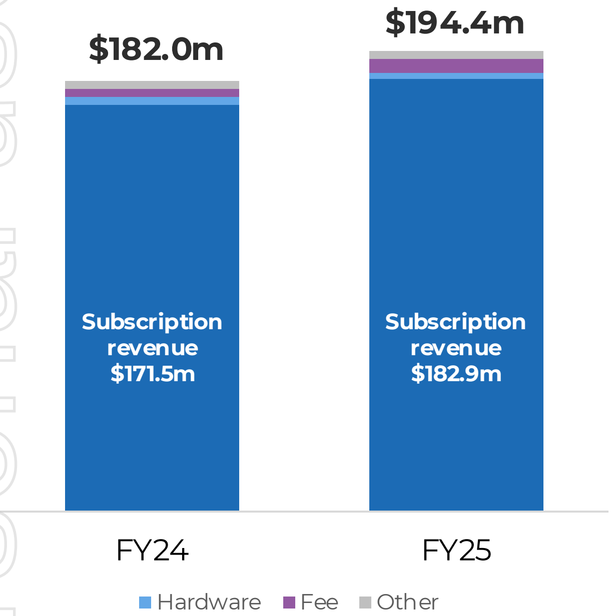
02
FY25 Financials

Revenue & EBIT

Financial results delivered to top end or exceeded guidance, demonstrating our commitment to deliver on our promises

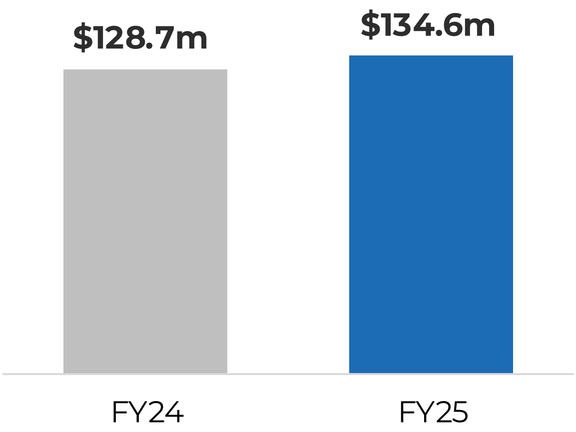
Total Revenue

Revenue of $194.4m is up 7% on FY24 reflecting the impact of growth including Australian and North American enterprise rollouts and annual price increases.



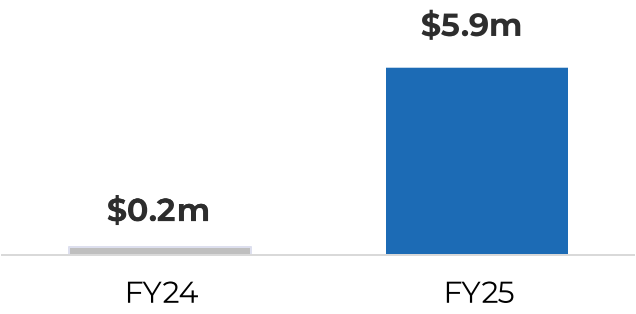
Reported Operating Costs

Operating costs increased 5% primarily reflecting wage inflation and lower capitalisation of R&D



Reported EBIT

EBIT of $5.9m reflects the positive impact of enterprise rollouts, price increases and impact of the cost-out program in FY23 and FY24.

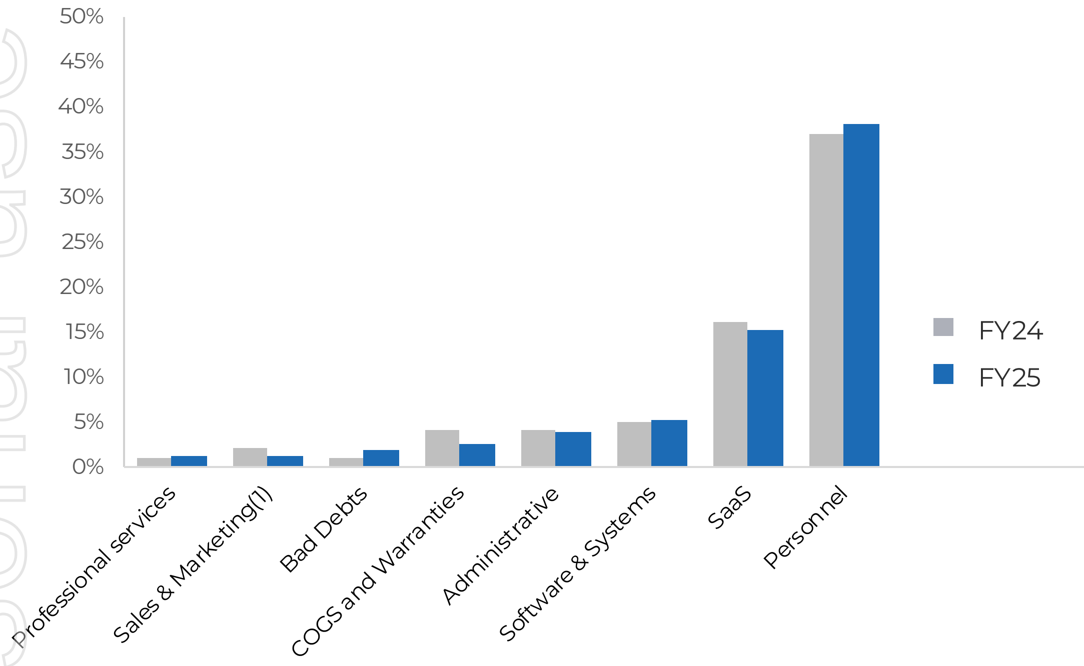


Operating Costs

Cost-out program continues to deliver cost base for profitable growth

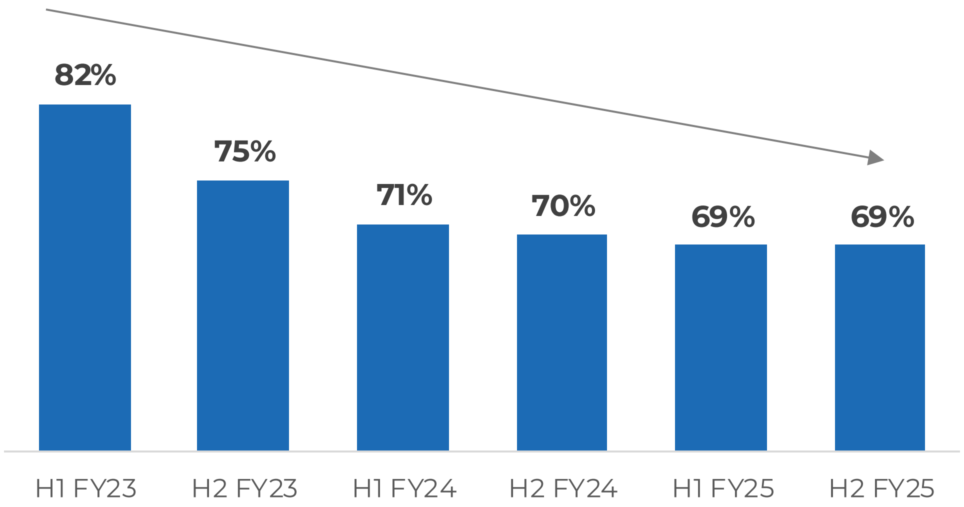
Operating cost as a % of revenue by segment

Operating cost control has been maintained with higher personnel costs being offset by savings in several other categories.



Operating costs as a % of revenue stabilised

Operating costs as a % of revenue have now flattened reflecting the cost out program over FY23 and FY24. Further operating leverage to be driven by revenue growth while maintaining fixed costs.



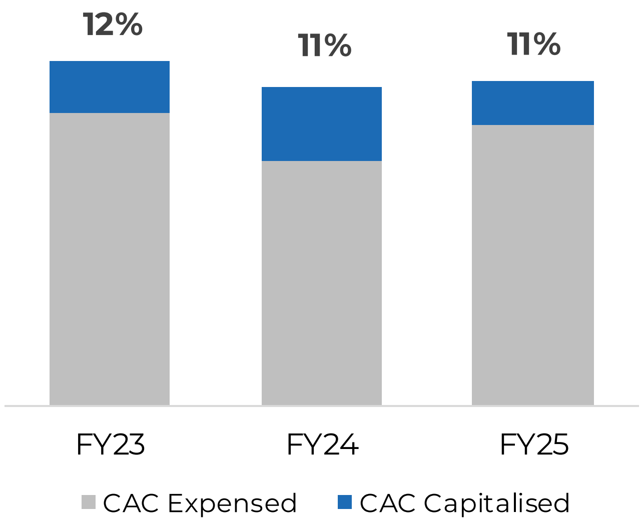
[1] Sales and Marketing in the above chart represents non-personnel costs such as general marketing and advertising.

Operational Efficiency

Management focus on gaining efficiency across all cost measures

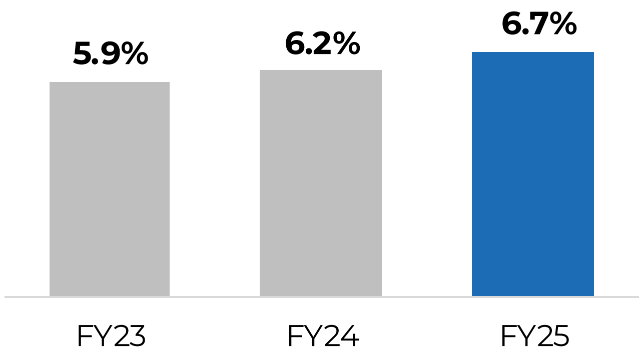
Cost to acquire customers as a % of revenue

Customer acquisition costs remain steady. Capitalised costs were higher in FY24 reflecting a large enterprise deal closed in that year.



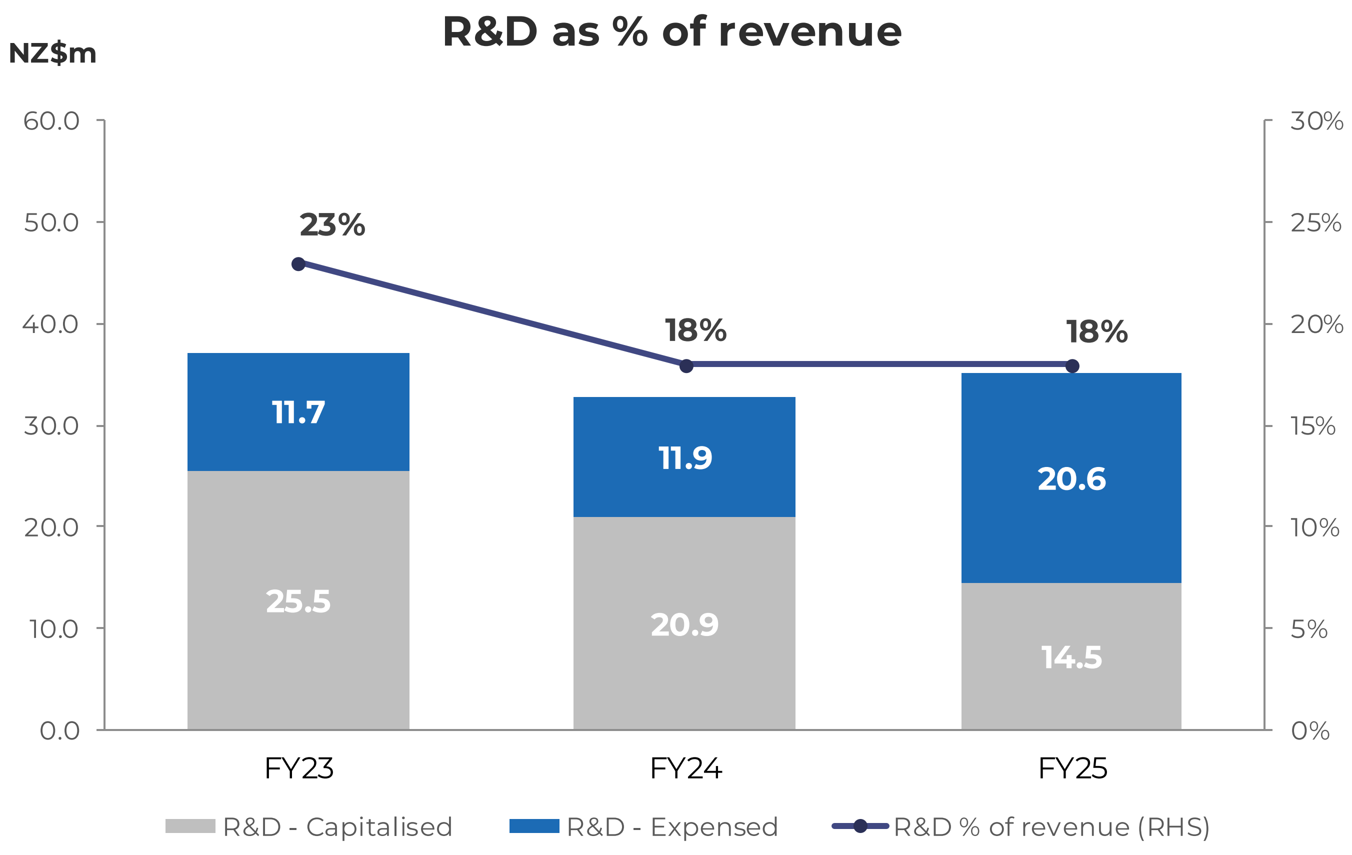
Cost to service & support as a % of revenue

Costs to support has increased slightly to build capacity and support large enterprise rollouts.



Research & Development

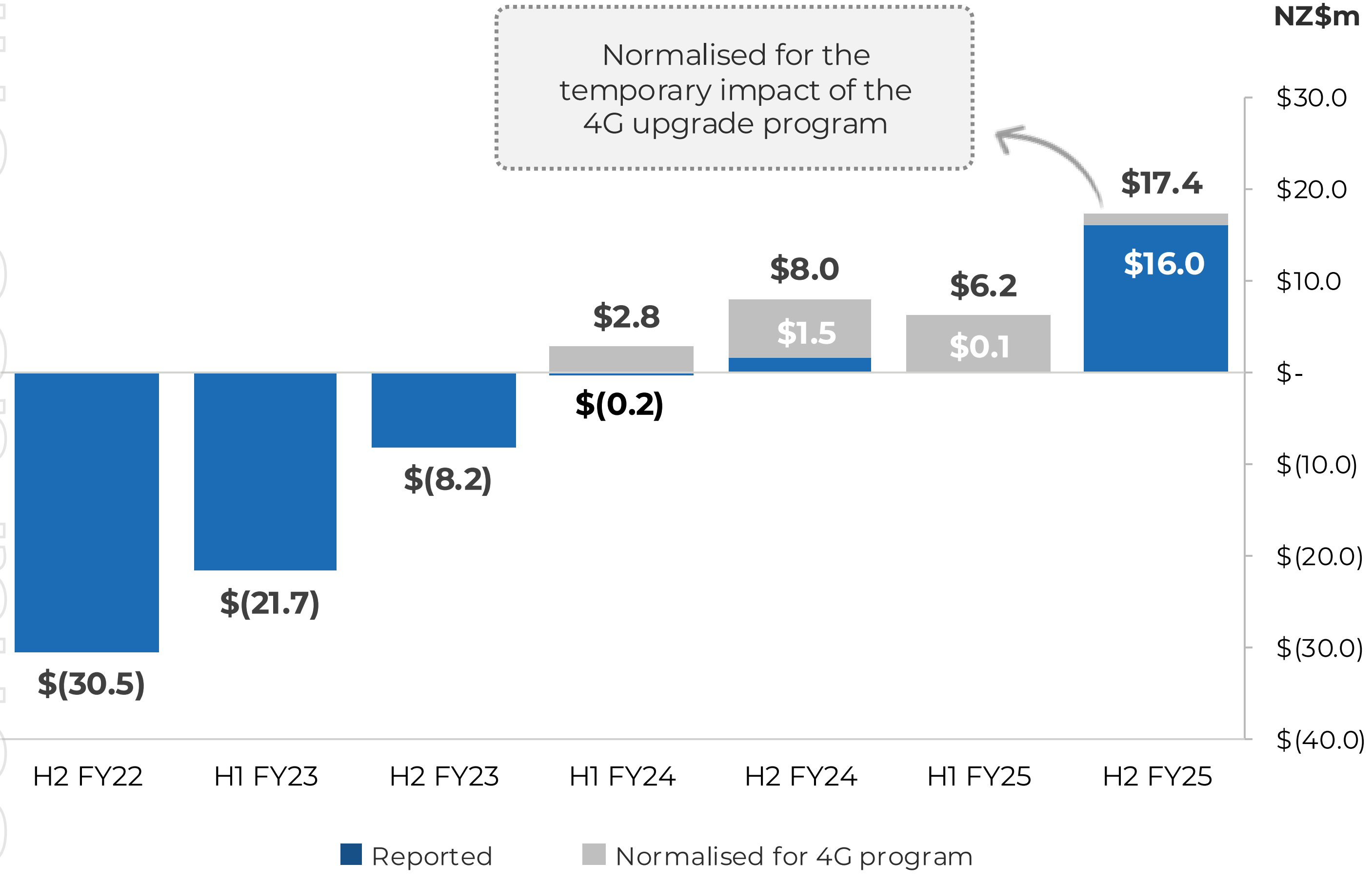
R&D % of revenue being held firm as re-focusing initiatives drive ROI and speed to market



- Total R&D spend of $35m in FY25, 18% of revenue.
- Compares to $32.8m, or 18% of revenue, in FY24.
- Opex increased to 59% of R&D spend in FY25 from 36% in FY24. This reflects an investment in scaling our platform for larger customers following an above average investment in growth in the prior period.

Free Cash Flow Growth

Strong cash flow generation to further accelerate post 4G hardware upgrade

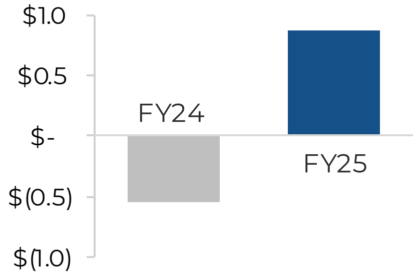


STRONG FCF GENERATION

EROAD'S core operations generated $23.6m of normalised free cash flow over the last 12 months.

Cash generated in the near-term is expected to be used to pay down debt and fund growth initiatives.

Average monthly cash generation



EROAD

03

Strategy Update

Customer ROI

Long term resilience through clear value delivery to customers

Cold Chain Industry Challenge

High diesel costs, food safety compliance (FSMA), and unplanned reefer faults impact operational risk and inefficiency.

EROAD

Integrated cold chain suite across core modules: temperature, precool, fault code monitoring, FSQA tools, utilisation, and trailer location.

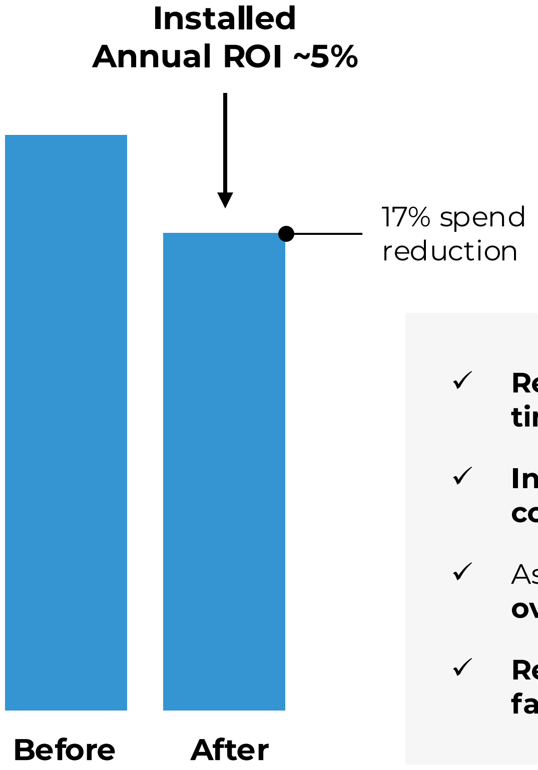
Strategic Alignment:

Compliance:
FSMA

Expansion:
SaaS ARR increase with multi-product

Sustainability:
Emissions reduction

Cold Chain data based on customer pilot



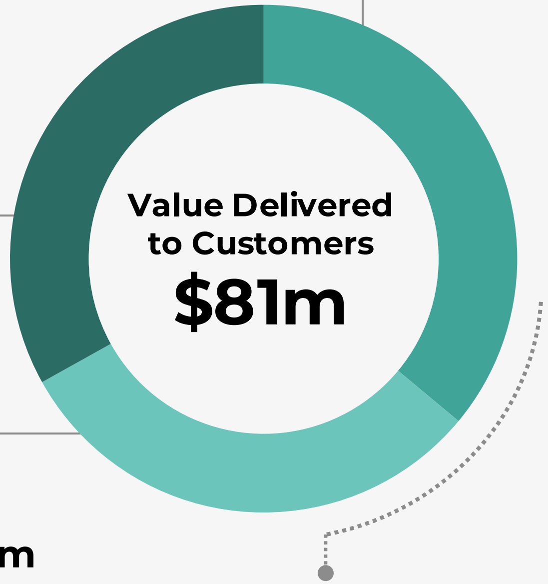
- ✓ **Reduced precool time** by >65%
- ✓ **Increased FSQA compliance** by >60%
- ✓ Asset utilisation **over 80% target**
- ✓ **Reduced P1 faults** by 50%

EROAD processed $927 million

in Road User Charges (RUC)

$26.8m
in admin savings
Reduced manual processing, fewer mechanical inspections, faster cash in hand

$29.2m
in off-road rebates
Average rebate ROI: ~29%



$25m
in distance corrections
~3% reclaimed on average trip distance

Combined, these savings to customers represent **over 78% of total NZ revenue**.

It's a clear, measurable return on investment.

Regulatory-led land & expand

Proven ROI accelerates platform adoption and ARR expansion

Enabler for growth

Regulatory or mandated requirements like ELD and eRUC provide low-friction entry points into fleets.

Once deployed, the platform delivers clear ROI, building the trust that makes cross-sell and product expansion faster and more efficient.

New product adoption

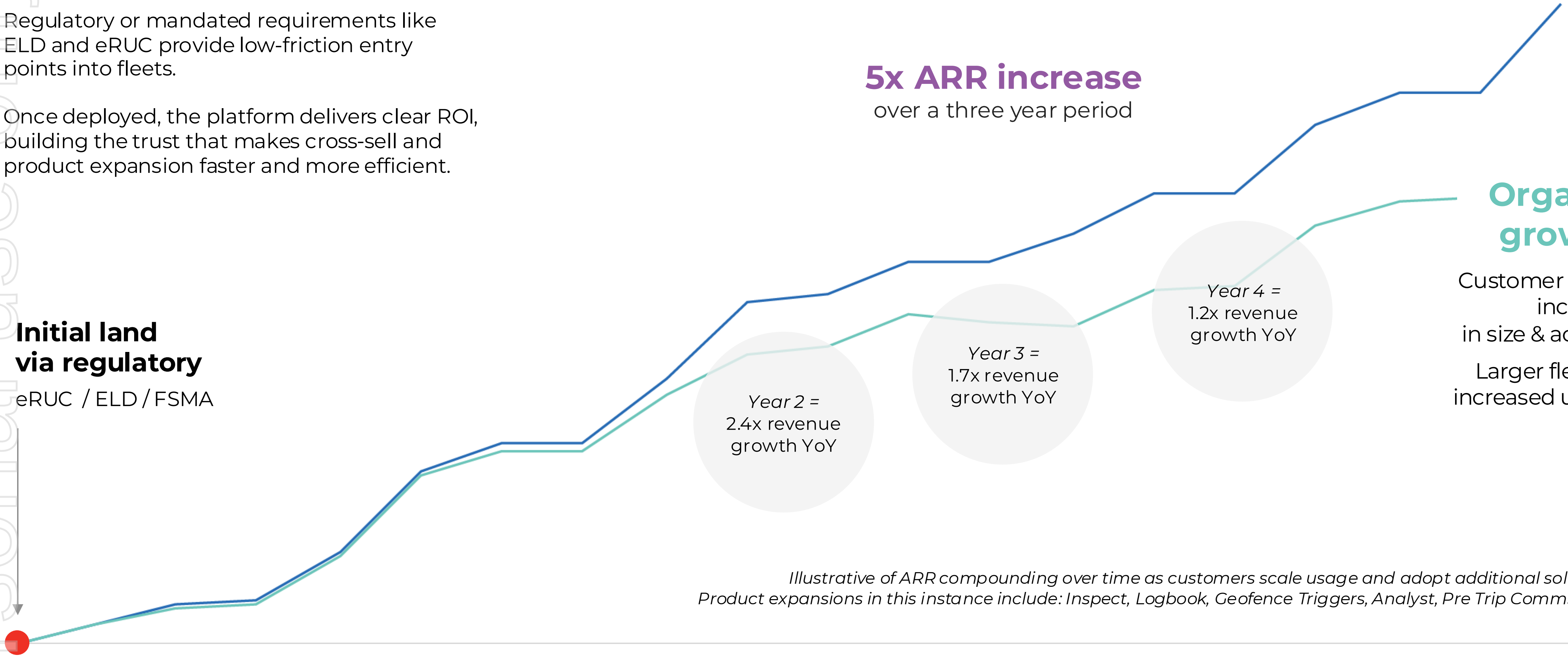
Customers add additional products and features over time

5x ARR increase

over a three year period

Initial land via regulatory

eRUC / ELD / FSMA



Organic growth

Customer fleets increase in size & activity

Larger fleets & increased usage

Illustrative of ARR compounding over time as customers scale usage and adopt additional solutions.
Product expansions in this instance include: Inspect, Logbook, Geofence Triggers, Analyst, Pre Trip Comms, ECM

FY25 Product Investments to Drive Growth

We invested to capture market growth in all markets while deepening customer value.

Smart, Automated Compliance

Streamlining regulatory obligations with integrated tools that reduce admin and increase accuracy.

Expanded Hybrid & EV Support
Now supporting hybrid and electric vehicles for road user charges in New Zealand and new compliance options for light commercial vehicles

User Access Controls introduced for large fleet hierarchy management

SSO login for improved enterprise security and access control

Safer Fleets With Real-Time Risk Management

Proactive safety tech that monitors behaviour, supports drivers, and reduces incident impact.

Clarity Edge AI Dashcam with Fatigue Alerts
New AI-powered dashcam that detects unsafe driving behaviours. Voice alerts and seat shaker for help prevent accidents before they happen.

Etrack Locate with Geotab creating a low-cost entry level offering for mixed fleets

New Drive Buddy tool encourages better fatigue management

Overspeed Alerts deployed for live risk detection

Productivity Tools for Smarter Fleet Operations

Integrated features that simplify planning, reporting and asset utilisation to drive efficiency.

EROAD Nav – Advanced Fleet Navigation
Truck-specific navigation with real-time route adjustments for restricted roads, low bridges and weight limits.

Fleet Map & Data Enhancements Better routing, delivery points, and exit data for efficient navigation and planning.

Fuel Card & Expense Integrations
Integrations with key providers to reduce manual reporting effort.

A product-led unified global growth strategy

- ✓ Investing in AI & automation to improve safety & compliance across all regions.
- ✓ Reducing operational costs for fleets through tax automation & fuel efficiency tools.
- ✓ Enhancing the EROAD platform to drive enterprise expansion & customer retention.

04
Guidance

Guidance

Committed to continuing to delivering sustainable, profitable growth

Strategic plan continues to produce strong financial results

- We continue to adhere to the principles of this plan – producing increasing levels of free cash flow, growing the business through a focus on enterprise fleets and maintaining cost discipline.
- Our FY26 guidance acknowledges recent economic uncertainty related to global trade and business spending, and its impact on deal cycles.
- FY26 revenue guidance is a baseline of $205m. Our FY26 ARR guidance is a baseline of $188m, which assumes a 7.5% growth in ARR.
- Revenue and ARR growth in excess of baseline is subject to closing large deals in the pipeline, FX and stable economic conditions.
- Free cash flow yield of 8% - 10% in FY26, normalised for the 4G hardware upgrade program.
- ARR CAGR target in the medium-term remains 11-13%.

Investor Day

EROAD plans to hold an upcoming Investor Day to provide deeper insight into EROAD's product roadmap and long-term strategic and financial targets.

We will provide notice to the market about how to participate in the near future.

FY26 Guidance

Revenue	$205m+
ARR (restated) [1]	$188m+
Free cash flow yield [2]	8% - 10%

[1] Annual recurring revenue from subscriptions only. Excludes purchased hardware sales and non-recurring revenue

[2] Normalised for the temporary impact of the 4G upgrade program.


EROAD
Q&A

Appendix

Glossary

ANNUALISED RECURRING REVENUE (ARR)
A non-GAAP measure representing monthly subscription revenue including bundled rental hardware, measured each month by taking subscription revenue for that month and multiplying by 12 to annualise. This measure has been restated to remove amortised revenue which is not recurring by nature.

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.

AVERAGE REVENUE PER UNIT (ARPU)
A non-GAAP measure that is calculated by dividing the total subscription revenue for the year reported.

COSTS TO ACQUIRE CUSTOMERS (CAC)
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.

COSTS TO SERVICE & SUPPORT (CTS)
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.

EBIT
A non-GAAP measure representing Earnings before Interest and Taxation (EBIT). Refer to Consolidated Statement of Comprehensive Income in Financial Statements.

EBITDA
A non-GAAP measure representing Earnings before Interest, Taxation, Depreciation and Amortisation (EBITDA).

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 $ARR is more than $100k in local currency for the Financial year reported.

FREE CASH FLOW (FCF)
A non-GAAP measure representing operating cash flow and investing cash flow reported in the Statement of Cash Flows.

FREE CASH FLOW TO THE FIRM
A non-GAAP measure representing operating cash flow and investing cash flow net of interest paid and received. For the purposes of this presentation, payments for the acquisition of Coretex have been excluded.

FY (FINANCIAL YEAR)
Financial year ended 31 March.

HALF ONE (H1)
For the six months ended 30 September.

HALF TWO (H2)
For the six months ended 31 March.

NORMALISED EBIT
Excludes one-off 4G hardware upgrade program $4.0m (FY24 $3.6m).

NORMALISED FCF
Excludes one-off 4G hardware upgrade program costs and accelerated depreciation.

ROAD USER CHARGES (RUC)
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.

SERVICEABLE ADDRESSABLE MARKET (SAM)
The portion of the TAM targeted by a company's products, services, capabilities, and go-to-market strategy. It reflects the opportunity realistically within reach.

TOTAL ADDRESSABLE MARKET (TAM)
The total revenue opportunity available for a product or service, assuming 100% market share within all relevant segments and geographies.

TAM & SAM METHODOLOGY
EROAD calculates TAM and SAM using a combination of public industry data (including fleet sizes, vehicle registrations, and transport sector statistics) and internal analysis. Our approach includes proprietary segmentation based on fleet type, region, and industry verticals, combined with representative pricing for each solution set.

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).

Statement of Income

NZ$m	FY25	FY24	Change ($)
Revenue	194.4	182.0	12.4
Operating expenses	(134.8)	(128.7)	(6.1)
Earnings before interest, taxation, depreciation and amortisation	**59.6**	**53.3**	6.3
Depreciation of property, plant and equipment	(21.9)	(23.2)	1.3
Amortisation of intangible assets	(21.0)	(19.6)	(1.4)
Amortisation of contract and customer acquisition assets	(10.8)	(10.3)	(0.5)
Earnings before interest and taxation	**5.9**	**0.2**	5.7
Net financing costs	(5.7)	(7.8)	2.1
Profit/(loss) before tax	**0.2**	**(7.6)**	7.8
Income tax benefit/(expense)	1.2	6.8	(5.6)
Profit/(loss) after tax for the year attributable to the shareholders	**1.4**	**(0.8)**	2.2
Cash flow hedges	(0.4)	(0.6)	0.2
Currency translation differences	8.9	10.6	(1.7)
Total comprehensive income for the year	**9.9**	**9.2**	0.7

Reported Revenue increased $12.4m primarily due to subscription revenue increasing $11.4m (including $2.2m gain in exchange rates from the strength of the USD) and a $2.4m increase in RUC transaction fees (including a GST treatment change of $0.9m).

EBITDA increased $6.3m due to higher revenue and moderate wage inflation.

D&A increased $1.3m on the additional unit growth since 31 March 2024 as well as accelerated depreciation on the units impacted by the 4G hardware upgrade program.

Interest decreased $2.1m in line with decreased borrowing in the period as well as movements in borrowing rates.

Cash Flow Statement

NZ$m	FY25	FY24	Change ($)
Cash received from customers	199.8	186.3	13.5
Payments to suppliers and employees	(141.3)	(117.0)	(24.3)
Investment in contract fulfilment assets	(9.8)	(10.0)	0.2
Net interest	(3.7)	(5.8)	2.1
Income taxes paid	(1.8)	(0.6)	(1.2)
Cash flows from operating activities	**43.2**	**52.9**	**(9.7)**
Property, plant & equipment	(13.4)	(32.2)	(18.8)
Investment in intangible assets	(14.9)	(21.3)	6.4
Contract fulfilment and customer acquisition assets	(2.6)	(3.9)	1.3
Cash flows from investing activities	**(30.9)**	**(57.4)**	**26.5**
Bank loans	(11.3)	(33.9)	22.6
Payment of lease liability	(1.8)	(2.1)	0.3
Issue of equity	-	50.0	(50.0)
Cost of raising capital	-	(3.2)	3.2
Cash flows from financing activities	**(13.1)**	**10.8**	**(23.9)**
Net increase (decrease) in cash held	(0.8)	6.3	(7.1)
Cash at the beginning of the financial period	14.5	8.1	6.4
Effects of exchange rate changes on cash	0.1	0.1	-
Closing cash and cash equivalents	**13.8**	**14.5**	**(0.7)**

Operating Cash Flow decreased $9.7m primarily due to a reduction in trade payables.

Investing Cash Flow spend was lower by $26.5m primarily due to lower capitalised R&D and a reduction in inventory versus the prior year.

Financing Cash Flow decreased $23.9m on the pay down of borrowing in the current year versus new capital raised in the prior year.

Balance Sheet

NZ$m	FY25	FY24	Change ($)
Cash	13.8	14.5	(0.7)
Restricted bank accounts	26.1	17.8	8.3
Costs to acquire and contract fulfilment costs	9.4	8.2	1.2
Other	35.4	33.2	2.3
Total current assets	**84.8**	**73.7**	**11.1**
Property, plant and equipment	82.3	88.8	(6.5)
Intangible assets	265.6	264.4	1.2
Costs to acquire and contract fulfillments costs	9.3	8.9	0.4
Other	18.3	17.7	0.6
Total non-current assets	**375.5**	**379.8**	**(4.3)**
Total assets	**460.3**	**453.5**	**6.8**
Payable to transport agencies	26.1	17.8	8.3
Contract liabilities	32.2	23.6	8.6
Borrowings	25.6	36.6	(11.0)
Other liabilities	44.7	54.2	(9.5)
Total liabilities	**128.6**	**132.2**	**(3.6)**
Net assets	**331.7**	**321.3**	**10.4**

Cash decreased $0.7m from cash generated from operations partially offset by the paydown of debt.

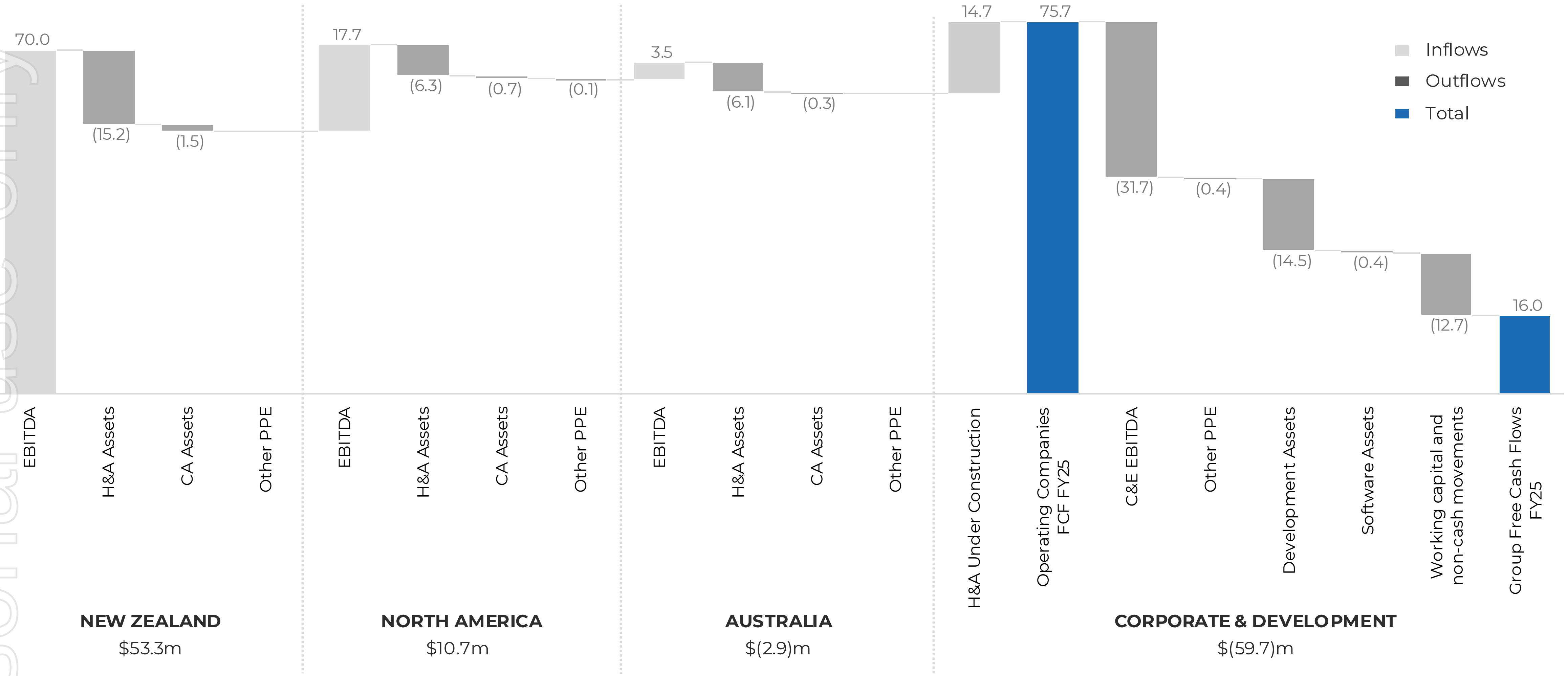
Property, plant and equipment decreased $6.5m due to the reduction in inventory from ongoing inventory management partially offset by growth from new hardware leasing and the 4G hardware upgrade program.

Inventory balance at 31 March 2025 was $22.0m.

Costs to acquire and contract fulfillment costs increased $0.4m reflecting growth and renewals.

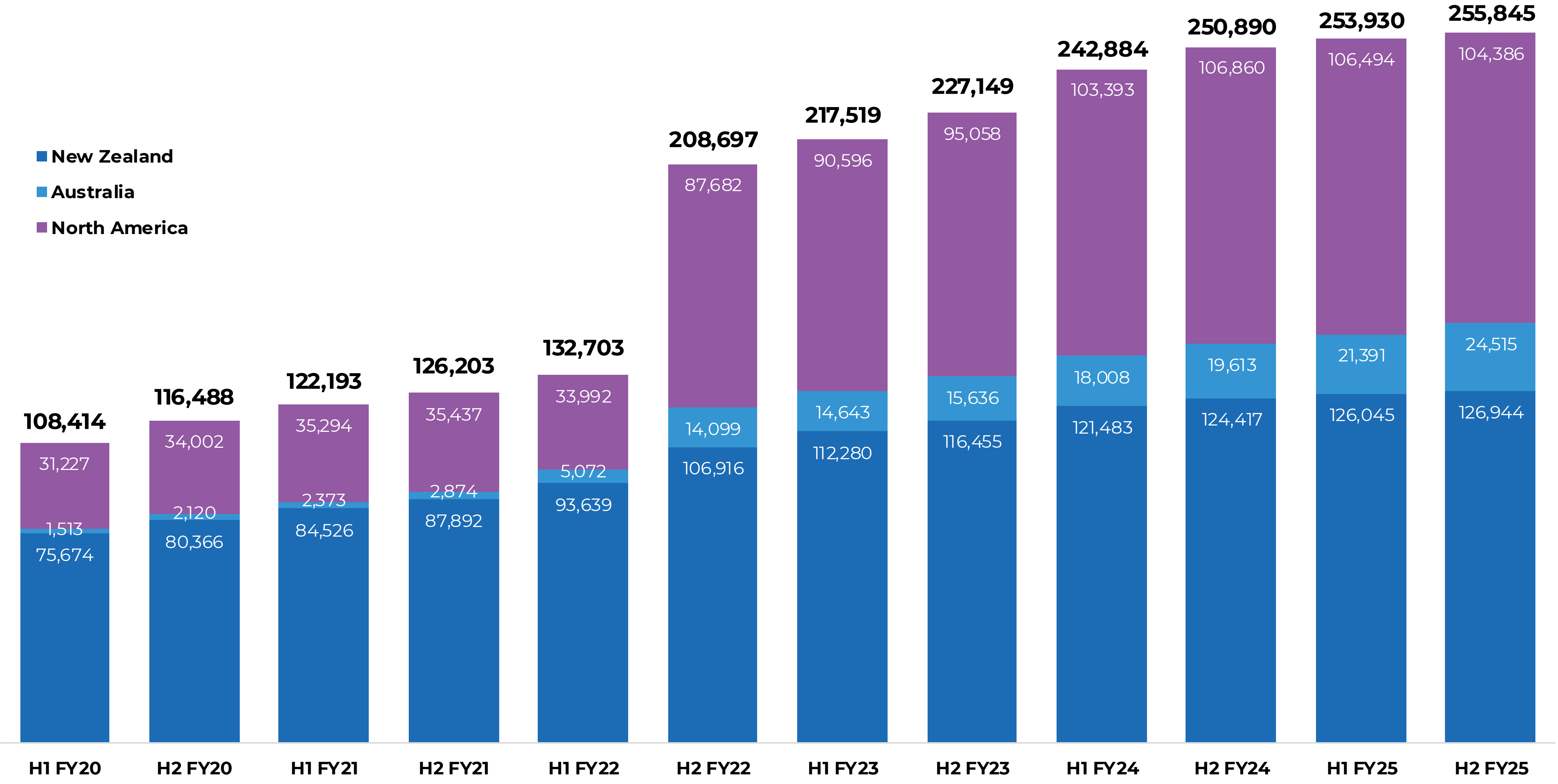
Borrowings decreased by $11.0m since 31 March 2024 largely due to cash generation in the year which was used to repay debt.

Free Cash Flow to the Firm by Region

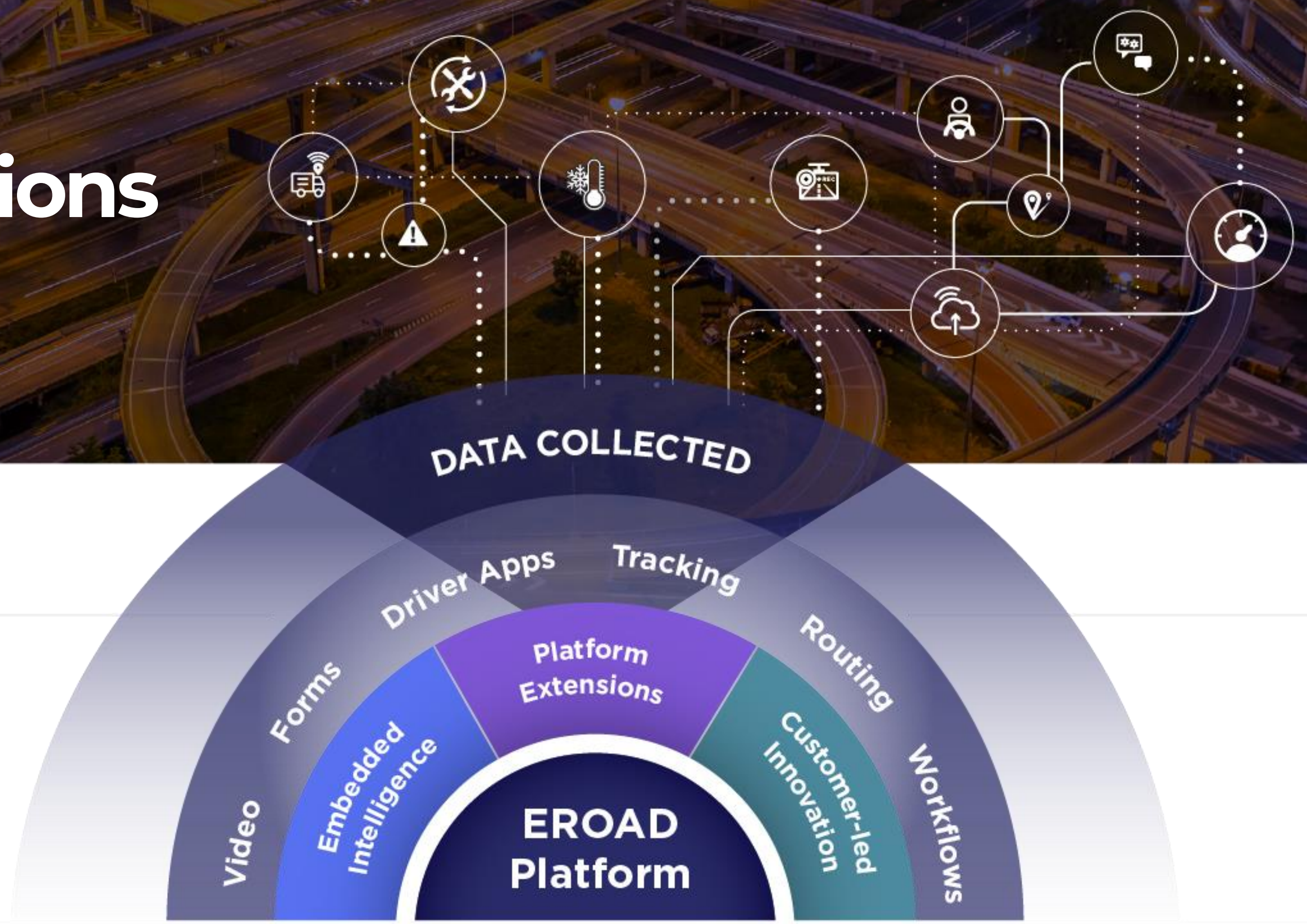


H&A Assets - Hardware & Accessory Assets • CA Assets - Customer Acquisition Assets • CE EBITDA – Corporate and Elimination EBITDA • H&A under Construction - Hardware & Accessories +/_ Inventories

Unit Count


New Zealand
Australia
North America
108,414
31,227
1,513
75,674
116,488
34,002
2,120
80,366
122,193
35,294
2,373
84,526
126,203
35,437
2,874
87,892
132,703
33,992
5,072
93,639
208,697
87,682
14,099
106,916
217,519
90,596
14,643
112,280
227,149
95,058
15,636
116,455
242,884
103,393
18,008
121,483
250,890
106,860
19,613
124,417
253,930
106,494
21,391
126,045
255,845
104,386
24,515
126,944
H1 FY20
H2 FY20
H1 FY21
H2 FY21
H1 FY22
H2 FY22
H1 FY23
H2 FY23
H1 FY24
H2 FY24
H1 FY25
H2 FY25

Data Rich Fleet Operations Platform



Compliance & Assurance

Road User Charges
Fuel Tax
Cold-Chain Assurance
Construction Assurance

Health & Safety

Driver Coaching
Vehicle Health
Incident Prevention
Speed Reduction

Productivity

Trip Routing
Driver Allocation
Asset Utilisation
Job Allocation

Sustainability

EV Support
Carbon Emissions
Fuel Reduction
Fleet Benchmarking

EROAD

ANNUAL REPORT

2025

ACKNOWLEDGEMENT

EROAD acknowledges the Tangata Whenua of New Zealand, the Indigenous Nations and First Peoples of Australia, and the Custodians of the lands and waterways in the United States of America where our offices are located.

We express our gratitude and appreciation to these peoples for sharing their culture and traditions and for their stewardship of these lands. We recognise and pay respect to their Elders, past, present, and emerging.

NON-GAAP MEASURES

EROAD has used non-GAAP measures when discussing financial performance in this document. The directors and management believe that these measures provide useful information as they are used internally to evaluate performance of business units, to establish operational goals and to allocate resources. Non-GAAP measures are not prepared in accordance with NZ IFRS (New Zealand International Financial Reporting Standards) and are not uniformly defined, therefore the non-GAAP measures reported in this document may not be comparable with those that other companies report and should not be viewed in isolation or considered as a substitute for measures reported by EROAD in accordance with NZ IFRS.

The non-GAAP measures EROAD have used are, ARR, EBITDA, Normalised EBIT and Free Cash Flow (FCF).

A detailed reconciliation of non-GAAP measures to EROAD's reported financial information is included on EROAD's website: www.eroadglobal.com/investors/.

ABOUT THIS REPORT

The 2025 Annual Report describes EROAD's strategy, financial performance and includes the Corporate Governance Statement and the Remuneration Report. All numbers relate to the 12 months ended 31 March 2025 (FY25) and comparisons relate to the 12 months ended 31 March 2024 (FY24), unless stated otherwise. All dollar amounts are in NZD, unless otherwise stated. Climate Related Disclosures report will be released by 31 July 2025 at www.eroadglobal.com/investors/.

This report covers the 12 months ended 31 March 2025 and is dated 26 May 2025.

This report has been approved by the Board and is signed on behalf of EROAD Limited by Susan Paterson, Chairman and David Green, Chair of the Finance Risk and Audit Committee.

Reporting Suite

EROAD's FY25 Annual Report should be read alongside our wider reporting materials, available at www.eroadglobal.com/global/investors/

- Full-Year FY25 Investor Presentation
- Board and Executive profiles, charters, and governance policies
- Climate Related Disclosures (to be published by 31 July 2025)
- ASX/NZX filings and shareholder resources

Susan Paterson
Chair

David Green
Chair of the Finance, Risk and Audit Committee

CONTENTS

CHAIR LETTER

Dear Shareholders,

I'm thrilled to share a year of excellent performance and strategic breakthroughs that have positioned EROAD as a clear industry leader. The company delivered on its FY25 commitments, held strong in executing its strategy, expanded market reach through new innovations and partnerships, and reinforced its value to customers and shareholders.

EROAD delivered at the top end of financial guidance across all metrics, and exceeded expectations with $16M in free cash flow - a notable turnaround from a negative $29.9M just two years ago, and clear evidence the EROAD turnaround is gaining traction. Importantly, the quality of the SaaS and annual recurring revenue continues to rise.

While global economic uncertainty, inflation and cautious capital spending has contributed to longer decision-making cycles and cost pressures across many industries, EROAD's competitive edge lies in the measurable value we deliver to customers - value that becomes even more compelling in uncertain markets. Through consistent delivery of measurable savings for fleet operations, EROAD is positioned with customers as a long-term investment even in constrained markets.

CHAIR LETTER (continued)

OPPORTUNITY & MARKET CONDITIONS

The opportunity ahead is growing, with headroom across all three of EROADs core markets, with growth in the more mature market of New Zealand supporting longer-term growth opportunities in North America and Australia. With every new product, feature, and partnership, EROAD is expanding its reach and redefining what's possible in fleet operations.

For instance, the launch of AI dashcam Clarity Edge unlocks a billion-dollar market in North America alone. With strong demand and accelerating interest from commercial fleets, it represents a highly promising opportunity space and is illustrative of our strategy in North America to focus on areas where we have a competitive advantage and growth opportunities exist.

Video safety advances like this are a perfect example of how EROAD aligns its care for customers with commercial outcomes. With more than 44,000 road-traffic fatalities recorded annually across our key markets, EROAD is committed to advancing solutions that help make every journey safer.

Recently, a long-standing customer in New Zealand shared that voice activation from Clarity Edge woke a driver from a micro-sleep while driving through a dangerous stretch in the Kaimai Ranges. The fatigue detection and ability to wake the driver prevented a catastrophic outcome for this driver, their family, and others on the road that day. This single incident is one of many powerful stories we hear from customers of lives saved, costs reduced, and operations transformed.

EROAD continues to outperform the broader New Zealand market for heavy vehicle road user charging (RUC). While total distance travelled by heavy vehicles declined 6% in FY24 and remained flat in FY25, distance captured through the EROAD platform increased by 9% and 4% respectively. We now capture 56% of all heavy vehicle RUC kilometres in New Zealand - a commanding lead that highlights our unmatched product market fit and customer trust. The opportunity continues to grow as we expand further into light commercial and electric vehicles, supported by our Geotab partnership, which enables a simple, low-cost entry point to capture mixed fleets. Proposed universal RUC changes would deepen this opportunity further by bringing all vehicle types into scope, and EROAD is working closely with stakeholders to contribute its experience and expertise where it can.

We also made progress this year in further balancing growth and cost through the establishment of our Manila office. This strategic move enhances our agility, strengthens customer support, and ensures we can scale efficiently without compromising quality or sustainability.

IMPACT – BEHIND THE NUMBERS

Customers in all segments are looking to improve the efficiency of their fleet operations, meet ever changing legislations and regulations, improve the quality of the goods and services they deliver, lower their environmental impact, operate safely, and deliver cost savings. As fleet operations are highly inter-connected, EROAD has taken a holistic solution approach to deliver against these challenges.

EROAD's solutions are designed to deliver layered, compounding benefits solving real world problems with precision and impact. In cold-chain, EROAD's data driven pre-cooling feature for refrigerated units has proven to reduce time to reach target temperature by >60 minutes That single hour represents savings in labour time, fuel consumption, corresponding C02 emissions diverted, while also reducing waste that occurs from non-compliant food safety standards from inaccurate temperature controls.

SUSTAINABILITY

Sustainability is a core principle embedded in how we operate, innovate, and lead. We have always understood that doing what's right for customers, our people and the communities we operate in delivers enduring business value.

Despite the noise, our customers are doubling down on sustainability and EROAD is right there with them, enabling smarter, cleaner, and more resilient operations. We recognise the long-term shifts in how businesses manage risk, reputation and performance, and support these expectations through platform-wide innovation and governance. This includes helping fleets reduce fuel consumption through better route planning and driver behaviour, enabling EV support within our regulatory solutions like eRUC, and improving load monitoring to minimise waste and improve product quality during transport.

Internally, we continue to strengthen our own practices. As of this year, all retired EROAD hardware returned to us is processed through certified e-waste partners - an initiative that was previously only available in New Zealand and is now company-wide.

The delivery of our first climate-related disclosures report last year helped us to further mature how we approach sustainability. We implemented stronger internal measurement tools and expanded our engagement on how product usage supports customer environmental outcomes such as reductions in fuel use, emissions, and food waste across key transport segments.

We look forward to releasing the FY25 report in the coming months, in line with New Zealand's regulatory requirements.

GOVERNANCE & BOARD

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OUTLOOK FOR FY26

Looking ahead, we are focused on staying agile, executing with discipline, and unlocking the full potential of our strategy. EROAD has a clear direction, with growth plans anchored in long-term priorities. With a consistent record of delivery over recent years, we are confident in management's ability to execute and convert strategic planning into sustained performance. We have a long way to go, but today we are running a far more efficient and powerful business, led by a team of passionate, experienced and highly capable people.

As Chair, it's a privilege to be on this journey with such a dedicated team, working tirelessly to ensure EROAD emerged with a strong balance sheet, and clear product market fit.

We believe EROAD's market valuation significantly underrepresents the strength of our performance and the scale of our opportunity, and we are actively working to close that gap.

We have set a minimum guidance of $205 million in revenue and $188 million in ARR for FY26, with a free cash flow yield of 8–10% (normalised for the 4G hardware upgrade program). The Board notes that upside to these figures exists, contingent on the timing of major enterprise deal closures and broader economic conditions.

We remain focused on long-term value creation, with a medium-term ARR growth CAGR target of 11–13%, and look forward to providing deeper insight into EROAD's product roadmap and strategic trajectory at our upcoming Investor Day. Details with how to participate will be announced in the near future.

On behalf of the Board, I extend heartfelt thanks to our exceptional team and to all our shareholders for your support to recapitalise our balance sheet and lay a much stronger financial foundation that is now driving EROAD on a path to more sustainable, profitable growth.

Sincerely,

Susan Paterson
Chair

Co-CEOs LETTER

Dear Shareholders,

FY25 was a year of significant achievements and inspiring progress, demonstrating growing evidence that the company turnaround continues to gain traction.

We continue to prove our ability to sustain strong financial performance. Our revenue increased by 6.8% to $194.4 million, and positive free cash flow outperformed guidance, jumping to $16 million. Having recapitalised the business and implemented the core elements of our FY23 reset plan, EROAD is now back to profitability. Importantly, the quality of our earnings continues to rise. This result is a testament to our clear strategy, strong execution, and disciplined cost management.

Co-CEOs LETTER (continued)

EROAD'S SUPPORT OF THE TRANSPORTATION INDUSTRY

It's been a year of significant change in the operating environment, with competitor consolidation and structural changes, further acceleration of fleet electrification, AI driven technology changes, and ongoing economic uncertainty.

The transportation industry in the US, Australia, and New Zealand continued to face challenges, as inconsistent freight volumes, rising costs, and increased regulations put pressure on fleet operators. Throughout this all, EROAD has continued to support our customers by delivering innovative solutions that help to reduce the cost of running fleets while significantly enhancing operational efficiency and safety.

Every element of our solution is designed to deliver real, measurable value to our customers. In New Zealand we enable customers to receive Government refunds from road user charges (RUC). In FY25, our distance corrections and off-road usage claims returned $81 million in value to customers. Just one of many examples of how we drive tangible ROI for customers that lead to lasting partnerships and enable them to think of us as an investment, not a cost.

Our strategic focus on expanding the telematics opportunity with a full suite platform solution for complex fleets is instrumental in driving growth. Fleet operators are increasingly frustrated by fragmented technology solutions and are looking to consolidate. EROAD's all in one solution, servicing end-to-end fleet operations for drivers, vehicles and loads - with advanced functionality like AI powered video safety, smart truck navigation and powerful analyst modules - adds to our competitive strength in a changing market.

FINANCIAL PERFORMANCE AND STRATEGIC EXECUTION

EROAD once again delivered against, or exceeded, FY25 guidance across revenue, EBIT, and free cash flow. Our performance was achieved despite the challenging market conditions, thanks to our clear strategy, strong execution, and cost discipline. We have focused on quality Annual Recurring Revenue (ARR), prioritising high-value customers over chasing volume. This has resulted in more predictable revenue, stronger renewals, and larger ARR expansion opportunities.

Our operational turnaround initiated in FY23 has enabled us to operate leaner, with greater discipline and a stronger balance sheet. This company-wide transformation is the result of disciplined prioritisation and commitment to long-term growth.

We have implemented tight cost controls and fundamentally changed the way we operate. Shifting to annual billing, focusing on ARR, and tightening inventory management have driven efficiency across the business.

CUSTOMER ENGAGEMENT AND INNOVATION

Engaging with our customers has been a highlight of the year. Whether at Fleet Day, during negotiations, or out in yards and depots, the conversations that challenged us and ignited innovation were made possible by the trust and partnership we share with our customers. While each customer faces unique challenges, across all markets, they are under pressure; managing complex fleets, navigating shifting regulations, and facing rising costs and expectations.

Our largest late-stage enterprise deals have been in motion for over two years on average. This is the reality of enterprise deals where it takes time to build trust, run pilots, align stakeholders, and prove results. We made strong progress advancing the pipeline, with key decisions expected this calendar year.

At the same time, we continue expanding within our existing base. Customers who first engaged with us for a specific need are now rolling out into more of their fleets or adopting additional product lines from our broader solution set.

Australia delivered our largest agreement for the year, with a major Trans-Tasman customer choosing EROAD for a 5,000+ unit deal. In North America, long sales cycles remain a reality, but we're now embedded in several strategic pilots that will serve as a launchpad for future expansions. New Zealand continues to perform well as a growing, cash-generating engine, with FCF climbing an impressive 15% to $53.3m.

R&D INVESTMENT AND GROWTH

To maximise our R&D investment in growth, we are focused on three areas designed to deliver accelerated value, while maintaining our focus and cost discipline.

- Platform Extensions: We're expanding platform value through a layered partner ecosystem. Strategic alliances like we have with Microsoft, Thermo King, and Geotab add credibility, scale, and specialised capability to enhance our platform. This is complemented by Third-party integrations connecting EROAD to the added tools our customers already use. By bringing them into a single platform view, we help customers gain more control and insight across their operations.
- Embedded Intelligence: Operational data has always been one of our greatest assets, and the acceleration of AI is allowing us to convert that into real insights. While customers are seeing incredible benefits from our AI based products and features like fatigue detection in our Clarity Edge camera, the long-term opportunity lies in embedding AI into the foundation of our platform. That shift is underway: rather than isolated apps and add-ons, we're focused on using AI to turn raw data into real-time intelligence that scales across safety, compliance, and fleet performance.
- Customer-Led Innovation: Working closely with customers to shape future development. Through our professional services team and pilot programs, we're co-designing features that solve complex, operational problems. With customer-led innovation we're able to develop solutions to solve specific challenges for one customer that are applicable across sectors, regions, or use cases.

By collaborating with customers and partners, this strategy ensures we remain at the forefront of innovation.

LOOKING AHEAD

As we look ahead to FY26, recognising EROAD under its current reset strategy has gained real traction against its core growth metrics, we see the potential to unlock opportunities across all our markets and create further value for shareholders.

We have the ambition and determination, grounded in the fact the EROAD technology stack really does deliver for our growing customer base. We will continue to seize market opportunities, leverage strategic partnerships and cutting-edge tech integrations to provide customers with innovative solutions for navigating the challenges of the transportation industry.

In conclusion, FY25 has been a year of strong performance and strategic progress for EROAD. We have delivered against our financial guidance, expanded our market opportunity, and strengthened our customer relationships. With a customer culture of excellence across our dedicated team of EROADers, we are confident that our clear strategy, strong execution, and disciplined cost management will continue to drive growth and create lasting value for our shareholders.

We are grateful to our growing base of customers for their part in this and for the opportunity for EROAD to support their journeys, and as always, we thank you our shareholders for your continued support.

Sincerely,

Mark Heine and David Kenneson
Co-Chief Executive Officers

About EROAD

EROAD's platform combines vehicle-mounted technology with powerful software for complex vehicle fleets. We connect drivers, vehicles, assets, and operations to give businesses the real-time visibility they need to stay compliant, efficient, and safe on the move.

Our customers keep supply chains running, build critical infrastructure, and deliver essential goods and services. We help them simplify complexity, reduce waste, and make smarter decisions that improve performance today while building a more sustainable future.

Our Purpose

Delivering intelligence you can trust, for a better world tomorrow.

Helping the fleets that keep economies moving

Behind every delivery, service repair, construction project or supermarket shelf, there's a fleet of vehicles to make it happen.

These fleets operate in regulated, time-sensitive environments where performance, safety, and cost control matter every day. EROAD provides these fleets with the technology to run safer, leaner, and smarter.

From our origins digitising road user charges in New Zealand, EROAD has grown into a full platform for connected fleet operations. Our solutions span compliance, safety, asset tracking, emissions reduction, and operational efficiency, delivered through a single system that simplifies complexity and scales with need.

We serve thousands of businesses across New Zealand, Australia and North America - from multi-national food and beverage distributors to construction materials and field service fleets. Our customers rely on us to help reduce fuel use, prevent accidents, protect drivers, and get better outcomes from their assets, operations and people.

As industry demands grow and transport becomes more complex, EROAD's platform plays an increasingly essential role. From what's in the vehicle to how it's being driven, EROAD gives operators the full picture in motion. And as we embed AI, partner with leading OEMs and technology providers, and support the shift to lower-emissions transport, we're helping shape a smarter, more sustainable future for the sector.

Our evolution from Regulatory Telematics in New Zealand, to global Fleet Operations Platform

Regulatory Telematics

Telematics focus with features to serve markets and customer need – leveraging compliance, regulatory, and great hardware

- Hardware reliant built on regulatory and compliance needs
- Driver first product and feature approach
- Value proposition built off simplicity & appealing to SMB
- New Zealand centric with beachhead footprint in US & AU

Enterprise Fleet Platform

Shifted the business to enterprise SaaS – larger more complex customers with a solution approach, increasing TAM with innovation

- Expanded to enterprise platform solution for whole of fleet across driver, asset & load with vertical specialisations
- Software-first approach enabled by hardware
- SaaS culture with financial discipline, balanced investment in sustainable growth and a shift toward annualised billing

Fleet Operations Platform

Building the future in accelerated ways

EROAD's evolution over the past few years has reshaped the business from a compliance-first local player to a global, platform-led business with growing momentum. Now, three strategic pillars are set to shape our next chapter. Each has matured rapidly year-on-year, and position us for continued sustainable, scalable growth.

Regulatory Telematics — FY20 — Enterprise Fleet Platform — FY25 — Fleet Operations Platform

Positioned for Growth

- **AI** has progressed from standalone features to being embedded into the core platform, allowing us to unlock the full potential of data and real time insights for customers.
- **Professional Services** are evolving beyond implementation into deeper, high-value engagements, creating new commercial pathways and accelerating product-market fit.
- **Partner integrations** have moved from tactical additions to a strategic ecosystem, increasing our addressable market, improving deployment speed, and delivering a more unified customer experience.

	FY24	FY25	FY26
AI	In-House Data Scientist CoreTemp	LLMs & ML AI Assistant, Clarity Edge	Hyperscaling AI at the Core
Professional Services	Foundational Enterprise Customers	Scaled Monetised training & integration	Innovate Co-Development Projects
Partner Ecosystem	Embryonic ThermoKing, Microsoft	TAM Expansion Carrier, GeoTab	Ingestion Engine OEMs, Solution & Data Providers

EROAD Platform

FINANCIAL HIGHLIGHTS

Reported Revenue

$194.4m

+6.8% FY24: $182m

ARR (Restated)

$175.1m

+6.1% FY24: $165m

Free cash flow

$16.0m

+$14.7m FY24: $1.3m

Normalised EBIT

$9.9m

+$6.1m FY24: $3.8m (restated)

ARPU

$59.41

+1.6% FY24: $58.45

Net Unit Adds

4,955

REGIONAL HIGHLIGHTS

	NEW ZEALAND	NORTH AMERICA	AUSTRALIA
	Driving growth and cash generation with a strong brand, retention and proven ROI for customers. eRUC-led value delivery, expanding light fleet offerings and EV uptake signal long-term platform opportunity.	Controlled spend delivered growth and margin stability in soft market. Enterprise expansion progressing, with late-stage pilots supporting FY26 pipeline position EROAD for expansion as conditions stabilise.	Early enterprise traction in a compliance-focused market, with significant runway to expand across safety, refrigerated transport and whole-of-fleet solutions.
Revenue	**$103.9m** +12.9% FY24: $92.0m	**$81.2m** +1.5% FY24: $80.0m	**$13.7m** +28% FY24: $10.7m
ARR (Restated)	**$89.0m** +6% FY24: $83.6m	**$73.5m** +4% FY24: $70.8m	**$12.6m** +19% FY24: $10.6m
EBITDA	**$70.0m** FY24: $62.2m	**$17.7m** FY24: $22.0m	**$3.5m** FY24: $3m
ARPU	**$60.14** FY24: $58.30	**$60.93** FY24: $60.92	**$47.97** FY24: $45.44
Unit Count	**126,944**	**104,386**	**24,515**
Enterprise Customers	**46%**	**62%**	**62%**

THE BOARD

SUSAN PATERSON

Chair, Independent Director,
Auckland
Appointed: March 2019,
Appointed Chair: July 2023

Board Committees:
Finance, Risk and Audit,
Nominations, People & Culture

Susan is a professional director with more than 25 years of governance experience across listed companies, government bodies, private businesses and not-for-profits. She has held executive roles in pharmaceuticals, IT strategy and management, working in both New Zealand and overseas. Susan is currently Chair of Steel & Tube and IT consultancy Theta, and a director of the Reserve Bank of New Zealand, Les Mills NZ, Energy education Trust and Lodestone Energy. Susan has held governance roles across a wide range of sectors including infrastructure, energy, media, and financial services. Her previous directorships include Goodman Property Trust, Arvida, Transpower and Sky TV. Susan is an Officer of the New Zealand Order of Merit for services to governance and a Chartered Fellow of the Institute of Directors.

BARRY EINSIG

Independent Director
Pennsylvania
Appointed: January 2020

Board Committees:
Finance, Risk and Audit,
Nominations, Technology (Chair)

Barry is a technology and transport executive with more than 30 years of experience across global markets. He has held senior roles in high-growth technology companies, including Vice President at Econolite, and leads commercial and advisory work across sectors such as connected and automated vehicles, public safety networks, and transport system innovation. Barry has advised both public and private organisations on the future of mobility, including Singapore's Ministry of Transport, and contributed to work by the US Transportation Research Board. He has supported businesses at the intersection of technology, infrastructure and ESG, helping them scale into new markets. Barry brings wide-ranging knowledge of intelligent transportation systems, IoT applications, and the evolving needs of the freight and mobility sectors.

SARA GIFFORD

Independent Director
Massachusetts
Appointed: April 2022

Board Committees:
Nominations, People & Culture
(Chair), Technology

Sara is a technology executive with broad experience leading international software companies across logistics, transportation and supply chain. She brings product and commercial expertise, with a proven track record of driving growth, digital transformation and customer value. Sara served as Chief Solutions Officer and executive board member at Quintiq, where she held global P&L responsibility and led product and go-to-market strategy during a period of international expansion. She has been applying AI in enterprise software for over 20 years. Sara was a director of SaaS company Spiro through its successful exit and is currently CEO and co-founder of ActiVote, a nonpartisan civic technology company. She combines technical expertise with a strategic approach to people and culture, advising on leadership, talent and the human drivers of innovation and growth.

DAVID GREEN

Independent Director
Auckland
Appointed: July 2023

Board Committees:
Finance, Risk and Audit (Chair),
Nominations, People & Culture

David is a professional director, investor and former banking and finance sector executive with extensive leadership and governance experience. Throughout his executive career he led large teams delivering complex solutions for large enterprise customers across a wide range of industry sectors in Asia, Australia, New Zealand and the Middle East. David has considerable experience leading change programmes, digital transformation strategies, building positions of market leadership and working with regulators. He is currently Chair of BTNZ Funds Management (NZ) Limited and an Independent Director of Westpac New Zealand Limited, where he chairs the Board Audit Committee. David has been awarded fellowships by the Chartered Accountants Australia and New Zealand (CA ANZ) and the Institute of Finance Professionals in New Zealand (INFINZ).

CAMERON KINLOCH

Independent Director
Texas
Appointed: March 2024

Board Committees:
Finance, Risk and Audit,
Nominations

Cameron is an experienced director and executive with a strong background in governance, finance and operations. She has held senior leadership roles as Chief Financial Officer and Chief Operating Officer in high-growth technology companies, where she has driven strategic expansion, led capital raises, and supported M&A and IPO processes across a range of industries. Most recently, she was Chief Financial Officer at enterprise software company Weights & Biases, and is currently a director at Copper Cow Coffee, a sustainably sourced coffee company. Cameron brings deep finance expertise with a particular focus on the SaaS sector, where she has helped companies scale through disciplined capital management and operational execution. She also advises early-stage businesses on building financial capability and readiness for growth.

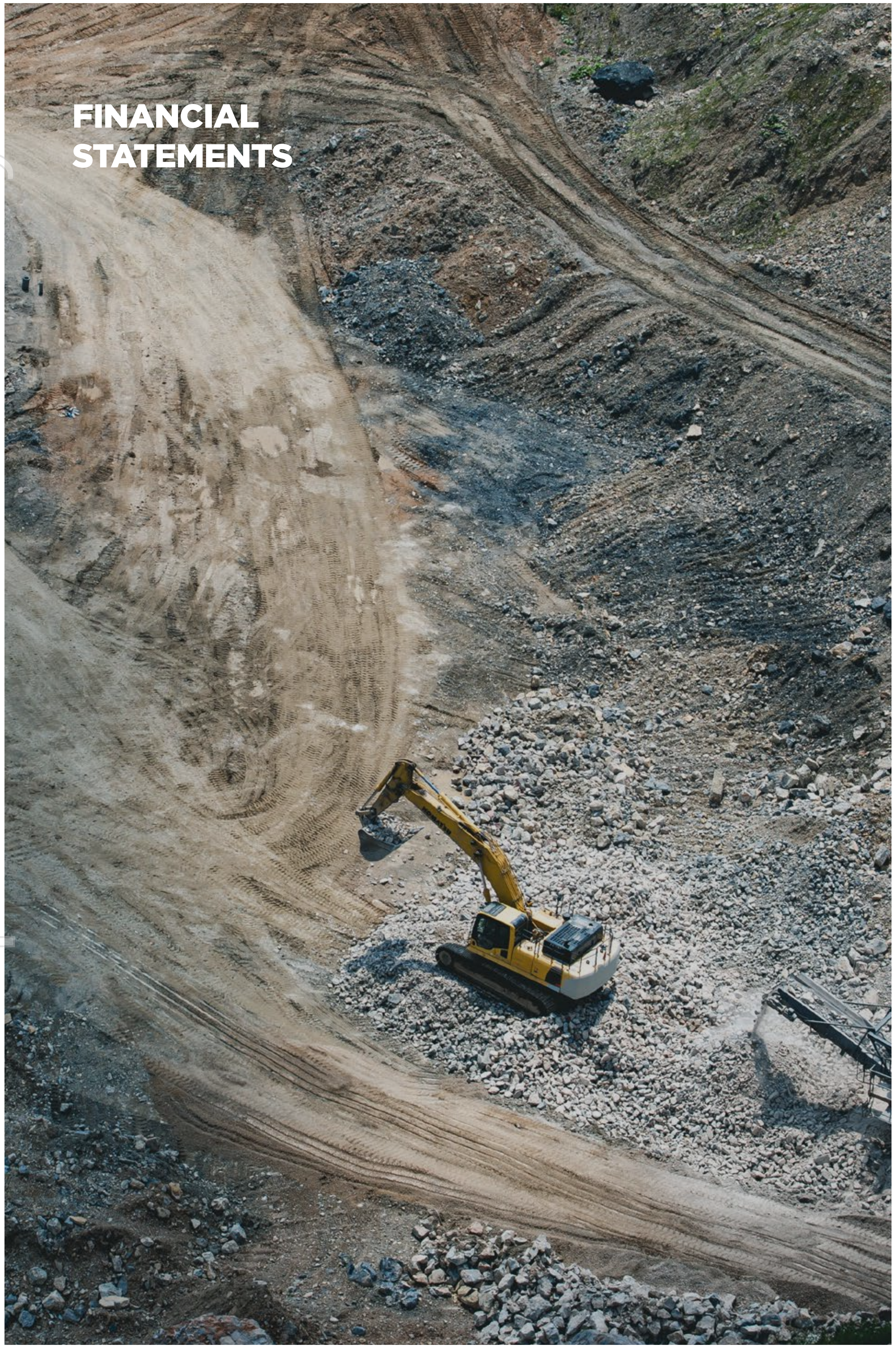
JOHN SCOTT

Independent Director
Auckland
Appointed: March 2025

Board Committees:
Nominations, Technology

John is a technology leader with decades of experience in global product development, commercial strategy and digital transformation. He has held executive roles including Chief Product Officer, Chief Operating Officer, Chief Marketing Officer and Chief Executive across public, private, VC and PE-backed companies. John was previously CEO of Invenco and a senior executive at Navico, two high-growth New Zealand technology businesses that scaled successfully on the global stage. He has built and led teams across engineering, product, sales, marketing and supply chain in markets including the US, UK, Europe and Asia. John currently serves on several boards and advises companies across hardware, software, and emerging tech sectors. He brings a practical, product-led lens to innovation, growth and governance.

FINANCIAL STATEMENTS



Consolidated Statement of Comprehensive Income

For the year ended 31 March 2025

	Notes	2025 $M's	Restated* 2024 $M's
Revenue	2	194.4	182.0
Operating expenses	5	(134.8)	(128.7)
Earnings before interest, taxation, depreciation and amortisation		**59.6**	**53.3**
Depreciation of property, plant and equipment	10	(21.9)	(23.2)
Amortisation of intangible assets	11	(21.0)	(19.6)
Amortisation of contract and customer aquisition assets	3	(10.8)	(10.3)
Earnings before interest and tax (EBIT)		**5.9**	**0.2**
Finance expense		(6.7)	(8.5)
Finance income		1.0	0.7
Net financing costs	14	**(5.7)**	**(7.8)**
Profit / (loss) before income tax		**0.2**	**(7.6)**
Income tax benefit	20	1.2	6.8
Profit / (loss) after tax for the year attributable to the shareholders		**1.4**	**(0.8)**
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss:			
Cash flow hedges		(0.4)	(0.6)
Currency translation differences		8.9	10.6
		8.5	**10.0**
Total comprehensive income for the year		**9.9**	**9.2**
Earnings / (loss) per share - Basic (cents)	15	0.73	(0.56)
Earnings / (loss) per share - Diluted (cents)	15	0.73	(0.55)

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.
**Refer to Retrospective Restatement note (d) for further details.*

Consolidated Statement of Financial Position

As at 31 March 2025

	Notes	2025 $M's	Restated* 2024 $M's
Current assets			
Cash and cash equivalents	7	13.8	14.5
Restricted bank accounts	7	26.1	17.8
Derivative financial assets	18	0.1	-
Trade and other receivables	8	35.4	33.2
Contract fulfilment costs	3	6.7	5.8
Costs to obtain contracts	3	2.7	2.4
Total Current Assets		**84.8**	**73.7**
Non-current assets			
Property, plant and equipment	10	82.3	88.8
Intangible assets	11	265.6	264.4
Derivative financial assets	18	0.3	-
Contract fulfilment costs	3	7.2	6.2
Costs to obtain contracts	3	2.1	2.7
Deferred tax assets	21	18.0	17.7
Total Non-Current Assets		**375.5**	**379.8**
Total Assets		**460.3**	**453.5**

Consolidated Statement of Financial Position (continued)

As at 31 March 2025

	Notes	2025 $M's	Restated* 2024 $M's
Current liabilities			
Borrowings	13	5.0	2.5
Trade payables and accruals	9	23.0	30.3
Payables to transport agencies	7	26.1	17.8
Contract liabilities	4	20.3	10.9
Lease liabilities	12	1.5	1.2
Employee entitlements		3.7	4.1
Derivative financial liabilities	18	0.6	0.3
Total Current Liabilities		**80.2**	**67.1**
Non-current liabilities			
Borrowings	13	20.6	34.1
Contract liabilities	4	11.9	12.7
Lease liabilities	12	4.1	5.1
Derivative financial liabilities	18	0.8	0.1
Deferred tax liabilities	21	11.0	13.1
Total non-current liabilities		**48.4**	**65.1**
Total Liabilities		**128.6**	**132.2**
Net Assets		**331.7**	**321.3**
Equity			
Share Capital	15	356.1	353.5
Share capital premium/discount		(19.9)	(19.9)
Other reserves		29.7	21.2
Accumulated losses		(34.2)	(33.5)
Total Shareholders' Equity		**331.7**	**321.3**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.
**Refer to Retrospective Restatement note (d) for further details.*

Chair, 26 May 25

Chair of the Finance, Risk and Audit Committee, 26 May 25

Consolidated Statement of Changes in Equity

For the year ended 31 March 2025

Consolidated	Notes	Share Capital	Share Premium / Discount	Accumulated losses	Translation Reserve	Hedging Reserve	Total
		$M's	$M's	$M's	$M's	$M's	$M's
Balance as at 1 April 2023		305.7	(19.9)	(36.0)	(1.2)	0.2	248.8
Retrospective restatement	(d)	-	-	(0.3)	12.2	-	11.9
Restated Balance as at 1 April 2023		**305.7**	**(19.9)**	**(36.3)**	**11.0**	**0.2**	**260.7**
Loss for the year		-	-	(0.8)	-	-	(0.8)
Other comprehensive income		-	-	-	10.6	(0.6)	10.0
Restated comprehensive income/ (loss)		**-**	**-**	**(0.8)**	**10.6**	**(0.6)**	**9.2**
Transactions with owners of the Company							
Equity settled share-based payments		1.0	-	3.6	-	-	4.6
Share capital issued - net of costs		46.8	-	-	-	-	46.8
Restated balance as at 31 March 2024		**353.5**	**(19.9)**	**(33.5)**	**21.6**	**(0.4)**	**321.3**
Restated balance as at 1 April 2024		353.5	(19.9)	(33.5)	21.6	(0.4)	321.3
Profit or loss for the year		-	-	1.4	-	-	1.4
Other comprehensive income/(loss)		-	-	-	8.9	(0.4)	8.5
Total comprehensive income/(loss)		**-**	**-**	**1.4**	**8.9**	**(0.4)**	**9.9**
Transactions with owners of the Company							
Equity settled share-based payments	16	2.6	-	(2.1)	-	-	0.5
Balance at 31 March 2025		**356.1**	**(19.9)**	**(34.2)**	**30.5**	**(0.8)**	**331.7**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the year ended 31 March 2025

	Notes	2025 $M's	2024 $M's
Cash flows from operating activities			
Cash received from customers		199.8	186.3
Payments to suppliers and employees		(141.3)	(117.0)
Payments for contract fulfilment assets	3	(9.8)	(10.0)
Interest received		1.0	0.7
Interest paid		(4.7)	(6.5)
Tax paid		(1.8)	(0.6)
Net cash inflow from operating activities		**43.2**	**52.9**
Cash flows from investing activities			
Payments for investment in property, plant & equipment	10	(13.4)	(32.2)
Payments for investment in intangible assets	11	(14.9)	(21.3)
Payments for investment in costs to obtain contracts	3	(2.6)	(3.9)
Net cash outflow from investing activities		**(30.9)**	**(57.4)**
Cash flows from financing activities			
Receipts from bank loans	13	-	2.0
Repayments of bank loans	13	(11.3)	(35.9)
Payment of lease liability	12	(1.8)	(2.1)
Receipts from issue of equity		0.0	50.0
Payments for costs of raising equity		0.0	(3.2)
Net cash (outflow) / inflow from financing activities		**(13.1)**	**10.8**
Net (decrease) / increase in the cash held		**(0.8)**	**6.3**
Cash at beginning of the financial period		**14.5**	**8.1**
Effects of exchange rate changes on cash and cash equivalents		0.1	0.1
Closing cash and cash equivalents		**13.8**	**14.5**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Reconciliation of Operating Cash Flows with Reported Loss After Tax

For the year ended 31 March 2025

	2025 $M's	Restated* 2024 $M's
Reconciliation of operating cash flows with reported loss after tax		
Profit / (loss) after tax for the year attributable to the shareholders	1.4	(0.8)
Add/(less) non-cash items		
Tax asset recognised	(1.4)	(7.6)
Depreciation and amortisation	53.7	53.1
Other non-cash (Income) / expenses	(0.2)	4.7
Unwinding of interest expense for discounted contract liabilities	1.3	1.1
	53.4	**51.3**
Movements in other working capital items		
(Increase) / decrease in trade and other receivables	(1.3)	1.7
Decrease in current tax payables	(0.4)	(1.4)
Increase in contract liabilities	8.1	3.8
(Increase) in contract fulfillment costs	(9.8)	(10.0)
(Decrease)/Increase in trade payables, interest payable and accruals	(8.2)	8.3
	(11.6)	**2.4**
Net cash from operating activities	**43.2**	**52.9**

** Refer to Retrospective Restatement note (d) for further details.*

Notes to the consolidated financial statements

For the year ended 31 March 2025

REPORTING ENTITY

The consolidated financial statements for the year ended 31 March 2025 are for EROAD Limited (the "Company") and its subsidiaries (collectively referred to as the "Group"). The Group provides electronic on-board units and software as a service to the transport industry.

EROAD Limited is a company domiciled in New Zealand registered under the Companies Act 1993 and is a FMC reporting entity for the purposes of the Financial Markets Conduct Act 2013. The Company is listed on the New Zealand Stock Exchange (NZX) Main Board and the Australian Stock Exchange (ASX).

BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). The financial statements comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) as appropriate for profit-oriented entities and other New Zealand accounting standards, and authoritative notices that are applicable to entities that apply NZ IFRS. These financial statements also comply with International Financial Reporting Standards and the requirements of the Financial Markets Conduct Act 2013.

The consolidated financial statements have been prepared on a going concern basis, which assumes that the Group will be able to discharge its liabilities including the mandatory repayment terms of the banking facilities as disclosed in Note 13.

The financial statements are presented in New Zealand dollars ($) which is the Group's presentation currency, and all values are rounded to million dollars to one decimal place ($M's) except where stated. Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The functional currency of the Company and its New Zealand subsidiaries is New Zealand dollars. The functional currency of the Company's Australian and North American subsidiaries are Australian dollars and United States dollars respectively.

All amounts are shown exclusive of goods and services tax (GST) except for trade receivables and trade payables, and except where the amount of GST incurred is not recoverable. When this occurs, GST is recognised as part of the cost of the asset or as an expense as applicable.

The financial statements are prepared on the historical cost basis, except for certain financial instruments which are carried at fair value.

(a) Basis of consolidation

Subsidiaries are fully consolidated at the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. The financial statements are prepared for the same reporting period as the Company, using consistent accounting policies. All intra-group transactions and balances arising within the Group are eliminated in full.

(b) Accounting policies

Accounting policies that summarise the measurement basis used and that are relevant to the understanding of the financial statements are provided throughout the accompanying notes.

The accounting policies adopted have been applied consistently throughout the periods presented in these consolidated financial statements.

FRS-44 New Zealand Additional disclosures has been adopted by the Group in the preparation of these financial statements (refer to note 5). The Group adopted all mandatory new and amended NZ IFRS Standards and Interpretations and there has been no material impact on the Group's financial statements.

In April 2024, the International Accounting Standards Board issued IFRS 18 Presentation and Disclosure in Financial Statements thatis effective for the accounting period that begins on or after 1 January 2027. This standard has not been early adopted in preparing these financial statements.

There are no other new standards, amendments or interpretations that have been issued and are not yet effective, that are expected to have a significant impact on the Group.

(c) Critical accounting estimates and judgements

In applying the Group's accounting policies, management continually evaluates judgements, estimates and assumptions based on experience and other factors, including expectations of future events that may have an impact on the Group. All judgements, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to the Group. Actual results may differ from the judgements, estimates and assumptions.

The significant judgements, estimates and assumptions made by management in the preparation of these financial statements are outlined within the financial statement notes to which they relate. These are:

- Taxation - Recognition and utilisation of tax losses
- Intangible assets - assumptions used in the impairment tests; capitalisation of development costs
- Property, plant and equipment - determining residual values and useful lives

(d) Restrospective restatement

During the year ended 31 March 2025, the Group identified an error where goodwill and other acquired intangible assets relating to the Coretex acquisition had been recorded in NZ$, rather than recorded in the functional currency of each of the Group's CGUs (US$ for North America and A$ for Australia), in its financial statements since 2022. This has been corrected by restating each of the affected financial statement line items for prior periods.

The following tables summarise the impact on the Group's consolidated financial statements for the year.

Statement of comprehensive income

	31 March 2024		
	As previously presented	Adjustment	Restated
	$M's	$M's	$M's
Amortisation of intangible assets	(19.0)	(0.6)	(19.6)
Income Tax benefit	6.7	0.1	6.8
Loss after tax for the year attributable to the shareholders	**(0.3)**	**(0.5)**	**(0.8)**
Items that are or may be reclassified subsequently to profit and loss			
Currency translation differences	3.7	6.9	10.6
Total comprehensive income for the year	**2.8**	**6.4**	**9.2**

(d) Restrospective restatement (continued)

Statement of financial position

	31 March 2024		
	As previously presented	Adjustment	Restated
	$M's	$M's	$M's
Intangible assets	244.4	20.0	264.4
Total Assets	**433.5**	**20.0**	**453.5**
Deferred tax liability	(11.4)	(1.7)	(13.1)
Total Liabilities	**(130.5)**	**(1.7)**	**(132.2)**
Other reserves	2.1	19.1	21.2
Accumulated losses	(32.7)	(0.8)	(33.5)
Equity	**303.0**	**18.3**	**321.3**

	1 April 2023		
	As previously presented	Adjustment	Restated
	$M's	$M's	$M's
Intangible assets	242.1	13.0	255.1
Total Assets	**402.8**	**13.0**	**415.8**
Deferred tax liability	(17.9)	(1.2)	(19.1)
Total Liabilities	**(154.0)**	**(1.2)**	**(155.2)**
Other reserves	(1.0)	12.2	11.2
Accumulated losses	(36.0)	(0.3)	(36.3)
Equity	**248.8**	**11.9**	**260.7**

There is no material impact on the Group's basic or diluted EPS and no impact on the total operating, investing or financing cash flows for the year ended 31 March 2024. There is no change to the outcome of the impairment testing of the Group's North America or Australia CGUs at 31 March 2024.

Performance

This section focuses on the Group's financial performance. This section includes the following notes:

NOTE 1 SEGMENT REPORTING

EROAD operating segments are based on geographic location for operating companies and corporate and development costs. These operating segments equate to the Group's strategic divisions and are reported in a manner consistent with the internal reporting provided to the co-Chief Executive Officers (co-CEOs). The co-CEOs are considered to be the chief operating decision makers (CODM).

The four segments/strategic divisions offer different services and are managed separately because they require different technology, services and marketing strategies. For each strategic division, the CODM reviews internal management reports.

The following summary describes the operations in each of the Group's segments.

- *Corporate & Development:* Corporate head office costs and R&D activities for development of new and existing products and services
- *North America:* Operating companies serving customers in North America
- *Australia:* Operating companies serving customers in Australia
- *New Zealand:* Operating companies serving customers in New Zealand

Segment results that are reported to the co-CEOs include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise income tax, derivative financial instruments, finance income and expenses.

Inter-segment pricing is determined on an arm's length basis.

Reportable segment information

Key information related to each reportable segment as provided to the CODM is set out below.

	Corporate & Development		North America		New Zealand		Australia	
	2025 $M's	**2024** $M's	**2025** $M's	**Restated 2024** $M's	**2025** $M's	**2024** $M's	**2025** $M's	**Restated 2024** $M's
Revenue								
Subscription revenue	-	-	78.2	76.0	91.5	85.5	13.2	10.0
Uncontracted hardware revenue	0.8	0.2	1.5	2.6	0.1	0.2	-	0.5
Transaction fee revenue	-	-	-	-	5.7	3.3	0.0	0.0
Other revenue [1]	71.7	74.8	1.5	1.4	6.6	3.0	0.5	0.2
Total revenue	**72.5**	**75.0**	**81.2**	**80.0**	**103.9**	**92.0**	**13.7**	**10.7**
Earnings / (loss) before interest, taxation, depreciation & amortisation	**(31.6)**	**(33.6)**	**17.7**	**22.0**	**70.0**	**62.2**	**3.5**	**3.0**
Other segment information								
Total assets	289.5	287.2	200.7	205.1	99.2	94.9	39.1	34.4
Depreciation of property, plant & equipment	(1.2)	(1.9)	(9.4)	(10.7)	(9.5)	(9.1)	(1.8)	(1.3)
Amortisation of intangible assets	(13.3)	(12.4)	(6.1)	(5.7)	(0.9)	(0.9)	(0.7)	(0.6)
Amortisation of contract and customer acquisition assets	-	-	(2.6)	(2.0)	(6.8)	(6.4)	(1.4)	(0.8)

[1] Revenue from Corporate & Development Markets includes R&D Grant Income of $1.4M (31 March 2024: $1.7M).

NOTE 1 SEGMENT REPORTING *(CONTINUED)*

Reconciliation of information on reportable segments

	2025 $M's	Restated* 2024 $M's
Revenue		
Total revenue for reportable segments	271.3	257.7
Elimination of inter-segment revenue	(76.9)	(75.7)
Consolidated Revenue	**194.4**	**182.0**
EBITDA		
Total EBITDA for reportable segments	59.6	53.6
Elimination of inter-segment EBITDA	0.0	(0.3)
Consolidated EBITDA	**59.6**	**53.3**
Depreciation		
Total depreciation for reportable segments	(21.9)	(23.0)
Elimination of inter-segment depreciation	-	(0.2)
Consolidated Depreciation	**(21.9)**	**(23.2)**
Amortisation of intangible assets		
Total amortisation for reportable segments	(21.0)	(19.6)
Elimination of inter-segment amortisation	-	-
Consolidated Amortisation	**(21.0)**	**(19.6)**
Total assets		
Total assets for reportable segments	628.5	621.6
Elimination of inter-segment balances	(168.2)	(168.1)
Consolidated Total Assets	**460.3**	**453.5**

Allocation of goodwill, property, plant and equipment and other intangible assets

Included within Total Assets are Development Assets of $107.6M (Restated 31 March 2024: $109.0M) which for the purpose of the segment note have been allocated to the Corporate & Development Market based on the ownership of intellectual property. The amortisation for these assets are also presented in the Corporate & Development segment. The Group's cash generating units (CGUs) are North America, New Zealand and Australia. For impairment testing purposes management allocate the Development Assets to the CGU based on the specific CGU that the Development Asset relates to, or if the Development Asset is developed for use globally across all CGUs, the asset is allocated to CGUs based on the proportionate share of the Group's Contracted Units. Property, plant and equipment and other finite intangible assets are also included and tested as part of impairment testing of respective CGUs.

Also included in the total assets is the intangible assets acquired through the acquisition of the Coretex subsidiaries and resulting goodwill. The allocation of these to respective CGUs has been done based on valuation expert advice as part of acquisition accounting during the period ended 31 March 2022.

NOTE 1 SEGMENT REPORTING *(CONTINUED)*

The allocation of the Development Assets, goodwill and other intangibles to CGUs within the following reportable segments for the purpose of impairment testing was as follows:

	Development Assets $M's	Goodwill $M's	Brand $M's	Customer relationships $M's
31 March 2025				
North America	50.7	106.9	1.3	21.2
New Zealand	50.0	5.7	-	1.0
Australia	6.9	14.4	-	3.1
	107.6	**127.0**	**1.3**	**25.3**
Restated 31 March 2024				
North America	52.6	101.9	2.0	22.0
New Zealand	50.3	5.7	-	1.0
Australia	6.1	14.2	-	3.4
	109.0	**121.8**	**2.0**	**26.4**

Geographic information

The geographic information below analyses the Group's revenue and non-current assets by the Company's country of domicile and other countries. In presenting the following information revenue has been based on the geographic location of customers and assets were based on the geographic location of the assets. These allocations are not aligned with the Group's reportable segments.

	2025 $M's	Restated* 2024 $M's
Revenue		
New Zealand	100.9	91.8
All foreign countries:		
USA	80.1	79.6
Australia	13.4	10.6
Total revenue	**194.4**	**182.0**
Non-current assets		
New Zealand	143.4	145.2
All foreign countries:		
USA	182.0	187.3
Australia	31.8	29.6
Total non-current assets	**357.2**	**362.1**

Non-current assets exclude financial instruments and deferred tax assets.

NOTE 1 SEGMENT REPORTING *(CONTINUED)*

	2025 $M's	Restated* 2024 $M's
Reconciliation of geographical non-current assets to total non-current assets		
Geographical non-current assets	357.2	362.1
Deferred tax assets	18.0	17.7
Derivative financial instruments	0.3	-
Total non-current assets	**375.5**	**379.8**

NOTE 2 REVENUE

	2025 $M's	2024 $M's
Revenue from contracts with customers		
Subscription revenue	182.9	171.5
Uncontracted hardware revenue	2.4	3.5
Other		
Transaction fee revenue	5.7	3.3
Other revenue and income	2.0	2.0
Grant income	1.4	1.7
Total Revenues	**194.4**	**182.0**

Set out above is the disaggregation of the Group's revenue. The disaggregation reflects the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or a service to a customer.

The Group provides electronic on-board units to its customers, which comprise the provision of hardware and the rendering of services.

The supply of electronic on-board units (leased or purchased outright), installation of the units and providing services are not distinct and have one single performance obligation (linked to the service contract). Consequently, the Group does not recognise revenue separately for these goods and services but recognises this revenue together as the provision of subscription revenue.

NOTE 2 REVENUE *(CONTINUED)*

Subscription revenue

Subscription revenue represents revenue earned from customer contracts for the sale or rental of hardware, installation services, training and support services and provision of software services.

As noted above, the Group has determined that for the majority of customers the supply and installation of units and the services are not distinct and treated as one single performance obligation. That is, EROAD's customers do not have the right to direct the use of EROAD's assets (such as the Ehubo, Corehub and TMU units) as EROAD continues to have the right and ability to change how the asset operates during the customer's contract period. These contracts are therefore accounted for as service contracts. The Group generates revenue through the sale of hardware assets, rental of hardware assets, installation of hardware assets and provision of software services as part of contracts with customers as part of a bundled package. These hardware units enable customers to access the software platform offered by the Group. The transaction involving hardware and accessories do not convey a distinct good or service. The sale does not transfer control to the customer as the Group provides a significant service of integrating the software service to produce a combined output. The sale of the hardware, accessories and software service are referred to as subscription revenue, which is recognised on a straight line basis over the contract period to reflect the fulfilment of the performance obligations as they arise. There are no variable consideration terms within the contracts.

The Group offers installation services as part of a number of promises to transfer goods and services within each contract. Installation services do not convey a distinct good or service and therefore are not a separate performance obligation as the installation is a set-up activity that does not provide the customer a direct benefit other than access to the software services. As a result, the installation service is considered as part of the single performance obligation referred to as software as a service (SaaS) revenue, which includes the software service and hardware sale or rental for which the customer simultaneously receives and consumes the benefit of the service.

A contract liability is recognised where consideration is received in advance of the completion of associated performance obligations. The contract liability is derecognised over time evenly over the period of the contract as the customer derives the benefit evenly from the services provided over the contract period. The majority of contracts are for 3 years and can be for a term of up to 5 years. As a result there is a financing component which the group recognise as a finance cost when consideration is received in advance.

Uncontracted hardware revenue

Hardware revenue purchased with a subscription is recognised over the first month's subscription. Hardware revenue reflects hardware sales where a subscription must be separately purchased to utilise the hardware and obtain access to services. The hardware together with the monthly subscription is considered a single performance obligation. A receivable is recognised by the Group when the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

The installation revenue associated with uncontracted hardware units is included in the hardware revenue line and recognised when the installation is completed.

The services revenue associated with the uncontracted hardware units is included in the software as a service revenue line and is recognised when the performance obligation is completed.

Transaction fees

Transaction fee revenue relates to the collection of Road User Charges (RUC) fees. The Group acts as an agent for transport authorities in the market that is operates in. Where the RUC fees are collected on their behalf, the Group charges a commission. The revenue recognised is the net amount of the commission fee earned by the Group.

Grant income

Government grants are recognised at fair value in the statement of comprehensive income over the same periods as the costs for which the grants are intended to compensate. No unfulfilled conditions or contingencies exist related to the government grants.

Future contracted income

The Group reports the Non-GAAP measure, Future Contracted Income. The definition of Future Contracted Income includes all future hardware and subscription cash inflows relating to income under non-cancellable long-term agreements. The disclosure below aligns with the Future Contracted Income reported by the Group.

NOTE 2 REVENUE *(CONTINUED)*

Transaction price allocated to the remaining performance obligations

The below table represents the revenue allocated to performance obligations that are unsatisfied or partially unsatisfied at the period end. The revenue amounts yet to be recognised under non-cancellable contract agreements at 31 March 2025 are expected to be recognised by EROAD based on the time bands disclosed below.

	2025 $M's	2024 $M's
Subscription revenue		
No later than one year	108.2	93.6
Later than one year, no later than five years	206.9	169.1
Total price allocated to remaining performance obligations	**315.1**	**262.7**

NOTE 3 CONTRACT FULFILMENT AND COSTS TO OBTAIN CONTRACTS

Capitalised contract fulfilment costs

The Group capitalises incremental costs of fulfilling customer contracts, typically distribution and installation costs. Contract fulfilment costs are amortised evenly over the period of the contract. The majority of contracts are for 3 years and can be for a term of up to 5 years. Customers who do not sign up to a term have contract fulfilment costs expensed up-front.

Capitalised contract acquisition costs

The Group has applied a policy of capitalising only costs that are incremental in obtaining contracts with customers, typically sales commissions. Contract acquisition costs are amortised evenly over the period of the contract. The majority of contracts are for 3 years and can be for a term of up to 5 years. Customers who do not sign up to a term have contract acquisition costs expensed up-front.

The following table provides information about contract fulfilment and costs to obtain contracts with customers:

	Contract fulfilment		Costs to obtain contracts	
	2025 $M's	2024 $M's	2025 $M's	2024 $M's
Opening net book value	12.0	9.3	5.1	4.1
Additions	9.8	10.0	2.6	3.9
Amortisation	(7.9)	(7.3)	(2.9)	(2.9)
Closing net book value	**13.9**	**12.0**	**4.8**	**5.1**
Current	6.7	5.8	2.7	2.4
Non-current	7.2	6.2	2.1	2.7

NOTE 4 CONTRACT LIABILITIES

The Group enters into contracts with customers for the provision of software services over a contracted period. As stated in the accounting policies, this revenue is recognised over time as the customer simultaneously receives and consumes the benefit of the service. The Group has determined that the benefit of the services provided is consumed evenly over the period of the contract, and thus the performance obligations are satisfied evenly over the period. Where the Group receives a portion of the transaction price of a contract in advance, this is recognised as a contract liability and released over the contract period as the Group satisfies its performance obligations.

	2025 $M's	2024 $M's
Opening balance	23.6	19.4
Amounts deferred during the period	23.3	18.8
Amount recognised in the statement of comprehensive income	(14.7)	(14.6)
	32.2	**23.6**
Current	20.3	10.9
Non-current	11.9	12.7

NOTE 5 EXPENSES

	Notes	2025 $M's	2024 $M's
Personnel expenses - net of capitalised employee remuneration	6	65.7	61.8
Administrative and other operating expenses		37.9	36.5
SaaS platform costs		29.4	28.7
Directors fees		0.9	0.8
Fees paid to auditors - KPMG		0.9	0.9
Total operating expenses		**134.8**	**128.7**

During the year the costs expensed for Research and Development was $20.6M (31 March 2024: $11.9M). Additionally, costs expensed in relation to the San Diego floods was $0.1M.

The auditor of EROAD Limited is KPMG. The fees expensed for KPMG services are disclosed below.

	2025 $M's	2024 $M's
Audit or review of financial statements		
Audit of financial statements	0.6	0.5
Review of financial statements	0.1	0.1
Total audit or review of financial statements	**0.7**	**0.6**
Other assurance services and other agreed-upon procedures		
Review of NZTA transactions to assess compliance with the NZTA Service Delivery Agreement (assurance engagement)	0.0	0.0
Review of RDTi (agreed-upon procedures)	0.0	0.0
Total other assurance services and other agreed-upon procedures	**0.0**	**0.0**
Total audit or review and other assurance services and agreed-upon procedures.	**0.7**	**0.6**
Taxation services		
Corporate Income Tax, GST and other tax compliance	0.1	0.2
Transfer pricing review	0.1	0.1
Total taxation services	**0.2**	**0.3**
Total fees for services other than the audit or review of financial statements	**0.2**	**0.3**
Total fees for services provided by KPMG	**0.9**	**0.9**
Total taxation services as a percentage of total audit or review and other assurance services and other agreed-upon procedures	25%	50%

Refer to Principle 7 in the Governance Report for further details.

NOTE 6 PERSONNEL EXPENSES

	2025 $M's	2024 $M's
Salaries and wages - excluding capitalised commission costs	70.2	69.7
Annual leave	(0.1)	0.5
Performance bonus	2.4	0.4
Share-based payments	1.7	4.1
Salaries and wages capitalised to development and software assets	(8.5)	(12.9)
	65.7	**61.8**

Working capital

This section provides information about the primary elements of the Group's working capital.
This section includes the following notes:

NOTE 7 CASH AND CASH EQUIVALENTS, RESTRICTED CASH AND PAYABLES TO TRANSPORT AGENCIES

	2025 $M's	2024 $M's
Cash and cash equivalents	13.8	14.5
Restricted bank accounts	26.1	17.8
	39.9	**32.3**

Cash and cash equivalents exclude restricted bank accounts. Restricted bank accounts are presented separately from cash and cash equivalents on the face of the Statement of Financial Position and movements in restricted bank accounts are excluded from the Statement of Cash Flows. The restricted bank accounts relate to Road Users tax collected from clients due for payment to the appropriate government agency.

Payables to transport agencies	(26.1)	(17.8)

NOTE 8 TRADE AND OTHER RECEIVABLES

	2025 $M's	2024 $M's
Trade receivables	32.0	25.3
Allowance for expected credit losses on trade receivables	(6.9)	(4.6)
	25.1	**20.7**
Prepayments and other receivables	10.3	12.5
	35.4	**33.2**

In addition to the movement in the expected credit losses, the Group has written off $1.6M (2024: $0.9M) of bad debts to the statement of comprehensive income.

Trade receivables are amounts due from customers for products sold and services provided. Trade receivables are recognised initially at their transaction price and subsequently measured at the amount to be collected. Due to the short term nature of these debtors, their carrying value is assumed to approximate fair value.

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. The Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. That is, to measure the expected credit losses, trade receivables have been grouped based on customer industry risk characteristics and the days past due. The expected loss rates are based on recent payment profiles, historical customer behaviour, age of debt and individual customer circumstances.

NOTE 9 TRADE PAYABLES AND ACCRUALS

	2025 $M's	2024 $M's
Trade payables	4.6	12.9
Tax payable	2.9	2.9
Sundry accruals	15.5	14.5
	23.0	**30.3**

Trade payables are carried at amortised cost. Due to their short-term nature, they are not discounted.

Long-term assets

This section provides information about the investment the Group has made in long-term assets to operate the business.
This section includes the following notes:

NOTE 10 PROPERTY, PLANT AND EQUIPMENT

	Right of use assets	Hardware assets	Plant and equipment	Leasehold improvements	Motor vehicles	Office equipment	Computers	Total
	$M's	$M's	$M's	$M's	$M's	$M's	$M's	$M's
Year ended 31 March 2025								
Opening net book amount	4.7	81.6	0.1	1.2	0.1	0.4	0.7	88.8
Additions	0.6	15.2	-	0.0	-	0.1	0.4	16.3
Disposals	-	(2.3)	-	-	0.0	-	-	(2.3)
Depreciation charge	(1.3)	(19.6)	(0.1)	(0.2)	(0.1)	(0.1)	(0.5)	(21.9)
Effect of movement in exchange rates	0.1	1.3	-	0.0	0.0	0.0	0.0	1.4
Closing net book amount	**4.1**	**76.2**	**0.0**	**1.0**	**0.0**	**0.4**	**0.6**	**82.3**
At 31 March 2025								
Cost	8.7	142.9	0.8	3.0	0.3	2.1	5.8	163.6
Accumulated depreciation	(4.6)	(66.7)	(0.8)	(2.0)	(0.3)	(1.7)	(5.2)	(81.3)
Net book amount	**4.1**	**76.2**	**0.0**	**1.0**	**0.0**	**0.4**	**0.6**	**82.3**

	Right of use assets	Hardware assets	Plant and equipment	Leasehold improvements	Motor vehicles	Office equipment	Computers	Total
	$M's	$M's	$M's	$M's	$M's	$M's	$M's	$M's
Year ended 31 March 2024								
Opening net book amount	5.7	68.7	0.1	1.6	0.2	0.6	0.9	77.8
Additions	0.3	33.0	0.0	0.0	-	0.0	0.5	33.8
Disposals	0.0	(1.3)	-	-	0.0	-	0.0	(1.3)
Depraciation charge	(1.5)	(20.3)	0.0	(0.4)	(0.1)	(0.2)	(0.7)	(23.2)
Effect of movement in exchange rates	0.2	1.5	-	0.0	0.0	0.0	0.0	1.7
Closing net book amount	**4.7**	**81.6**	**0.1**	**1.2**	**0.1**	**0.4**	**0.7**	**88.8**
At 31 March 2024								
Cost	8.6	135.2	0.8	2.9	0.4	2.0	5.3	155.2
Accumulated depreciation	(3.9)	(53.6)	(0.7)	(1.7)	(0.3)	(1.6)	(4.6)	(66.4)
Net book amount	**4.7**	**81.6**	**0.1**	**1.2**	**0.1**	**0.4**	**0.7**	**88.8**

NOTE 10 PROPERTY, PLANT AND EQUIPMENT *(CONTINUED)*

Included in the Hardware Assets is equipment under construction to be leased or sold of $22.0M (2024: $33.2M). Due to the majority of the equipment under construction being ultimately sold under contract and forming part of hardware assets on the Group's fixed asset register it has been accordingly classified under hardware assets.

Items of plant and equipment are stated at cost, less accumulated depreciation and impairment losses. Cost includes the purchase consideration, and those costs directly attributable to bringing the asset to the location and condition necessary for its intended use. Where an item of plant and equipment is disposed of, the gain or loss recognised in the statement of comprehensive income is calculated as the difference between the net sales price and the carrying amount of the asset.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to restore the underlying asset or the site on which it is located, less any lease incentives received.

Subsequent costs

The Group recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied within the item will flow to the Group and the cost of the item can be measured reliably. All other costs are recognised in the statement of comprehensive income as an expense in the period they are incurred.

Impairment

Property, plant and equipment is tested for impairment when there are indicators of impairment. It is not possible to identify separately identifiable cash flows for property, plant and equipment as hardware assets are sold together with various SaaS services as a package. Property, plant and equipment is allocated to the Group's CGUs as described in note 1 for the purposes of impairment testing.

Depreciation

Depreciation begins when the asset is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The following rates have been used on a straight line basis:

Leasehold improvements	3 to 9 years
Hardware assets	3 to 6 years
Plant and equipment	3 to 11 years
Computer/Office equipment	1 to 5 years
Motor vehicles	3 to 5 years
Right of use assets	3 to 9 years

The above rates reflect the estimated useful lives of the respected categories. Consideration was given to how long assets can be deployed and any expected network changes. Leasehold improvements are depreciated over the contracted lease term.

NOTE 11 INTANGIBLE ASSETS

	Development	Software	Goodwill	Brand	Customer relationships	Patents, trademarks and other rights	Total
	$M's	$M's	$M's	$M's	$M's	$M's	$M's
Year ended 31 March 2025							
Opening net book amount	109.0	5.1	121.8	2.0	26.4	0.1	264.4
Additions	14.5	0.4	-	-	-	-	14.9
Effect of movement in foreign exchange rate	1.0	-	5.2	0.1	1.0	-	7.3
Amortisation charge	(16.9)	(1.2)	-	(0.8)	(2.1)	0.0	(21.0)
Closing net book amount	**107.6**	**4.3**	**127.0**	**1.3**	**25.3**	**0.1**	**265.6**
At 31 March 2025							
Cost	195.7	12.8	127.0	4.0	33.7	0.1	373.3
Accumulated amortisation	(88.1)	(8.5)	-	(2.7)	(8.4)	0.0	(107.7)
Net book amount	**107.6**	**4.3**	**127.0**	**1.3**	**25.3**	**0.1**	**265.6**

	Development	Software	Goodwill	Brand	Customer relationships	Patents, trademarks and other rights	Total
	$M's	$M's	$M's	$M's	$M's	$M's	$M's
Year ended 31 March 2024							
Restated opening net book amount	102.6	5.8	116.7	2.6	27.3	0.1	255.1
Additions	21.0	0.3	-	-	-	-	21.3
Effect of movement in foreign exchange rate	1.2	-	5.1	0.1	1.2	-	7.6
Amortisation charge	(15.8)	(1.0)	-	(0.7)	(2.1)	0.0	(19.6)
Restated closing net book amount	**109.0**	**5.1**	**121.8**	**2.0**	**26.4**	**0.1**	**264.4**
At 31 March 2024							
Cost	179.7	12.4	121.8	3.8	32.3	0.1	350.1
Accumulated amortisation	(70.7)	(7.3)	-	(1.8)	(5.9)	0.0	(85.7)
Net book amount	**109.0**	**5.1**	**121.8**	**2.0**	**26.4**	**0.1**	**264.4**

The useful lives of the Group's Intangible Assets are assessed to be finite except for goodwill. Assets with finite lives are amortised over their useful lives and tested for impairment whenever there are indications that the assets may be impaired.

NOTE 11 INTANGIBLE ASSETS *(CONTINUED)*

Research and Development
Expenditure on research activities, undertaken with the prospect of gaining new technical knowledge and understanding, is recognised in the statement of comprehensive income when incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in the statement of comprehensive income when incurred. There is judgement involved in relation to whether a project meets the capitalisation criteria, and whether the expenditure can be directly attributable to the respective project.

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses.

Other intangible assets
Other intangible assets, including customer relationships, brand, patents and trademarks, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

Subsequent expenditure
Subsequent expenditure is capitalised when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in the statement of comprehensive income when incurred.

Amortisation

Patents	10 to 20 years
Development Hardware & Platform	7 to 15 years
Development Products	5 to 10 years
Software	5 to 7 years
Customer relationships	15 years
Brand	5 years

Impairment
The acquisition of Coretex on 1 December 2021, meant goodwill was recognised for the excess between the fair value of consideration paid and the fair value of the net assets acquired. Net assets acquired included finite life intangibles assets such as customer relationships, brands, software and development assets. The goodwill and finite life intangibles were then allocated to the CGUs of the business with the assistance of external specialists. When goodwill is acquired in a business combination, under the accounting standards, NZ IAS 36 requires an impairment test to be completed annually (for CGUs in which goodwill has been allocated) irrespective of whether there is any indication of impairment. An impairment test is also required when there is an indicator of impairment identified each reporting period. Refer to note 1 for the allocation of goodwill, property, plant and equipment and other finite life intangible assets to CGUs. The CGUs are considered the lowest level for which there are separately identifiable cashflows. Corporate costs attributable to the CGUs are allocated to the respective CGUs as part of impairment testing. Unallocated corporate costs and assets are also tested for impairment using a top down approach.

NOTE 11 INTANGIBLE ASSETS *(CONTINUED)*

Impairment testing of CGUs

Under the accounting standards one of the external sources of information that may indicate that an impairment exists is when the carrying amount of the net assets of the entity exceeds the entity's market capitalisation. At 31 March 2025 this is the case for the EROAD Group. The share price of EROAD at 31 March 2025 being $0.95 equating to a market capitalisation of $178.0M compared to net assets of $331.7M at the same date. To complete the annual impairment testing management assessed the recoverable amount of each of CGUs of which goodwill, property, plant and equipment and finite life intangible assets have been allocated by reference to its value in use (VIU) determined using a discounted cash flows model. The recoverable amounts of the CGUs were estimated based on the following significant assumptions:

	Amount the VIU exceeds the carrying value $M's (functional currency)	Revenue CAGR	WACC
New Zealand	242.2	6.73%	12.25%
North America	100.0	14.56%	12.00%
Australia	42.6	23.75%	12.00%

The inputs used for the growth in revenue in the CGUs reflect past experience and the forecast performance of the group.

Terminal growth rate of 2.5% applied to 2031 and thereafter for Australia and North America, 2.0% applied for New Zealand.

Sensitivity analysis was undertaken which concluded that New Zealand results are not particularly sensitive to changes in the underlying assumptions. North America and Australia are sensitive to the achievement of forecast revenue growth and changes in the discount rate.

Change in individual assumptions, while keeping all other assumptions constant which results in the recoverable value to equate to the carrying value is shown in the sensitivity analysis below:

	Input required for the VIU to equate to the carrying value	
	Revenue CAGR	WACC
New Zealand	Not sensitive	Not sensitive
North America	3.00%	16.49%
Australia	9.50%	16.82%

The Group concluded that the recoverable amount of each of the CGUs were higher than their respective carrying values and therefore no impairment was considered necessary at 31 March 2025.

NOTE 12 LEASES AS LESSEE

	2025 $M's	2024 $M's
Maturity analysis - contractual undiscounted cash flows		
Less than one year	1.8	1.5
One to five years	4.1	4.9
More than five years	0.5	0.9
Total undiscounted lease liabilities	**6.4**	**7.3**
Current	1.5	1.2
Non-current	4.1	5.1
Lease liabilities included in the statement of financial position	**5.6**	**6.3**

Amounts recognised in Statement of Comprehensive Income

	2025 $M's	2024 $M's
Interest expense on lease liabilities	0.2	0.2
Depreciation on right of use assets	1.5	1.5

Amounts recognised in Statement of Cash Flows

	2025 $M's	2024 $M's
Total cash outflow for leases	(1.8)	(2.1)

NOTE 12 LEASES AS LESSEE *(CONTINUED)*

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual guarantee;
- the exercise priced under a purchase option that the Group is reasonably certain to exercise;
- lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option; and
- penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Debt and equity

This section outlines the Group's capital structure and the related financing costs. This section includes the following notes:

NOTE 13 BORROWINGS

	2025 $M's	2024 $M's
Current borrowings		
Term Loans	5.0	2.5
	5.0	**2.5**
Non-current borrowings		
Term loans	17.5	22.5
Revolving credit facility	3.5	12.3
Capitalised borrowings costs	(0.4)	(0.7)
	20.6	**34.1**

	Nominal Interest	Year of Maturity	2025 Face Value $M's	2025 Carrying amount $M's	2024 Face Value $M's	2024 Carrying amount $M's
Term Loans	8.40%	2026	22.5	22.5	25.0	25.0
Revolving credit facility	8.40%	2026	3.5	3.5	12.3	12.3
Capitalised borrowing costs			-	(0.4)	-	(0.7)
			26.0	**25.6**	**37.3**	**36.6**

The above nominal interest rate represents the weighted average rate of the entire facility.

At 31 March 2025, EROAD had the following facilities in place:

$22.5M (NZD) Term Loan Facility A – the Term Loan has a term of 36 months from 4 October 2023 refinance effective date, with the facility having a maturity date in October 2026. The total facility commitments reduce by $1.25M on a quarterly basis until the maturity of the facility. Accordingly, $5.0M of debt has been classified as current. The full outstanding balance is payable on the termination date.

$47.5M (NZD) Revolving Credit Facility B – the Revolving Credit Facility has a term of 36 months from 4 October 2023 effective refinance date with a periodic roll over feature at the end of each interest period (90 days) that is subject to continued compliance with the terms of the loan agreement, with the facility having a maturity date in October 2026. Funds may be drawn in NZ Dollars, AU Dollars, or US Dollars. The total facility commitments reduce by $1.25M on a quarterly basis until the maturity of the facility. The full outstanding balance is payable on the termination date.

$5.0M Multi-option working capital facility – for capital expenditure and general working capital purposes. This is an on demand facility. The full outstanding balance is payable on the termination date.

EROAD's operating covenants to support the above facilities include Interest Cover Ratio, Leverage Ratio and Obligor Assets to Group Assets. EROAD was compliant with covenants during the period and at 31 March 2025.

The security package for the Multi-Option Credit Facility Agreement includes an all obligations cross-guarantee granted by EROAD Financial Services Limited, EROAD Australia Pty Limited, EROAD Inc, Coretex Limited, Imarda Pty Limited, Coretex Australia Pty Limited, Coretex NZ Limited, and Coretex USA Inc in favour of the BNZ (in its capacity of Security Trustee for the banking syndicate). In respect of the obligations of EROAD Limited, and a General Security Agreements granted by EROAD Limited, EROAD Financial Services Limited, EROAD Inc, EROAD Australia Pty Limited, Coretex Limited, Imarda Pty Limited, Coretex Australia Pty Limited, Coretex NZ Limited, and Coretex USA Inc in favour of the BNZ (in its capacity of Security Trustee for the banking syndicate).

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

NOTE 14 FINANCE INCOME AND FINANCE EXPENSES

	2025 $M's	2024 $M's
Finance expenses		
Interest expense	(5.2)	(6.7)
Interest expense - lease liabilities	(0.2)	(0.2)
Interest expense - contract liabilities	(1.2)	(1.1)
Foreign exchange losses	(0.1)	(0.5)
Total finance expenses	**(6.7)**	**(8.5)**
Finance income		
Interest Income	1.0	0.7

NOTE 15 EQUITY

Paid up capital

All issued shares are fully paid up and have equal voting rights and share equally in dividends and surplus on winding up.

	Number of ordinary shares	Issue price $	Issued Capital $
1 April 2024	**184,821,022**		**353.5**
Shares issued to employees	2,589,610	0.97	2.6
31 March 2025	**187,410,632**		**356.1**

At 31 March 2025 there were 187,410,632 authorised and issued ordinary shares (31 March 2024: 184,821,022). 386,166 (31 March 2024: 386,166) shares are held in trust for employees in relation to the long-term incentive plan and are accounted for as treasury stock.

The calculation of both basic and diluted loss/profit per share at 31 March 2025 was based on the profit attributable to ordinary shareholders of $1.4M (Restated 2024: loss of $0.8M). The weighted number of ordinary shares on 31 March 2025 was 186,222,866 (2024: 149,705,877) for basic earnings per share and 186,750,744 for diluted earnings per share (2024: 150,215,917).

Share capital premium/discount

This account is for the difference between the issued share price and the trading share price (or fair value share price) on date of issue and includes contigent consideration portion classified as equity related to the acquisition of Coretex. There have been no changes since 31 March 2024.

Other components of equity include:

- *Translation reserve* - comprises foreign currency translation differences arising from the translation of financial statements of the Group's foreign subsidiaries into New Zealand dollars.
- *Hedging reserve* - the hedging reserve is used to record gains or losses on instruments used as cash flow hedges. The amounts are recognised in profit and loss when the hedged transaction affects profit and loss.
- *Retained earnings* - includes all current and prior period retained profits and losses and share-based employee remuneration.

NOTE 16 SHARE-BASED PAYMENTS

At 31 March 2025, the Group had the following share-based payment arrangements.

FY20 Long Term Incentive Grant

Under the FY20 long term Incentive (LTI) Grant, 56,949 performance share rights (PSRs) were forfeited during the year and there are no PSR's outstanding as at 31 March 2025. PSRs were issued (for nil consideration) to participants which convert to shares (for nil consideration) if targets are met. PSRs do not entitle the holder to receive dividends or other distributions, or vote in respect of EROAD Limited ordinary shares, although under the terms of the plan an additional number of shares will be issued on conversion of fully vested PSRs to reflect dividends paid to EROAD Limited shares prior to exercise. On becoming exercisable, each PSR entitles the holder to one fully paid ordinary EROAD Limited share, subject to adjustment in accordance with the plan rules and the performance hurdles, ranking equally with all other EROAD Limited ordinary shares. For the FY20 LTI plan, the award is linked to growth in EROAD's total contracted units (TCUs) between 1 April 2019 and 31 March 2022. Participants bear the tax liability of the LTI plan. The Board retains discretion over the final outcome of PSR payments, to allow appropriate adjustments where unanticipated circumstances may impact performance over the measurement period.

FY23 Share Retention Grant #1

Under the FY23 Share Retention Grant, 403,691 performance share rights (PSRs) were issued (for nil consideration) to participants which convert to shares (for nil consideration) if targets are met. PSRs do not entitle the holder to receive dividends or other distributions, or vote in respect of EROAD Limited ordinary shares. On becoming exercisable, each PSR entitles the holder to one fully paid ordinary EROAD Limited share, subject to adjustment in accordance with the plan rules and the performance hurdles, ranking equally with all other EROAD Limited ordinary shares.

The FY23 Share Retention Plan had a vesting date of 30 May 2024 and ultimately vested on 11 June 2024. 195,835 PSRs vested with the remaining balance having lapsed due to performance criteria not being met or surrendered to meet tax obligations.

FY24 Share Retention Grant #1

Under the FY24 Share Retention Grant, 661,386 performance share rights (PSRs) were issued (for nil consideration) to a participant which convert to shares (for nil consideration) if targets are met. PSRs do not entitle the holder to receive dividends or other distributions, or vote in respect of EROAD Limited ordinary shares. On becoming exercisable, each PSR entitles the holder to one fully paid ordinary EROAD Limited share, subject to adjustment in accordance with the plan rules and the performance hurdles, ranking equally with all other EROAD Limited ordinary shares.

The FY24 Share Retention Grant #1 had three vesting dates aligned to performance hurdles. The first two of these hurdles have been met in the prior year. The last hurdle was met during the year with 109,388 PSR's vesting and 113,059 surrended to meet tax obligations.

FY24 Long Term Incentive Grant #1

Under the FY24 Long Term Incentive (LTI) Grant #1 life to date we have issued 1,493,098 performance share rights (PSRs) for nil consideration subject to performance hurdles being met. PSRs do not entitle the holder to receive dividends or other distributions, or vote in respect of EROAD Limited ordinary shares. Participants may be paid in cash or shares. On becoming exercisable, each PSR entitles the holder to one fully paid ordinary EROAD Limited share, subject to adjustment in accordance with the plan rules and the performance hurdles, ranking equally with all other EROAD Limited ordinary shares.

The FY24 LTI Grant vests after determining financial results for 31 March 2026.

FY24 Long Term Incentive Grant #2

Under the FY24 Long Term Incentive Grant #2, 278,437 performance share rights (PSRs) were issued (for nil consideration) to a participant which convert to shares (for nil consideration) if targets are met. PSRs do not entitle the holder to receive dividends or other distributions, or vote in respect of EROAD Limited ordinary shares. On becoming exercisable, each PSR entitles the holder to one fully paid ordinary EROAD Limited share, subject to adjustment in accordance with the plan rules and the performance hurdles, ranking equally with all other EROAD Limited ordinary shares.

The FY24 LTI Grant vested on 24 June 2024 and all PSR's vested in the period.

FY25 Long Term Incentive Grant

Under the FY25 Long Term Incentive (LTI) Grant #1, life to date we have issued 6,523,286 performance share rights (PSRs) for nil consideration subject to performance hurdles being met. PSRs do not entitle the holder to receive dividends or other distributions, or vote in respect of EROAD Limited ordinary shares. Participants may be paid in cash or shares. PSRs do not entitle the holder to receive dividends or other distributions, or vote in respect of EROAD Limited ordinary shares. On becoming exercisable, each PSR entitles the holder to one fully paid ordinary EROAD Limited share, subject to adjustment in accordance with the plan rules and the performance hurdles, ranking equally with all other EROAD Limited ordinary shares.

The FY25 LTI Grant vests after determining financial results for 31 March 2027. 1,425,165 PSRs were forefeited during the year due to the employees no longer being employed by the group.

NOTE 16 SHARE-BASED PAYMENTS *(CONTINUED)*

FY25 Share retention Grant #1

Under the FY25 Share Retention Grant, 457,253 performance share rights (PSRs) were issued (for nil consideration) to a participant which convert to shares (for nil consideration) if targets are met. PSRs do not entitle the holder to receive dividends or other distributions, or vote in respect of EROAD Limited ordinary shares. On becoming exercisable, each PSR entitles the holder to one fully paid ordinary EROAD Limited share, subject to adjustment in accordance with the plan rules, ranking equally with all other EROAD Limited ordinary shares.

The FY25 Share Retention Grant #1 Grant vested 5 March 2025 being one year of service from employee's start date.

FY25 Share retention Grant #2

Under the FY25 Share Retention Grant, 97,087 performance share rights (PSRs) were issued (for nil consideration) to a participant which convert to shares (for nil consideration) if targets are met. PSRs do not entitle the holder to receive dividends or other distributions, or vote in respect of EROAD Limited ordinary shares. On becoming exercisable, each PSR entitles the holder to one fully paid ordinary EROAD Limited share, subject to adjustment in accordance with the plan rules, ranking equally with all other EROAD Limited ordinary shares. The FY25 Share Retention Grant #1 Grant vests on 18 June 2025 being one year of service from employee's start date.

Grant date/employees entitled	Performance share rights granted						Vesting conditions
	Jul 23	**May 24**	**June 24**	**Jul 24**	**Oct 24**	**Nov 24**	
Performance share rights granted to key management personnel							
FY24 Long Term Incentive Grant #1	878,153	-	-	-	-	-	• 3 years service from grant date and based on performance and financial results for all 3 years to 31 March 2026
FY24 Share Retention Grant #1	661,386	-	-	-	-	-	• 1.25 years service from grant date and based on individual performance
FY24 Long Term Incentive Grant #2	278,437	-	-	-	-	-	• Based on financial results for 31 March 2024
FY25 Long Term Incentive Grant	-	-	4,262,141	-	-	-	• 3 years service from grant date and based on performance and financial results for all 3 years to 31 March 2027
FY25 Share retention Grant #1	-	457,253	-	-	-	-	• 1 year service from grant date
FY25 Share retention Grant #2	-		-	-	97,087	-	• 1 year service from grant date
Performance Shares Rights granted to other employees							
FY24 Long Term Incentive Grant #1	614,945	-	-	-	-	-	• 3 years service from grant date and based on performance and financial results for all 3 years to 31 March 2026
FY25 Long Term Incentive Grant	-	-	1,588,486	441,371	-	231,288	• 3 years service from grant date and based on performance and financial results for all 3 years to 31 March 2027
	2,432,921	**457,253**	**5,850,627**	**441,371**	**97,087**	**231,288**	

NOTE 16 SHARE-BASED PAYMENTS *(CONTINUED)*

The number of shares granted and forfeited during the period were as follows:

FY20 Long Term Incentive Grant	2025	2024
Outstanding at 1 April	56,949	56,949
Granted during the period	-	-
Forfeited during the period	(56,949)	-
Vested during the period	-	-
Outstanding at 31 March	**-**	**56,949**

FY23 Share Retention Grant #1	2025	2024
Outstanding at 1 April	323,772	403,691
Granted during the period	-	-
Forfeited during the period	(14,344)	(79,919)
Surrendered during the period	(113,593)	-
Vested during the period	(195,835)	-
Outstanding at 31 March	**-**	**323,772**

FY24 Long Term Incentive Grant #1	2025	2024
Outstanding at 1 April	1,357,993	-
Granted during the period	-	1,493,098
Forfeited during the period	(540,991)	(135,105)
Surrendered during the period	-	-
Vested during the period	-	-
Outstanding at 31 March	**817,002**	**1,357,993**

FY24 Long Term Incentive Grant #2	2025	2024
Outstanding at 1 April	278,437	-
Granted during the period	-	278,437
Forfeited during the period	-	-
Surrendered during the period	-	-
Vested during the period	(278,437)	-
Outstanding at 31 March	**-**	**278,437**

NOTE 16 SHARE-BASED PAYMENTS *(CONTINUED)*

FY24 Share Retention Grant #1	2025	2024
Outstanding at 1 April	222,447	-
Granted during the period	-	661,386
Forfeited during the period	-	-
Surrendered during the period	(113,059)	(156,964)
Vested during the period	(109,388)	(281,975)
Outstanding at 31 March	**-**	**222,447**

FY25 Long Term Incentive Grant	2025	2024
Outstanding at 1 April	-	-
Granted during the period	6,523,286	-
Forfeited during the period	(1,425,165)	-
Surrendered during the period	-	-
Vested during the period	-	-
Outstanding at 31 March	**5,098,121**	**-**

FY25 Share retention Grant #1	2025	2024
Outstanding at 1 April	-	-
Granted during the period	457,253	-
Forfeited during the period	-	-
Surrendered during the period	(205,567)	-
Vested during the period	(251,686)	-
Outstanding at 31 March	**-**	**-**

FY25 Share retention Grant #2	2025	2024
Outstanding at 1 April	-	-
Granted during the period	97,087	-
Forfeited during the period	-	-
Surrendered during the period	-	-
Vested during the period	-	-
Outstanding at 31 March	**97,087**	**-**

During the year-ended 31 March 2025 an amount of $1.7M (2024: $4.1M) was recognised as an expense within the statement of comprehensive income in relation to share-based payments for all share plans.

As at 31 March 2025, an amount of $2.7M (2024: $4.6M) is included in share based reserves in equity.

Financial risk management

This section outlines the key risk management activities undertaken to manage the Group's exposure to financial risk. This section includes the following notes:

NOTE 17 FINANCIAL RISK MANAGEMENT

As a result of the Group's operations and sources of finance, it is exposed to credit risk, liquidity risk and market risks which include foreign currency risk, commodity price risk and interest rate risk. These risks are described below. The principles under which these risks are managed are set out in policy documents approved by the Board. The policy documents identify the risks and set out the Group's objectives, policies and processes to measure, manage and report the risks. The policies are reviewed periodically to reflect changes in financial markets and the Group's businesses.

Categories of financial instruments

Financial assets

All financial assets of the Group are classified at amortised cost except for hedging instruments that are recognised at fair value.

Financial liabilities

All financial liabilities of the Group are classified at amortised cost except for hedging instruments that are recognised at fair value.

The Group holds the following financial assets and liabilities, the table below shows their carrying amount and measurement basis.

	2025				2024			
	Amortised cost	Other amortised cost	FVTPL	Fair Value hedging instruments	Amortised cost	Other amortised cost	FVTPL	Fair Value hedging instruments
	$M's	$M's	$M's	$M's	$M's	$M's	$M's	$M's
Financial assets								
Cash and cash equivalents	13.8	-	-	-	14.5	-	-	-
Restricted bank account	26.1	-	-	-	17.8	-	-	-
Trade receivables	32.0	-	-	-	25.3	-	-	-
Derivative financial assets	-	-	-	0.4	-	-	-	-
	71.9	**-**	**-**	**0.4**	**57.6**	**-**	**-**	**-**
Financial liabilities								
Borrowings	-	25.6	-	-	-	36.6	-	-
Employee Entitlements	-	3.7	-	-	-	4.1	-	-
Lease liabilities	-	5.6	-	-	-	6.3	-	-
Trade and other payables	-	23.0	-	-	-	30.3	-	-
Payables to transport agencies	-	26.1	-	-	-	17.8	-	-
Derivative financial liability	-	-	-	1.4	-	-	-	0.4
	-	**84.0**	**-**	**1.4**	**-**	**95.1**	**-**	**0.4**

As at 31 March 2025 the derivative financial assets total $0.4M (comprising $0.1M in current assets and $0.3M in non-current assets), and derivative financial liabilities total $1.4M (comprising $0.6M in current liabilities and $0.8M in non-current liabilities). As at 31 March 2024 the derivative financial liabilities total $0.4M (comprising $0.3M in current liabilities and $0.1M in non-current liabilities).

NOTE 17 FINANCIAL RISK MANAGEMENT *(CONTINUED)*

(a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and it arises principally from the Group's trade receivables from customers in the normal course of business and bank balances. The Group manages its exposure to credit risk.

The Group's cash balances is held with a number of banks with the level of exposure to credit risk considered minimal with low levels of cash held. Trade receivables balances are monitored on an ongoing basis. The Group's exposure to credit risk for trade receivables is influenced mainly by the individual characteristics of each customer. The creditworthiness of a customer or counterparty is determined by a number of qualitative and quantitative factors. Qualitative factors include external credit ratings (where available), payment history and strategic importance of customer or counterparty. Quantitative factors include transaction size, net assets of customer or counterparty, and ratio analysis on liquidity, cash flow and profitability. It is the Group's policy that all customers who wish to trade on terms are subject to credit verification on an ongoing basis with the intention of minimising bad debts. The nature of the Group's trade receivables is represented by regular turnover of product and billing of customers based on the Group's contractual payment terms. In North America, the Group requires that customers under a certain fleet size to purchase the hardware with an upfront payment regardless of credit verification.

The carrying amount of the Group's financial assets represents the maximum credit exposure as summarised below.

The aging of the Group's Trade receivables at the reporting date was as follows:

	2025		2024	
	Gross	Allowance for doubtful debts	Gross	Allowance for doubtful debts
	$M's	$M's	$M's	$M's
Not past due	7.4	0.2	8.4	0.4
Past due 1-30 days	7.9	0.5	6.3	0.4
Past due 31-60 days	4.8	0.3	2.7	0.2
Past due over 61 days	11.9	5.9	7.9	3.6
	32.0	**6.9**	**25.3**	**4.6**

b) Market risk

Market risk is the risk that changes in market prices, such as commodity prices, foreign exchange rates and interest rates, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

NOTE 17 FINANCIAL RISK MANAGEMENT *(CONTINUED)*

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

Changes in interest rates expose the Group to changes in the fair value of borrowings subject to fixed interest rates (fair value risk), and changes in future interest payments on borrowings subject to floating interest rates (cash flow risk).

The Group is exposed to movements in interest rates on its interest-bearing borrowings.

The Group enters into interest rate swap agreements in order to provide an effective cash flow hedge against the variability in floating interest rates. See note 18 for details of interest rate swap agreements.

To comply with the Group's risk management policy, the hedge ratio is based on the interest rate swap notional amount to hedge the same notional amount of bank loans. This results in a hedge ratio of 1:1. This is the same as used for actual risk management purposes, and such a ratio is appropriate for the purposes of hedge accounting as it does not result in an imbalance that would create hedge ineffectiveness.

In these hedge relationships the main sources of ineffectiveness are:

- a significant change in the credit risk of either party to the hedging relationship;
- where the hedge instrument has been transacted on a date different to the rate set date of the bank loan, interest rates could differ; and
- differences in repricing dates between the swaps and the borrowings.

Other than these sources, due to the alignment of the hedged risk in the hedged item and hedged instrument, hedge ineffectiveness is not expected to arise.

NOTE 17 FINANCIAL RISK MANAGEMENT *(CONTINUED)*

Foreign exchange risk

Foreign exchange risk is the risk that the value of the Group's assets, liabilities and financial performance will fluctuate due to changes in foreign currency rates. The Group is exposed to currency risk on sales transactions that are denominated in a currency other than the respective functional currencies of Group entities, primarily the US Dollar (USD) and Australian Dollar (AUD). The Group is also exposed to currency risk on expense transactions that are denominated in a currency other than the respective functional currencies of Group entities, primarily the US Dollar (USD), Australian Dollar and Euro (EUR). The Group, may on occasion, enter into forward exchange contracts and foreign currency options to hedge the exposure to foreign currency fluctuations on sales receipts and inventory purchases.

The Group reports in New Zealand dollars. Movements in foreign currency exchange rates affect reported financial results, financial position and cash flows. Where practical, the Group attempts to reduce this risk by matching revenues and expenditures, as well as assets and liabilities, by country and by currency. The Group at times will enter into forward exchange contracts and foreign currency options to manage foreign exchange risk on the forecasted foreign currency transactions (namely being the forecasted profits of the foreign currency subsisdiaries). Refer to note 18 for details on foreign currency option agreements.

Foreign exchange rates applied against the New Zealand Dollar, at 31 March are as follows:

	2025	2024
AUD	0.91	0.92
USD	0.57	0.60

The Group's exposure to foreign currency risk at the reporting date was as follows (all amounts are denominated in New Zealand dollars):

	2025		Restated 2024	
	AUD	USD	AUD	USD
	$M's	$M's	$M's	$M's
Cash and cash equivalents	0.3	1.4	0.7	1.9
Intangibles	17.9	85.1	18.5	88.7
Trade receivables	5.0	7.7	3.0	7.2
Lease liabilities	0.0	(1.6)	(0.1)	(1.8)

NOTE 17 FINANCIAL RISK MANAGEMENT *(CONTINUED)*

Summarised sensitivity analysis

The following table summarises the sensitivity of the Group's financial assets and financial liabilities to interest rate and foreign currency risk:

	Foreign Currency Risk				Interest Risk			
	-10%		+10%		-100BPS		+100BPS	
	Profit	Equity	Profit	Equity	Profit	Equity	Profit	Equity
	$M's	$M's	$M's	$M's	$M's	$M's	$M's	$M's
2025								
Cash and cash equivalents	(0.1)	(0.1)	0.1	0.1	(0.1)	(0.1)	0.1	0.1
Intangibles	(6.5)	(6.5)	6.5	6.5	-	-	-	-
Trade receivables	(0.9)	(0.9)	0.9	0.9	-	-	-	-
Lease liabilities	0.1	0.1	(0.1)	(0.1)	(0.1)	(0.1)	0.1	0.1
Interest rate swap	-	-	-	-	-	(0.2)	-	(0.1)
Total (decrease) / increase	**(7.4)**	**(7.4)**	**7.4**	**7.4**	**(0.2)**	**(0.4)**	**0.2**	**0.1**

	-10%		+10%		-100BPS		+100BPS	
	Profit	Equity	Profit	Equity	Profit	Equity	Profit	Equity
	$M's	$M's	$M's	$M's	$M's	$M's	$M's	$M's
Restated 2024								
Cash and cash equivalents	(0.2)	(0.2)	0.2	0.2	(0.1)	(0.1)	0.1	0.1
Intangibles	(7.0)	(7.0)	7.0	7.0	-	-	-	-
Trade receivables	(0.7)	(0.7)	0.7	0.7	-	-	-	-
Lease liabilities	0.1	0.1	(0.1)	(0.1)	0.1	0.1	(0.1)	(0.1)
Interest rate swap	-	-	-	-	-	(0.2)	-	0.2
Total (decrease) / increase	**(7.8)**	**(7.8)**	**7.8**	**7.8**	**-**	**(0.2)**	**-**	**0.2**

NOTE 17 FINANCIAL RISK MANAGEMENT *(CONTINUED)*

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as and when they become due and payable. The Group's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they become due and payable, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 90 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The following table details the Group's contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements, as at the reporting date. Refer to Note 13 for the maturity profile of the Group's borrowings. Also refer to note 12 for the maturity profile of Group's Leases.

	Notes	1 year or less $M's	1 to 5 years $M's	Over 5 years $M's	Total contractual cash flows $M's	Carrying amount of liabilities $M's
2025						
Non-derivative financial liabilities						
Borrowings	13	7.1	21.9	-	29.0	25.6
Employee Entitlements		3.7	-	-	3.7	3.7
Trade and other payables	9	20.1	-	-	20.1	20.1
Payable to transport agencies	7	26.1	-	-	26.1	26.1
		57.0	**21.9**	**-**	**78.9**	**75.5**
Derivative financial liabilities						
Foreign currency options		0.6	0.7	-	1.3	1.3
Interest rate swaps		-	0.1	-	0.1	0.1
Total financial liabilities and derivatives		**0.6**	**0.8**	**-**	**1.4**	**1.4**

	Notes	1 year or less $M's	1 to 5 years $M's	Over 5 years $M's	Total contractual cash flows $M's	Carrying amount of liabilities $M's
2024						
Non-derivative financial liabilities						
Borrowings	13	5.5	38.7	-	44.2	36.6
Employee Entitlements		4.1	-	-	4.1	4.1
Trade and other payables	9	29.1	-	-	29.1	29.1
Payable to transport agencies	7	17.8	-	-	17.8	17.8
		56.5	**38.7**	**-**	**95.2**	**87.6**
Derivative financial liabilities						
Foreign currency options		0.3	0.1	-	0.4	0.4
		0.3	**0.1**	**-**	**0.4**	**0.4**

NOTE 18 HEDGE ACCOUNTING

Derivatives are measured at fair value.

Interest rate swaps

The Group uses interest rate swaps to manage its risk associated with interest rate fluctuations. Interest rate swaps are initially recognised at fair value on the date a contract is entered into and are subsequently measured at fair value on each reporting date. The fair values of the interest rate swaps are determined based on cash flows discounted to present value using current market interest rates.

Cash flow hedges

The Group has entered into interest rate swaps to manage its interest rate risk in relation to its floating rate debt. These interest rate swaps qualify for cash flow hedge accounting. When interest rate swaps meet the criteria for cash flow hedge accounting, the effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income, while the ineffective portion is recognised in the income statement. Amounts taken to reserves are recognised as a reclassification adjustment to profit or loss when the forecast transaction occurs. When interest rate swaps do not meet the criteria for cash flow hedge accounting, all movements in fair value of the hedging instrument are recognised in the income statement.

Under the interest rate swap agreements that qualify for cash flow hedge accounting, the Group has a right to receive interest at variable rates and to pay interest at fixed rates for its New Zealand dollar denominated loans.

At 31 March 2025, the Group had interest rate swap agreements in place with a total notional principal amount of $10.0M (31 March 2024: $10.0M). The Group applies a hedge ratio of 1:1. These agreements effectively change the Group's interest exposure on the principal covered by the interest rate swaps from a floating rate to fixed rates.

The fair value of these agreements at 31 March 2025 is a $0.1M liability (31 March 2024: nil). Of this, a liability of nil is estimated to be current (31 March 2024: nil). The agreements cover notional amounts for terms of up to 1 year.

The notional principal amounts and the period of expiry of the cash flow hedge interest rate swap contracts are as follows:

	Nominal amount of the hedging instrument $M's	Carrying amount - derivative assets/ (liabilities) $M's	Change in value used for calculating hedge ineffectiveness $M's	Hedging (gain) or loss recognised in other comprehensive income $M's	Hedging (gain) or loss recognised in income statement $M's
2025 Cash flow hedging					
Maturity: 12 months	10.0	(0.1)	-	-	-
2024 Cash flow hedging					
Maturity: 12 months	10.0	-	-	-	-

There was no hedge ineffectiveness recognised in profit or loss during the year (31 March 2024: nil).

NOTE 18 HEDGE ACCOUNTING *(CONTINUED)*

Foreign currency options
The Group uses forward exchange contracts and foreign currency options to manage its risk associated with exchange rate fluctuations. These are initially recognised at fair value on the date a contract is entered into and are subsequently measured at fair value on each reporting date. The fair values of the forward exchange contracts and foreign currency options is determined using quoted forward exchange rates at the reporting date and present value calculations.

Cash flow hedges
The Group has entered into foreign currency collar options to manage its foreign currency risk in relation to its overseas subsidiaries profits. These foreign currency collar options qualify for cash flow hedge accounting. When foreign currency collar options meet the criteria for cash flow hedge accounting, the effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income, while the ineffective portion is recognised in the income statement. Amounts taken to reserves are transferred out of reserves and included in the measurement of the hedged transaction when the forecast transaction occurs. When foreign currency collar options do not meet the criteria for cash flow hedge accounting, all movements in fair value of the hedging instrument are recognised in the income statement.

Under the foreign currency collar option agreements that qualify for cash flow hedge accounting, the Group has a right to buy at a cap and sell at a floor on the same notional amount of USD with the same expiration date.

At 31 March 2025, the Group had foreign currency collar option agreements in place with a total notional principal amount of $16.9M USD (31 March 2024: $10.6M USD). The Group applies a hedge ratio of 1:1. These foreign currency collar options limit the Group's exposure to foreign currency exposure within a certain range.

The fair value of these agreements at 31 March 2025 is a $0.9M net liability, comprised of $1.3M of swap liabilities and $0.4M of swap assets (31 March 2024: $0.4M liability). Of this, a liability of $0.6M is current (31 March 2024: $0.3M). The agreements cover notional amounts for terms of up to 1 year.

The notional principal amounts and the period of expiry of the cash flow hedge foreign currency collar option contracts are as follows:

	Maturity (months)	Weighted average rate	Nominal amount of the hedging instrument	Derivative assets	Derivative liabilities
			$M's USD	$M's	$M's
2025 Cash flow hedging					
NZD:USD foreign currency collar options	1-34	0.5970	16.9	0.4	(1.3)

As at 31 March 2025 the derivative financial assets total $0.4M (comprising $0.1M in current assets and $0.3M in non-current assets), and derivative financial liabilities total $1.3M (comprising $0.6M in current liabilities and $0.7M in non-current liabilities).

	Maturity (months)	Weighted average rate	Nominal amount of the hedging instrument	Derivative assets	Derivative liabilities
			$M's USD	$M's	$M's
2024 Cash flow hedging					
NZD:USD foreign currency collar options	1-22	0.6161	10.6	-	(0.4)

As at 31 March 2024 the derivative financial liabilities total $0.4M (comprising $0.3M in current liabilities and $0.1M in non-current liabilities). There was no hedge ineffectiveness recognised in profit or loss during the year (31 March 2024: nil).

NOTE 19 FAIR VALUE MEASUREMENT

The carrying amounts of the Groups financial assets and liabilities approximate their fair value due to their short maturity periods or variable rate nature, with the exception of interest rate and foreign exchange derivatives. All of the Group's derivatives are in designated hedge relationships and are measured and recognised at fair value. Refer to the Note 18 Hedge accounting for detail on how fair value is determined for the Group's derivatives.

The fair value hierarchy described below is used to provide an indication of the level of estimation or judgement required in determining fair value.

- Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 Inputs that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) other than quoted prices included within level 1.
- Level 3 Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial assets

		Carrying amount	Fair value
		$M's	$M's
31 March 2025			
Foreign currency options - cash flow hedge	Level 2	0.4	0.4
		0.4	**0.4**

Financial liabilities

		Carrying amount	Fair value
		$M's	$M's
31 March 2025			
Interest rate swaps and foreign currency options - cash flow hedge	Level 2	(1.4)	(1.4)
		(1.4)	**(1.4)**
31 March 2024			
Interest rate swaps and foreign currency options - cash flow hedge	Level 2	(0.4)	(0.4)
		(0.4)	**(0.4)**

Capital management
The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital employed, which the Group defines as reported EBIT (Earnings Before Interest and Tax) divided by capital employed.

Other

This section contains additional notes and disclosures that aid in understanding the Group's position and performance but do not form part of the primary sections. This section includes the following notes:

NOTE 20 INCOME TAX EXPENSE

	2025 $M's	Restated* 2024 $M's
(a) Reconciliation of effective tax rate		
Profit / (loss) before income tax	**0.2**	**(7.6)**
Income tax using the Company's domestic tax rate of 28%	0.1	(2.1)
Non-assessable income	(0.2)	(0.2)
Adjustment related to prior period	(0.6)	(3.9)
Utilisation of tax losses previously unrecognised	(0.9)	(0.8)
Current-year losses for which no deferred tax asset is recognised	0.4	0.2
Income tax benefit	**(1.2)**	**(6.8)**
(b) Current tax expense		
Current year	2.8	0.9
Adjustment related to prior period	(1.4)	-
	1.4	**0.9**
(c) Deferred tax expense		
Current year	(3.4)	(3.8)
Adjustment related to prior period	0.8	(3.9)
	(2.6)	**(7.7)**
Income tax benefit	**(1.2)**	**(6.8)**

At 31 March 2025 there were no imputation credits available to shareholders (2024: Nil).

Income tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods. Current tax payable also includes any tax liability arising from the declaration of dividends.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

NOTE 21 DEFERRED TAX ASSETS AND LIABILITIES

	2025 $M's	Restated* 2024 $M's
Recognised deferred tax assets/(liabilities)		
Deferred tax assets are attributable to the following:		
Tax loss carry forward	23.7	23.3
Derivative financial assets / (liabilities)	0.3	-
Property, plant and equipment	(4.4)	(5.9)
Intangibles	(26.6)	(26.3)
Provisions, accruals and other liabilities	1.6	2.2
Equity-settled share-based payments	0.9	1.3
Trade and other receivables including contract assets	10.1	8.4
Lease Liability	1.4	1.6
Net deferred tax asset	**7.0**	**4.6**

The movement in temporary differences has been recognised in profit or loss. Deferred tax assets have been recognised at rates between 26% to 30% to reflect the tax rates applicable for our foreign subsidiaries.

Movement in temporary differences during the year:

Movements - Consolidated	Restated Balance 2024	Recognised in Profit or Loss	Under/(Over) from prior periods	Currency Translations	Effective tax rate change	Balance 2025
	$M's	$M's	$M's	$M's	$M's	$M's
Tax loss carry forward	23.3	0.7	(0.3)	-	-	23.7
Derivative financial assets / (liabilities)	-	0.3	-	-	-	0.3
Property, plant and equipment	(5.9)	1.0	0.6	(0.1)	-	(4.4)
Intangibles	(26.3)	0.2	0.1	(0.6)	-	(26.6)
Provision, accruals and other liabilities	2.2	(0.2)	(0.4)	0.0	-	1.6
Equity-settled share-based payments	1.3	0.4	(0.8)	-	-	0.9
Trade and other receivables including contracts assets	8.4	1.6	0.0	0.1	-	10.1
Lease liability	1.6	(0.3)	-	0.1	-	1.4
Net deferred tax asset	**4.6**	**3.7**	**(0.8)**	**(0.5)**	**-**	**7.0**

NOTE 21 DEFERRED TAX ASSETS AND LIABILITIES *(CONTINUED)*

Movements - Consolidated	Balance 2023	Recognised in Profit or Loss	Under/(Over) from prior periods	Currency Translations	Effective tax rate change	Restated balance 2024
	$M's	$M's	$M's	$M's	$M's	$M's
Tax loss carry forward	18.4	2.5	2.4	-	-	23.3
Property, plant and equipment	(5.5)	1.4	(1.6)	(0.2)	-	(5.9)
Intangibles	(26.6)	(1.1)	1.8	(0.4)	-	(26.3)
Provision, accruals and other liabilities	1.3	(0.4)	1.3	0.0	-	2.2
Equity-settled share-based payments	0.2	1.0	-	0.1	-	1.3
Trade and other receivables including contracts assets	7.4	0.9	0.1	0.0	-	8.4
Lease liability	2.1	(0.5)	(0.1)	0.1	-	1.6
Net deferred tax (liability) / asset	**(2.7)**	**3.8**	**3.9**	**(0.4)**	**0.0**	**4.6**

The tax losses recognised belong to the New Zealand EROAD tax group and Coretex New Zealand Limited. On 1 December 2021, at the time of acquisition, Coretex had tax losses which can be utilised under the business continuity rules. To make use of these losses, EROAD is maintaining two tax groups.

The New Zealand EROAD tax group consists of EROAD Limited, EROAD New Zealand Limited and EROAD Financial Services Limited. Losses incurred within this group are transferred within the group with no compensation being recognised. Deferred tax assets have been recognised in respect of these items as based on the expected profitability of the New Zealand Tax Group as it is considered that future taxable profit will be available for utilisation against the carried forward losses. Coretex New Zealand Limited are currently not part of the tax group however it will be considered for inclusion in the New Zealand tax group in the future.

Determining the extent to which losses will be utilised requires judgement. The Group has forecast expected utilisation of tax losses taking into account Group's tax planning strategy. Key assumptions included total revenue and expense forecasts in line with Group budget and three-year forecast supported by a robust strategic and business planning process.

The results of the forecasting indicate that there will be sufficient profitability within the New Zealand tax group and Coretex New Zealand to utilise the existing tax losses taking into account the Group's tax planning strategies. Losses incurred in recent years have been the result of a large investment creating the North American market. The Group expect to be able to report significant improvements in profitability over the next three years as the business reaches a sufficiently large subscriber base to self-fund operating and corporate costs. Due to the cumulative subscription nature of our business model as well as certain operating expenses that do not scale at the same rate of unit and revenue growth, the business is expected to be able to achieve its forecast growth in profitability.

As at 31 March 2025 the Group has tax losses of $84.4M (2024: $82.9M) that are available indefinitely for offsetting against future taxable profits of the entity in which they arose, subject to meeting the relevant tax rules. $13.0M (2024:$15.3M) of tax losses are unrecognised due to lack of certainty of recovery.

NOTE 22 RELATED PARTY TRANSACTIONS

The subsidiaries of the Company are:

Company	Country of Incorporation	Principal activity	Ownership interest 2025	Ownership interest 2024
EROAD Financial Services Ltd	New Zealand	Financing activities within group	100%	100%
EROAD LTI Trustee Limited	New Zealand	LTI Scheme Trustee	100%	100%
EROAD (Australia) Pty Limited	Australia	Transport Technology & SaaS	100%	100%
EROAD Inc	United States of America	Transport Technology & SaaS	100%	100%
Coretex NZ Limited	New Zealand	Transport Technology & SaaS	100%	100%
Coretex Australia Pty Limited	Australia	Transport Technology & SaaS	100%	100%
Coretex USA Inc	United States of America	Transport Technology & SaaS	100%	100%
Coretex Telematics Limited	Canada	Transport Technology & SaaS	100%	100%
Coretex Limited	New Zealand	Transport Technology & SaaS	100%	100%
Imarda Pty Limited	Australia	Not Trading	100%	100%
Imarda Asia Pte Limited	Singapore	Not Trading	100%	100%
Coretex Telematics Limited	British Columbia	Not Trading	100%	100%
International Telematics Corporation	United States of America	Not Trading	100%	100%
International Telematics Holdings Limited	New Zealand	Not Trading	100%	100%
EROAD Phillipines Inc	Philippines	Provision of services	100%	-%

NOTE 22 RELATED PARTY TRANSACTIONS *(CONTINUED)*

Other interests of the Company are:

Company	Country of Incorporation	Principal activity	Ownership interest 2025	Ownership interest 2024
Beyond The Square Ventures Limited	New Zealand	Not Trading	50%	50%

Key management personnel compensation comprised:

	2025 $M's	2024 $M's
Short-term employee benefits	2.7	1.6
Share-based payments	0.6	0.1
	3.3	**1.7**

(a) Loans to key management personnel
There have been no loans to management personnel.

(b) Other transactions with key management personnel
There were no other transactions with key management personnel during the period. From time to time, key management personnel of the Group may purchase goods from the Group.

NOTE 22 RELATED PARTY TRANSACTIONS *(CONTINUED)*

(c) Remuneration of Non-executive Directors

	2025 $M's	2024 $M's
Susan Paterson (Chair)	0.15	0.14
Barry Einsig	0.18	0.18
Sara Gifford	0.18	0.17
David Green	0.11	0.06
Cameron Kinloch (appointed 28 March 2024)	0.16	-
John Scott (appointed 1 March 2025)	0.01	-
Selwyn Pellett (retired 13 November 2024)	0.06	0.09
Anthony Gibson (retired 28 July 2023)	-	0.04
Graham Stuart (retired 31 March 2024)	-	0.12
	0.85	**0.80**

No additional fees were paid to any Directors for consultancy work provided to the Company (2024: None paid).

(d) Remuneration of Executive Directors

	2025 $M's	2024 $M's
Salary and bonus	-	-
Share-based payments	-	-
	-	**-**

No additional fees were paid to an executive director for consultancy work provided to the Company (2024: None paid).

(e) Transactions with related parties

	2025 $M's	2024 $M's
Streamline Business NZ Limited	0.9	0.7
Kylie Jay	0.1	0.0
Swaytech Limited	0.1	0.1
Digital Matter Pty Limited	0.1	-
	1.2	**0.8**

EROAD Group contracts with Swaytech Limited for marketing services, Streamline Business NZ Limited for outsourcing work and Digital Matter Pty Limited for inventory related purchases, the companies had a common director with EROAD. Kylie Jay provides strategic support on investor relations activities, including the development of presentation materials and messaging to support current and future investor engagement.

NOTE 23 CAPITAL COMMITMENTS

As at 31 March 2025 the Group had confirmed purchase orders open with its third party manufacturer of hardware units amounting to $11.3M (2024: $12.2M).

NOTE 24 CONTINGENT LIABILITIES

As at 31 March 2025 the Company had no contingent liabilities or assets (2024: $Nil).

NOTE 25 NET TANGIBLE ASSETS PER SHARE

	2025 $M's	Restated* 2024 $M's
Net assets (equity)	331.7	321.3
Less Intangibles	(265.6)	(264.4)
Total net tangible assets	**65.8**	**56.9**
Net tangible assets per share ($)	**0.35**	**0.31**

The non-GAAP measure above is disclosed for consistency with the information disclosed in EROAD's results announced under the NZX listing rules.

NOTE 26 EVENTS SUBSEQUENT TO BALANCE DATE

There were no events occurring subsequent to balance date which require adjustment to or disclosure in the financial statements.

KPMG

Independent Auditor's Report

To the shareholders of EROAD Limited (**Group**)

Report on the audit of the consolidated financial statements

Opinion

We have audited the accompanying consolidated financial statements which comprise:

- the consolidated statement of financial position as at 31 March 2025;
- the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended; and
- notes, including material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements of EROAD Limited (the **Company**) and its subsidiaries (the **Group**) on pages 21 to 75 present fairly in all material respects:

- the Group's financial position as at 31 March 2025 and its financial performance and cash flows for the year ended on that date;
- In accordance with New Zealand Equivalents to International Financial Reporting Standards (**NZ IFRS**) issued by the New Zealand Accounting Standards Board and the International Financial Reporting Standards issued by the International Accounting Standards Board.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (**ISAs (NZ)**). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of EROAD Limited in accordance with Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (Including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (**IESBA Code**), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with Professional and Ethical Standards 1 and the IESBA Code.

Our responsibilities under ISAs (NZ)(Revised) are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

Our firm has provided other services to the Group in relation to tax compliance, tax advisory and other assurance services. Subject to certain restrictions, partners and employees of our firm may also deal with the Group on normal terms within the ordinary course of trading activities of the business of the Group. These matters have not impaired our independence as auditor of the Group. The firm has no other relationship with, or interest in, the Group.

KPMG

Materiality

The scope of our audit was influenced by our application of materiality. Materiality helped us to determine the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the consolidated financial statements as a whole. The materiality for the consolidated financial statements as a whole was set at $1.9 million determined with reference to a benchmark of the Group's revenue. We chose the benchmark because, in our view, this is a key measure of the Group's performance.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements in the current period. We summarise below those matters and our key audit procedures to address those matters in order that the shareholders as a body may better understand the process by which we arrived at our audit opinion.

Our procedures were undertaken in the context of and solely for the purpose of our audit opinion on the consolidated financial statements as a whole and we do not express discrete opinions on separate elements of the consolidated financial statements.

The key audit matter	How the matter was addressed in our audit
Impairment of non-current assets	
Refer to Note 11 to the financial statements. Non-current assets including goodwill are allocated to three cash generating units ('CGUs') representing the three core markets the Group develops and markets its products for (New Zealand, Australia and North America). The carrying value of each CGU must be tested for impairment annually. The recoverable amounts of the CGUs, which have been determined based on their value in use, have been derived from discounted cash flow models. These models use several key assumptions, including estimates of future revenue growth rates and the weighted-average cost of capital (discount rate) relevant to each market. The impairment testing of non-current assets in respect of the North America and Australia CGUs is considered to be a key audit matter due to:	We assessed management's impairment testing of non-current assets by performing the following procedures: — Identifying the level at which non-current assets should be tested for impairment and assessing the appropriateness of the CGUs determined by the Group; — Enquiring of the executive management to corroborate an understanding of the Group's products, markets and strategic opportunities; — Obtaining a value-in-use model for each CGU and assessing the methodology and key assumptions including: ○ Challenging management's future cash flow forecasts, in particular forecast revenue growth. This included comparing previous forecasts to actual results to assess the reliability of historical forecasting and obtaining other relevant supporting documentation as evidence of the feasibility of the forecasts; ○ Using our corporate finance specialists to challenge the reasonableness of the weighted average cost of capital and terminal growth rates; and ○ Performing sensitivity analysis of the forecast revenue growth rates and discount rates.

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The key audit matter	How the matter was addressed in our audit
— the complexity of the accounting requirements in respect of impairment testing; — the changes in the carrying amounts of these CGUs, and the associated changes in the discounted cash flow models, as a result of the correction of a prior period error in relating to the foreign currency translation of goodwill and intangible assets arising on the acquisition of Coretex in 2022 (as described in note d); and — the significant judgement required in determining the assumptions used to estimate the recoverable amount of these CGUs. In addition to the above, the carrying amount of the Group's net assets as at 31 March 2025 of $332 million exceeds its market capitalisation of $178 million and is considered an indicator of impairment.	— Evaluating the estimate of the recoverable amount of the Group as a whole, including all corporate costs and related corporate assets. We did not identify any matters that were materially inconsistent with management's overall conclusions in respect of the Australia CGU. For the North America CGU we concluded that management's revenue growth rates were higher than current growth rates in revenue and ARR. In our sensitivity analysis we considered scenarios which included lower revenue growth assumptions and/or higher discount rate assumptions to assess the risk of impairment. The recoverable amount range we derived from our sensitivity analysis exceeds the North America CGU's carrying amount, which is consistent with management's conclusion that no impairment is required. Our analysis indicated a risk that the level of headroom may be lower than the amount calculated by management. The sensitivity analysis in note 11 is an important disclosure which enables users of the financial statements to adequately understand the revenue growth rate and discount rate at which headroom would be eliminated.
Capitalisation of development costs	
Refer to Note 11 to the financial statements. The Group has reported development assets of $107.6 million (2024: $109.0 million). The establishment of the development asset requires significant judgement as to whether a project meets the capitalisation criteria, and which expenditure is directly attributable to the development of such projects. In assessing whether a project meets the capitalisation criteria we consider its technical and economic feasibility, intention and ability to develop, use or sell the asset. Roles of employees and the nature of overhead costs are considered in assessing whether they are directly attributable to a qualifying project. Projects that do not continue to meet the capitalisation criteria are written off. We focused on this area due to the quantum of the development costs capitalised and judgement involved.	We assessed the judgments related to capitalised expenditure by performing the following procedures: — Understanding the nature and background of the activities that are capitalised through inquiry of key management personnel; — Selecting a sample of projects and evaluating whether they meet the capitalisation criteria; — Challenging whether costs capitalised during the year were directly attributable to development projects; and — Selecting a sample of timesheets and recalculating the amount of internal costs capitalised based on the hours which staff spent developing the asset. We did not identify any factors that were materially inconsistent with management's overall conclusions.

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The key audit matter	How the matter was addressed in our audit
Revenue recognition	
Refer to Note 2 to the financial statements. The Group's contracts are accounted for as a service contract under NZ IFRS 15 Revenue from Contract with Customers and the associated revenues recognised over the contract term. We focused on this area because the accounting determination of whether or not the contract contains a lease is a significant judgement and the outcome has a significant impact on the recognition of profit and loss and the financial position.	We assessed the judgement in revenue recognition by performing the following procedures: — Obtaining Group's customer contracts and trading terms and evaluating whether management's revenue recognition assessment is appropriate and in accordance with relevant financial reporting standards; — Assessing whether the Group's customer contract terms and conditions meet the definition of service contracts to be recognised over time; — Understanding any changes or new contractual terms and conditions entered into with customers during the period to identify any potential impact on performance obligations required to satisfy the contract; — Testing the operating effectiveness of certain controls in relation to customer billings; — Selecting a sample of customer contracts to compare the revenue recognised to the contractual terms; — Checking a sample of customer invoices immediately prior to and after year end to ensure revenue is recognised in the correct period; and — Challenging management's assumptions used to determine the recoverability of revenue and associated debtor balances. We did not identify any matters that indicated that the reported revenue is materially misstated.

Other information

The directors, on behalf of the Group, are responsible for the other information. The other information comprises information included in the Chairman's and Chief Executives' report, disclosures relating to corporate governance and other statutory disclosures but does not include the financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover any other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears materially misstated.

If, based on the work we have performed, we conclude there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Use of this independent auditor's report

This independent auditor's report is made solely to the shareholders. Our audit work has been undertaken so that we might state to the shareholders those matters we are required to state to them in the independent auditor's report and for no other purpose. To the fullest extent permitted by law, none of KPMG, any entities directly or indirectly controlled by KPMG, or any of their respective members or employees, accept or assume any responsibility and deny all liability to anyone other than the shareholders for our audit work, this independent auditor's report, or any of the opinions we have formed.

Responsibilities of directors for the consolidated financial statements

The directors, on behalf of the Group, are responsible for:

- the preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS issued by the New Zealand Accounting Standards Board and the International Financial Reporting Standards issued by the International Accounting Standards Board;
- implementing the necessary internal control to enable the preparation of a consolidated set of financial statements that is free from material misstatement, whether due to fraud or error; and
- assessing the ability of the Group to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objective is:

- to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and
- to issue an independent auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but it is not a guarantee that an audit conducted in accordance with ISAs NZ will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

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A further description of our responsibilities for the audit of the consolidated financial statements is located at the External Reporting Board (XRB) website at:

https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-1-1/

This description forms part of our independent auditor's report.

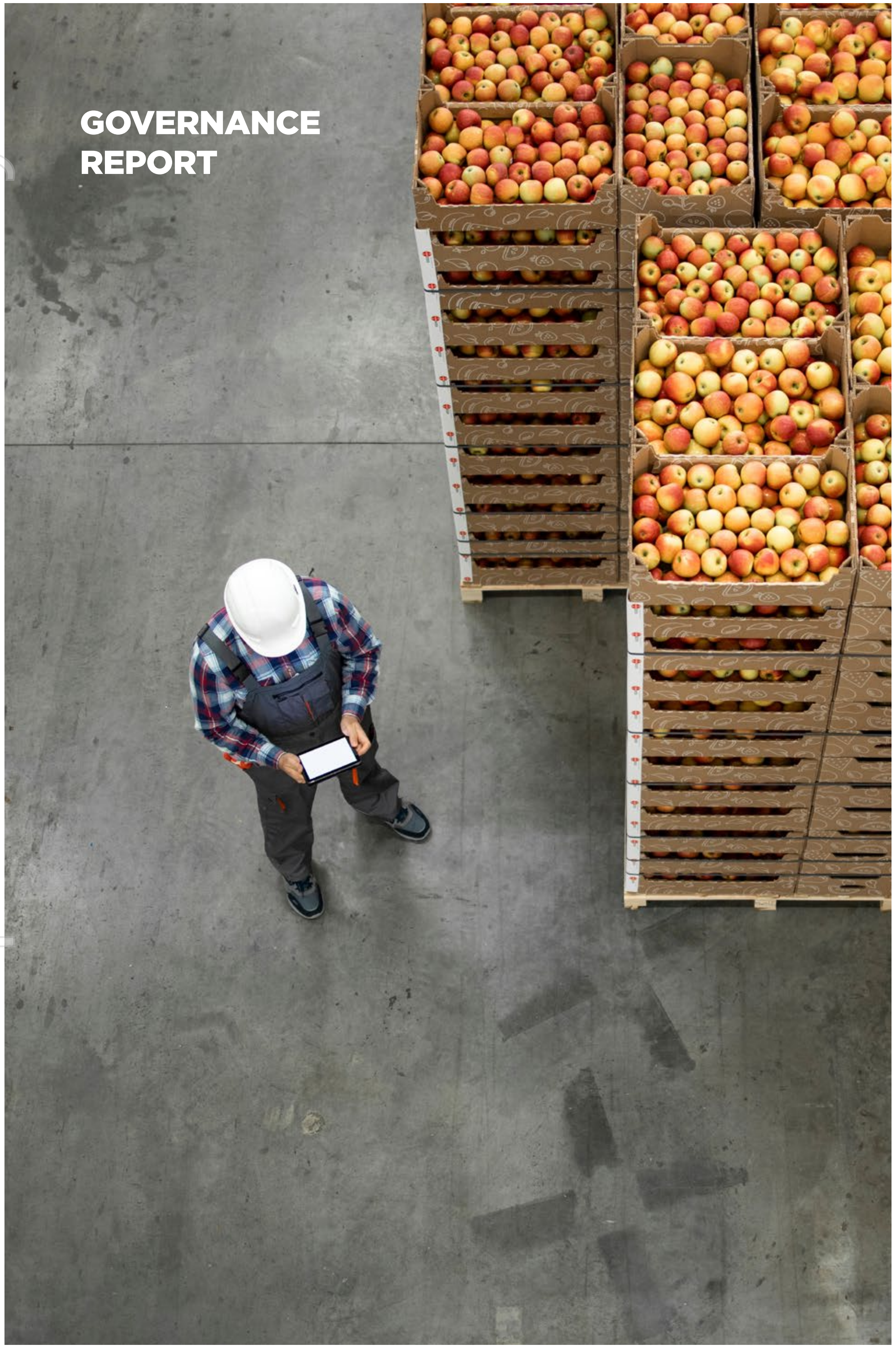
The engagement partner on the audit resulting in this independent auditor's report is Matthew Diprose.

For and on behalf of:

KPMG

KPMG Auckland
26 May 2025

GOVERNANCE REPORT



Governance

EROAD's board of directors ("Board") and management are committed to delivering intelligence you can trust, for a better world tomorrow, through responsible governance.

This Corporate Governance Statement outlines how the Board governs EROAD, highlights critical initiatives delivered this year, and demonstrates how we align purpose, values, and strategy with action. It also underscores our commitment to engaging stakeholders as partners. This statement is structured to reflect NZX Corporate Governance Code dated 31 January 2025 ("NZX Code"), and we confirm full compliance with all NZX Code recommendations for the financial year ended 31 March 2025. Key governance initiatives this year included strengthening risk oversight, refining culture alignment, and enhancing stakeholder communication.

The Company, being incorporated in New Zealand, adheres to the corporate governance requirements of the NZX Listing Rules ("NZX Listing Rules"), except where waived by the NZX, and with our obligations as a foreign-exempt issuer on the ASX ("ASX Listing Rules") . EROAD is exempt from the majority of the ASX Listing Rule obligations. EROAD's corporate governance policies, practices and procedures can be found on our public investor website at http://www.eroadglobal.com/investors/ ("Investor Website").

This Corporate Governance Statement was approved by the Board on 23 May 2025.

PRINCIPLE 1: ETHICAL STANDARDS

EROAD's governance is built on four pillars: "we do what's right", "we play as a team", "we learn & grow" and "we get it done". These values drive our commitment to ethical standards. Our corporate governance policies reinforce our standards and expectations for ethical behaviour. These policies are detailed below and can be accessed through our Investor Website.

Code of Ethics

EROAD's **Code of Ethics** applies to all EROAD directors, employees, independent contractors, advisers and our related companies ("EROADers"). It outlines how EROADers are expected to conduct their professional lives. It is not intended to cover an exhaustive list of expectations on EROADers but instead is designed to help inform their actions, behaviours and decision-making processes. For example, it requires confidentiality of sensitive information, disclosure and management of conflicts of interest, ethical conduct in all interactions, and adherence to formal processes for gifts or personal benefits (including reporting and approval). The Code prohibits bribery, mandates whistleblowing for misconduct, and obligates EROADers to report breaches of policies or laws immediately.

EROAD mandates the Code of Ethics training for all staff at onboarding, with refreshers at least every three years via company-wide campaigns. During FY25, we rolled out training on the Code of Ethics to all staff, with extremely high completion rates. Ethical behaviour is reinforced across all levels of the organisation and integrated into everyday work life—from formal governance processes to team meetings, leadership discussions, and day-to-day decision-making. The Board expects immediate reporting of any serious incidents related to the Code, underscoring its commitment to ethical conduct at all levels within the organisation.

[1] Statement made pursuant to ASX Listing Rule 1.15.3.

Other Ethical Standards and Policies

In addition, EROAD also has the following ethical standards and policies in place:

1. Code of Conduct

EROAD's **Code of Conduct** sets out EROAD's purpose, values, and culture. Our Code of Conduct further sets out expectations regarding, amongst other things, personal behaviour, workplace stress, responsibilities and privacy matters.

2. Financial product dealing policies

EROAD's **Market Disclosure Policy** mandates strict adherence to continuous disclosure obligations under NZX and ASX Listing Rules. Unless an NZX-permitted exception applies, material information is disclosed promptly and without delay to ensure fair, transparent markets and protect investor confidence. This is supported by EROAD's **Securities Trading Policy**, which enforces EROAD's zero tolerance for EROADers trading in EROAD shares while in possession of undisclosed material information. This policy enforces strict guardrails such as trading blackouts and pre-clearance requirements.

Compliance with the Securities Trading Policy is monitored through a consent to trade process and by EROAD's share registrar, which oversees the share register. EROAD actively monitors the Company's share register, with a particular focus on trades by any Director or Senior Manager in EROAD securities. All trading by Directors and Senior Managers (as defined by the Financial Markets Conduct Act 2013) is required to be reported to NZX (and ASX) and recorded in EROAD's securities trading registers. Regular securities trading training is provided to all EROADers, along with targeted internal communications.

3. Conflict of interest register and policies

An **Interests Register** is maintained in accordance with the requirements of the Companies Act 1993 ("Companies Act") and the Financial Markets Conduct Act 2013 ("FMC Act") to ensure all relevant transactions and matters involving the Directors and Senior Managers are recorded. EROAD's **Related Party Transactions Policy** governs any proposed or actual related party transactions, including a transaction with any person that could influence or be perceived to influence EROAD entering a transaction on terms that are not commercial and/or are not at arm's length.

4. Whistle-blower Policy

The Company's **Whistle-Blower Policy** complements the Code of Ethics and Code of Conduct by providing a clear process for reporting any serious issues and aligning with the relevant legislation such as the Protected Disclosures (Protection of Whistleblowers) Act 2022 (New Zealand), Corporations Act 2001 (Australia) and the Whistleblower Protection Act of 1989 (United States).

EROADers can report concerns with their manager or any member of the executive team, with major issues escalated to the Board. An independent whistle-blower service, managed by Deloitte, offers another avenue for reporting, ensuring anonymity through webform, email or toll-free phone lines. Should any serious concern be raised, the Board and management will work with the appropriate parties to swiftly resolve the issue.

5. Modern Slavery Statement

EROAD's FY25 **Modern Slavery Statement** will be published on our Investor Website and is lodged annually with the Australian Modern Slavery Statements Register. Social sustainability is central to our ethical business practices, and we are committed to upholding both our legal and moral responsibilities as a socially responsible entity.

Policy review

EROAD undertook a policy review programme during FY25, with updates continuing into FY26, to ensure alignment with our strategic goals and evolving standards. This program includes ensuring a streamlined and consistent training program on our key policies.

PRINCIPLE 2: BOARD COMPOSITION AND PERFORMANCE

Responsibilities of the Board and Executive Management

The business and affairs of EROAD are managed under the direction of the Board, who are elected by shareholders to protect and enhance the value of EROAD's assets in the best interests of shareholders.

The Board is responsible for corporate governance and operates under a written Board Charter detailing its authority, responsibilities, membership and protocols and clearly distinguishing the respective roles and responsibilities of the Board and management.

Key responsibilities of the Board include setting the Company's direction and strategy with the Co-CEOs, reviewing and approving budgets and business plans, establishing policies (including remuneration), setting the risk management framework, and overseeing EROAD's management in implementing the Board's strategic objectives.

The Board utilises committees to address certain issues that require detailed consideration by directors with specialist knowledge and experience. If circumstances arise where a director needs to obtain independent professional advice, that director is, as a matter of practice, able to seek such advice at the expense of EROAD.

EROAD's Co-CEOs and executive team lead day-to-day operations and strategic delivery. The Board enforces management's accountability through rigorous scrutiny of performance against the strategic plan, active engagement with senior leadership via structured touchpoints and alignment with the Board's annual priorities and risk framework.

The Board regularly reviews and evaluates EROAD's governance structures, policies, and procedures to ensure alignment with best practice and legal requirements. The Board Charter was last updated in March 2024 to incorporate the Co-CEO arrangement and to acknowledge Board's responsibility for overseeing EROAD's sustainability strategy.

In FY26 EROAD aims to drive growth and strengthen its market presence across all key regions.

Board Composition

EROAD is dedicated to maintaining the Board with a well-balanced mix of skills, experience, expertise, and diversity to support effective decision-making.

As at 31 March 2025, the Board comprised six independent, non-executive directors. A brief biography of each current Board member, including experience, length of service, expertise, role, and the term of office is set out in the "The Board" section of this report. Disclosure of director shareholdings and other directorships is included on pages 119-120 of this report.

FY25 saw some changes to the Board's composition:

- Selwyn Pellett resigned from the board on 13 November 2024, and the Board extends its gratitude to Selwyn for his service to EROAD and its shareholders.
- On 1 March 2025, John Scott was appointed to the Board. Based in New Zealand, John's expertise in product development, global technology, sales and marketing, digital transformation, supply chain management, and governance is a valuable addition to the EROAD Board.

The Board remains confident that its current composition is diverse, knowledgeable, and well-positioned to provide strong governance and strategic oversight as EROAD pursues its long-term objectives.

Director Evaluation, Appointment, and Re-Election

The appointment and removal of directors is ultimately governed by the Company's Constitution and relevant NZX Listing Rules but supported by EROAD's **Appointment and Selection of New Directors Policy**. The policy outlines the criteria and procedures for selecting and recommending new or reappointed directors and is available on the Investor Website.

A director may be appointed by the Board, elected at a shareholders' meeting, or appointed as alternate director. EROAD's Board may appoint a director to fill a vacancy or as an addition to the existing directors. However, any director appointed by the Board must stand for election at the next annual meeting following his or her appointment by the Board. Directors are subject to the rotation requirements set out in the NZX Listing Rules.

Due to the Board's small size, for the purposes of Recommendation 3.4 of the Code, the Board has determined that the full Board performs the functions of the Nominations Committee. The Board actively oversees director appointments, supported by the Nominations Committee, which makes recommendations on selection, appointment, and reappointment.

In line with the NZX Code, background checks are conducted for all candidates prior to nomination. External consultants may be engaged to assist in searching for candidates when appropriate. Candidates are assessed against a range of criteria including background, experience, professional qualifications, personal qualities, the potential for the candidate's skills to augment the existing Board (board skills matrix), and the candidate's availability to commit to the Board's activities. The Board includes in the Notice of Meeting for annual meetings all material information that is considered relevant to a decision on whether shareholders should elect or re-elect a director. At EROAD's FY24 Annual Shareholders' Meeting, David Green and Cameron Kinloch stood for election and were elected to the Board. This year John Scott will stand for election, and Susan Paterson and Sara Gifford will stand for re-election.

All new directors enter into a written agreement with EROAD, which sets out the terms of their appointment. New directors complete a comprehensive induction programme, including meetings with the Chair, other directors, and the senior management team to gain insight into EROAD's values and culture, our business operations, key risks and regulatory and legal framework. The program also includes site visits. Each director's induction program is tailored based on the director's existing skills, knowledge, and experience.

Board Skills

All directors are expected to maintain the skills required to fulfil their obligations to the Company. To assist directors in understanding key developments in the industry in which EROAD operates, they are regularly provided with papers, presentations, and briefings on matters that may affect EROAD's business or operations. Directors are also encouraged to undertake continuing education and training relevant to the discharge of their obligations as directors of the Company.

The Board considers that Barry Einsig has specific experience in the transport industry. Susan Paterson, David Green and Cameron Kinloch bring listed company and financial/risk experience. Sara Gifford, Barry Einsig, Cameron Kinloch and John Scott have extensive experience in technology solutions. Overall, the Board's skill set is as set out in the following table.

BUSINESS CONTEXT	CAPABILITY	KEY ELEMENT	CURRENT BOARD
A depth of industry experience and awareness of sector trends	*Executive industry experience*	Modern executive telematics hardware experience (Hardware R&D)	●●
	Product software	Fleet management or adjacent software development Data-driven innovation and growth Deep software development experience	●○○
	Transport and supply chain	Strong insight into transport – systems, trends Fleet management Supply Chain Regulation Sustainability Customer perspective	●●○
Driving long-term value creation through serving customer needs	*Modern technologist*	SaaS businesses Data analytics / AI Strong scale tech networks Modern cloud expertise Cybersecurity Key trends in tech sector	●●●●○○
	Tech go-to-market strategy and sales	Sales channel leadership experience – digital and enterprise selling Customer-centric strategies Identifying new growth opportunities Building world-class sales capability Go-to-market strategy Driving revenue growth – beyond $1bn	●●●●○
	Digital product marketing	Tech sector marketing Building customer insight Brand development	●●○○
	Key customer segment insight	New Zealand	●○○○
		North America	●●○
		Australia	●○○

BUSINESS CONTEXT	CAPABILITY	KEY ELEMENT	CURRENT BOARD
Scaling experience to guide EROAD growth towards a $1b company	*Scale software Company*	Scaling a technology or SaaS organisation – beyond $1b Growth strategy development and execution Capital market leadership	●●●●○
	Investment	Direct exposure to investments in technology companies that have successfully scaled M&A / takeovers Long-term value creation Finance / investment community insight	●●●○○○
	Technology infrastructure	Scale IT infrastructure Technology trends Technology risk	●●○○○
Supporting financial and culture growth as scale and complexity builds	*Finance*	Former CFO / CA / ARC Chair expertise Financial strategy (tech) Financial reporting and regulations Risk management	●●●
	People and compensation	Corporate culture and diversity & inclusion Executive compensation experience Employee engagement Performance and talent H&S	●●●●●○
Driving best practice in governance and strategic leadership	*Listed governance*	Scale public company governance experience - NZX, ASX, NASDAQ ESG Shareholder engagement and partnering Chair succession potential	●●●○○
	Demographic diversity	Gender, ethnicity, age	●●●○

Key ● High capability ○ Moderate capability

The Board values a mix of tenures, recognising that longer-serving directors bring deep knowledge of the business, while newer members offer fresh perspectives. Although there is no formal tenure policy, the Board considers the current composition—outlined in the table below—to be appropriately balanced. This supports effective succession planning and ensures continuity and renewal over time. As at 31 March 2025, Board tenure was as follows::

DIRECTOR TENURE AS AT 31 MARCH 2025	0-3 YEARS	3-9 YEARS[1]
Number of directors	4	2

Independence of Directors

The Board assesses director independence based on a range of criteria, including those outlined in the Board Charter and the NZX Code. Additionally, the Board considers guidance from the ASX Corporate Governance Principles and Recommendations. Some factors that may impact a director's independence include that the director:

1. is currently, or was within the last three years, employed in an executive role by the issuer, or any of its subsidiaries;
2. is currently deriving, or within the last 12 months derived a substantial portion of his, her or their annual revenue from the issuer;
3. is currently or was within the last 12 months, in a senior role in a provider of material professional services (other than an external auditor) to the issuer or any of its subsidiaries;
4. is currently, or was within the last three years, employed by the external auditor to the issuer, or any of its subsidiaries;
5. currently has, or did have within the last three years, a material business relationship (e.g. as a supplier or customer) with the issuer or any of its subsidiaries;
6. is a substantial product holder of the issuer, or a senior manager of, or person otherwise associated with, a substantial product holder of the issuer;
7. is currently, or was within the last three years, in a material contractual relationship with the issuer or any of its subsidiaries, other than as a director;
8. has close family ties or personal relationships (including close social or business connections) with anyone in the categories listed above;
9. has been a director of the entity for a period that may compromise independence, 12 years or more.

EROAD maintains a Conflicts of Interest Register, which is regularly updated based on disclosures made by directors. The Board uses this information to assess each director's independence. In each case, the Board assesses the materiality of a director's interests, positions, associations, or relationships to determine if they could interfere, or be perceived to interfere, with the director's ability to exercise independent judgment, act in EROAD's best interests, and represent the interests of our financial product holders.

Based on these factors, as well as the guidance provided in the Code and with no Disqualifying Relationships (as defined in the NZX Listing Rules) identified, the Board has determined that, as at 31 March 2025, Susan Paterson (Chair), David Green, Barry Einsig, Sara Gifford, Cameron Kinloch and John Scott were independent directors.

The Board considers that Mr Heine and Mr Kenneson as Co-CEOs are both sufficiently independent of the Chair.

Diversity and Inclusion

Diversity and inclusion are ongoing priorities at EROAD and are central to our value of 'play as a team'. They are embedded in how we work together, reflecting our belief that different perspectives make us stronger and more effective as a team. Progress has been made in FY25 in the following areas and the Board is satisfied with EROAD's performance:

- Our people gave us a +49 eNPS for their satisfaction with our D&I efforts globally. This is 8 points above industry benchmarks.
- In our focus to support equal opportunity, our annual remuneration review prioritises gender parity. Our recruitment advertisements and position descriptions have been refined to be gender neutral with leadership guidance on unconscious bias, and we have a continued focus on 40:40:20 gender ratio amongst short listed job applicants by 2026.
- 36% of EROADers identify as female (higher than the industry benchmark of 28%). 54.5% of our senior leadership team are female, 46.3% of our people leaders are female, and we are developing diversity initiatives that support progression of women in the industry with a draft Women in Motion Charter shared as part of International Women's Day 2025.
- EROADers come from 31 different cultures, and we promote inclusion through a range of global initiatives including cultural celebrations, Pink Shirt Day and Te Whare Tapa Wha holistic wellbeing models, and have self-formed groups such as our Samoan "Fono Crew" supporting Pacifica EROADers.

Our **Diversity and Inclusion Policy** is available on the Investor Website and requires the Board to set, review and report on measurable objectives across the business. The People & Culture Committee oversees EROAD's diversity and inclusion efforts and we are currently in the process of confirming our FY26 priorities.

Gender composition

The table below presents the number of men and women on the Board, in executive management positions (referred to as "Officers"), and across the entire organisation, including both full-time and part-time employees, as of 31 March 2024 and 31 March 2025.

2024	Women	Men	Gender diverse/ gender not declared
Board	3 (43%)	4 (57%)	-
Officers*	2 (22%)	7 (78%)	-
Other employees	164 (35%)	294 (62%)	13(3%)
2025	**Women**	**Men**	**Gender diverse/ gender not declared**
Board	3 (50%)	3 (50%)	-
Officers	1 (10%)	9 (90%)	-
Other employees	153 (37%)	249 (60%)	15 (4%)

*"Officers" are the Co-CEOs and senior executives reporting directly to either or both of the Co-CEOs.

Board Performance

Performance evaluations for the Board, its committees, individual directors, and executives are conducted regularly.

The Board Charter requires the Board to undertake a regular performance evaluation of itself which:

- Compares the Board's performance with the requirements of our Charter;
- Reviews the performance of the Board's committees and individual directors; and
- Makes improvements to the Board Charter where deemed appropriate.

As part of the Board review process, an independent third party is periodically appointed to evaluate the Board's performance. The last review was conducted in FY22. Following the successful completion of the Board's renewal, another independent review commenced at the end of FY25 and is currently progressing. The Board also undertakes self-assessments from time to time as an alternative to independent evaluations.

Company Secretary

EROAD's General Counsel & Company Secretary was accountable to the Board, through the Chair, on all matters to do with the proper functioning of the Board throughout FY25. They had regular discussions with the Chair to manage the flow of information between EROAD's Board, its committees, and senior executives; and was responsible for all aspects of legal and regulatory compliance and risk management at EROAD.

EROAD has been a party to one employment-related legal action in FY25 which had been ongoing from the prior period. This matter is now closed. The company is not aware of any pending actions regarding anti-competitive behaviour and violations of anti-trust, or monopoly legislation. EROAD has not identified any non-compliance with laws and/or regulations, nor has the Company been subject to any significant fines or non-monetary sanctions for non-compliance with any laws and/or regulations in the social and economic area.

PRINCIPLE 3: BOARD COMMITTEES

The Board has established four key committees:

- Finance, Risk and Audit;
- Nominations;
- People & Culture; and
- Technology.

These focused committees were established to enhance efficiency in addressing Board matters. EROAD's Board committees collaborate closely with management and advisers, providing detailed insights and recommendations to the Board. The committees' charters, accessible on the Investor Website, set out their objectives, procedures, composition, and responsibilities.

All directors have a standing invitation to attend committee meetings where there is no conflict of interest. Below is a description of the purpose and composition of each committee:

Finance, Risk and Audit Committee ("FRAC")

The Finance, Risk and Audit Committee oversees EROAD's risk management, internal controls, financial reporting integrity and the auditing processes and activities. FRAC held four meetings during the year ended 31 March 2025.

According to its Charter, the Committee must be comprised of non-executive directors, the majority of whom must be independent. Further, the Chair of the Committee must be an independent director and cannot be the Chair of the Board.

As at 31 March 2025, the members of the FRAC were David Green (Chair), Susan Paterson, Cameron Kinloch, and Barry Einsig (appointed to the Committee in February 2025). Up until his resignation from the Board, Selwyn Pellett also served as a member of FRAC. Currently, all members of the Committee are independent non-executive directors and at least two members have an adequate accounting or financial background. Qualifications and experience of the Committee members is outlined on page 18-19 of this Annual Report. The Chair of the Committee reported to the Board on the Committee's proceedings following each meeting.

Employees only attend the FRAC meetings at the invitation of the Committee. In the year ended 31 March 2025, Co-CEOs, Mark Heine and David Kenneson, the Chief Financial Officer ("CFO") Margaret Warrington (up until her resignation), the Interim Chief Financial Officer, Rebecca Lineham (who attended one meeting following her appointment) and General Counsel, Ksenija Chobanovich, were invited to attend the Finance, Risk and Audit Committee meetings.

Nominations Committee ("NC")

The Nominations Committee assists the Board in fulfilling its responsibilities to shareholders with respect to Board performance, composition, succession planning and the selection and appointment of Directors. For the purposes of Recommendation 3.4 of the Code, the Board has determined that the whole Board will carry out the functions of the Nominations Committee due to the small size of the Board, with the Board Chair serving as the Committee Chair. A quorum of four directors is required in accordance with the Nominations Committee Charter.

Four Nominations Committee meetings were held during the year.

All members of the Nominations Committee are independent, non-executive directors.

Detailed responsibilities of the Committee are set out in the Nominations Committee Charter, accessible via the Investor Website.

People & Culture Committee ("PCC")

The People & Culture Committee assists the Board in overseeing EROAD's culture, values and leadership; health, safety, environment and wellbeing matters; remuneration and organisational matters; and remuneration policies and practices.

As at 31 March 2025, members of the People & Culture Committee were Sara Gifford (Chair), David Green and Susan Paterson. As part of the Board's committee rotation process, Barry Einsig joined the Committee in May 2024, with David Green stepping off at that time. Mr Green has since rejoined the Committee in February 2025 to support Mr Einsig's transition to the Finance, Risk and Audit Committee.

Qualifications and experience of the committee members is outlined on page 18-19 of this Annual Report. A quorum for the meeting is two directors in accordance with the Committee Charter, accessible via the Investor Website. The Chair of the Committee reports to the Board on the Committee's proceedings following each meeting. All members of the People & Culture Committee are independent directors. Management only attends the People & Culture Committee meetings at the invitation of the Committee.

Technology Committee ("TC")

The Technology Committee assists the Board in its obligations to oversee EROAD's digital transformation. The Technology Committee governs product management, technology and innovation strategies, technology execution plans, and necessary workforce development. The Technology Committee also oversees operations relating to hardware, product and platform innovation, as well as information security, cyber security, data privacy and third-party technology risk management. Key product and ecosystem partners also form part of the Technology Committee's workstream.

As at 31 March 2025, the members of EROAD's Technology Committee are Barry Einsig (Chair), Sara Gifford and John Scott (from March 2025). Selwyn Pellett served on the Technology Committee as a member up until his resignation. Qualifications and experience of the Committee members is outlined on page 18-19 of this Annual Report.

The Committee met 5 times during the year. A quorum for the meeting is two independent directors. The Chairperson of the Committee reported to the Board on the Committee's proceedings following each meeting.

Detailed responsibilities of the Committee are set out in the Technology Committee Charter, accesible via the Investor website.

Attendance and Board and Committee Meetings

The Board held 10 meetings during the year ended 31 March 2025.[2]

The attendance records provided below document the attendance of directors who are members of the respective committee. Attendance of non-member directors is not included, however all directors have a standing invitation to attend all committee meetings where there is no conflict of interest and this is regularly accepted.

	Board	FRAC	NC	PCC[3]	TC
Susan Paterson	10	4	4	2	-
Barry Einsig	10	1[4]	4	2	5
Sara Gifford	10	-	4	2	4
David Green	10	4	4	-	-
Cameron Kinloch	10	4	4	-	-
Selwyn Pellett[5]	4	2	2	-	3
John Scott	1[6]	-	-	-	-

In addition to the above scheduled Board meetings, the Board also had 3 Board calls during the year. As noted above, directors have a standing invitation to attend all committee meetings where there is no conflict of interest.

Takeover Protocol

The Board has a formal written protocol ("Protocol") outlining the procedure to follow if EROAD receives a takeover offer. This Protocol summarises key aspects of takeover preparation, and sets out governance, conflict and communications protocols for responding to a takeover. In the event of a takeover offer, the Board' Takeover Committee will manage EROAD's response obligations and make a recommendation to the full board.

[2] A quorum was present for each Board and Committee meeting held in FY25.

[3] Barry Einsig served as a member of the PCC from May 2024 until February 2025. David Green served as a member until May 2024, and was then reappointed in February 2025.

[4] Barry Einsig was appointed to the FRAC as a member on 20 February 2025.

[5] Selwyn Pellett attended all FRAC, NC and TC meetings until his resignation on 13 November 2024.

[6] John Scott was appointed to the Board and TC on 1 March 2025.

PRINCIPLE 4: REPORTING & DISCLOSURE

Marking Timely and Balanced Disclosure

EROAD builds shareholder confidence through transparent, timely and accurate market communication. The Company has procedures in place to ensure compliance with our disclosure obligations under the NZX Listing Rules and the ASX Listing Rules. The Board has a Continuous Disclosure Committee that comprises a Co-CEO, the Interim CFO ("the Disclosure Officers") and one Independent Director. In the absence of either one of the Co-CEOs or the Interim CFO market disclosure can be approved by either: 1) two Independent Directors and a Co-CEO, or the Interim CFO; or 2) one Independent Director, the General Counsel and either a Co-CEO or the Interim CFO.

The Continuous Disclosure Committee is responsible for administering EROAD's compliance with our **Market Disclosure Policy** which details EROAD's NZX and ASX continuous disclosure obligations. The Disclosure Officers will recommend to the Continuous Disclosure Committee whether a market disclosure should be made. The Disclosure Officers are ultimately responsible for all communications with NZX and ASX market regulators.

Financial Reporting

EROAD's FRAC Charter directs the oversight of the quality and integrity of external financial reporting including the accuracy, completeness, balance and timeliness of financial statements. FRAC reviews interim and annual financial statements and makes recommendations to the Board concerning accounting policies, areas of judgement, compliance with financial reporting standards, NZX, ASX and legal requirements, as well as the results of the external audit. During the period under review, all matters within the Committee's responsibility were addressed.

All interim and full-year financial statements are prepared in compliance with relevant financial standards.

Non-Financial Reporting

Environmental, social, and governance ("ESG") factors are central to how EROAD operates and how we support our customers. Sustainability at EROAD is not limited to our internal practices—it also includes helping customers reduce emissions, meet regulatory obligations, and achieve their own ESG goals.

EROAD's Chief Sustainability Officer has formal responsibility for environmental topics and EROAD's General Counsel and Interim CFO have an informal responsibility for economic and governance related topics. The Co-CEOs and wider executive team have responsibility for social factors. The General Counsel and Interim CFO keep the Board informed of any material factors and update them on current market trends and processes in this area. The directors are committed to progressing ESG matters and consider these at every board meeting. Members of the Executive Team report directly to FRAC on sustainability matters at every meeting. The Board also takes advice from FRAC, General Counsel, Sustainability Committee (lead by the Chief Sustainability Officer), and EROAD's Engineering Teams.

Climate-related disclosures

EROAD is a climate-reporting entity under the FMC Act. EROAD undertook significant work in FY24 to understand the Company's climate-related risks and opportunities and set metrics and targets in accordance with our obligations as a climate-related entity. EROAD will publish its second climate-related disclosures for the year ended 31 March 2025 in compliance with the Aotearoa New Zealand Climate Standards issued by the External Reporting Board (XRB) as required by the FMC Act. EROAD's climate-related disclosures for the year ended 31 March 2025 will be accessible on our Investor Website by 31 July 2025.

Global Reporting Initiative

As in previous reporting years, we have continued to report against the Global Reporting Initiative ("GRI") Framework. We have taken a targeted approach to reporting against the standards material to EROAD in FY25.

PRINCIPLE 5: REMUNERATION

Please refer to the Remuneration Report on page 100 of this Annual Report for details on our compliance with Principle 5 of the Code.

PRINCIPLE 6: RISK MANAGEMENT

Risk Management Framework

EROAD's risk management framework supports informed decision-making and protects the business by ensuring key risks are actively identified, assessed, and addressed. The Board oversees the framework, with management accountable for its implementation and monitoring.

The framework is anchored by EROAD's Risk Appetite Statement (RAS), which sets clear boundaries around acceptable risk. The RAS guides decision-making across the business and is reviewed regularly to reflect EROAD's evolving priorities. This is explained in more detail below.

Management maintains several risk registers to track and manage known risks. These include enterprise, operational, and climate-related registers:

- Enterprise risks are reviewed regularly with a top-down assessment of material risks to EROAD's strategy. Each risk is rated by impact and likelihood, and mitigation plans are embedded into business planning.
- Monthly, the executive team reports on any threshold breaches under the RAS, emerging risks, and status updates on mitigation actions. These are discussed at the Board and in management forums including Executive meetings.
- Climate-related risks and opportunities are tracked separately to meet New Zealand Climate Standards. The Sustainability Committee reviews these regularly and escalates any material items for integration into the broader risk register. The Committee also monitors performance against climate-related metrics and targets defined in the RAS.

FRAC reviews the RAS, key registers, dashboards and risk processes on a rolling basis. It works with management and auditors to ensure the framework is operating effectively and that material risks are being managed appropriately.

EROAD's Risk Management Policy is available on the Investor Website.

In FY25 EROAD identified the following material risks to the Company:

RISK	Risk description and management
Diminished competitive advantage	The telematics industry is undergoing disruption due to a decreasing reliance on hardware. Customers now have a wider range of options that leverage integrated vehicle technology. Additionally, the market is experiencing increased competition with the entry of global players. Risk mitigation includes: • Reviewed organisational structure, enhancing development efficiency. • Initiated the establishment of an office in Manila. • Partnerships to introduce new technologies. • Leveraged AI to improve customer outcomes and create new revenue opportunities. • Strengthened product management presence in North America.
North American growth strategy execution	EROAD's growth in North America is crucial for the successful execution of its strategy. The market in North America is currently experiencing consolidation and increased competition. Risk mitigation: • Increased investment in North America, including focused training and hiring experienced sales leaders. • Investment in R&D. • Exploration of M&A opportunities to improve market entry speed, expand the serviceable available market and serviceable obtainable market, offer high-margin solutions, and diversify EROAD's customer base.
Product and platform reliability and scalability	Platform and product stability is essential for maintaining customer satisfaction. However, there is a risk of system outages, performance bottlenecks and the ability to handle increasing user demands and data volumes. Risk mitigation: • Progressed with a technology uplift programme. • Improved alignment between contractual agreements and organisational goals. • Framework developed to facilitate faster integration of new devices.
Cybersecurity vulnerability	EROAD is at risk of cyber-attacks that could result in data breaches, given its online software hosting, Cloud/SaaS services revenue model, and role as a data processor. Risk mitigation: • Enhanced threat intelligence capabilities. • Regular security metrics reporting. • Upgraded incident response procedures. • Strengthened access controls. • User access audits conducted. • Increased employee cybersecurity awareness. • SOC2 compliance programme progressed.
Revenue erosion	Customers experiencing tighter budgets or financial uncertainty may seek to cut back on spending, leading to churn and subsequent revenue erosion. Additionally, the economic downturn may reduce the demand for new services from existing customers as business spending slows. Risk mitigation: • Engaging with key customers. • Ensuring accurate billing for all products. • Implementing a structured account management system across various regions. • Implementing annual billing. • Incorporating auto-renewal clauses in agreements.

RISK	Risk description and management
Maximising shareholder return	A diminished share price can limit shareholders' ability to optimise returns. Risk mitigation: • Focused on delivering on our strategy. • Proactive communication with key stakeholders to maintain stability and attract new interest. • Diversified shareholder base to enhance liquidity. • Engaged with retail investors to increase demand, liquidity, and facilitate price discovery. • Focused on enhancing liquidity and market capitalisation to achieve index inclusion, thereby attracting long-term investments from various funds and trackers. • Building investor trust while monitoring long-term targets as key drivers for short-term share price appreciation.
Operational complexity	EROAD operates a number of different systems and processes across 3 markets. Risk mitigation: • Global alignment of processes and customer journeys. • Classifying and prioritising issues, and standardising issue management commitments. • Restructured support teams to enhance efficiency. • Implemented an offshoring programme. • Made efficiency-focused improvements throughout the organisation.
Large Enterprise Customer Dependency	Large enterprise customers play a significant role in shaping operations and service delivery, based on their internal priorities. Risk mitigation: • Developed a professional services framework, ensuring a fair exchange of value when large enterprise customers make requests. • Renewed contracts with a substantial number of our large enterprise customers.
Working capital management	Effective working capital management is critical for achieving free cash flow targets. Risk mitigation: • Streamlined operations and enhanced efficiency. • Improved tracking to ensure forecast accuracy. • Maintained strong relationships with our contract manufacturers. • Philippines offshoring programme to provide increased resources for debt collection.
Organisational resilience	Ongoing organisational changes may create short-term disruption as teams adjust to evolving workflows and priorities. However, these changes are intended to enhance long-term resilience and operational effectiveness. Risk mitigation: • Optimised resource allocation across key functions in a more cost-effective manner. • Cohesive leadership approach. • Annual talent reviews and succession planning to ensure that key positions are filled with capable individuals. • Comprehensive business continuity planning. • Meticulously planning structural changes to understand and mitigate specific risks related to disruption.

Risk Appetite

EROAD's updated Risk Appetite Statement, revised during FY25, supports our evolving environment by clearly defining the levels of risk the company is willing to accept in pursuit of its strategic objectives. It enables the business to balance disciplined financial management with the flexibility needed to respond to change. The RAS applies across six key risk categories—strategy, finance, customers, technology, people, and legal—and guides risk-based decisions at all levels of the organisation.

Risks that exceed the defined appetite are reported to the Board, along with mitigation plans and progress updates. The Board, with support from FRAC, also approves and monitors policy and procedures in areas such as treasury management, financial performance, taxation and delegated authorities. This oversight ensures that risk-taking and internal controls remain aligned with EROAD's purpose, values, and long-term goals.

A summary of EROAD's risk appetite is set out below.

RISK APPETITE CATEGORIES

RISK APPETITE LEVELS

Risk Appetite Level	Strategy	Financial	Customers	Technology	People	Legal
OPEN	• Climate-related risks and opportunities		• Innovative solutions	• Innovation		
RECEPTIVE	• Partnerships			• Experimentation		• Regulatory change
CAUTIOUS	• Strategy execution	• Free cash flow • Working capital • Financial plan	• Customer interactions • High quality and resilient solutions • Product delivery	• Ideation to market cycle time	• Capacity, capability and skills • Core knowledge	• Governance • Legal obligations
RELUCTANT		• Banking covenants	• Privacy and security • Compliant products	• Cybersecurity compliance goals • Scalability of EROAD's platform	• Health & safety	• Non-compliance

Insurance

EROAD has insurance policies in place covering areas where risk to our assets and business can be insured at a reasonable cost.

Health and Safety Risk Management

Safety and wellbeing are top priorities for the Board, as outlined in the Board Charter. The Board is committed to embedding safety and wellbeing into every aspect of EROAD's business. **The Safety and Wellbeing Policy**, a management policy, provides oversight and management of health and safety risks on behalf of the Board.

EROAD's Safety and Wellbeing Management Framework details the safety and wellbeing activities at EROAD and defines the responsibilities for the Board, the executive team, and all personnel. The framework mandates the establishment of objectives and key results, which are integrated into business planning processes to enable the Safety and Wellbeing Policy's intent and related strategies and procedures. Additionally, the framework requires a review of the safety and wellbeing strategy every three years to ensure alignment with EROAD's values, the overall business strategy, and the safety and wellbeing vision.

At each Board meeting, members receive a safety and wellbeing report that summarises EROAD's risk profile and management actions, the current safety and wellbeing focus, lead and lag indicators and updates from the Safety and Wellbeing staff committee. EROAD's risk appetite triggers for health and safety risks are centred around notifiable incidents and serious near miss incidents. In the year ended 31 March 2025, there have been no notifiable events to report to WorkSafe NZ or Safe Work Australia and no notifiable events reported to US authorities.

In FY25 EROAD continued to improve our safety and wellbeing approach with a particular focus on our critical risks. Key deliverables included:

- developed control plans for our global critical risks - safe driving, installation, contractor management, warehousing, mental health and wellbeing;
- enhanced contractor management for high risk activities such as device installation;
- implemented a new global electronic safety management system (BWare);
- embedded safety KPIs for leadership;
- reviewed health monitoring for key health risks;
- increased focus on mental health and wellbeing, with awareness training, regular communications and key events (e.g. Pink Shirt Day, World Mental Health Day).

Cybersecurity

During FY25 the Board implemented a Cybersecurity Governance Framework, confirming the Board's overall responsibility for cybersecurity oversight. This responsibility is supported through its committees, as follows:

- The Finance Risk and Audit Committee (FRAC) is responsible for cybersecurity oversight related to risk management, controls, compliance, and governance; and
- The Technology Committee maintains oversight of the technical aspects of cybersecurity, including architecture, systems resilience, and innovation.

PRINCIPLE 7: AUDITORS

Oversight of the Company's external audit arrangements to safeguard the integrity of financial reporting is the responsibility of FRAC. The FRAC Charter sets out the procedure for communication with the external auditors. The **External Auditor Independence Policy**, reviewed and updated during FY25, ensures that audit independence is maintained, both in fact and appearance. It covers:

- the selection and appointment process for the external auditor;
- rotation of external audit partners;
- policy to ensure external auditors' independence;
- provision of non-audit services; and
- reporting to FRAC.

The role of the external auditor is to audit the financial statements of the Company in accordance with applicable auditing standards in New Zealand and to report on their findings to the Board and answer questions from the shareholders of the Company.

EROAD's key external audit partner is Matt Diprose from KPMG. Mr Diprose became the engagement partner for FY25 in accordance with EROAD's External Auditor Independence Policy which requires the rotation of external audit partners at least every 5 years. Mr Diprose has provided an independence attestation to the Board. He will attend the annual shareholder's meeting to answer questions from shareholders in relation to audits.

EROAD does not prescribe rotation of the external audit firm but closely monitors the independence requirements and considerations around cost and efficiency.

The auditor's involvement in non-audit work is limited and subject to approval by the Chair of FRAC.

Additional audit-related services include agreed-upon procedures concerning the Research and Development Tax Incentive (RDTI), and reasonable assurance for the New Zealand Transport Agency (NZTA).

In the fiscal year 2025, KPMG's non-audit services were limited to tax related activities. These activities encompassed compliance work, advisory support for tax compliance (including income tax and GST) and transfer pricing services.

The following table provides a summary of the non-audit work performed by KPMG and the associated fees recognised in the financial statements. For comprehensive details on the fees paid to KPMG, please refer to Note 5 in our financial statements included in this annual report.

Activity	Description	Fees (NZ$)
Tax compliance	Income tax return filing in two tax jurisdictions, including calculation review, tax agent services, documentation and query response	$60,019
Transfer Pricing Support	Provision of margin benchmarking information, drafting intercompany loan documentation, calculation review and transfer pricing advice in relation to operational decisions	$102,971
Total Non-Audit Fees Paid to KPMG (representing 25% of the audit fee)		**$162,990**

EROAD has used a variety of tax advisors globally, including KPMG due to their expertise in relevant areas of tax risk and their experience with EROAD's operations, ensuring value for money. KPMG adheres to external auditing standards including independence and disclosure requirements. KPMG also has internal processes to manage advisory and auditing conflicts including separation of duties, approvals, independence training and monitoring systems.

EROAD does not have an internal audit function. FRAC pays particular attention to matters raised by the Company's auditor. It also requires the Executive Team to report periodically on areas identified as most sensitive to risk together with recommendations for improvements and changes to internal controls. Through the steps outlined under the Risk Management section, the Board ensures EROAD is reviewing, evaluating and continually improving the effectiveness of our risk management framework.

The Interim Chief Financial Officer has a direct line of communication with the Chair of FRAC and the external auditor.

PRINCIPLE 8: SHAREHOLDER RIGHTS AND INTERESTS

EROAD recognises the importance of providing shareholders and the broader investment community with access to up to date, high-quality information. This enables them to monitor the Company's performance; participate in decisions requiring owner input, and facilitate two-way communication between the Company, the Board, and shareholders. The Shareholder Communication Policy outlines how EROAD engages with shareholders and other stakeholders through written and electronic communications, as well as access to the Board, management, and auditors. This policy is part of the corporate governance policies available on the Investor Website.

EROAD's Investor Website serves as an important information portal, is regularly updated with relevant information, including shareholder reports, presentations, and market announcements. Releases and reports are published to the website once they have been provided to and publicly released to both the NZX and ASX. The website also contains Board and management profiles, information on EROAD's history, awards and a library of product information.

Shareholders can easily communicate with EROAD, via email at investors@eroad.com.

Major communications with shareholders during the financial year include the annual and half-year results, and the annual meeting of shareholders. The Annual Report is available in both electronic and hard-copy formats, and shareholders have the option to receive communications from EROAD electronically.

Shareholders have the right to vote on major decisions as required by the NZX Listing Rules. The Notice of Meeting is sent to shareholders and published on EROAD's website at least 20 working days prior to the annual shareholders' meeting each year. EROAD offers this meeting in a hybrid format and so also includes a Virtual Meeting Guide which sets out information to help investors understand and participate in hybrid meetings. Physical meetings will not take place if there exists a risk to public health and safety. In any instance where health and safety is a concern, EROAD may determine that virtual only meetings are most appropriate.

REMUNERATION REPORT

LETTER FROM THE PEOPLE AND CULTURE COMMITTEE CHAIR

Dear Shareholders,

As Chair of the Board's People and Culture Committee I am pleased to present EROAD's FY25 Remuneration Report.

FY25 was a strong year for EROAD, marked by disciplined execution against our financial goals and progress on strategic priorities. This performance reflects the commitment of our Executive Team, senior leaders, and key individuals across the business—from sales to engineering—whose efforts have helped drive sustainable growth. Therefore, during FY25, the primary focus areas were to attract, retain, and motivate employees, maintain alignment between employee and shareholder interests, and ensure prudent cash management.

The following were some remuneration highlights for FY25:

- Acknowledging ongoing skill shortages in the industry and cost-of-living pressures, EROAD conducted a fixed remuneration review in July 2024. Increases in fixed remuneration were targeted to support the employees who needed it most, resulting in an average uplift of 3% across the wider workforce. Executive Team fixed remuneration remained unchanged throughout FY24 and FY25.
- The Co-CEO salaries remain aligned in NZD to ensure consistency, even though CEO rates are typically higher in the United States[1]. The Co-CEOs are eligible to receive 50% of their base salaries under the company's FY25 STI plan and 100% of their base salaries under the FY25 LTI Grant.
- EROAD's FY25 STI Grant was offered to members of the Executive Team and key senior leaders. For most of the Executive Team, STI performance targets were based 100% on the company's core financial metrics being revenue, EBIT and FCF, in order to align with shareholder interests. For Executives and senior leaders in the sales roles, performance targets included a 25% weighting for regional sales or booking targets and a 75% weighting for core financial metrics. For other senior leaders, STI performance targets were a mix of 75% financial metrics and 25% individual (non-financial) objectives.
- EROAD's FY25 LTI Grant maintained the same structure as the FY24 LTI Grant and was offered to Executive Team members, key senior leaders and selected employees across the business – such as engineering staff- who play a critical role in delivering EROAD's strategic initiatives. Details of the Grant structure are disclosed in this report.

As we look ahead, we remain focused on rewarding performance through a clear, merit-based incentive structure that aligns with delivering long-term value.

Feedback

EROAD is committed to upholding the highest standards of corporate governance that help ensure our remuneration practices are transparent and align with the interests of all our stakeholders. We welcome your feedback on this report via investors@eroad.com.

Sara Gifford

Chair, People and Culture Committee

[1] Subject to fx fluctuations.

Remuneration Report Structure

In presenting this report, EROAD has taken the NZX Remuneration Report Template on Listed Issuers into account. As a result, this report is structured as follows:

- Remuneration Governance;
- Executive Remuneration Policy;
- Co-CEO Remuneration Arrangements and Outcomes;
- ESG disclosures;
- Remuneration Bands (in accordance with the Companies Act 1993 (NZ)) and
- Director Remuneration

Remuneration governance

EROAD's Board is supported by the People and Culture Committee. The People and Culture Committee provides recommendations to the Board regarding company-wide remuneration, benefits, and policies. The Committee also oversees performance objectives, remuneration packages, succession planning, and development programmes for the senior management team. Company culture and values are key considerations for the Committee alongside remuneration matters. The Committee is not responsible for director selection, appointment, reappointment or succession planning, as this is overseen by the Nominations Committee.

The Committee comprises of the following members: Sara Gifford (Chair), Susan Paterson and David Green. A description of the skills and experience of each committee member is detailed on pages 18-19. Attendance at FY25 committee meetings is detailed on page 91 of the Annual Report.

All members of the People and Culture Committee are non-executive, independent directors. Management only attends committee meetings by invitation.

The People and Culture Committee provides recommendations to the Board regarding company-wide remuneration, benefits, and policies. The Committee also oversees performance objectives, remuneration packages, succession planning, and development programmes for the senior management team. Company culture and values are key considerations for the Committee alongside remuneration matters. The Committee is not responsible for director selection, appointment, reappointment or succession planning, as this is overseen by the Nominations Committee.

EROAD's People and Culture Committee operates under a written charter which is available to view at https://eroadglobal.com/investors/. The objectives and activities are periodically reviewed, and any changes in the duties and responsibilities of the Committee, or changes to the terms of its Charter, must be approved by the Board. No such changes have been during FY25.

The Committee has no decision-making powers except where expressly provided by the Board.

The internal governance policies that provide context for the remuneration outcomes are described below:

- *No Dealing or Protection Arrangements:* All directors, employees, contractors and advisers of EROAD are subject to the company's Securities Trading Policy, available via the investor website. In addition to this policy, parties are expressly prohibited from entering into any arrangements designed to hedge or otherwise mitigate the economic risk of EROAD securities. It is important to note that all securities become subject to the Securities Trading Policy rules once they have vested and that prior to vesting those securities cannot be transferred or encumbered by the holders.
- *Minimum Shareholding Requirements:* The EROAD Board encourages but does not require senior leadership team members or directors to hold shares in EROAD.

Further information on the People and Culture Committee, including the broader responsibilities of the People and Culture Committee and meeting attendance during FY25 can be found on pages 90-91 of this Annual Report.

Executive Remuneration Policy

EROAD's Director and Executive Remuneration Policy sets fair and competitive remuneration to attract, motivate and retain top talent. It aligns with company purpose and values, backed by principles ensuring consistency with culture, strategy and business goals.

PRINCIPLE	DESCRIPTION
Alignment	EROAD aims to ensure that a significant portion of the senior leadership team's remuneration is contingent on EROAD meeting its financial and strategic objectives, and the individual acting in accordance with EROAD's values.
Balance	Market competitive fixed remuneration is balanced with affordability.
Flexibility	EROAD's STI Plan and LTI Plan performance measures provide flexibility for EROAD to recognise and reward individuals for outstanding contribution and respond appropriately to business objectives and needs.
Fairness	EROAD's remuneration structure ensures there is a direct link between performance and pay.
Reward	Ensure achievement of strategic objectives and shareholder value creation is rewarded accordingly.
Transparency	There are no complicated performance measures that require extensive explanation. The remuneration structure is clear, transparent, consistent, easy to understand and simple to administer.
Competitiveness	EROAD's remuneration structure helps attract, motivate and retain directors and executives who contribute to EROAD's business outcomes.

Executive Remuneration Components

EROAD uses a total remuneration package approach in setting salary and rewards for executives. Remuneration of executives is linked to 3 components: Total Fixed remuneration, STI Plan and LTI Plan grants. For most executives, Total Fixed Remuneration makes up 56% of the total remuneration package, with STI and LTI making up 17% and 28% respectively.

Total Fixed Remuneration

EROAD's Total Fixed Remuneration includes base salary and benefits, benchmarked against independent survey data, with median pay as the foundation. This ensures equal pay for equal work across all EROAD employees globally. Contractual and discretionary benefits vary by region. The Co-CEOs and the executive team undergo periodic performance reviews, aligning their pay adjustments against achievement of operational and strategic objectives.

Variable Remuneration
STI Plan

EROAD's STI Plan is designed to link specific annual performance targets with the opportunity to earn either cash or share incentives (to be determined at the sole discretion of the Board) based on a percentage of fixed base salary. The Board, on recommendation of the People and Culture Committee, reviews and approves executive and key senior leader annual targets, aligning rewards with shareholder value.

For FY25, STI awards for most executives, were based entirely on group performance against company financial targets. However, three executives also had individual sales or customer-focused operational targets that were directly aligned to their specific roles, to help drive revenue growth and improve customer outcomes in support of the company's overall objectives. STI Plan payments are discretionary and not guaranteed, even where performance criteria have been met. The Board may elect to make STI payments in cash or shares. In FY24 STI payments were made in shares and in FY25, the Board intends to issue STI payments in cash. FY25 STI awards have been assessed and payments will be made within one month following the release of the FY25 results.

The CEO and Executive Team STI Plans are described in detail in the table below:

ELEMENT	DETAILS	
	FY25 Co-CEO STI Plan	**FY25 Executive STI Plan**
Purpose	Rewards achievement of Board-set KPIs	
Target opportunity	Award of up to 50% of base salary.	Award of up to 35% of base salary
Performance and pay out leverage	The aggregated threshold for the financial metrics needs to be over 85% (i.e. the combination of revenue, EBIT and FCF). Performance and Award set at a minimum threshold 85% and capped at 130%. **Performance Level** / **Performance as % Target** / **Award as % Target** Threshold / 85% / 85% Any award is on a ratable straight line basis up to a maximum of 130%.	The aggregated threshold for the financial metrics needs to be over 85% (i.e. the combination of revenue, EBIT and FCF). Performance and Award set at a minimum threshold 85% and capped at 130%. **Performance Level** / **Performance as % Target** / **Award as % Target** Threshold / 85% / 85% Any award is on a ratable straight line basis up to a maximum of 130%.
Performance period	Full financial year 1 April 2024 to 31 March 2025	
Objectives	100% financial measures based on EROAD's performance against the metrics of Reported Revenue, Group EBIT and Free Cash Flow. FY25 financial targets: Revenue: $195m EBIT: $10m FCF: $5m	For the majority of executive team members, the objectives are 100% financial measures based on EROAD's performance against the metrics of Reported Revenue, Group EBIT and Free Cash Flow. Revenue: $195m EBIT: $10m FCF: $5m For a small number of Executive Team members in sales roles, objectives are 75% financial measures based on EROAD's performance against the metrics of Reported Revenue, Group EBIT and Free Cash Flow, and 25% based on individual targets.
Objectives set	Following completion of financial year budgets	
Performance evaluation	In relation to the Co-CEO's performance, the People and Culture Committee makes a recommendation to the Board. The Board will, in its sole discretion, assess whether the performance targets have been met and payment will be made within 1 month of EROAD's FY25 financial results being released to the market.	The Co-CEOs review executive performance and make a payment recommendation to the People and Culture Committee, which makes a recommendation to the Board. The Board will, in its sole discretion, assess whether the performance targets have been met and payment will be made within 1 month of EROAD's FY25 financial results being released to the market.
STI payment	The FY25 STI Plan stipulates that payments, if any, are made on an annual basis upon determination of the STI Plan payment by the People & Culture Committee. However, such payments are subject to the Board's approval and at its sole discretion. If payment is to be made, STI Plan payments will be made within 1 month of EROAD's FY25 financial results being released to the market.	The FY25 STI Plan stipulates that payments, if any, are made on an annual basis upon determination of the STI Plan payment by the People & Culture Committee and by the Co-CEOs. However, such payments are subject to the Board's approval and at its sole discretion. If payment is to be made, STI Plan payments will be made within 1 month of EROAD's FY25 financial results being released to the market.

[2] Staff who are eligible for sales commissions are not typically invited to participate in EROAD's STI Plan.

LTI Plan

EROAD's LTI Plan was updated in FY24 based on an independent review to strengthen market alignment. No changes to the LTI Plan were made in FY25. Under the FY25 LTI grant, Co-CEOs, the executive team, select senior leaders and key employees have received performance share rights (PSRs), convertible to ordinary shares subject to achieving performance hurdles.

The Plan drives long-term performance and retention by linking incentives to strategic goals and value creation. The Board retains discretion to adjust participation terms (with the agreement of the participant) or to amend the Plan Rules or the terms of any grant if it considers the interests of the participants are not materially affected. EROAD's FY25 LTI Grant may be paid in shares or cash, with shares being the preferred option, subject to capacity under NZX Listing Rule 4.6.1. In FY25, EROAD issued 892,092 PSRs to participants under the FY24 LTI Grant[3] and 2,133,633 PSRs under the FY25 LTI Grant[4].

Our long-term incentive plan is designed to promote leadership stability and retention by including continued employment as a performance hurdle. This approach ensures consistent execution of strategic initiatives and long-term planning. By rewarding sustained performance and commitment, the plan encourages a focus on enduring shareholder value. Our equity incentives are benchmarked against industry standards to remain competitive in attracting and retaining top talent. The Board, advised by Haigh&Co, recognised tenure as a common component in North American long-term incentives, aligning with EROAD's growth focus in that market.

Using revenue, EBIT, and FCF metrics in both the LTI and STI plans ensures a consistent focus on key performance indicators that drive shareholder value. This alignment reinforces a unified strategy for achieving financial goals, with distinct targets and thresholds for LTIs and STIs reflecting both short-term achievements and long-term objectives. These targets are rigorously defined and monitored internally to drive significant value creation.

Vesting 50% of rTSR at the 40th percentile ensures a balanced and realistic target that motivates continuous improvement while remaining competitive. This threshold recognises the challenges of outperforming peers on the ASX Technology Index (XTX), encouraging executives to strive for sustained growth and higher performance, ultimately driving shareholder value without setting unattainable goals.

[3] $516,427 remains as liability under the FY24 LTI Grant, subject to performance criteria being met. The Board intends to issue the remaining FY24 LTI award as PSRs, subject to capacity under NZX Listing Rule 4.6.1.

[4] $2,617,035 remains as liability under the FY25 LTI Grant, subject to performance criteria being met. The Board intends to issue the remaining FY25 LTI award as PSRs, subject to capacity under NZX Listing Rule 4.6.1.

[5] The Board intends to issue the FY25 LTI award as shares.

[6] rTSR or relative total shareholder return means EROAD's total shareholder return compared to the peer companies' total shareholder return on a relative basis. rTSR is a measure of financial performance.

[7] The Board is considering changing this metric for the Company's FY26 LTI Grant in response to shareholder feedback.

ELEMENT	DETAILS
Purpose	Reward and retain key EROAD executives and senior leadership members in FY25 in order to deliver on FY25 goals, drive longer-term performance, align incentives of the CEO with the interests of EROAD's shareholders and encourage longer term decision-making by Plan participants.
Mechanism and performance period	PSRs were issued in FY25 as part of a 3-year incentive programme that incorporates award types as described below. Awards may be paid in either shares or cash, at the Board's discretion.[5]

Performance Metrics

Award type	Portion of total	Vesting mechanics intentions	Rationale	Weightings	Performance range
Time Vested Units	1/3	Vests 100% at the end of 3 years	Supports retention and continuity of key employees while EROAD implements and executes its new long-term strategy	100%	0% if not achieved
Performance-Relative Shareholder Return (rTSR)[6]	1/3	Vests at the end of 3 years based on EROAD's rTSR against the peers on the ASX Technology Index (XTX) over 3 years of the plan[7]	Focuses management and key employees on building and maintaining long-term shareholder value and outperforming relevant market benchmarks.	100%	From 0% - 200% of rTSR shares vested, as follows: • Under 40th percentile of XTX = 0% rTSR shares vested • 40th percentile of XTX = 50% rTSR shares vested • 60th percentile of XTX = 100% rTSR shares vested • 80th percentile of XTX = 150% rTSR shares vested • 100th percentile of XTX = 200% rTSR shares vested
Performance – Absolute EROAD Performance (Revenue, EBIT, FCF)	1/3	Vests at the end of 3 years but assessed as follows: 20% per annum performance segments based on the 3-year budget set at the beginning of the LTI Plan and 40% 3-year cumulative segment	Focuses on execution of the long-term strategy delivering revenue growth, profitable performance and positive free cashflow.	20% each year and 40% cumulative at the end of the 3-year period.	From 85% - 130% depending on achievement. Failure to meet minimum threshold of 85% means zero vesting or payment.

ELEMENT	DETAILS
Opportunity	Co-CEO: 100% of base salary Executive team: 50% of base salary for the majority of executive team members.
Eligibility Requirements	Participants must remain employed by EROAD and not be serving out a notice period on the date any vesting or payment is scheduled to occur. A participant has not been suspended, or subject to any disciplinary action or performance management process, during the Performance Period. Neither the participant, nor EROAD or any of its related companies have been subject to any investigation, prosecution or other action by a regulatory body, including in respect of non-compliance with health and safety legislation, civil rights legislation, or holiday and leave legislation during the Performance Period.
Board Discretion	Any vesting or payment approved by the Board is entirely discretionary. Even where Performance Metrics and Eligibility Requirements are met, the EROAD's Board of Directors retain sole discretion as to whether to allow vesting or payment to occur and, if so, to what extent.

Variation of Terms

The Board may from time to time vary any terms of a Participant's participation in the company STI Plan or LTI Plan, with the agreement of the participant.

EROAD's Director and Executive Remuneration Policy is available via EROAD's investor website at https://eroadglobal.com/investors/.

The number of executives to whom the Director and Executive Remuneration Policy applies is 8 as at 31 March 2025.

External and Independent Advice

Independent advice was obtained from Haigh & Company in FY24 and this advice was carried forward into FY25. In addition, EROAD obtained guidance on employee remuneration for those based in Australia and New Zealand from Strategic Pay and sought advice from Insperity for employees based in North America.

Co-CEO Remuneration Arrangements and Outcomes

Co-CEO Remuneration Arrangements

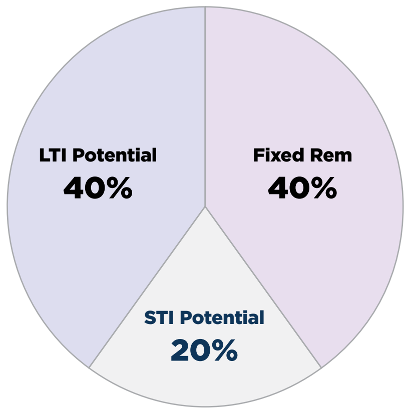
Mr Heine's fixed remuneration remained at $700,000 for FY25. In New Zealand, EROAD provides its employees with subsidised healthcare and 3% employer contributions to Kiwisaver, to which Mr Heine is entitled to receive. Mr Heine is also eligible to receive up to 50% of his base salary as a cash payment or share based payment under EROAD's FY25 STI Plan, and up to 100% of his base salary under EROAD's 3-year FY25 LTI Grant.

Mr Kenneson's fixed remuneration remained at USD$450,000 for FY25. In the United States, EROAD provides its employees with employment benefits including 3% employer contribution for 401k and standard employee insurance covering long term disability and basic life insurance. EROAD also offers healthcare subsidies for American-based employees. Mr Kenneson is also eligible to receive up to 50% of his base salary as a cash payment or share based payment under EROAD's FY25 STI Plan, and up to 100% of his base salary under EROAD's 3-year FY25 LTI Grant.

Entitlement under variable remuneration is subject to performance criteria being met (disclosed above) and is at the Board's discretion.

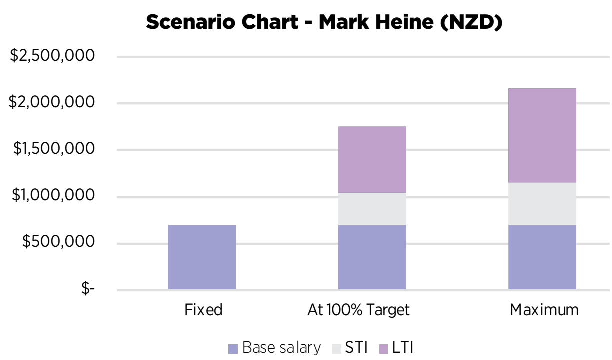
Co-CEO remuneration mix

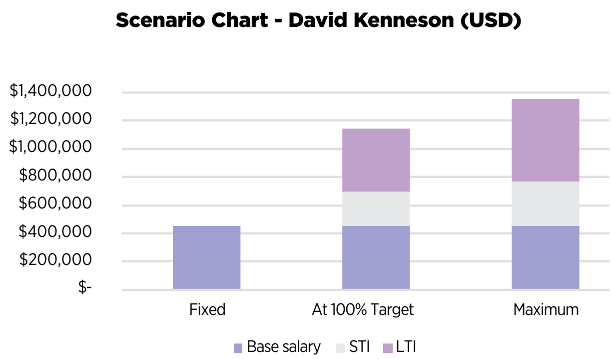
The remuneration mix for the Co-CEOs is as follows:



Co-CEO FY25 remuneration scenarios

The below chart shows the amounts and proportions of each Co-CEO's total remuneration and how this may vary under under a scenario where 100% achievement of performance hurdles is achieved, and where maximum achievement against performance metrics is achieved. Note, however, the actual value of any STI and LTI award may vary depending on performance against metrics and foreign exchange fluctuations.





Co-CEO Remuneration Outcomes

The CEO/Co-CEO remuneration outcomes paid in FY24 and FY25 are set out in the table below. This table sets out STI and LTI amounts paid in cash or vested in shares during each relevant financial year. However, following shareholder feedback, on page 110 of this report, we have also disclosed STI performance outcomes and the awards earned in FY25, even though payments will be made in FY26, outside the reporting period.

Year	CEO	Gross Fixed Remune-ration[8]	STI Plan		LTI Plan			Other Variable Remune-ration	Total Value of Variable Remune-ration	Total Remune-ration Earned
			STI Plan award paid	Amount paid as % of maximum award under STI Plan	Value of LTI Plan grant Vested	Amount paid as % of maximum grant under LTI Plan	Price per share at vesting date			
FY24	Mark Heine[9]	$716,838	$331,240[10]	67.6%[11]	$55,169[12]	100%[13]	$0.62		$386,409	$1,103,247
FY24	David Kenneson[14]	$57,012	-	-	-	-	-		$0	$57,0121
FY25	Mark Heine	$700,505	$239,189[15]	89%	-	-	-		$239,189	$939,694
FY25	David Kenneson	$767,029	-	-	-	-	-	$265,080[16]	$265,080	$1,032,109

[8] Gross Fixed Remuneration includes base salary payments and other benefits such as Kiwisaver contribution paid at 3%, annual leave entitlements, backpay due to pay increases and additional allowances e.g. "higher duties allowance".

[9] Mark Heine was appointed Co-CEO from 5 March 2024, sharing the CEO duties and responsibilities with David Kenneson.

[10] STI Plan payment relates to the FY23 reporting period and was paid to Mark Heine in FY24 in July 2023. This award relates to H2 FY23. No STI Plan payments were made for H1 FY23.

[11] The amount paid as a percentage reflects an assessment based on performance against targets in H2 FY23. No STI Plan payments were made for H1 FY23.

[12] This award was made under EROAD's FY23 LTI Grant. The FY23 Grant was made by issuing PSRs that upon vesting, resulted in ordinary shares being issued to the CEO on a 1 : 1 basis. The value set out represents the market value of the shares issued to the CEO, calculated as the volume weighted average price ("VWAP") of ordinary shares on the NZX over the 20 day VWAP immediately prior to the issue of shares.

[13] Mark Heine received 100% of PSRs granted to him under EROAD's FY23 LTI Grant which transferred to him as ordinary shares on a 1 : 1 basis.

[14] David Kenneson was appointed Co-CEO from 5 March 2024, sharing the CEO duties and responsibilities with Mark Heine.

[15] STI Plan payment relates to the FY24 reporting period and was issued to Mark Heine in June 2024, in the form of shares. The stated value represents the market value of the shares issued to Mark Heine, calculated using the VWAP of ordinary shares on the NZX over the 10 day period following the release of EROAD's FY24 results to the market.

[16] Mr Kenneson was awarded 457,253 performance share rights as part of his sign on bonus arrangements. 251,686 shares were vested to Mr Kenneson on 5 March 2025, valued at NZD$265,080, pursuant to this entitlement. The remaining 205,567 performance share rights lapsed to account for Mr Kenneson's tax liability.

CEO and Co-CEO STI Plan Outcomes

The CEO/Co-CEO remuneration awarded is set out below. Exercising its sole discretion, the Board has determined that an STI payment will be made for FY25, with payment to be made within one month of EROAD's FY25 financial results being released to the market.

Mark Heine	STI Target		STI Awarded		Earned	% Earned of Awarded	% of Target Awarded
FY23	Up to 70% of base salary	$490,000	67.6%	$331,240	$331,240	100%	67.6%[17]
FY24	Up to 40% of base salary	$280,000	89%	$239,189[18]	$239,189	100%	89%[19]
FY25	Up to 50% of base salary	$350,000	108.23%	$378,813	Will be paid in FY26	Will be paid in FY26	108.23%[20]

David Kenneson	STI Target		STI Awarded		Earned	% Earned of Awarded	% of Target Awarded
FY24	Ineligible	Ineligible	Ineligible	Ineligible	Ineligible	Ineligible	Ineligible
FY25	Up to 50% of base salary	USD$225,000	108.23%	USD$243,523	Will be paid in FY26	Will be paid in FY26	108.23%[21]

FY25 Performance Hurdles	STI Weighting
Core financial targets – revenue, EBIT and free cash flow	100%

[17] Financial targets were weighted 60% and 27.6% of these were achieved. Non-financial targets were weighted at 40% and 40% achievement was awarded.

[18] Mark Heine received 89% of his FY24 STI Grant in shares. The value represents the market value of the shares issued to Mr Heine, calculated as the volume weighted average price ("VWAP") of ordinary shares on the NZX over the 10 day VWAP immediately prior to the issue of shares.

[19] Financial targets were weighted 75% and non-financial targets were weighted 25%. Mr Heine received a 89% payout against the financial targets and no payout against the non-financial targets.

[20] Financial targets were weighted 100%, with a stretch target of up to 130%. A 108.23% weighted performance target was achieved.

[21] Financial targets were weighted 100%, with a stretch target of up to 130%. A 108.23% weighted performance target was achieved.

Co-CEO LTI Plan Outcomes

FY24 and FY25 LTI Plan Performance Outcomes[23]

The table below presents the potential remuneration for each Co-CEO under EROAD's Long-Term Incentive (LTI) Grants, based on the assumption of 100% achievement of performance hurdles. It also outlines the value of the LTI Grants attributable to amounts earned and accrued for FY24 and FY25. Sections that are blank indicate components that are not yet capable of being assessed. No payments—whether in shares or cash—have been made to the Co-CEOs to date, as performance under each grant is evaluated at the conclusion of the respective three-year performance period. Any vesting or payment is subject to the Board's discretion and is contingent on the vesting conditions being met.

FY24 LTI Grant - Mark Heine (NZD)

	Tenure			TSR performance	Financial Results				TOTAL
	FY24	FY25	FY26	FY24-FY26	FY24	FY25	FY26	FY24-FY26	FY24-FY26
At 100% Target (NZD)[22]	**$77,778**	**$77,778**	**$77,778**	**$233,333**	**$46,667**	**$46,667**	**$46,667**	**$93,333**	**$700,000**
Earned and Accrued Value (NZD)	$77,778	$77,778			$56,467	$50,508			$262,531

FY25 LTI Grant - Mark Heine

	Tenure			TSR performance	Financial Results				TOTAL
	FY25	FY26	FY27	FY25-FY27	FY25	FY26	FY27	FY25-FY27	FY25-FY27
At 100% Target (NZD)[22]	**$77,778**	**$77,778**	**$77,778**	**$233,333**	**$46,667**	**$46,667**	**$46,667**	**$93,333**	**$700,000**
Earned and Accrued Value (NZD)	$77,778				$50,508				$128,285

FY25 LTI Grant - David Kenneson (USD)

	Tenure			TSR performance	Financial Results				TOTAL
	FY25	FY26	FY27	FY25-FY27	FY25	FY26	FY27	FY25-FY27	FY25-FY27
At 100% Target (USD)[22]	**$50,000**	**$50,000**	**$50,000**	**$150,000**	**$30,000**	**$30,000**	**$30,000**	**$60,000**	**$450,000**
Earned and Accrued Value (USD)	$50,000				$32,469				$82,469

[22] At 100% Target signifies that all defined performance criteria have been fulfilled in their entirety, corresponding to a 100% achievement level, noting that rTSR and Financial Performance have stretch targets.

[23] Vesting or payout will only occur if the participant remains employed for the full three-year period, subject to the terms of the plan (including provisions related to good leaver and other relevant conditions).

PSRs Granted to Co-CEO Mark Heine during FY25

A summary of the outstanding PSRs granted to Co-CEO Mark Heine under the FY24 LTI Grant and FY25 LTI Grant as at 31 March 2025 is as follows:

PSR Grant	PSR Grant date	Vesting date	Balance of PSRs at 31 March 2024 under Grant	Granted during the reporting period		PSRs vested/ lapsed in relation to the reporting period		Shares issued in relation to the reporting period			Balance of PSRs at 31 March 2025 under Grant
				PSRs granted	Market Price per share at grant date	PSRs lapsed	PSRs vested	Shares issued following vesting	Market Price per share at issue date	Issue date	
FY24 LTI Grant	3 October 2024	31 March 2026	295,312	212,939[24]	$1.01	N/A	N/A	N/A	N/a	N/A	508,251
FY25 LTI Grant	3 October 2024	31 March 2027		303,030[25]	$0.77	N/A	N/A	N/A	N/A	N/A	303,030
Total balance of PSRs issued to Mark Heine as at 31 March 2025											**811,281**

PSRs Granted to Co-CEO David Kenneson during FY25

In addition to the FY25 LTI Grant, Mr Kenneson received an equity-based sign on bonus - an approach commonly used to attract senior talent. The sign-on bonus provided to Mr Kenneson was structured to ensure the overall competitiveness of Mr Kenneson's remuneration package while supporting alignment between the Co-CEOs. The award was subject to a 12-month time-based performance hurdle, designed to encourage immediate contribution and retention during the critical first year, while serving as a bridge to longer-term incentive structures.

A summary of the outstanding PSRs granted to Co-CEO David Kenneson under the FY25 LTI Grant and his sign on bonus award as at 31 March 2025 is as follows:

PSR Grant	PSR Grant date	Vesting date	Balance of PSRs at 31 March 2024	Granted during the reporting period		PSRs vested/ lapsed in relation to the reporting period		Shares issued in relation to the reporting period			Balance of PSRs at 31 March 2025
				PSRs granted	Market Price per share at grant date	PSRs lapsed	PSRs vested	Shares issued following vesting	Market Price per share at issue date	Issue date	
FY25 LTI Grant	3 October 2024	31 March 2027	0	314,202[26]	$0.77	N/A	N/A	N/A	N/A	N/A	314,202
Sign On Bonus	3 May 2024	5 March 2025	0	457,253	$0.81	205,567	251,686	251,686	$0.95	5 March 2025	0
Total balance of PSRs issued to Mr Kenneson s at 31 March 2025											**314,202**

[24] PSRs issued under Tranche 2 (Performance - rTSR) and 3A (FY24 Performance - Absolute Financial Performance) under the FY24 LTI Grant.

[25] PRS issued under Tranche 1 (Time Vested Units) under FY25 LTI Grant.

[26] PRS issued under Tranche 1 (Time Vested Units) under FY25 LTI Grant.

Co-CEO Shareholdings as at 31 March 2025

Ordinary Shares	Balance at 1 April 2024	FY24 STI Grant Vested	Sign on bonus award vested	Balance at 31 March 2025
Mark Heine, co-CEO	312,334	241,605		553,939
David Kenneson, co-CEO	-	-	251,686[27]	251,686

Co-CEO employment conditions

Item	Details
Basis of contract	Ongoing (no fixed term)
Notice period	6 months by either party
Termination payment entitlements	For no fault termination or redundancy, the CEO will receive 6 months notice and pay in lieu of a severance payment equivalent to 6 months base salary and STI and LTI Plan awards may be paid out at the Board's discretion.
Base salary	Subject to annual review (but no adjustments to base salary are guaranteed)

ESG Disclosures

EROAD's gender pay gap currently stands at 26% (median) and 21% (weighted mean) when measured across all employees and all regions.[28] EROAD is committed to closing the gender pay gap and has a number of initiatives underway.

Annual Total compensation ratio (GRI Disclosure 2-21)

Ratio of the annual total compensation for EROAD's highest paid individual to the median annual total compensation for all employees (excluding the highest paid individual).	5.7:1
Ratio of the percentage increase in annual total compensation for EROAD's highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual).	0:3

Ratio of basic salary and remuneration of women to men (GRI Disclosure 405-2)

New Zealand	1:0.7
Australia	1:1.0
United Sates of America	1:1.1

[27] Mr Kenneson was awarded 457,253 performance share rights as part of his sign on bonus arrangements. 251,686 shares were vested to Mr Kenneson pursuant to this entitlement on 5 March 2025, with the remaining 205,567 performance share rights lapsing to account for tax liability.

[28] Calculated by taking a weighted approach to headcount per region to avoid fx fluctuations impacting gender pay gap representations. Regional pay gaps were calculated for separately, then combined into a global pay gap based on the number of employees in each region. This removed the potential distortion from different currencies and the regional purchasing power of equivalent salaries.

Employee Remuneration

The following table sets out the number of current and former employees (other than employees who are directors) whose remuneration and other benefits for FY25 was above NZ$100,000 in value.

EROAD has employees in New Zealand, the United States and Australia with remuneration market levels which differ between the three countries. Of EROAD's 335 employees noted in the table below who received remuneration and other benefits that exceed NZ $100,000 in value, 93 (27.8%) are employed by EROAD in the United States of America, 20 (6.0%) in Australia and 222 (66.2%) in New Zealand. The overseas remuneration amounts in US dollars and Australian dollars are converted into New Zealand dollars at rates of 0.5685[29] and 0.90949[30] respectively.

NZ$	Total
100,000 - 110,000	32
110,000 - 120,000	32
120,000 - 130,000	19
130,000 - 140,000	34
140,000 - 150,000	36
150,000 - 160,000	29
160,000 - 170,000	15
170,000 - 180,000	21
180,000 - 190,000	14
190,000 - 200,000	15
200,000 - 210,000	8
210,000 - 220,000	7
220,000 - 230,000	8
230,000 - 240,000	6
240,000 - 250,000	13
250,000 - 260,000	1
260,000 - 270,000	4
270,000 - 280,000	3
280,000 - 290,000	1
290,000 - 300,000	2
300,000 - 310,000	1
310,000 - 320,000	3
320,000 - 330,000	1
330,000 - 340,000	4
350,000 - 360,000	2
360,000 - 370,000	2
370,000 - 380,000	4
380,000 - 390,000	2
390,000 - 400,000	1
400,000 - 410,000	1
430,000 - 440,000	1
440,000 - 450,000	1
480,000 - 490,000	1
510,000 - 520,000	1
570,000 - 580,000	2
580,000 - 590,000	1
620,000 - 630,000	1
640,000 - 650,000	1
730,000 - 740,000	1
860,000 - 870,000	1
940,000 - 950,000	1
1,340,000 - 1,350,000	1
1,550,000 - 1,560,000	1
TOTAL	**335**

[29] Australian fx rate as at 31 March 2025.
[30] United States fx rate as at 31 March 2025.

DIRECTOR REMUNERATION

The People and Capability Committee is responsible for establishing and monitoring remuneration policies and guidelines for directors which enable EROAD to attract, motivate and retain a high calibre of directors who will contribute to the successful governance of EROAD and create value for shareholders.

When determining the fees for non-executive directors and Chairs of the Board and our committees, the Board considers the need to maintain appropriately experienced and qualified directors, in line with fee levels for comparable listed companies in New Zealand, Australia and United States. Independent external advice on director remuneration was obtained from PwC in FY22. EROAD's Director and Executive Remuneration Policy is available via EROAD's investor website at https://eroadglobal.com/investors/.

The directors who held office during FY25 are as follows:

	Position	Country of residence	Period position was held during FY25
Susan Paterson	Independent Director Chair	New Zealand	Full year
David Green	Independent Director	New Zealand	Full year
Barry Einsig	Independent Director	United States	Full year
Sara Gifford	Independent Director	United States	Full year
Cameron Kinloch	Independent Director	United States	Full year
Selwyn Pellett	Non-Executive Director	New Zealand	Until 13 November 2024
John Scott	Independent Director	New Zealand	From 1 March 2025

In 2024 the director fee pool was increased to $900,000 in accordance with NZX Listing Rule 2.11.3. The Board approved this modest increase to accommodate the higher number of directors compared to when the fee pool was approved in 2021. Under the company Remuneration Policy, non-executive directors do not receive any performance-based remuneration, and no retirement payments are made to directors or executive employees for their service.

Annual fees payable for FY25 to non-executive directors are as follows:

Country of residence	Chair	Director[31]	Finance, Risk and Audit Committee Chair[32]	People and Culture Committee Chair[33]	Nominations Committee Chair[34]	Technology Committee Chair
New Zealand ($NZD)	150,000	95,000	15,000		-	
Australia ($AUD)		95,000			-	
United States ($USD)		96,000		12,000	-	12,000

EROAD does not intend to increase the base fees for directors over the next year without shareholder approval.

Any unallocated capacity remaining in the annual director fee pool is reserved to provide flexibility for remunerating non-executive directors who take on additional responsibilities throughout the year. This includes attending ad hoc Board Committee meetings or performing extra services for EROAD in their capacity as directors. No such additional remuneration was paid to directors in FY25.

[31] EROAD's Remuneration Policy allows for additional payments to be made to directors for specific projects they are involved in, including chairing committees.
[32] EROAD does not pay committee members additional fees for their roles on such committees.
[33] EROAD does not pay committee members additional fees for their roles on such committees.
[34] No additional payment made to the Nominations Committee Chair or members.

Non-executive directors received the following directors' fees from EROAD in the year ended 31 March 2025. All fees are in NZD unless otherwise indicated:

	Base fee	Fee for Finance, Risk and Audit Committee Chair	Fee for People and Culture Committee Chair	Fee for Nominations Committee Chair	Fee for Technology Committee Chair	Total remuneration received for FY25
Susan Paterson (Board Chair)	$150,000	-	-	-	-	**$150,000**
David Green	$95,000	$15,000	-	-	-	**$110,000**
Barry Einsig	USD$96,000	-	-	-	USD$12,000	**USD$108,000**
Selwyn Pellett[35]	$59,082	-	-	-	-	**$59,082**
Sara Gifford	USD$96,000	-	USD$12,000	-	-	**USD$108,000**
Cameron Kinloch	USD$96,000	-	-	-	-	**USD$96,000**
John Scott[36]	$8,000	-	-	-		**$8,000**

Non-executive directors do not take a portion of their remuneration under a share plan. While ownership of EROAD shares by directors is encouraged, it is not a requirement. Directors are encouraged to acquire shares on-market, and their ownership interests are disclosed in the "Directors' Shareholdings" section of this report.

Non-executive directors are entitled to reimbursement for reasonable costs directly associated with attending Board meetings. Executive directors do not receive remuneration for their role as a director of EROAD. EROAD does not currently have any executive directors.

No EROAD director or employee receives or retains any remuneration or other benefits in their capacity as a director of a subsidiary.

[35] Selwyn Pellet resigned from the Board on 13 November 2024.
[36] John Scott was appointed to the Board on 1 March 2025.

REGULATORY DISCLOSURES

DIRECTORS

The persons who held office as directors of EROAD at any time during the year ended 31 March 2025, are as follows:

Director	Status	Period position was held
Susan Paterson	Non-Executive, Independent Director	Full year
David Green	Non-Executive, Independent Director	Full year
Barry Einsig	Non-Executive, Independent Director	Full year
Sara Gifford	Non-Executive, Independent Director	Full year
Cameron Kinloch	Non-Executive, Independent Director	Full year
Selwyn Pellett	Non-Executive Director	Until 13 November 2024
John Scott	Non-Executive, Independent Director	From 1 March 2025.

SUBSIDIARY COMPANY DIRECTORS

The persons who held office as directors of subsidiary companies at any time during the year ended 31 March 2025 are as follows:

EROAD Financial Services Limited	Ksenija Chobanovich
EROAD Australia Pty Limited	Konrad Stempniak, Ksenija Chobanovich
EROAD Inc	Ksenija Chobanovich
EROAD LTI Trustee Limited	Ksenija Chobanovich
Coretex Limited	Konrad Stempniak, Ksenija Chobanovich
Coretex NZ Limited	Konrad Stempniak, Ksenija Chobanovich
Coretex Australia Pty Ltd	Konrad Stempniak, Ksenija Chobanovich
Coretex USA Inc	Ksenija Chobanovich
Imarda Pty Limited	Konrad Stempniak, Ksenija Chobanovich
International Telematics Holdings Limited	Konrad Stempniak, Ksenija Chobanovich
EROAD Philippines Inc	Ksenija Chobanovich, Jeremy Wilton

INTERESTS REGISTER

In accordance with section 140(2) of the Companies Act, the directors named below have made a general disclosure of interest by a general notice disclosed to the Board and entered in the Company's interests register[35]. General notices given by directors which remain current as at 31 March 2025 are as follows:

Susan Paterson	
Director	Energy Education Trust Nominees Limited
Director and Shareholder	Les Mills Holdings Limited
Director	Lodestone Energy
Director	Reserve Bank of New Zealand
Director (Chair)	Steel & Tube Holdings Limited
Director (Chair) and Shareholder	Theta Systems Limited
Ceased Director	Arvida Group Limited
Ceased Director	Evolution Healthcare

David Green	
Director and Shareholder	Abner & Hobson Limited
Director (Chair)	BT Funds Management (NZ) Limited
Director and Shareholder	Casa Verde Investments Limited
Director (Chair)	MyFarm UF1 GP Limited
Director and member of the Board Risk and Compliance Committee and Chair of the Board Audit Committee	Westpac New Zealand Limited

Barry Einsig	
Founder, Director and Shareholder	Barry C. Einsig Advisory Services LLC

Sara Gifford	
Co-Founder, Director and Shareholder	ActiVote Inc
Director	Spiro Technologies, Inc.

Cameron Kinloch	
Director and Shareholder	Copper Cow Coffee
CFO	Weights and Biases, Inc

John Scott	
Director	Aofrio Limited
Director	Asbuilt Holdings Limited
Director (Chair)	Digital Matter Pty Ltd
Director (Chair)	Vessev Limited

SHARE DEALINGS BY DIRECTORS

In accordance with Section 148(2) of the Companies Act, the Board has received disclosures from the directors named below of acquisitions or dispositions of relevant interests in the Company between 1 April 2024 and 31 March 2025, and details of those dealings were entered in the Company's interests register. The particulars of such disclosures are:

Selwyn Pellett

1. Disposed of 2,000,000 ordinary shares at $1.05 per share on 27/02/2025.

John Scott

2. Acquired 50,000 ordinary shares at $0.97 per share on 31/03/2025.

Use of Company Information

There were no notices from directors of the Company requesting to use Company information received in their capacity as directors that would not otherwise have been available to them.

DIRECTORS' AND OFFICERS' INSURANCE AND INDEMNITY

EROAD has arranged policies of directors' and officers' liability insurance, as provided for under the Company's constitution. Along with a Deed of Indemnity entered into with all directors, this ensures that directors generally will not incur monetary loss as a result of actions undertaken in their capacity as directors. However, certain actions are specifically excluded, such as the incurring of penalties and fines imposed for breaches of the law.

DIRECTORS RELEVANT INTERESTS

The following directors held relevant interests in the following ordinary shares in the Company as at 31 March 2025:

Name	Ordinary shares
Susan Paterson	167,457
David Green	170,000
Barry Einsig	73,091
Selwyn Pellett	1,679,597*
Sara Gifford	357,142
Cameron Kinloch	-
John Scott	55,000

*Includes shares held by Selwyn Pellett and Tracey Herman as trustees of the Selwyn Pellett Family Trust (of which Selwyn Pellett is a beneficiary) and Shares held via Sharesies Nominee Limited as custodian.

SHAREHOLDER INFORMATION

ANNUAL SHAREHOLDERS' MEETING

EROAD's 2025 annual shareholders' meeting will be held on Friday 27 June 2025 at 1:00pm NZT at Eden Park, World Cup Lounge, 42 Reimers Ave, Kingsland, Auckland 1024, New Zealand and virtually via audio visual link.

SHAREHOLDER INFORMATION

Holding Range	Number of holders	%	Number of ordinary shares	%
1 to 999	1,112	33	431,062	0.23
1,000 to 4,999	1,193	35	2,740,940	1.46
5,000 to 9,999	366	11	2,504,638	1.34
10,000 to 49,999	550	16	11,478,572	6.12
50,000 to 99,999	83	2	5,695,083	3.04
100,000 and over	109	3	164,560,337	87.81
Total	**3,413**	**100**	**187,410,632**	**100**

The details set out above were as at 31 March 2025. The Company only has one class of shares on issue, ordinary shares, and these shares are quoted on the NZX and ASX Main Boards.

SUBSTANTIAL PRODUCT HOLDERS

According to notices given under the FMC Act, the substantial product holders in ordinary shares (being the only class of quoted voting products) of the Company and their relevant interests according to the substantial product holder noticed filed as at 31 March 2025, were as follows:

Substantial product holder	Date of last SPH Notice	Number of shares	% of shares on issue at 31 March 2025
UBS Group AG and its related bodies corporate	19/03/2025	9,743,128	5.20%
Ellerston Capital Limited	20/12/2024	9,399,848	5.02%
Regal Funds Management Pt Ltd	07/10/2024	14,984,288	8.006%
National Nominees Ltd AEF Australian Ethical Investment Limited	16/10/2024	26,135,350	13.96%
Steven Newman and NMC Trustees Limited	18/01/2024	12,140,952	6.48%
National Nominees Ltd ACF Australian Ethical Investment	05/10/2023	12,657,667	6.86%
Brillian APAC Pty Ltd	10/07/2023	21,198,461	11.38%

The total number of ordinary shares (being the only class of quoted voting products) on issue in the Company as at 31 March 2025 was 187,410,632.

OTHER INFORMATION

PRINCIPAL SHAREHOLDERS

The names and holdings of the 20 largest registered shareholders in the Company as at 31 March 2025 were:

Holder Name	Shares	%
HSBC Custody Nominees (Australia) Limited	27,370,442	14.60
Brillian APAC Pty Ltd	21,318,415	11.38
HSBC Nominees (New Zealand) Limited – NZCSD	19,249,440	10.27
NMC Trustees Limited	11,973,024	6.39
Accident Compensation Corporation – NZCSD	8,857,852	4.73
BNP Paribas Nominees (NZ) Limited – NZCSD	7,740,787	4.13
Anthony Henry Kandziora	7,712,000	4.12
JP Morgan Nominees Australia Limited	7,051,755	3.76
Citibank Nominees (New Zealand) Limited – NZCSD	5,145,689	2.75
Bond Steet Custodians Limited	4,063,025	2.17
HSBC Nominees (New Zealand) Limited – NZCSD	3,783,086	2.02
New Zealand Depository Nominee Limited	3,778,955	2.02
FNZ Custodians Limited	3,389,753	1.81
Citicorp Nominees Pty Limited	2,779,276	1.48
J E & A L Marris Trustees Limited	2,368,536	1.26
JBWERE (NZ) Nominees Limited	1,446,724	0.77
Selwyn Pellett & Tracey Herman	1,442,877	0.77
John Grant Sinclair	1,412,861	0.75
Custodial Services Limited	1,067,385	0.57
BNP Paribas Noms Pty Ltd	1,025,976	0.55

NZX WAIVERS

No waivers were granted during FY25.

DISCIPLINARY ACTION TAKEN BY THE NZX

The NZX has not taken any disciplinary action against the Company during the year ended 31 March 2025.

AUDITOR'S FEES

KPMG has continued to act as auditor of EROAD and our subsidiaries. The amount paid by EROAD and our subsidiaries to KPMG as audit fees and other assurance fees during the year ended 31 March 2025 was $711,282. The amount of fees expensed to KPMG for non-audit and assurance work during the year ended 31 March 2025 was $162,990. Note 5 in the Financial Statements section of this Annual Report includes a detailed breakdown of auditor's fees for audit and non-audit work recognised in the financial statements.

DONATIONS

EROAD does not make any political donations. We made donations to Starship Hospital, Special Olympics Waitakere and other charitable organisations totalling $2,500 during the year ended 31 March 2025.

CREDIT RATING

EROAD does not currently have a credit rating.

GLOSSARY

ANNUAL RECURRING REVENUE (ARR)
A non-GAAP measure representing monthly subscription revenue including bundled rental hardware, measured each month by taking subscription revenue for that month and multiplying by 12 to annualise. This measure has been restated to remove amortised revenue which is not recurring by nature.

AVERAGE REVENUE PER UNIT (ARPU)
A non-GAAP measure that is calculated by dividing the total subscription revenue for the year reported in Note 2 of the FY25 Financial Statements, by the TCU balance at the end of each month during the year.

CALENDAR YEAR (CY)
12 months ended 31 December.

EBIT
A non-GAAP measure representing Earnings before Interest and Taxation (EBIT). Refer to Consolidated Statement of Comprehensive Income in Financial Statements.

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 EHUBO2.2
EROAD's first and second generation electronic distance recorder which replaces mechanical hubo-dometers. 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 CUSTOMERS
A customer where the $ARR is more than $100k in local currency for the Financial year reported.

FREE CASH FLOW (FCF)
A non-GAAP measure representing operating cash flow and investing cash flow reported in the Statement of Cash Flows.

FREE CASH FLOW TO THE FIRM
A non-GAAP measure representing operating cash flow and investing cash flow net of interest paid and received.

FUTURE CONTRACTED INCOME (FCI)
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 FY25 Financial Statements.

FINANCIAL YEAR (FY)
Financial year ended 31 March.

HALF ONE (H1)
For the six months ended 30 September.

HALF TWO (H2)
For the six months ended 31 March.

NORMALISED EBIT
Excludes one-off items relating to the 4G hardware upgrade program $4.0m (FY24 $3.6m).

NORMALISED EBIT MARGIN
Excludes one-off items, consistent with the definition provided for Normalised EBIT.

ROAD USER CHARGES (RUC)
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 (SaaS), a method of software delivery in which software is accessed online via a subscription rather than bought and installed on individual computers.

TOTAL CONTRACTED UNITS (TCU)
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).

360
A web-based platform that allows customers to access data collected by CoreHub and the associated reports.

Registered Office in New Zealand

Level 3, 260 Oteha Valley Road,
Albany, Auckland, New Zealand

Registered Office in North America

15110 Avenue of Science,
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United States of America 92128

Registered Office in Australia

1 Link Road, Zetland,
New South Wales 2017, Australia

Investor Relations and Sustainability Enquiries

EROAD Limited,
PO Box 305 394 Triton Plaza,
North Shore, Auckland
Email: investors@eroad.com
Telephone: 0800 437 623

Managing your Shareholding Online

Changes in address and investment portfolios can be viewed and updated online:
www.computershare.co.nz/investorcentre.

You will need your CSN and FIN numbers to access this service.

Share Register - New Zealand

Computershare Investments Services Limited
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Auckland, 1142
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Telephone: +64 9 488 8777
Website: www.computershare.co.nz/investorcentre

Legal Advisors

Chapman Tripp,
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PO Box 2206, Auckland 1140

Bankers

Bank of New Zealand,
ANZ Bank New Zealand Ltd
Kiwibank Limited
National Australian Bank
Wells Fargo
HSBC


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Results for announcement to the market		
Name of issuer	EROAD Limited	
Reporting Period	12 months to 31 March 2025	
Previous Reporting Period	12 months to 31 March 2024	
Currency	New Zealand Dollars	
	Amount (000s)	**Percentage change**
Revenue from continuing operations	194,442	7%
Total Revenue	194,442	7%
Net profit/(loss) from continuing operations	5,408	97%
Total net profit/(loss)	1,383	266%
Interim/Final Dividend		
Amount per Quoted Equity Security	No dividend declared	
Imputed amount per Quoted Equity Security	Not applicable	
Record Date	Not applicable	
Dividend Payment Date	Not applicable	
	Current period	**Prior comparable period**
Net tangible assets per Quoted Equity Security	0.31	0.28
A brief explanation of any of the figures above necessary to enable the figures to be understood	For commentary on the result, please refer to the investor presentation and annual report for the year ended 31 March 2025. Please note the net tangible asset calculation excludes intangibles and deferred tax.	
Authority for this announcement		
Name of person authorised to make this announcement	Rebecca Lineham	
Contact person for this announcement	Rebecca Lineham	
Contact phone number	+6427 368 6101	
Contact email address	rebecca.lineham@eroad.com	
Date of release through MAP	26 May 2025	

Audited financial statements for the year ended 31 March 2025 accompany this announcement.