EROAD (NZX: ERD ASX: ERD)
Financial Results

For the 6 months ended 30 September 2026 (H1 FY27)

24 November 2026



EROAD

Important Information

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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 6 months ended 30 September 2026 (H1 FY27) and comparisons relate to the 6 months ended 30 September 2025 (H1 FY26), unless otherwise stated. All dollar amounts are in NZD, unless otherwise stated.

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Non-GAAP Measures

EROAD has presented certain non-GAAP financial measures as part of its H1 FY27 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 41 of this presentation.

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

Agenda

01 H1 FY27 Results Overview

02 Transformation and Operational Update

03 Regional Performance

04 Financial Results

05 Outlook and Future Opportunity



EROAD

Key takeaways



Stable result in line with expectations



Growth in core A/NZ markets partly offsetting NA contraction



Meaningful progress on transformation plan



Refreshed Exec team with new CEO

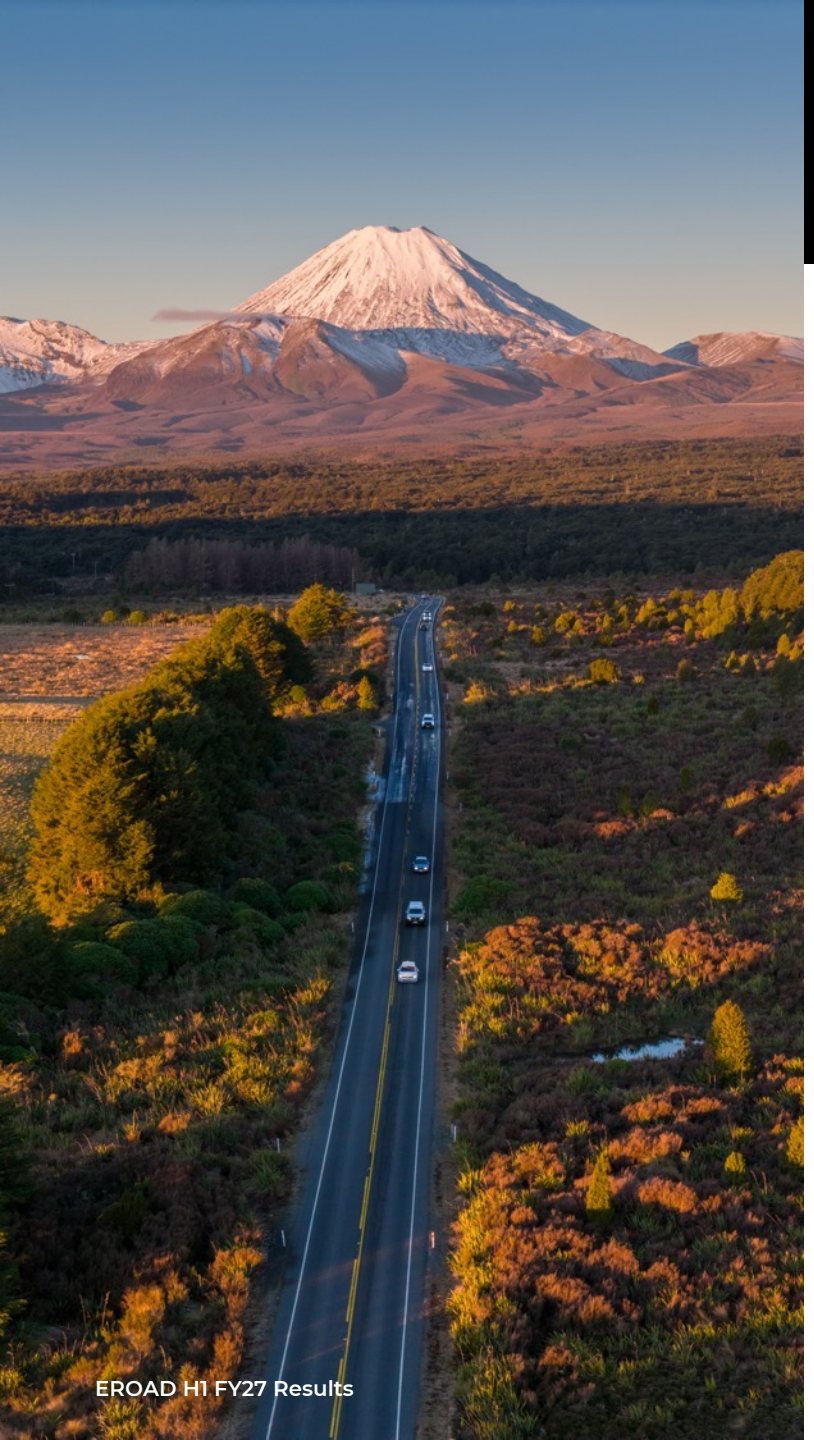


On track to deliver positive FCFF in FY27

01

H1 FY27 Results Overview





H1 FY27 Financial Results

Stable result with continued growth in core A/NZ

Normalised FCFF [1]

NZ$0.8m

NZ$16.7m H1 FY26

Reported Revenue

NZ$98.1m

(1.0)% vs H1 FY26 of NZ$99.1m

ARR [2]

NZ$171.7m

(3.6)% vs H1 FY26 of NZ$178.1m

Normalised EBIT [3]

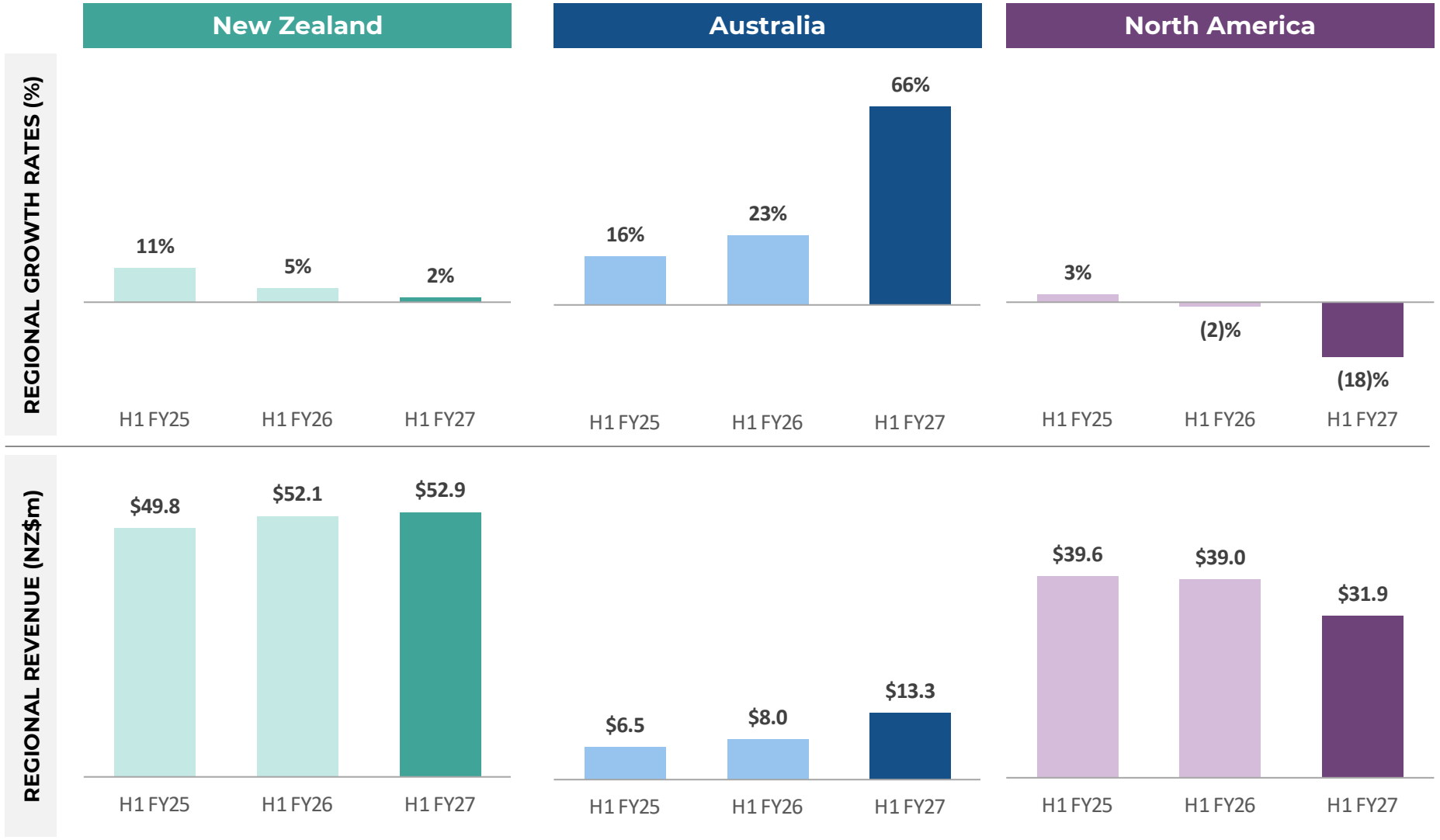
NZ$2.1m

H1 FY26 of NZ$2.5m

1. Normalised FY27 FCFF excludes one-off transformation investment of NZ$3.9m, from reported FCFF of ($3.1m) see slide 37 for a breakdown of this. Normalised FY26 FCFF excludes 4G upgrade costs of NZ$10.5m from reported FCFF of $6.2m.
2. Annualised Recurring Revenue (ARR) from subscriptions only, restated basis. Excludes purchased hardware sales and non-recurring revenue.
3. Normalised EBIT excludes $7.8m non-cash changes in accounting estimates and transformation investment of NZ$3m. See page 39 for a breakdown of this.

Group Snapshot by Region

Group delivered an overall stable result. Significant growth in Australia offset expected revenue contraction in North America



Regional Growth

- New Zealand delivering stable and modestly growing revenue
- Australia continuing to scale from enterprise wins
- North America reset reflecting previously disclosed customer non-renewals

Group Mix

- Revenue contribution shifting towards A/NZ reflecting strategic focus
- A/NZ now ~67% of group revenue, with NZ 53% and Australia 14% (up from 8% at H1 FY26)
- A/NZ revenue up +10% to NZ$66.2m

02

Transformation and operational update



Transformation Progressing with Greater Operational Discipline



Transformation is progressing on track

- Improvements in operating and execution discipline
- Platform modernisation – signed significant multi-year partnership with Microsoft
- ROADRUNR (eRUC) – beta launched in November



Refocused the business around 3 regions

- Regional go-to-market model implemented
- Cash-generative A/NZ core with a strong growth opportunity
- Leadership and governance refreshed – CEO David Leach started 12 October
- Greater operational discipline through the EROAD Quarterly Planning (EQP) framework



Positioned for future opportunity

- Platform modernisation will enable AI adoption and unlock productivity and innovation opportunity
- Disciplined strategic choices to position for eRUC opportunity
- Focused NA strategy targeting specific customer segments and ongoing ambition for FCFF neutral.

What We Said We Would Do

Progress against commitments made at the FY26 result and AGM

COMMITMENT	STATUS	COMMENTARY
Appoint CEO after the AGM	COMPLETE	David Leach appointed, commenced 12 October
Embed regional go-to-market model	COMPLETE	Regional EGMs and reporting structure established
Report Company hero metrics	COMPLETE	Now disclosed (see page 14) – tracking going forward
Completed 4G hardware upgrade programme	COMPLETE	73k units upgraded
Cleanaway rollout complete by November 2026	COMPLETE	Completed on 15th November 2026
eRUC D2C / SMB launches	ON TRACK	ROADRUNR app recently beta launched in November
Positive free cash flow in FY27	ON TRACK	H1 delivered $0.8m normalised. Guidance confirms on track for positive at full year. Working Capital seasonality includes material annual bill receipts in H2.
Improve customer service levels and SLAs	IN PROGRESS	Hired new Chief Customer Officer and building AI-native CX hub which will enable faster support and greater self-service
Improve customer billing	IN PROGRESS	AI-enabled invoice reconciliation tool, built in-house, materially reducing time to serve. Order to Cash simplification continues to be top priority
Coretex integration	IN PROGRESS	Key focus with multiple workstreams progressing
Platform modernisation	IN PROGRESS	Hyperscaler partnership signed & platform consolidation project underway
Product roadmap and enhancements	IN PROGRESS	Odometer, speed zones and map fixes released. Product portfolio reshaped to six segments. Investment prioritised to quality, stability, platform modernisation.
Customer NPS	IN PROGRESS	Measurement and collection process is in place. Will be provided at FY27 results

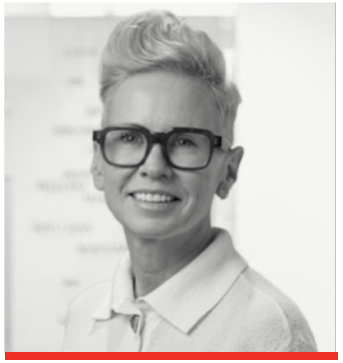
Executive Leadership Team

Refreshed leadership team established and focused on execution and performance



DAVID LEACH
Chief Executive Officer

Commenced October 2026



CIARA MCGUIGAN
Chief Financial Officer



JASON HALLAM
Chief Customer Officer

Commenced September 2026



ANDREW CORBETT
Chief Technology Officer



PAUL BUTTERWORTH
Chief Product Officer



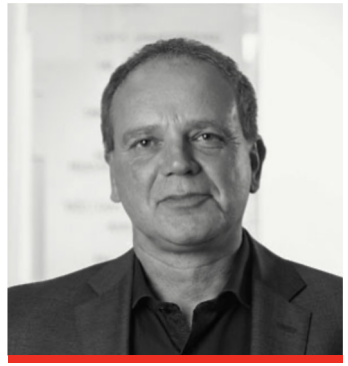
EMMA MURPHY
Chief People Officer



KONRAD STEMPNIAK
Executive General Manager - AU



MATT GIBSON
Executive General Manager - NZ



JIM BRAILEY
Executive General Manager - NA

Board of Directors



JOHN SCOTT

Chair, Non-Executive Director

Returned from Executive Chair role on 12 October 2026



DAVID GREEN

Lead Independent Director



SUSAN PATERSON

Independent Director



RYAN BROSNAHAN

Non-Executive Director

Appointed 1 June 2026



IAN WHITING

Independent Director

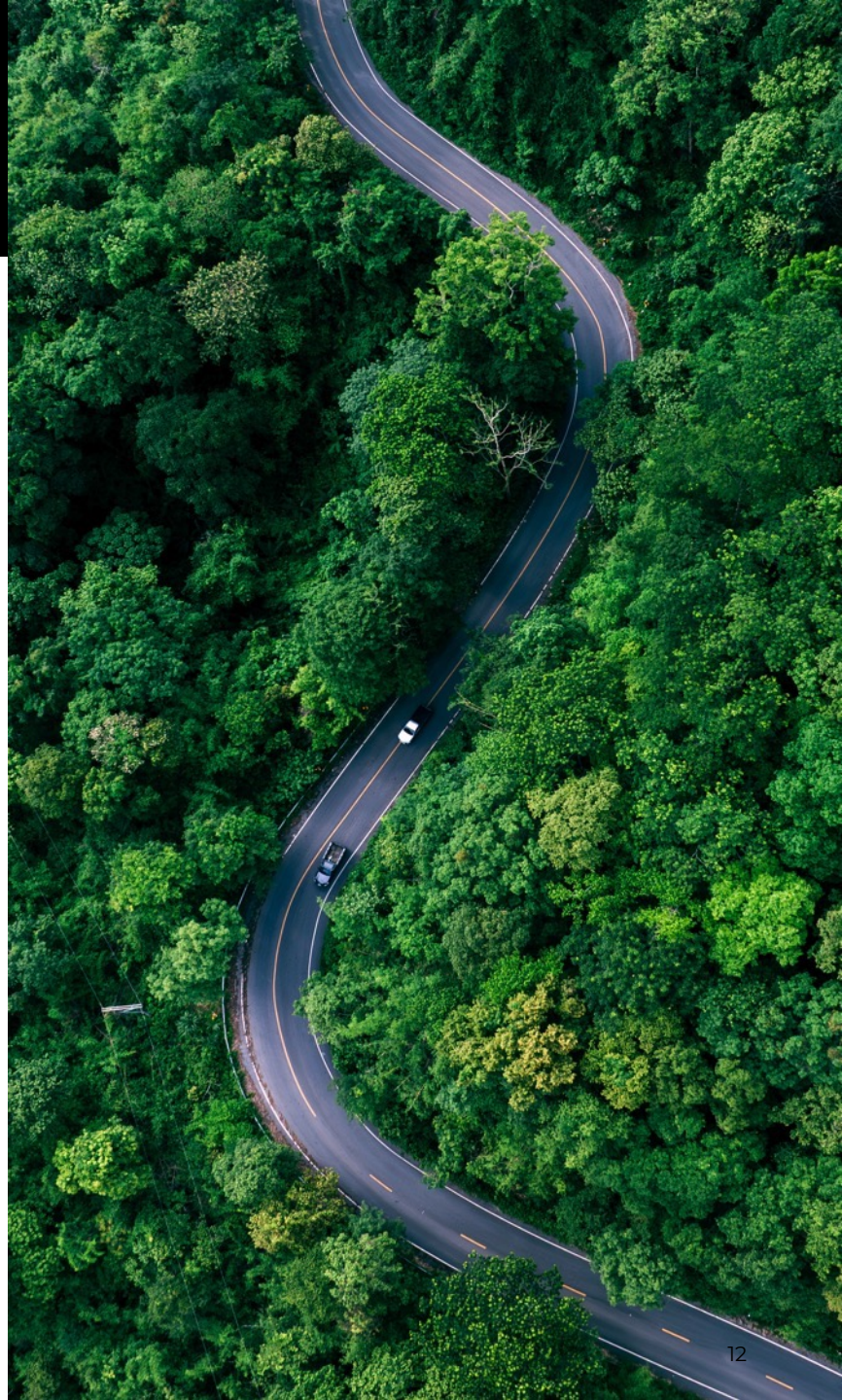
Appointed 25 June 2026



SARA GIFFORD

Independent Director

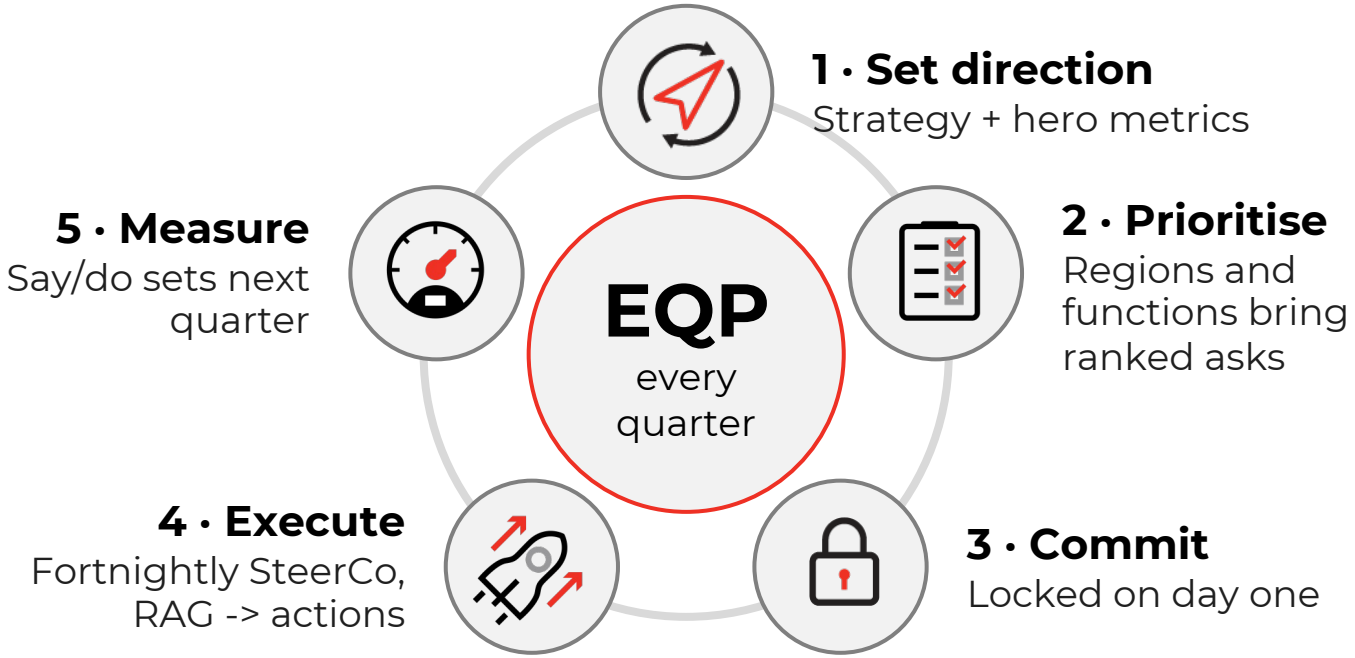
To retire 1 December 2026



Greater Operational Discipline: the EQP Framework

A quarterly rhythm that links our strategy to what every team delivers, and tracks it to done

EQP is EROAD's adaptation of Scaled Agile (SAFe) program increment planning, run every quarter across all regions and functions.



First things first

Compliance, contracts, critical bugs; then ranked by impact

Tracked to done

Red / Amber / Green, fortnightly reviews, say/do scored

Always a named owner

Every deliverable owned; ELT owns the hero metrics

Company Hero Metrics

Key KPIs we will report to the market

Definitions in glossary.

FINANCIAL

Revenue	ARR	FCFF (normalised)
$98.1m	$171.7m	$0.8m
(1)% vs YoY	(3.6)% vs YoY	(95)% vs YoY

OPERATIONAL

Customer NPS	Employee engagement	EQP say/do ratio	Contracted units[1]
To be provided at FY27 results	54%	71.5%	236,078

1. From FY28, EROAD will transition from reporting Contracted Units to Connected Units, defined as unique vehicles and assets with a connected device. Connected Units better reflect the value delivered to customers and are not affected by changes to commercial terms, supporting consistent reporting over time.

Cleanaway: Proving Enterprise Roll-out Capability

A complex, national heavy-fleet rollout delivered at scale.

Minimal disruption

Installs scheduled around fleet operation

National footprint

~330 sites

nationally, incl. after-hours installs

Total connected assets

3,200+

Completed 15th Nov 2026

Install rate

~3 → ~25+

units / day

Distance travelled

37 million km+

of operation on the EROAD platform

Safety and efficiency

Dual-control fatigue monitoring

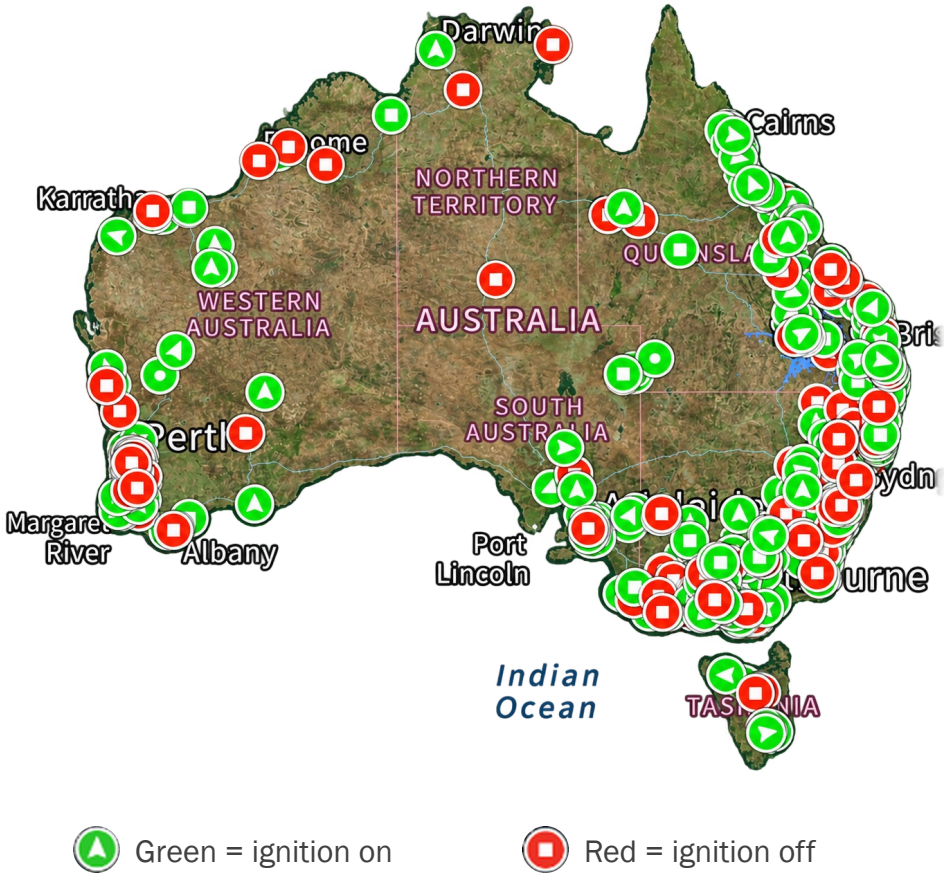
Devices per vehicle

6+

LTI/MTI Installer Injuries

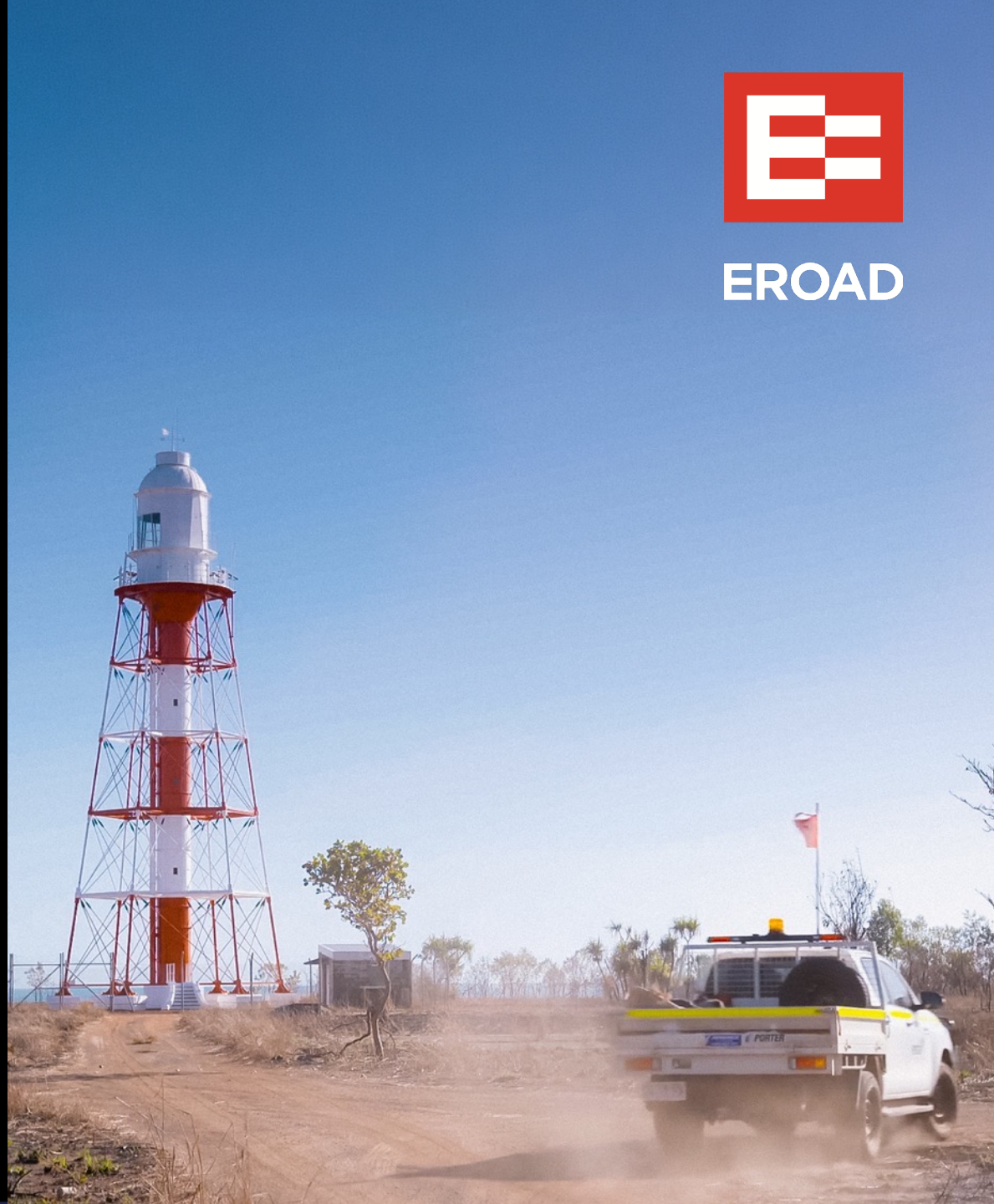
Nil

Cleanaway's Australia deployment



03

Regional Performance



H1 FY27: Free Cash Flow to the Firm by Region

Outflows in H1 driven by new business investment, and working capital seasonality, that is expected to reverse in H2.

Free cash flow generated by A/NZ underpins intrinsic value above the current share price

New Zealand	H1 FY27
Revenue	**NZ$52.9m**
Free cash flow to firm	**NZ$16.1m**
Add normalisation:	**NZ$1.9m**
Normalised free cash flow	**NZ$18.0m**

- New Zealand delivered NZ$16.1m of free cash flow on NZ$52.9m of revenue, a consistently cash-generative base.

Australia	H1 FY27
Revenue	**NZ$13.3m**
Free cash flow to firm	**(NZ$7.3m)**
Add normalisation:	**NZ$0.4m**
Normalised free cash flow	**(NZ$6.9m)**

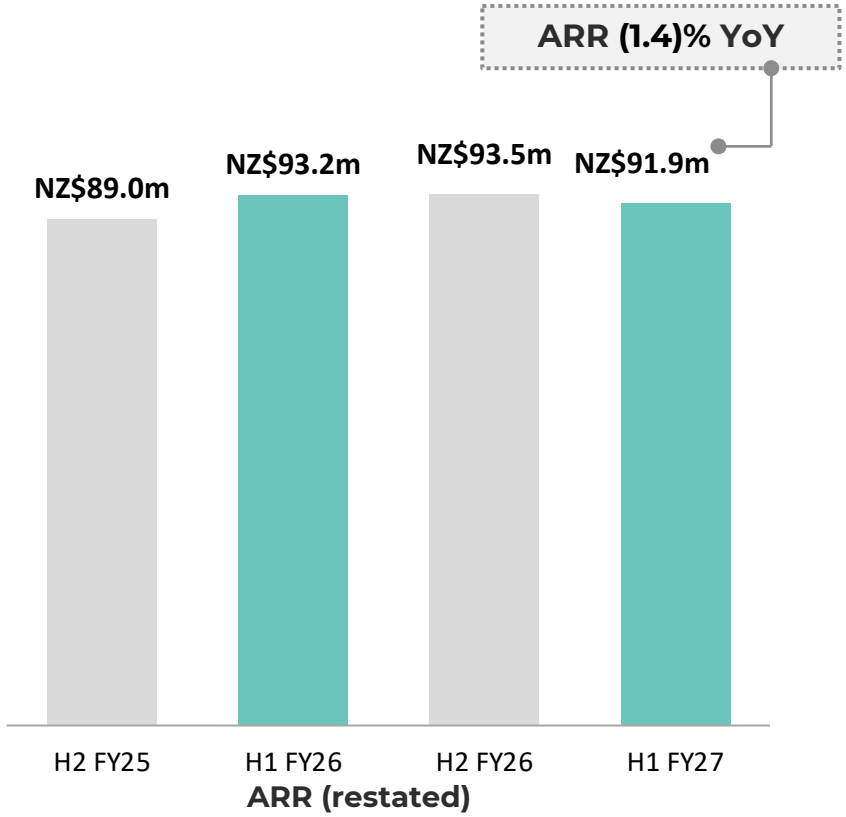
- Australia's H1 cash outflow reflects up-front hardware and installation investment for large enterprise rollout, with the cash recovered in H2.

North America	H1 FY27
Revenue	**NZ$31.9m**
Free cash flow to firm	**(NZ$11.9m)**
Add normalisation:	**NZ$1.6m**
Normalised free cash flow	**(NZ$10.3m)**

- North America H1 cash flow reflects the seasonal timing of large annual customer receipts, which fall in H2, together with bad debt and inventory impacts .

New Zealand

A strategically important and cash-generative market with significant platform value and further long-term opportunity through eRUC expansion.



NZ$52.9m

Revenue ▲**+1.5%**

H1 FY26: ***NZ$52.1m***

NZ$18.0m

Normalised FCFF

H1 FY26: ***NZ$22.2m***

88.5%

Asset Retention Rate

NZ$64.50

Monthly SaaS ARPU

▲ **+3.9%**

See Note 1 of EROAD's H1 FY27 interim financial statements for segmented reporting of Revenue and EBITDA .

H1 FY27 PROGRESS

ARR

ARR decline impacted by elevated churn following 4G renewal and competition.

CASH GENERATION

Delivering NZ$16.1m of free cash flow to the firm in H1 FY27 (H1 FY26: NZ$11.7m).

CUSTOMER BASE

~5,000+ customers in New Zealand.

HIGHER VALUE CUSTOMER MIX

Monthly SaaS ARPU +3.9% vs H1 FY26.

OPERATIONAL PROGRESS

Increased visibility and accountability through KPI-driven management. Strengthened operational controls supporting revenue and margin performance

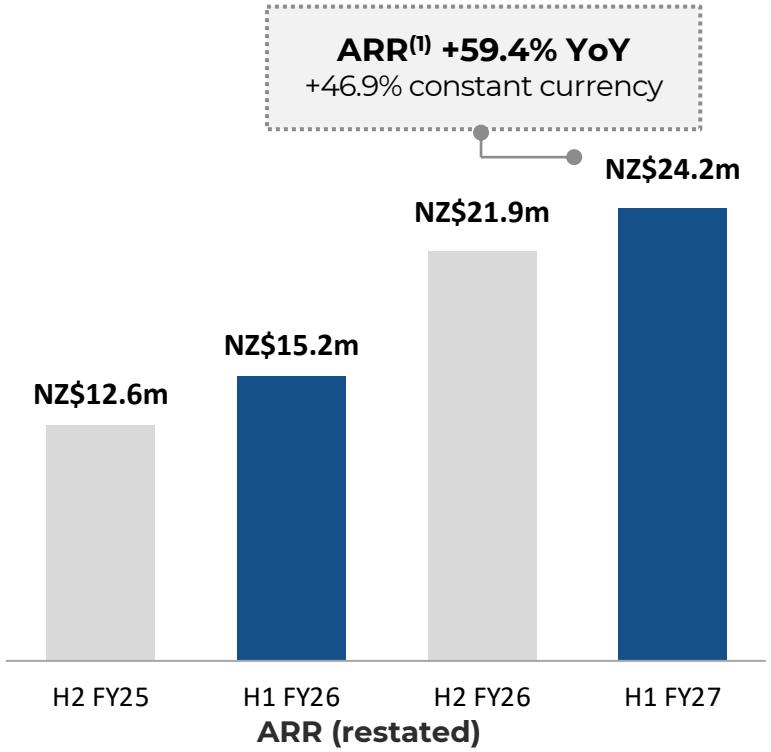
POSITIONED FOR eRUC EXPANSION

Well positioned for future eRUC expansion.

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

Australia

Enterprise momentum and platform expansion continued across Australia, reinforcing the region as a significant long-term growth opportunity for EROAD.



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

NZ$13.3m

Revenue ▲ **+66.3%**

H1 FY26: ***NZ$8.0***

(NZ$6.9m)

Normalised FCFF

H1 FY26: ***(NZ$0.1m)***

95.3%

Asset Retention Rate

NZ$73.12

Monthly SaaS ARPU
AU$60.22
▲ **40.3%**

See Note 1 of EROAD's H1 FY27 interim financial statements for segmented reporting of Revenue and EBITDA

H1 FY27 PROGRESS

REGIONAL GO-TO-MARKET

Regional GTM team in place to drive high growth

DELIVERING ON AUSTRALIAN ENTERPRISE CUSTOMER ROLLOUT

Cleanaway deployment completed on target

ARR GROWTH

ARR +59.4% to NZ$24.2m vs H1 FY26, +46.9% in constant currency.

Multiple product expansion opportunities exist to support continued growth

PRODUCT MIX AND ARPU

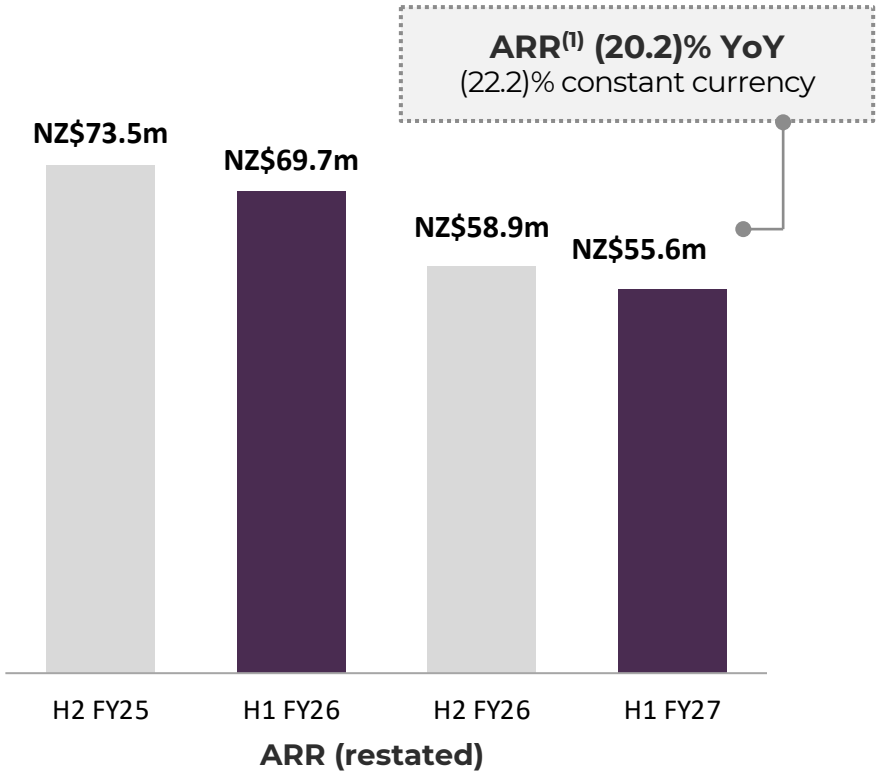
Monthly SaaS ARPU +40.3% vs H1 FY26.

FREE CASH FLOW

FCFF of (NZ$7.3m) driven by capital investment ahead of the curve and deployment for Cleanaway

North America

Focused reset prioritising retention, differentiated segments and improved cash performance



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

NZ$31.9m

Revenue ▼ (18.2)%

H1 FY26: ***NZ$39.0m***

(NZ$10.3m)

Normalised FCFF

H1 FY26: ***(NZ$5.4m)***

84.0%

Asset Retention Rate

NZ$61.21

Monthly SaaS ARPU

US$35.68

▼ (1.2)%

See Note 1 of EROAD's H1 FY27 interim financial statements for segmented reporting of Revenue and EBITDA .

H1 FY27 PROGRESS

RESET & RETAIN

Focus on customer relationships to build trust, continuity and retention.

NPS on retention targets improving.

Non-core verticals churning as anticipated, with some earlier than anticipated losses.

FOCUSED WHERE WE WIN

Committed to North America with EROAD's competitive differentiator (e.g. cold chain) and maintaining a presence and footprint in other segments.

CASH DISCIPLINE

Further cash improvement is focused on collections and inventory, supported by annual customer receipts weighted to H2.

ASSET RETENTION

Significant legacy issues being managed, customer relationships being strengthened through pragmatic conversations and actions.

04

Financial Results

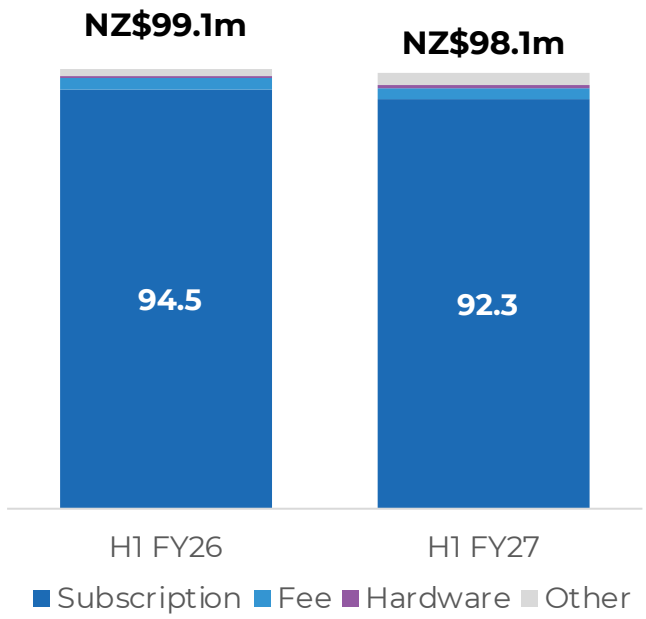


Revenue & EBIT

Reported EBIT improved to NZ$(8.7)m, largely reflecting the absence of the prior-year goodwill impairment.

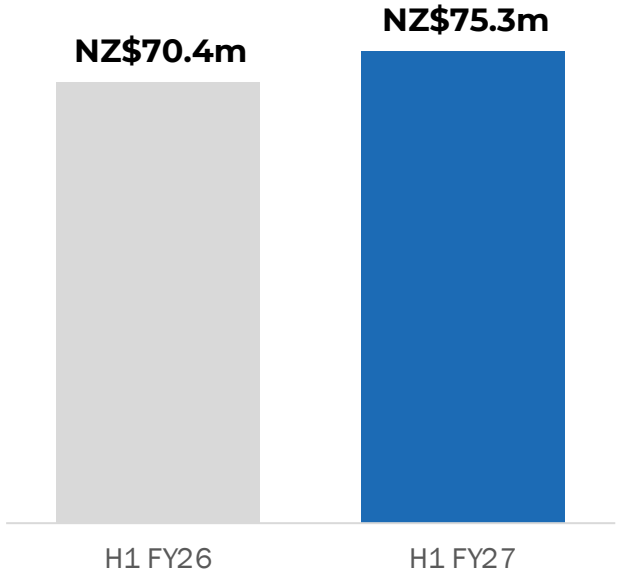
Total Revenue

Revenue of NZ$98.1m is (1.0)% on H1 FY26, reflecting steady growth in New Zealand and an Australian enterprise rollout offset by the non-renewal of large customer in North America



Reported Operating Costs

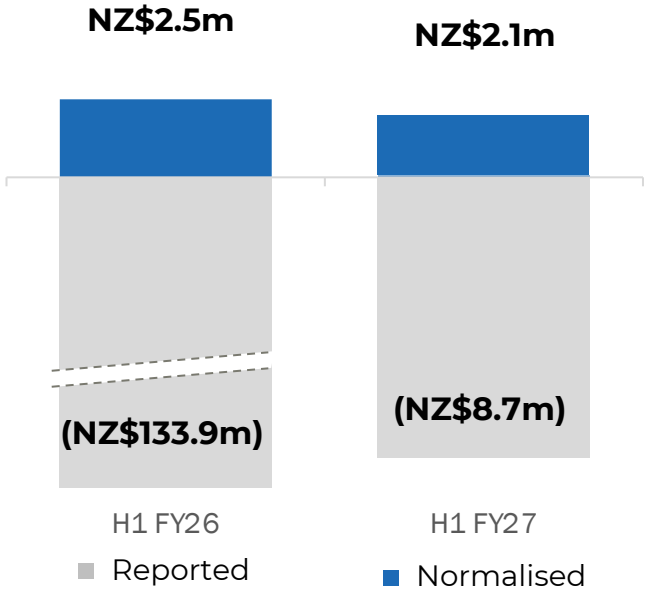
Costs increased 7.0%, primarily reflecting higher Bad debt and inventory provisions, transformation activity and targeted investment in platform and capability, partly offset by discretionary savings.



EBIT[1]

Reported EBIT of (NZ$8.7m) becomes NZ$2.1m when normalisation adjustments of NZ$10.8m are excluded.

Normalised EBIT reflects higher operating costs from targeted investment, transformation activity and increased provisioning.



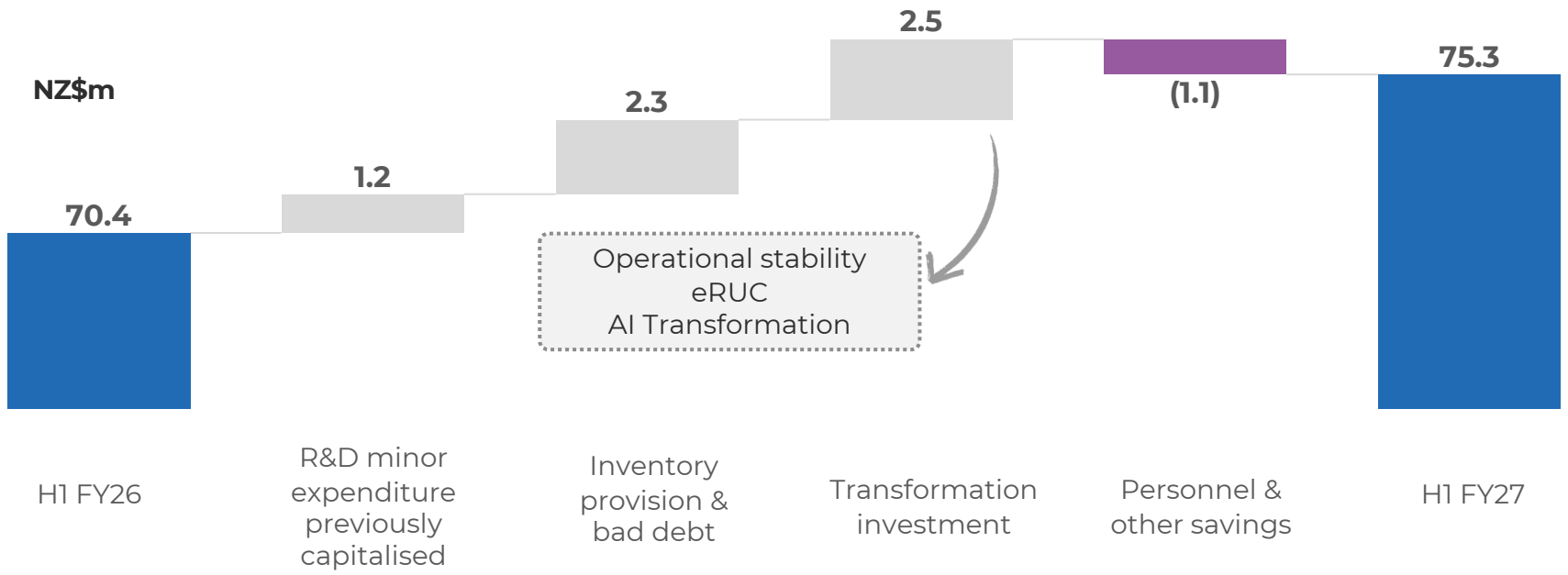
[1] Normalised EBIT excludes NZ$7.8m of accounting estimate adjustments (NZ$1.2m relating to R&D capitalisation and NZ$6.6m from revised intangible asset useful lives) and NZ$3.0m of transformation and eRUC operating costs. Reconciliation provided on page 37.

Operating Costs

Operating cost growth reflects targeted investment, higher provisioning and transformation activity.

Operating costs increased NZ$4.9m (+7.0%) to NZ$75.3m, reflecting:

a) R&D expenditure: Higher proportion of development costs expensed rather than capitalised.
b) Provisions: Increased bad debt and inventory provisions reflecting remediation for historical issues.
c) Transformation and investment: Continued investment in transformation, platform stability and organisational capability.
d) Cost discipline: Partly offset by lower recruitment, travel and contractor expenditure.

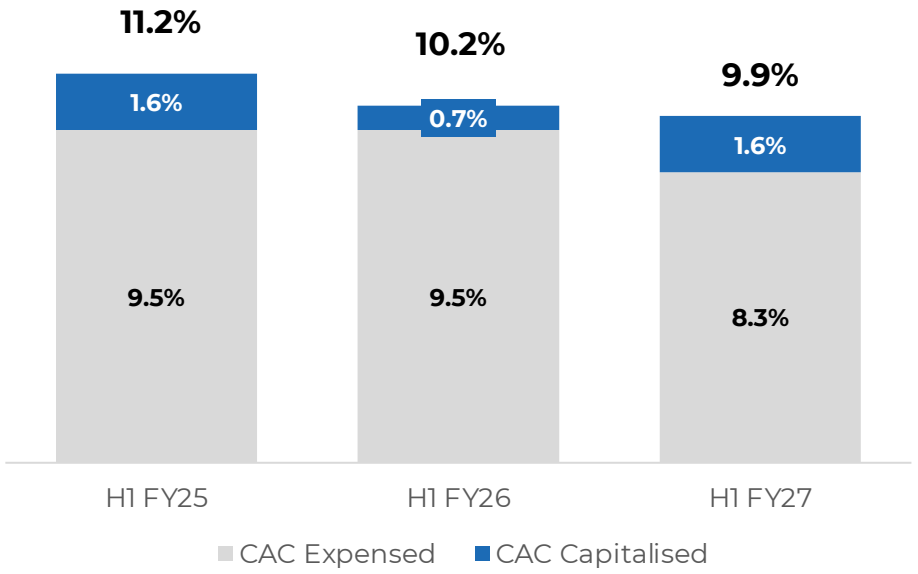


Operating Efficiency

Customer acquisition efficiency improving, alongside continued investment in service and support capability.

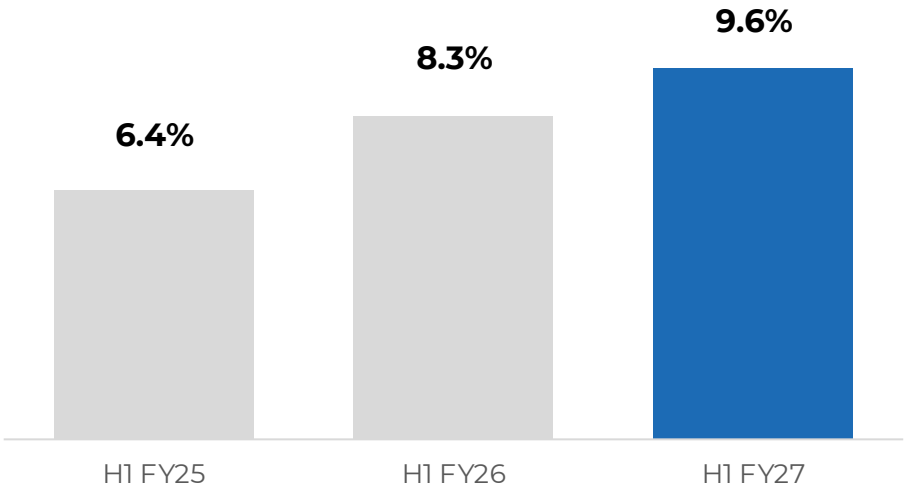
Cost to acquire customers as a % of revenue

Customer acquisition costs at 9.9% of revenue (H1 FY26: 10.2%) continue to improve



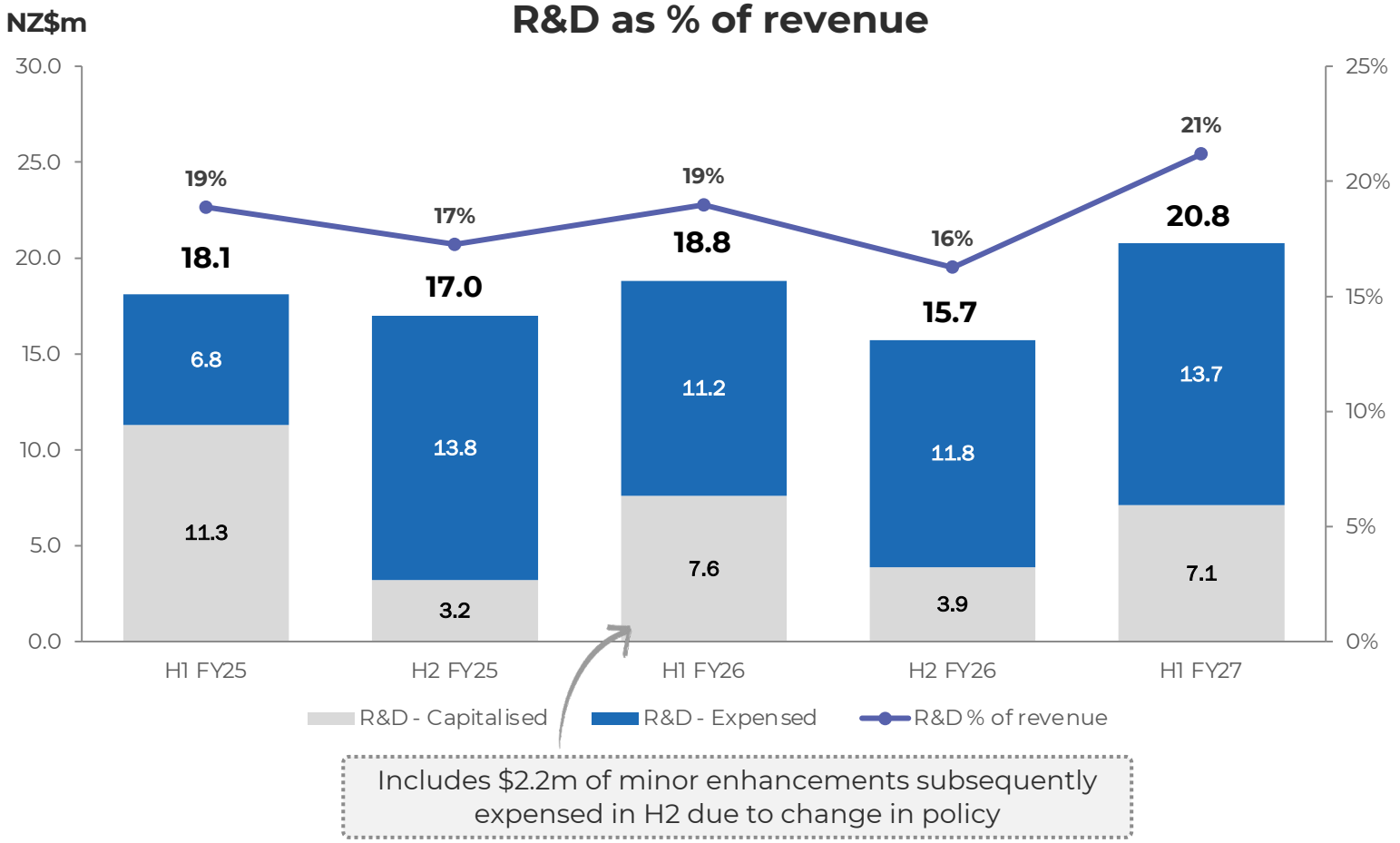
Cost to service & support as a % of revenue

Cost to service and support at 9.6% of revenue (H1 FY26: 8.3%), reflecting continued investment in customer service capability.



Research & Development

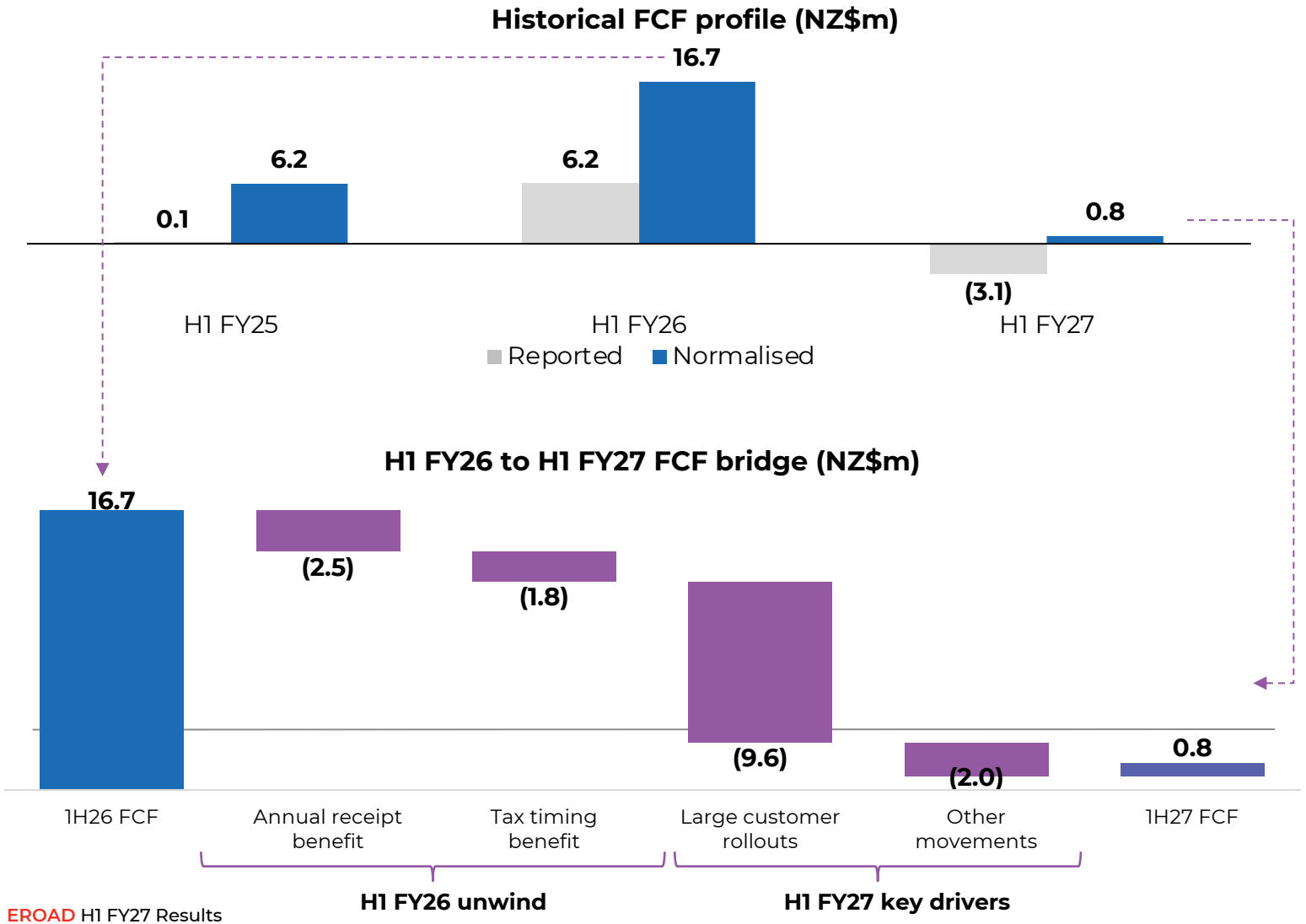
R&D investment remains focused on platform stability and product enhancements, with a higher proportion of expenditure recognised as operating costs.



- Total R&D spend of NZ$20.8m in H1 FY27, 21% of revenue.
    - Compares to NZ$18.8m, or 19% of revenue, in H1 FY26.
- Expensed R&D at 66% of R&D spend in H1 FY27 (H1 FY26: 60%).
- Capitalised R&D at 34% of R&D spend in H1 FY27 (H1 FY26: 40%).
- H1 FY27 was frontloaded with maintenance, stability improvements, in anticipation of platform modernisation efforts in H2.
- Maintenance and stability work included cloud platform upkeep, security, customer facing quality improvements and incident remediation and cost control.

Free Cash Flow

H1 cash flow impacted by the timing of operating payments and large customer rollout, with improvement expected in H2.



H1 FREE CASH FLOW

H1: Lower underlying free cash flow year-on-year reflects investment supporting a large enterprise customer rollout and the non-repeat of certain prior-year cash benefits.

H2: Cash generation is expected to improve through annual customer receipts and lower hardware and installation expenditure as the large enterprise customer rollout concludes.

Liquidity

Liquidity supports ongoing operations and strategic priorities, with continued focus on cash generation.

Bank Facilities

$60m
Bank Facility

Credit facilities were extended to October 2027 maturity date.

3
NZ bank lenders

Current syndicate includes two Trans-Tasman lenders (ANZ, BNZ) and a NZ domestic bank (Kiwibank)

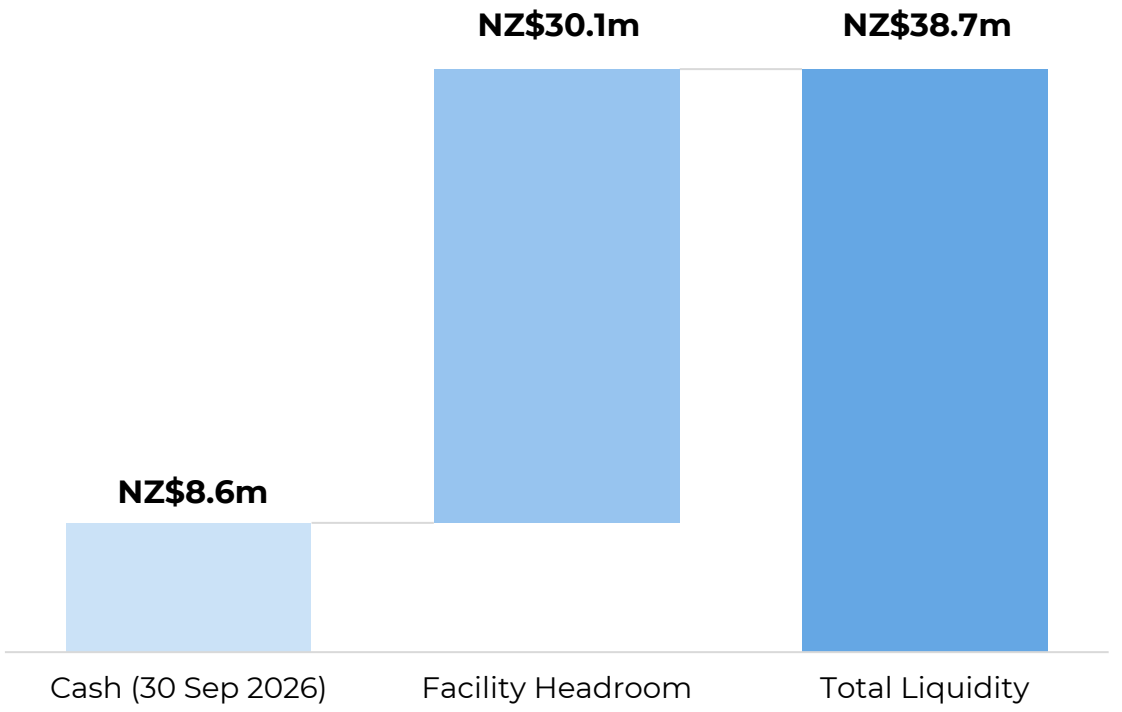
EROAD remains compliant with all debt covenants.

NZ$38.7m
Total liquidity

Provides company with total liquidity of **NZ$38.7m**

Liquidity of NZ$38.7m provides financial flexibility as the Group progresses its transformation.

Liquidity at 30 September 2026



05

Outlook and Future Opportunity



CEO First Thoughts: Building a better, faster business

Why EROAD?

EROAD can become a global category leader in intelligent transportation technology by focusing on operational discipline, AI-native innovation and customer satisfaction

My current priorities

1. Locking in a high-achievement culture – clear purpose, ownership and high standards across every team
2. Operational discipline – finishing what we start, performance measures (e.g. FCFF), fewer priorities
3. Shift from transformation to an ongoing culture of innovation – build on the EQP disciplines already in place
4. AI-native innovation – AI adoption across the business to drive productivity and product innovation
5. Optimise the customer journey across every function
6. Strategy for the next phase – to be shared at the FY27 results webinar in May 2027

Current Focus on our Core A/NZ Business

Creating shareholder value by executing on core business opportunities

PRIMARY FOCUS: CORE A/NZ

Strengthen our core business and demonstrate execution capability and position for future opportunities including eRUC

New Zealand

Scaled market leading telematics provider with strong cash generation

Priorities:

- De-risk and grow FCF
- Customer focused GTM strategy: retention, satisfaction and expansion
- Drive operating leverage through operational discipline and careful capital allocation
- In early development: staged eRUC readiness, positioned as provider of choice

Australia

Fragmented, high-TAM market with significant growth opportunities

Priorities:

- Roll out AU playbook
- Expand AU Sales presence
- Momentum from large wins

ADDITIONAL VALUE-ADD

North America

Right size for the current opportunity

Priorities:

- Win with the right scale and focus on segments with competitive advantage (e.g. cold chain)
- FCF neutral in short to medium term

FY27 Outlook and Guidance

Confirm on track to the commitment to deliver positive FCFF

Total revenue	ARR	FCFF[1]
$192m – $196m	**$165m – $171m**	**$1m – $8m**
(1.6)% - 0.4%	**(5.3)% - (1.9)%**	

- **Total Revenue:** Continued stability with A/NZ pipeline, coupled with CPI uplift in H2.
- **ARR:** A/NZ pipeline and CPI uplift and disclosed NA churn, also considers FX volatility.
- **FCFF (Reported):** On track to deliver positive FCFF, as stated in May 2026. Working capital seasonality sees large annual bill receipts in H2.

1. Reported FCFF *includes* all spend. Normalised FCFF *excludes* Transformation spend as detailed on slide 37
H1 Transformation spend impacting FCFF is $3.9m.
H2 Transformation spend expected to be between $2m to $4m

Q&A



Appendix



Statement of Income

NZ$m	H1 FY27	H1 FY26	Change ($)
Revenue	98.1	99.1	(1.0)
Operating expenses	(75.3)	(70.4)	(4.9)
Earnings before interest, taxation, depreciation and amortisation	**22.8**	**28.7**	**(5.9)**
Depreciation of property, plant and equipment	(10.5)	(10.8)	0.3
Amortisation of intangible assets	(14.6)	(11.6)	(3.0)
Amortisation of contract assets	(6.4)	(5.5)	(0.9)
Impairment of goodwill and intangible assets	-	(134.7)	134.7
Earnings before interest and taxation	**(8.7)**	**(133.9)**	**125.2**
Net financing costs	(2.3)	(2.7)	0.4
Profit/(loss) before tax	**(11.0)**	**(136.6)**	**125.6**
Income tax benefit/(expense)	(1.1)	(7.6)	6.5
Profit/(loss) after tax for the period attributable to the shareholders	**(12.1)**	**(144.2)**	**132.1**
Cash flow hedges	0.1	0.4	(0.3)
Currency translation differences	1.1	(2.7)	3.8
Total comprehensive income/(loss) for the period	**(10.9)**	**(146.5)**	**135.6**

Reported Revenue decreased NZ$1.0m to NZ$98.1m, with strong growth in Australia and modest growth in New Zealand offset by the expected contraction in North America.

EBITDA decreased NZ$5.9m to NZ$22.8m, primarily reflecting higher operating costs associated with transformation activity and increased credit-loss and inventory provisions. These impacts were partly offset by lower discretionary expenditure.

D&A increased NZ$3.6m, primarily reflecting shorter useful lives for intangible assets and higher amortisation of contract assets..

Reported EBIT improved to a NZ$8.7m loss, compared with a NZ$133.9m loss in H1 FY26, which included the NZ$134.7m impairment of North American assets. Excluding the prior-period impairment, the year-on-year movement reflects lower EBITDA and higher amortisation.

Net financing costs decreased NZ$0.4m in line with the movements in borrowing rates.

Cash Flow Statement

NZ$m	H1 FY27	H1 FY26	Change ($)
Cash received from customers	94.8	97.3	(2.5)
Payments to suppliers and employees	(69.2)	(65.8)	(3.4)
Payment for contract asset costs	(10.5)	(5.3)	(5.2)
Net interest	(1.3)	(1.1)	(0.2)
Income taxes paid	(0.9)	(0.1)	(0.8)
Cash flows from operating activities	**12.9**	**25.0**	**(12.1)**
Property, plant & equipment	(9.8)	(12.4)	2.6
Investment in intangible assets	(7.5)	(7.5)	-
Cash flows from investing activities	**(17.3)**	**(19.9)**	**2.6**
Bank loans	3.7	(2.5)	6.2
Payment of lease liability	(0.9)	(0.9)	-
Cash flows from financing activities	**2.8**	**(3.4)**	**6.2**
Net increase (decrease) in cash held	(1.6)	1.7	(3.3)
Cash at the beginning of the financial period	10.1	13.8	(3.7)
Effects of exchange rate changes on cash	0.1	-	0.1
Closing cash and cash equivalents	**8.6**	**15.5**	**(6.9)**

Operating Cash Flow decreased NZ$12.1m, reflecting transformation investment, the impact of a large enterprise customer rollout, and the non-repeat of prior-year cash timing benefits.

Investing Cash Flow improved NZ$2.6m, primarily from lower hardware investment with the conclusion of the 4g hardware upgrade programme. Underlying investment in inventory increased due to the large enterprise customer rollout.

Financing Cash Flow improved NZ$6.2m, reflecting net bank drawings versus repayments in H1 FY26.

Balance Sheet

NZ$m	H1 FY27	FY26	Change ($)
Cash	8.6	10.1	(1.5)
Restricted bank accounts	12.6	29.5	(16.9)
Contract assets	11.3	10.8	0.5
Other	35.7	37.9	(2.2)
Total current assets	**68.2**	**88.3**	**(20.1)**
Property, plant and equipment	80.8	81.0	(0.2)
Intangible assets	108.5	115.0	(6.5)
Contract assets	11.7	7.9	3.8
Other	16.4	16.6	(0.2)
Total non-current assets	**217.4**	**220.5**	**(3.1)**
Total assets	**285.6**	**308.8**	**(23.2)**
Payable to transport agencies	12.5	29.5	(17.0)
Contract liabilities	28.6	33.3	(4.7)
Borrowings	29.9	26.1	3.8
Other liabilities	54.4	47.6	6.8
Total liabilities	**125.4**	**136.5**	**(11.1)**
Net assets	**160.2**	**172.3**	**(12.1)**

Cash decreased NZ$1.5m to NZ$8.6m, reflecting the net cash outflow during the half.

Restricted bank accounts and transport-agency payables both decreased by approximately NZ$17m, reflecting the timing of RUC funds collected and settled.

Property, plant and equipment remained broadly stable at NZ$80.8m, with customer hardware investment largely offset by depreciation.

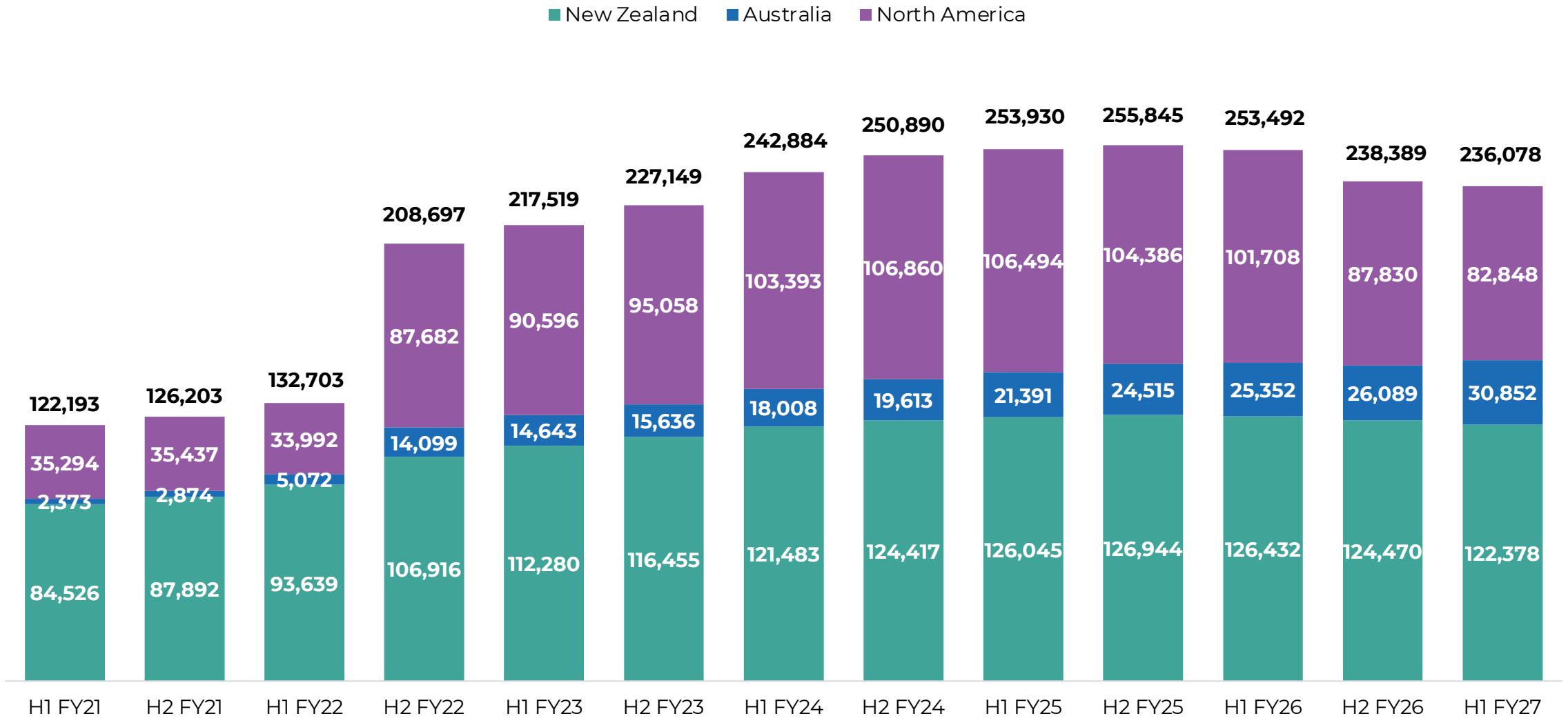
Intangible assets decreased NZ$6.5m, primarily due to amortisation, including the effect of shorter useful lives for development assets.

Borrowings increased NZ$3.8m, reflecting additional drawings partly offset by scheduled repayments.

Adjusted EBITDA and EBIT

NZ$m	Operating expenses	EBITDA	Depreciation and amortisation	EBIT	R&D CapEx	FCFF
Reported Financial Results	**(75.30)**	**22.80**	**(31.50)**	**(8.70)**	**(7.11)**	**(3.09)**
Change in accounting estimate - Capitalisation	**1.20**	**1.20**		**1.20**		
Shortening of Useful Economic Life - Intangibles			**6.62**	**6.62**		
Non-cash accounting adjustments	**1.20**	**1.20**	**6.62**	**7.82**	**-**	**-**
Transformation investment – AI investment	**1.20**	**1.20**		**1.20**		**1.20**
Transformation investment – Platforms	**1.50**	**1.50**		**1.50**	**0.32**	**1.82**
eRUC	**0.28**	**0.28**		**0.28**	**0.60**	**0.88**
One-off normalisations	**2.98**	**2.98**	**-**	**2.98**	**0.92**	**3.90**
Sub-Total adjustments	**4.18**	**4.18**	**6.62**	**10.80**	**0.92**	**3.90**
Normalised Financial Results	**(71.12)**	**26.98**	**(24.88)**	**2.10**	**(6.19)**	**0.81**

Contracted Units[1]



[1] From FY28, EROAD will transition from reporting Contracted Units to Connected Units, defined as Unique vehicles and assets with a connected device. Connected Units better reflect the value delivered to customers and are not affected by changes to commercial terms, supporting consistent reporting over time.

Reconciliation of Non-GAAP Financial Information

Free cash flow to the firm (NZ$m)

Cash flows from operating activities	**Sept-26**	**Sept-25**
Cash received from customers	94.8	97.3
Payments to suppliers and employees	(69.2)	(65.8)
Payments for contract fulfilment assets	(10.5)	(5.3)
Interest received	0.2	0.4
Interest paid	(1.5)	(1.5)
Tax paid	(0.9)	(0.1)
Net cash inflow from operating activities (GAAP)	**12.9**	**25.0**
Cash flows from investing activities		
Payments for investment in property, plant & equipment	(9.8)	(12.4)
Payments for investment in intangible assets	(7.5)	(7.5)
Net cash outflow from investing activities (GAAP)	**(17.3)**	**(19.9)**
Free cash flow	**(4.4)**	**5.1**
(Deduct)/add back:		
Interest received	(0.2)	(0.4)
Interest paid	1.5	1.5
Free cash flow to the firm	**(3.1)**	**6.2**
Adjustments:		
Transformation	3.0	
eRUC	0.9	
4G Hardware upgrade costs	0.0	10.5
Normalised free cash flow to the firm	**0.8**	**16.7**

Free cash flow to the firm is a non-GAAP measure representing operating cash flow and investing cash flow net of interest paid and received.

Reconciliation of Non-GAAP Financial Information

Normalised EBIT

NZ$m	Sept-26	Sept-25
Revenue	98.1	99.1
Operating expenses	(75.3)	(70.4)
Earnings before interest, taxation, depreciation, amortisation and impairment loss (EBITDA)	**22.8**	**28.7**
Depreciation of property, plant and equipment	(10.5)	(10.8)
Amortisation of intangible assets	(14.6)	(11.6)
Amortisation of contract and customer acquisition assets	(6.4)	(5.5)
Impairment of goodwill and other assets	0.0	(134.7)
Earnings before interest and tax (EBIT)	**(8.7)**	**(133.9)**
Add back normalisation adjustments:		
Intangibles change in accounting estimate - capitalisation and useful life	7.8	0.0
Impairment of goodwill and other assets	0.0	134.7
Transformation	2.7	1.7
eRUC	0.3	0.0
Normalised EBIT	**2.1**	**2.5**

H1 FY27 EBIT is normalised for:

- Intangibles FY26 change in accounting estimate (capitalisation and useful life) of $7.8m
- Transformation costs of $2.7m
- eRUC costs of $0.3m.

H1 FY26 EBIT is normalised for:

- Impairment of goodwill and other assets of $134.7m
- Transformation costs of $1.7m.

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 reporting period by the Total Contracted Units at the end of each month during this period.

CONTRACTED 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).

CONNECTED UNIT
Unique vehicles and assets with a connected device.

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.

EMPLOYEE ENGAGEMENT
Engagement is calculated from five core questions covering pride, advocacy, motivation, and both current and future commitment. The score reflects the average percentage of favourable responses across these questions.

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 (FCFF)
A non-GAAP measure representing operating cash flow and investing cash flow net of interest paid and received

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.

NET PROMOTER SCORE (NPS)
Measures customer willingness to recommend EROAD, calculated as the percentage of Promoters (scores 9–10) less Detractors (scores 0–6), on a scale of -100 to +100. Measured through surveys of senior decision-makers at Enterprise and Large Enterprise customers.

NORMALISED EBIT
Excludes non-cash accounting changes of NZ$7.82m and one-off costs of NZ$3.0m.

NORMALISED FCFF
Excludes one-off transformation investment of NZ$3.0m and eRUC investment of NZ$0.9m. H1 FY26 excludes NZ$10.5m of 4G hardware upgrade costs.

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.

EQP SAY/DO RATIO
Say/Do is a measure of team predictability that compares what the team committed to delivering with what it actually delivered.

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.



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.

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