



EROAD (NZX: ERD ASX: ERD) Financial Results

For the 6 months ended 30 September 2023 (H1 FY24)

29 November 2023

Important Information

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All numbers relate to the 6 months ended 30 September 2023 (H1 FY24) and comparisons relate to the 6 months ended 30 September 2022 (H1 FY23), 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 FY24 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 <http://www.eroadglobal.com/global/investors/>

Agenda

Result Overview

- Operational Overview & Key Metrics
- Geographic
- Financial
- 4G Hardware Upgrade Program

EROAD Strategy

- Strategy
- Partnerships
- Region Collaboration
- Market Opportunities

Outlook & Guidance



MARK HEINE, CEO



MARGARET WARRINGTON, CFO



EROAD

01

H1 FY24

Result Overview

H1 FY24 FINANCIAL RESULTS

Reported Revenue	Reported EBIT	Normalised EBIT	Free Cash Flow ³	Cost Out (Annualised)
\$88.9m +13.4% H1 FY23 of \$78.4m ¹	\$0.4m \$1.0m H1 FY23	\$1.9m Normalised ² vs (\$3.4m) H1 FY23	\$(0.2)m FCF positive later half calendar year 2024	\$8.5m Further identified following \$10m FY23

HY Highlights

Revenue Up. Costs Down

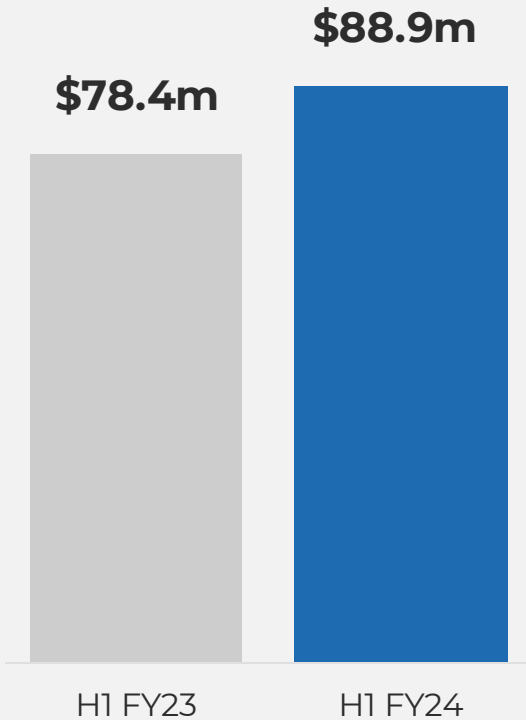
Future Contracted Income	Asset Retention	AMRR	Net Unit Adds	North America
\$226.2m +\$10.5m on H1 FY23	94.2% 94.7% in H1 FY23	\$169.1m +6.8% H1 FY23	15,735 +11.7% H1 FY23	+100k Unit milestone reached

EXECUTING STRATEGIC PLAN

1. Normalised for \$7.0m in HY23 for accounting adjustment related to contingent consideration 2. Normalised for 4G hardware upgrade costs of \$1.5m 3. Free Cash Flow to the firm excludes financing costs

Normalised Revenue Growth

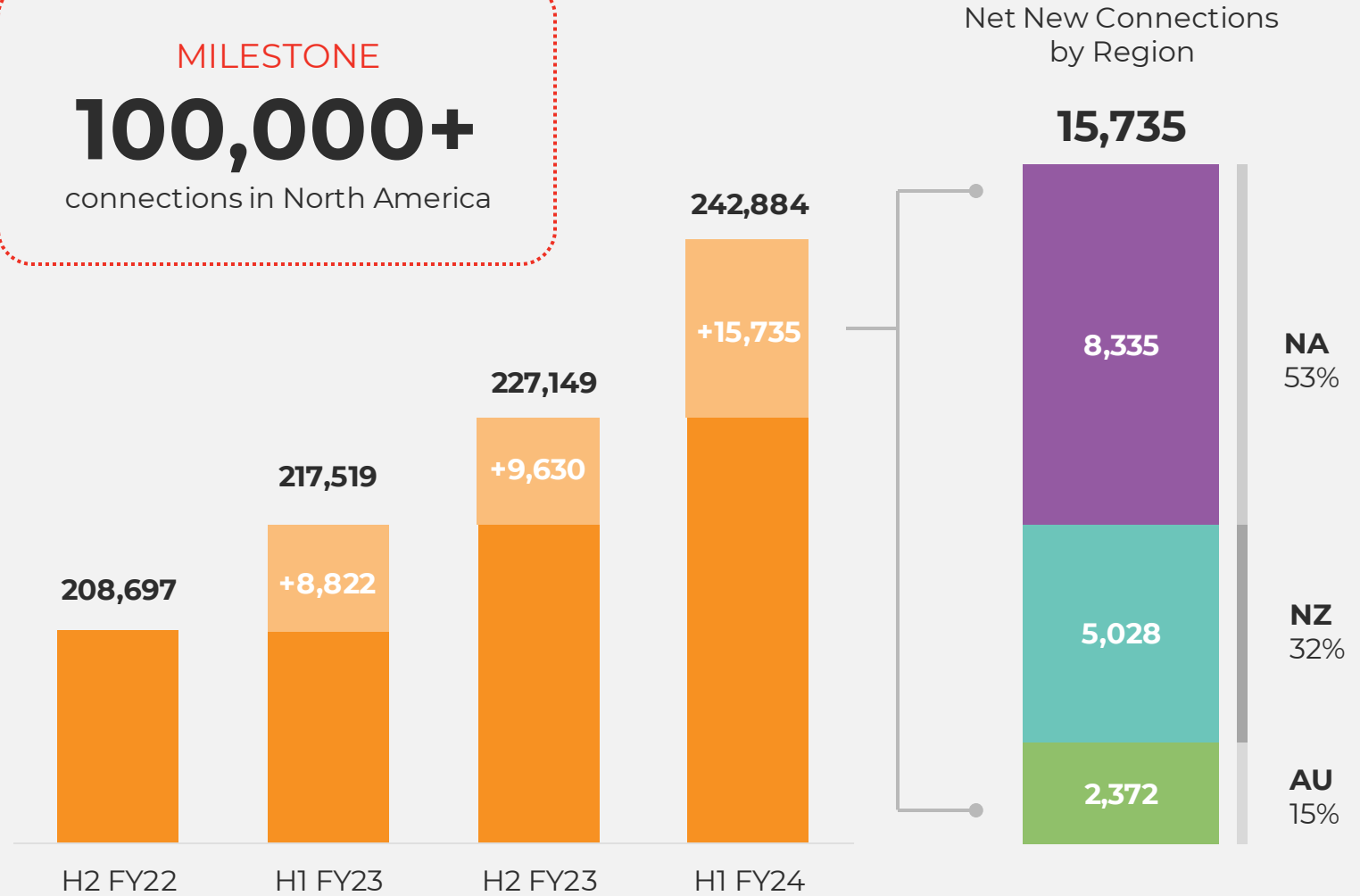
~13% YoY normalised revenue growth driven by 11.7% increase in connected units and favourable foreign exchange. North America accounted for 53% of unit growth in H1 FY24 as units from Sysco rollout are connected



Connection Growth

North America boosted by Sysco rollout and Enterprise expansions

MILESTONE
100,000+
 connections in North America



Positive Momentum

Strong interim results affirm our strategic direction

STRONG FOUNDATIONS

Three complementary business units

- New Zealand business generates strong positive free cash flow, inclusive of growth capex.
- North American business is an investment in a high growth opportunity in the largest addressable market
- Australian business builds on Trans-Tasman fleet benefits into a market ready to capitalise on specialised product development from North America

Intelligence empowering sustainability

- Launched decarbonisation tool in partnership with Energy Efficiency & Conservation Authority (EECA) to help companies reduce emissions
- Free emissions calculator developed with EECA available to NZ transport industry to enable sustainability decisions
- EV State of Charge launched in NZ and NA

CONSISTENT EXECUTION OF STRATEGY

Profitable growth at scale

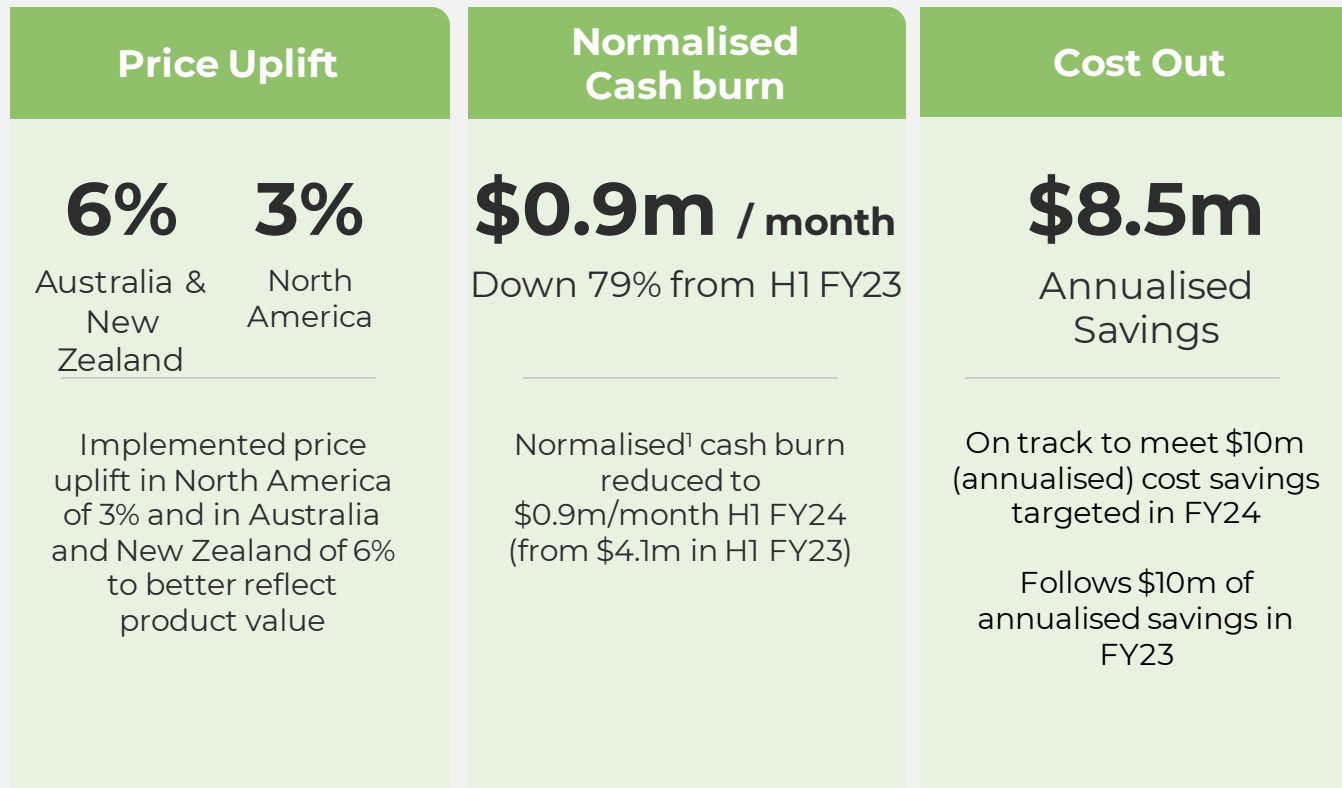
- Sysco install substantially completed
- 8 Key enterprise account wins and renewals of 9,650 connections and growth within these existing customers of 4,478 connections
- On track \$20m cost-out program resets the cost base supporting profitable growth

Free Cash Flow positive focus

- EROAD expects to be consistently free cash flow positive by latter part of calendar 2024.
- Positive trajectory of cash flow being driven by new customer wins, inflation indexation and cost control.
- Excluding one-time 4G upgrade program, EROAD would be free cash flow positive today.

Delivering on Strategy

Sustainable, Profitable Growth



Financial Headroom

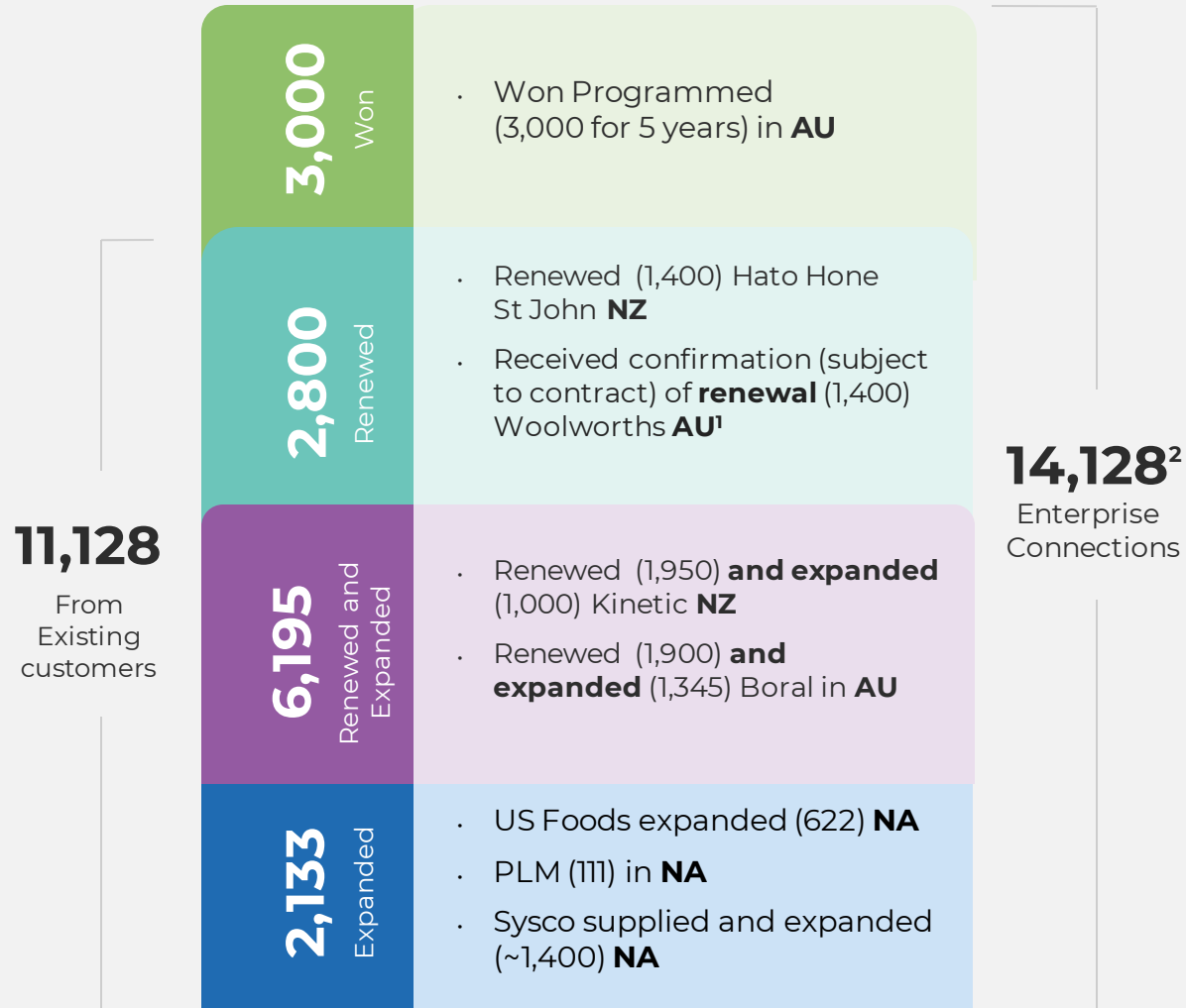


¹ Normalisation excludes capital raised and draws and/or repayments of credit facilities.

Delivering on Strategy

Strategic Priority:

Win, Retain and Expand Key Enterprise Accounts



Value of Enterprise

Net New Enterprise Logo

Onboard new accounts and show value



Renew Contracts

Drive loyalty through benefits to customer



Add-ons to Renewals

New products and solutions increase contract value at renewal



Increase Order Volume

Via customer fleet expansion (organic)
Additional product adoption

¹ EROAD is Woolworths' preferred supplier, presently working on renewing 1,400 units, with 367 units already ordered

² Year to date

*Connected unit numbers are rounded

Key Metrics Trend

Focused execution delivers strong results against refreshed strategy

Targeting Free Cash Flow¹ positive late calendar 2024, neutrality in FY25 ²
Implementation of refreshed strategy provides pathway to sustainable, profitable growth

Goal	Metric	FY22	FY23	H1 FY24	Strategy	FY26 Targets
SaaS Quality	AMRR	\$134.6m	\$153.7m	\$169.1m*	Grow customer base in-line with estimated market growth ³	11% - 13% CAGR
	Churn	7%	5%	6%	Maintain historical churn rate	5% - 7%⁴
	Average Lease Duration Remaining (years)	1.4	1.3	1.4	Rebalance toward longer-dated enterprise contracts	1.5 – 2.0⁵
Investment	R&D as % of revenue	28%	23%	17%	Focus on projects with near-term ROI	13% - 15%⁶
Return	Free Cash Flow ¹ Margin	-39%	-18%	0%	Improve cash efficiency and drive NA growth	9%+⁷

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

²Based on delivery plan of Project Switch.

³Targeted growth in-line with blended market growth in North America and ANZ.; ANZ fleet management unit market is estimated to grow at a 16% CAGR (2019-2024); North America private fleet telematics market is expected to grow by 11% per year until 2030 (Sources: ACT Research, I.H.S., Berg, Expert interviews).

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

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

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

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

*Annualised monthly recurring revenue includes negative FX impact of \$4.4m in H1 FY24

New Zealand

Strong cash generative market with a focus on multi-product adoption

5,028

Net unit adds

94%

Asset Retention Rate
4G Hardware Upgrade Programme slightly elevating churn

346

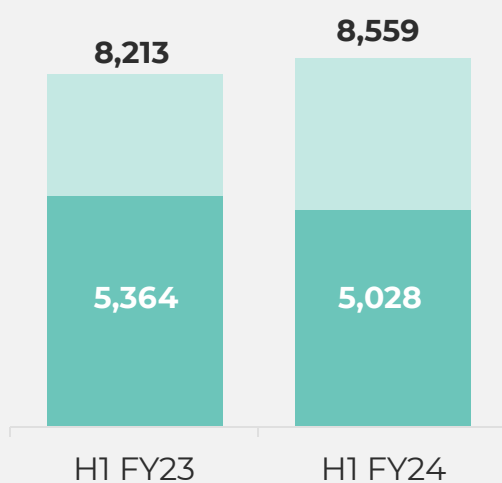
Customers added services

NZ\$58.17

Monthly SaaS ARPU ▲ 4.8%

NZ\$28.7m

EBITDA ▲ 14.8%



Continued stable growth bringing total connected unit count to 121,483. Up 4% on FY23

H1 FY24 New Zealand

CUSTOMER EXPANSION

346 customers expanded their services by an additional 8,794 connections

CUSTOMER LOYALTY

Kinetic NZ (Go Bus Parent Co) renewed (1,950) and **expanded** (1,000) 5 year term

Hato Hone St John renewed (1,400) 5 year term

PRICE UPLIFT

6% price lift implemented 1 July 2023 to reflect product value

4,350

Enterprise connections expanded and renewed 1,000 are net-new

North America

Solid growth with momentum building in enterprise focus

8,335

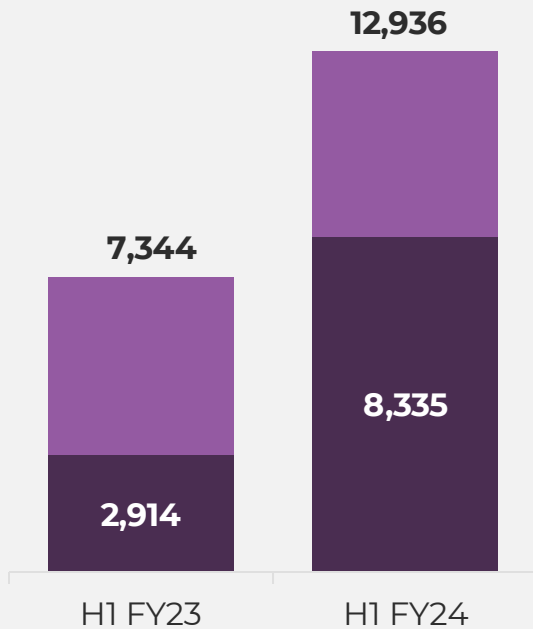
Net unit adds

93.9%

Asset Retention Rate

149

Customers added services



■ Net Units Added ■ Gross Units Added

Includes fleet resizes for customers who own their hardware on evergreen contracts (approx. - 1.7k units).

Churn is mostly SMB and dealer network. Approx 600 units lost to business closure.

NZ\$60.23

Monthly SaaS ARPU ▲ 1.8%
USD\$36.85

NZ\$15.9m

EBITDA ▲ 25.2%

H1 FY24 North America

SYSCO 9,000+ UNIT UPDATE:
Sysco rollout substantially completed

Additional 1,400+ connections supplied above initial contract

CUSTOMER LOYALTY
93% of new unit sales are to existing customers

68% of those are enterprise

TEAM
Welcomed new VP Sales NA
Implemented new marketing strategy

PRICE UPLIFT
3% price lift implemented 1 July 2023 to reflect product value

MILESTONE
100,000+
connections in North America

Australia

Solid growth with momentum building in enterprise focus

2,372

Net unit adds

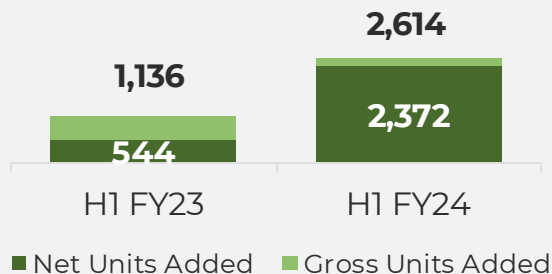
97.4%

Asset Retention Rate

88

Customers added services

Strong growth in units connected reflecting momentum from focused sales efforts. Once fully installed, the 4,345 booked new units for HY deliver a 28% growth in overall Australian unit count from FY23.



NZ\$46.67

Monthly SaaS ARPU ▲ 2.7%
AU\$43.16

NZ\$1.7m

EBITDA ▲ 88.9%

H1 FY24 Australia

NEW ENTERPRISE

Programmed Australia
(3,000) 5 year term

CUSTOMER LOYALTY

Boral renewed (1,900)
and expanded (1,345)

Received confirmation (subject to contract) of renewal (1,400)
Woolworths AU¹

PRICE UPLIFT

6% price lift implemented July 1 to reflect product value

7,645

Enterprise connections won, expanded or renewed.
4,345 are **net new** units

¹ EROAD is Woolworths' preferred supplier, presently working on renewing 1400 units, with 444 units already ordered

HY24 Financials

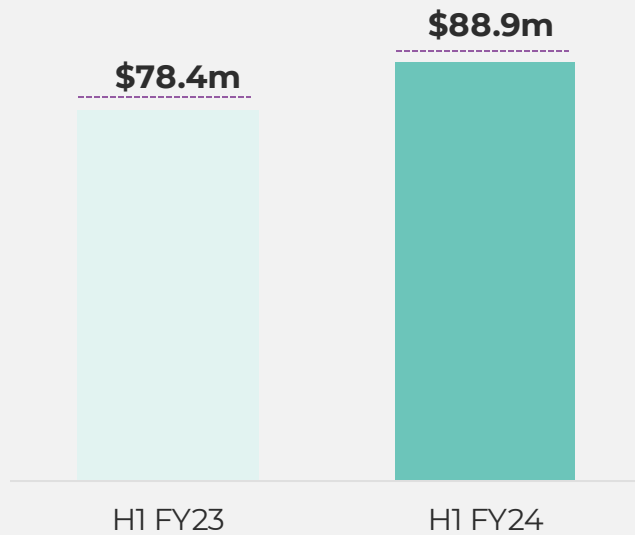


Programmed Australia
A leading provider of Staffing, Facility
Management, Maintenance and Care services
3,000 units to use MyEROD

Revenue & EBIT

Financial results delivered above guidance, demonstrating our commitment to deliver on our promises

Normalised Revenue¹



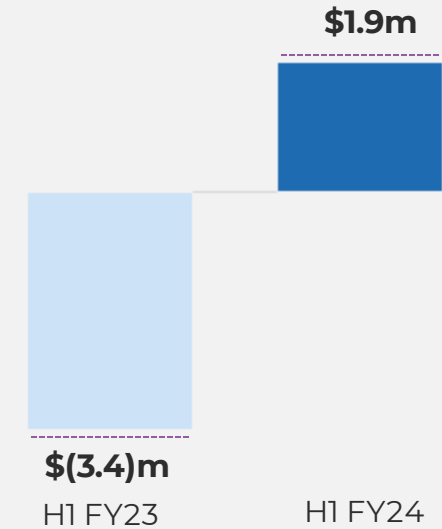
Revenue of \$88.9m is up 13.4% on normalised H1 FY23 revenue reflecting unit growth, price increases and foreign exchange.

Normalised Operating Costs²



Identified \$8.5m of annualised cost savings in H1 FY24. On track to meet \$10m (annualised) of cost savings targeted in FY24, following \$10m of cost-out in FY23.

Normalised EBIT³



Normalised EBIT of \$1.9m is on target to meet FY24 guidance range (\$0-5m)

¹ Revenue normalised for \$7.0m in H1 FY23 relating to accounting adjustment for contingent consideration

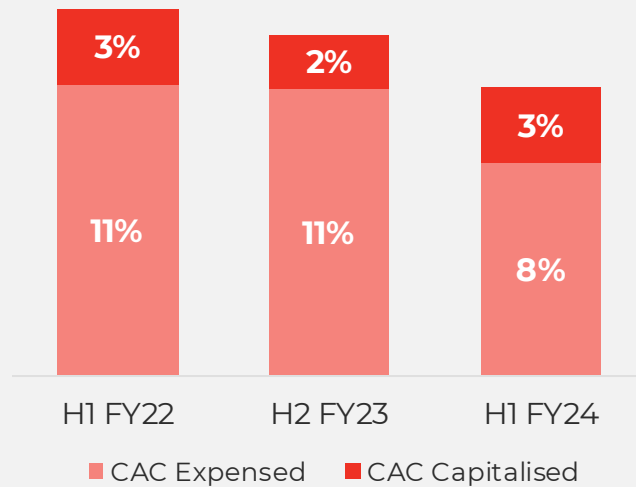
² Operating costs normalised for 4G hardware upgrade costs of \$0.5m in H1 FY24 and integration costs of \$2.6m in H1 FY23

³ EBIT normalised for contingent consideration of \$7.0m in H1 FY23, 4G hardware upgrade costs of \$1.5 in H1 FY24, and integration costs of \$2.6m in H1 FY23

Operational Efficiency

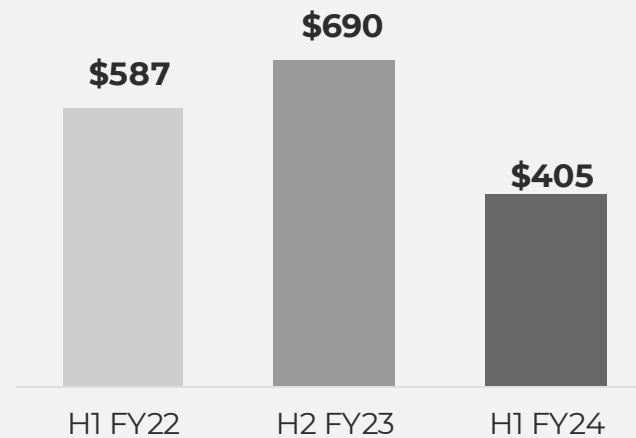
Management focus on gaining efficiency across all cost measures

Cost to acquire customers as a % of revenue



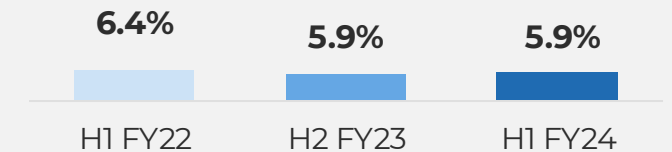
Expansions from existing customers, and measured sales and marketing spend show positive trends in CAC.

Customer acquisition cost (CAC) per unit



Lower cost per unit in H1 FY24 reflects the lag between the costs spent to acquire a customer and the recognition of a new unit added following installation.

Cost to support & service as a % of revenue

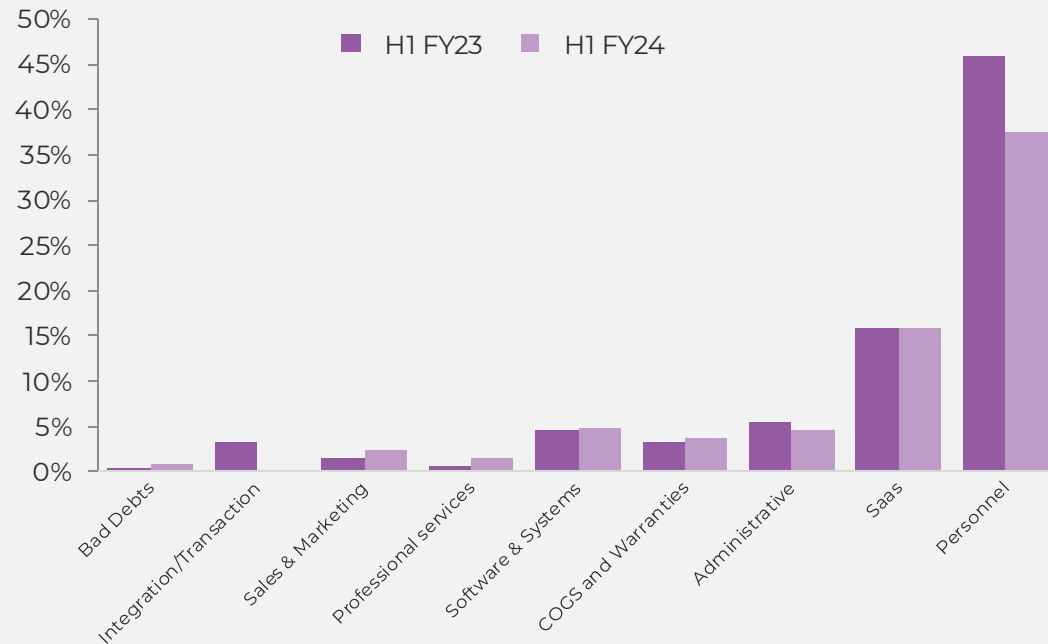


The decline over the prior year reflects savings from driving efficiencies and the cost-out program.

Operating Costs

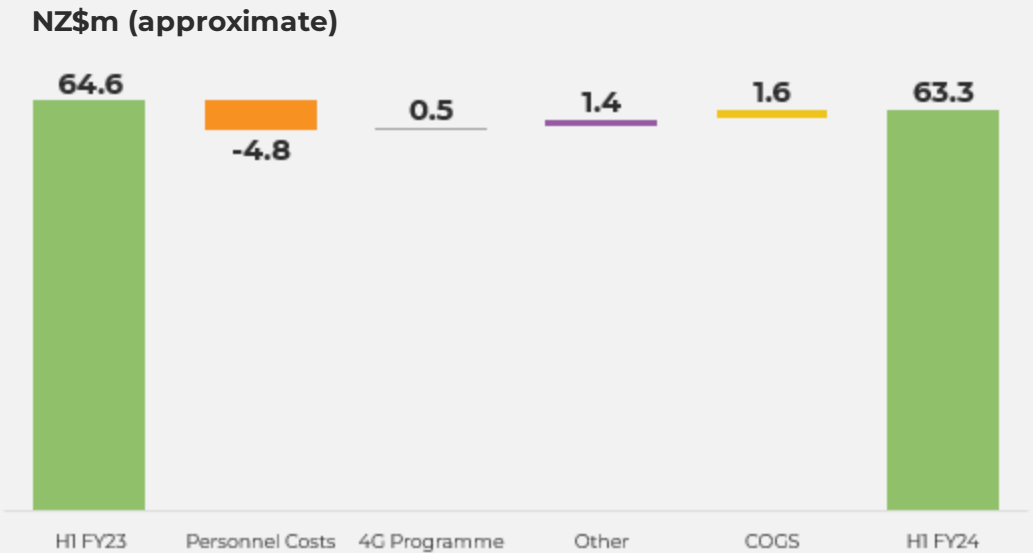
Cost-out program to deliver cost base for profitable growth

Operating cost as a % of normalised revenue¹



Operating costs have decreased versus the prior period as a percentage of revenue following the \$10m of cost-out in FY23 and \$8.5m of cost-out identified in H1 FY24.

Maintaining operating costs at stable levels



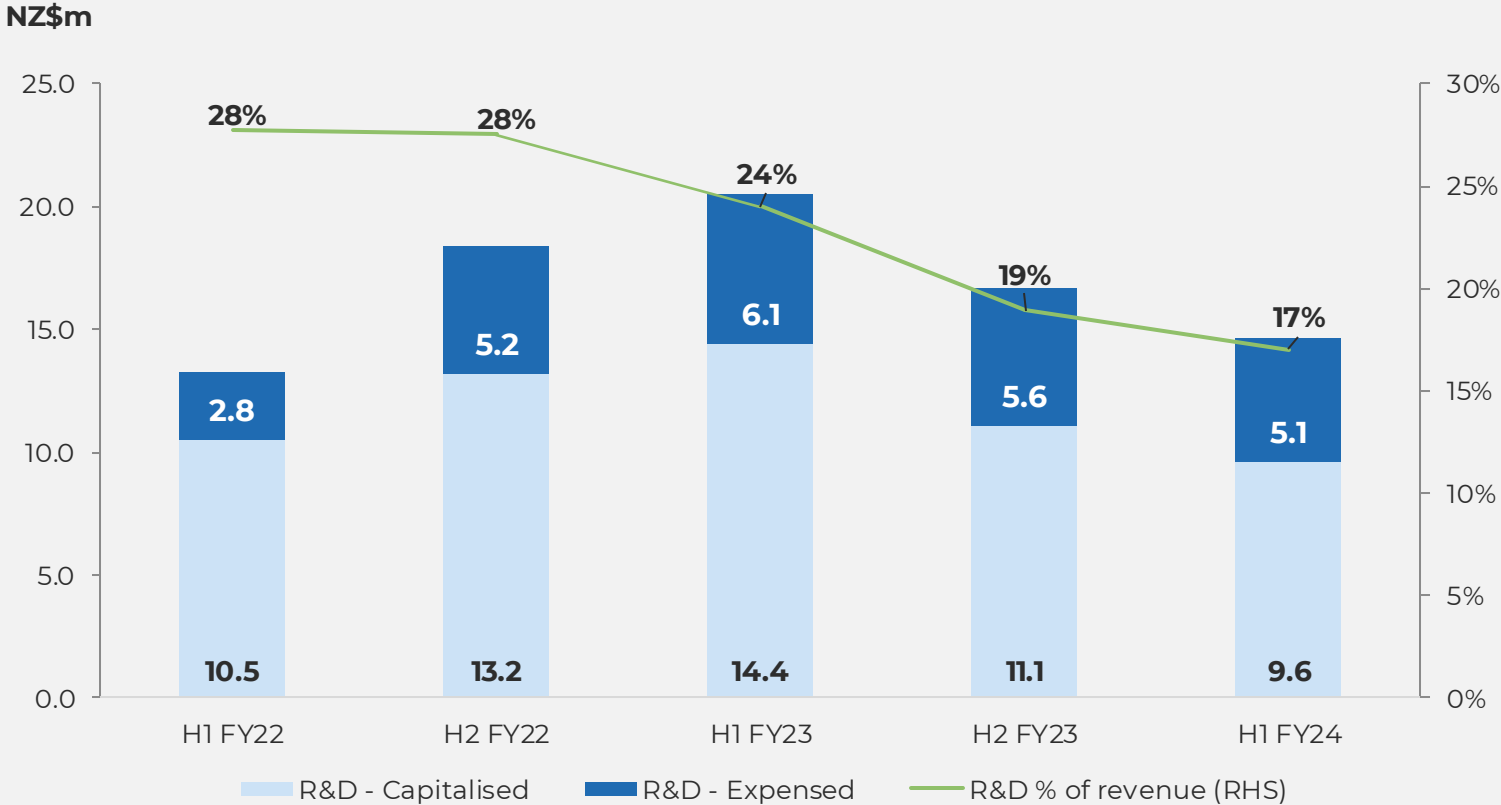
Stable operating cost base reflecting cost out program will allow EROAD to grow revenue and profitability

¹ Revenue normalised for \$7.0m in HY23 relating to accounting adjustment for contingent consideration

Research & Development

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

R&D decreasing as % of revenue on strategic shift

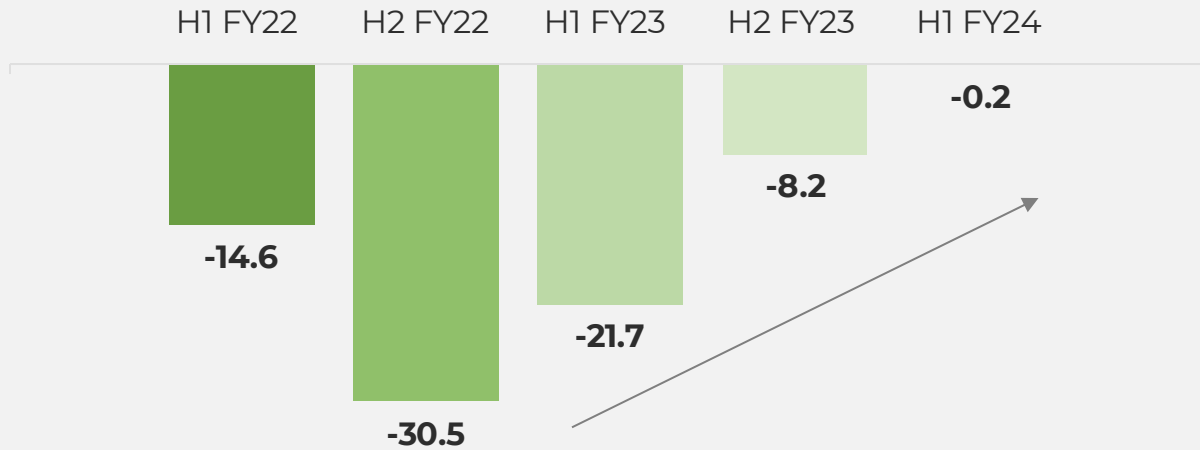


- Total R&D spend of \$14.7m in H1 FY24, 17% of revenue.
- Compares to \$20.5m 24% in H1 FY23.
- Target R&D of \$30m in FY24 equates to 17% of the mid-point of FY24 revenue guidance (\$175-180m).
- By holding R&D constant we achieve leverage from investment

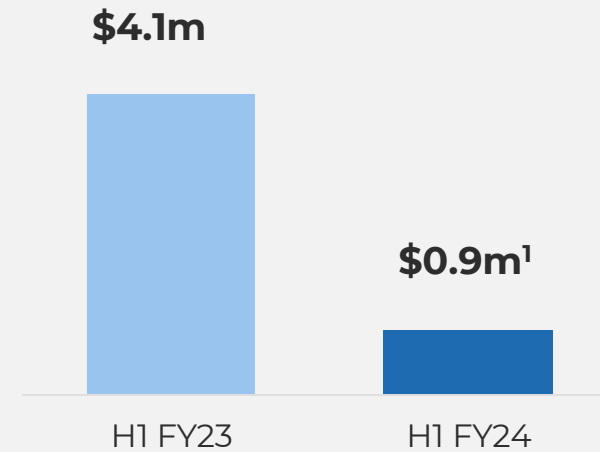
Cash Flow Trend

Cash flow continues to improve through execution

Positive free cash flow to the firm trajectory



Monthly cash burn continues to reduce



Free cash flow to the firm estimated to be consistently positive late calendar year 2024 based on current forecasts, inflation indexation, achievable cost savings, and profile of 4G hardware upgrade program.

EROAD would be free cash flow positive today excluding the one-time 4G hardware upgrade program

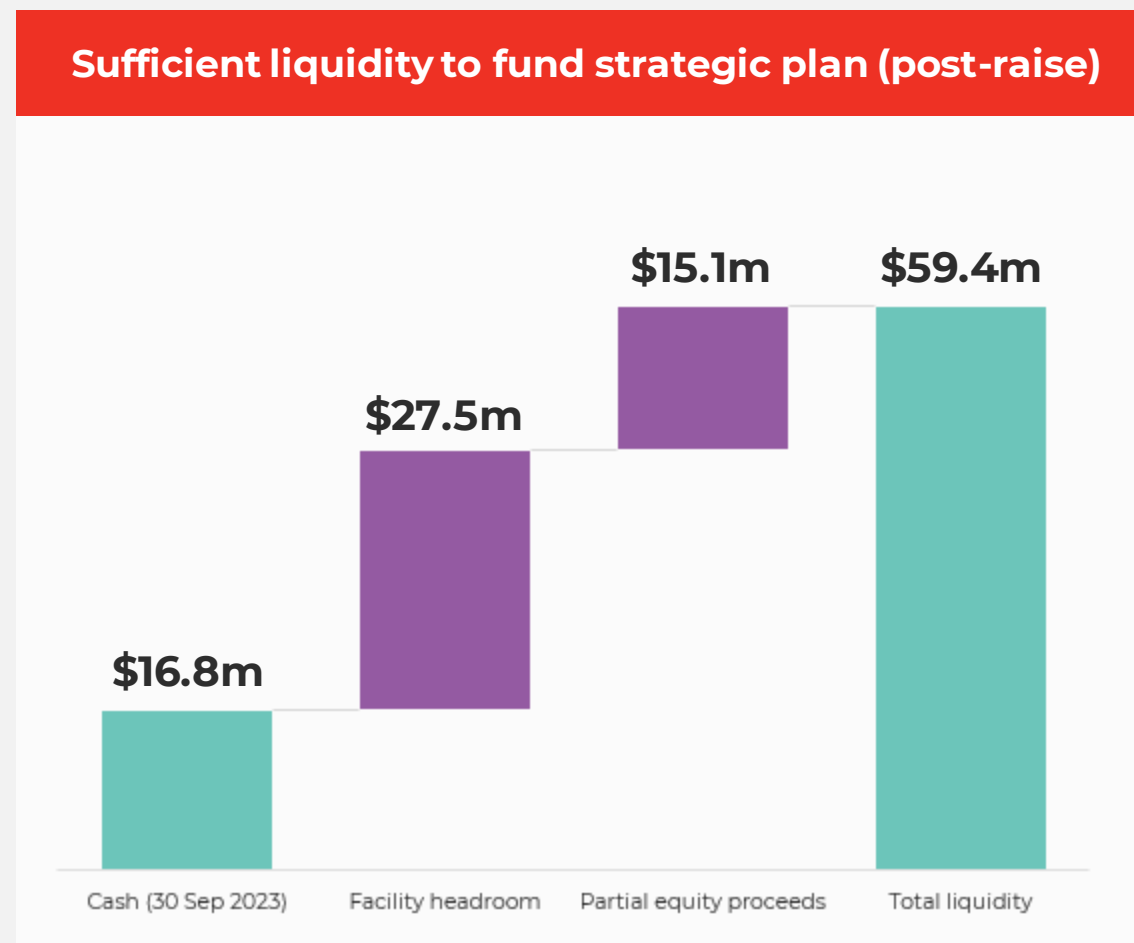
Cash burn continued to decrease due to cost-out program and benefit of historical investment in inventory. Acceleration of 4G hardware upgrade program is expected to elevate cash burn in the second half of FY24.

¹ Normalised for capital raised during the period.

Liquidity

Strong balance sheet for strategic execution

Bank Facilities	
<p>\$80m</p> <p>Bank Facility</p>	<p>Secured new 3-year \$80m bank facility in October in conjunction with capital raise.</p> <p>Amortisation will reduce the facility limit to \$60m at end of the 3-year commitment</p>
<p>3</p> <p>NZ bank lenders</p>	<p>Added NZ domestic bank (Kiwibank) in addition to two existing lenders (ANZ, BNZ)</p> <p>New facility provides added duration and flexibility, with headroom to covenants</p> <p>Net leverage $\leq 1.50x$ reducing to $1.25x$ by September 2025 and $1.00x$ by June 2026 Interest coverage ratio $\geq 4.00x$</p>
<p>\$59.4m</p> <p>Total liquidity</p>	<p>Provides company with total liquidity of \$59m. Interest costs are reduced by \$1m per year</p> <p>Sufficient liquidity to grow and achieve free cash flow positive without the need for further capital</p>



¹ Under new refinanced facility agreement executed on 29 September 2023

² NZX retail entitlement net proceeds which closed on 2 October 2023

4G Hardware Upgrade Program ANZ

Unit replacement program progressing to plan, with 46% of all units in ANZ already 4G compatible

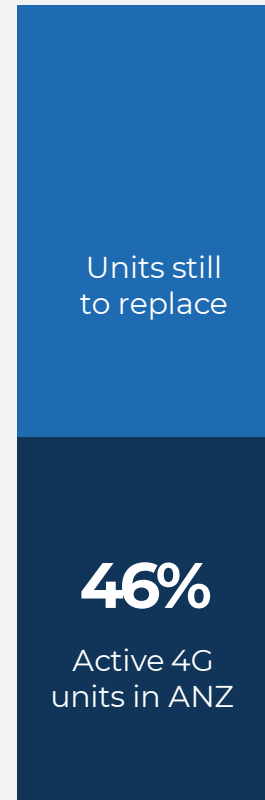
Upgrades to ANZ network

- EROAD is accelerating the swap out of 2/3G devices to 4G devices over a 2-3 year period
- We remain confident in our plan to upgrade all devices in both markets by the retirement dates.
- Any New Zealand customers who do not update pre 3G shut down will maintain connectivity via the 2G network

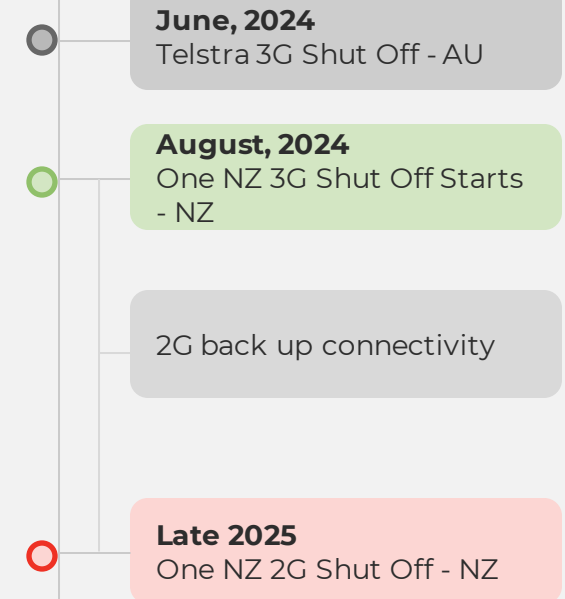
One-off accelerated replacement program costs relate specifically to the 3G Network shutdown

NZ\$m	FY24	FY25	FY26
Expected investment <i>(Hardware + Program costs)</i>	\$11-\$13m	\$8-\$10m	\$5-\$7m

Rollout progress



Key dates





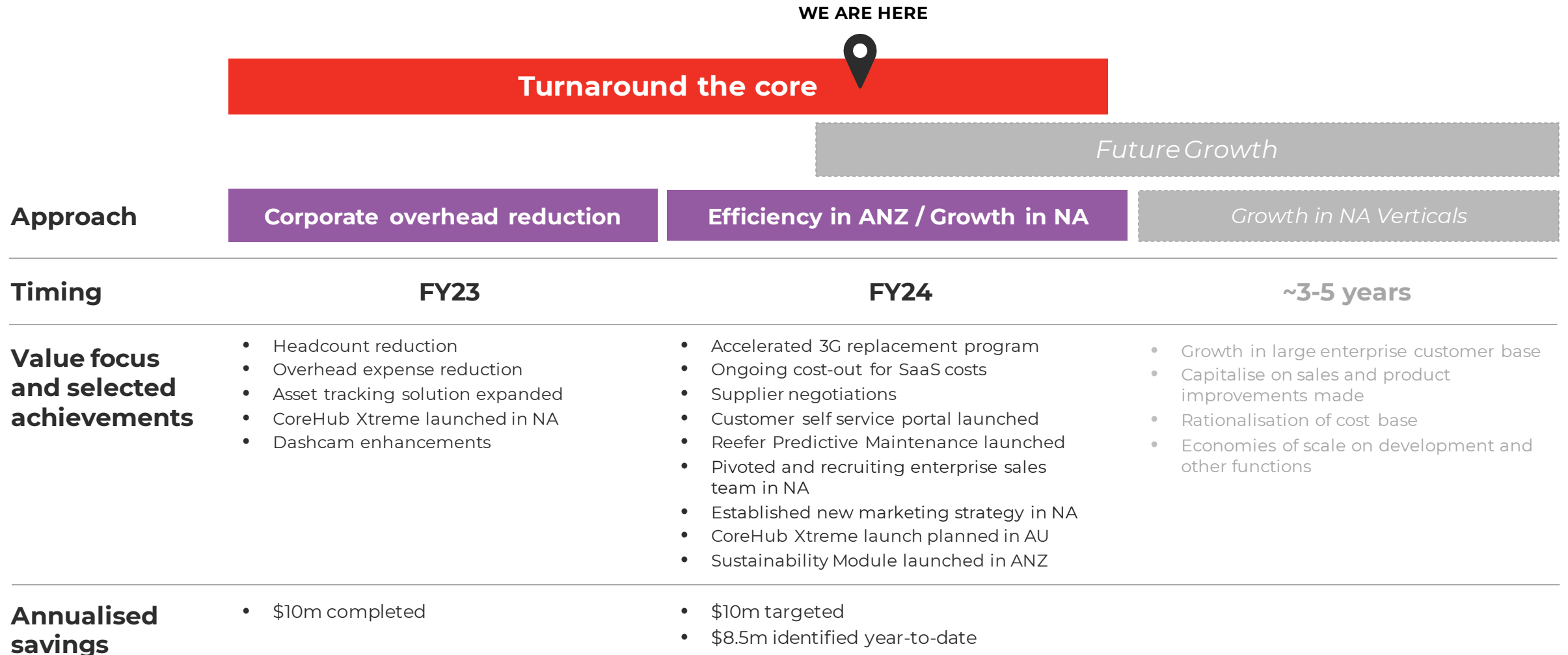
EROAD

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Strategy Update

Strategy Timeframe

Optimising business operations underway, clearing the way for scaleable growth



Sustainability

Positioned for emerging social and environmental trends

Market Trend

Despite increasing pressure to reduce environmental impact, sustainability efforts across our markets are limited by:

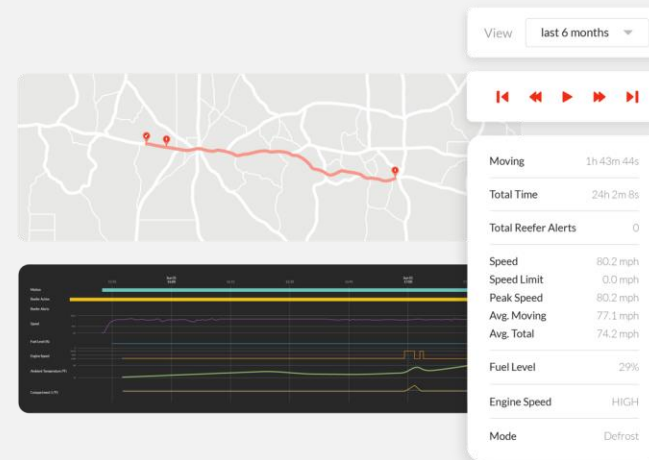
- Lack of EV charging infrastructure
- Price and supply chain limitations on EV fleets
- Limited range in current EVs

Immediate and meaningful emission and footprint reductions within their existing control include:

- Fuel usage
- Driver behaviour
- Vehicle performance
- Reduced product waste

EROAD Intelligence

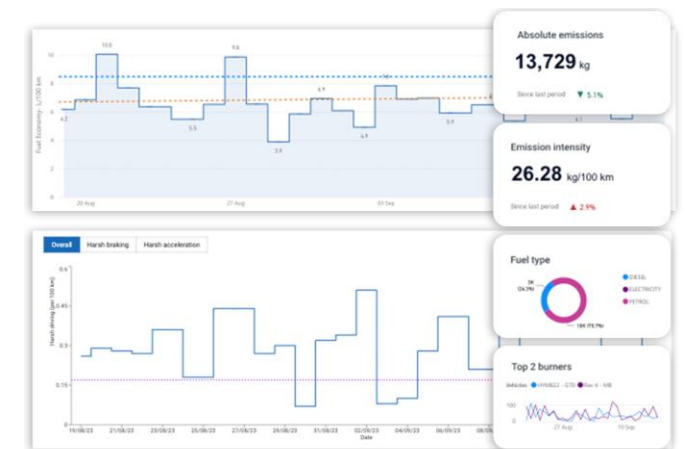
EROAD core products already track, measure and control leading indicators for key areas of carbon emissions.



- Idle controls
- Vehicle maintenance
- Routing – fuel usage, fresh delivery
- Optimised pre-cool for cold-chain
- Temperature control (food quality)
- Speed governors - fuel usage

EROAD Better World

Layering carbon reduction targets into existing efficiency and cost saving benefits adds value to customers, and the planet.



Developed in conjunction with EECA MyEROAD Sustainability Module is just one step in making emissions reduction as commonplace for our customers as safety measures and cost improvements.

North American Strategic Partnership Update

As communicated at March 2023 Investor Day

Strategic Partner Rationale

EROAD commenced searching for partners in North America to assist with:

- Go to market channels
- Technology partnerships
- Possible capital

Partnership Focus Areas

**Large
Enterprise**

Cold Chain

Construction

To accelerate key product development and reduce barriers for customer acquisition, **two strategic technology collaborators were identified, and secured.**

Discussions with additional technology partners in North America are ongoing.

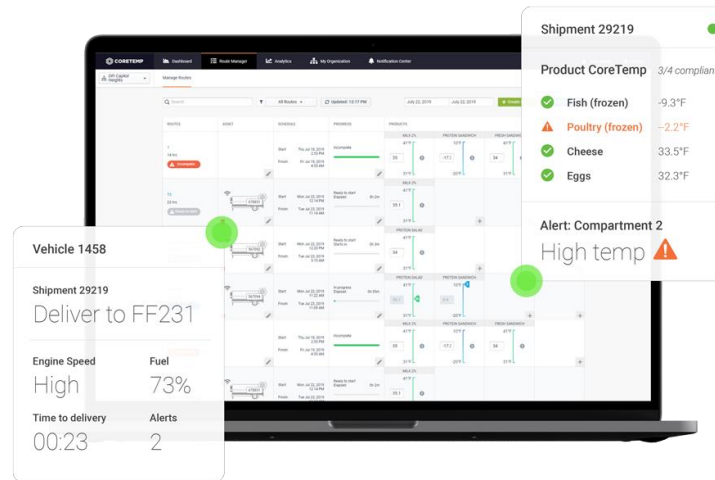
Strategic Collaborators: Technology

Accelerating adoption through intelligence + accessibility

Technology: Microsoft

- Enables use of Generative AI to accelerate development of CoreTemp
- Expedites adoption of high-value added predictive analytics software
- Applicable for existing Reefer customers and prospects globally. Reefer market in NA is 400,000+ trailers.
- The roadmap of AI enhancements will help EROAD deliver at speed.

- Cold Chain ✓
- Large Enterprise ✓
- Construction ✓



400,000+

Reefer Trailers in North America

While the Microsoft collaboration will be applied to CoreTemp as the first product, the partnership spans the entire customer roadmap globally.

OEM: ThermoKing

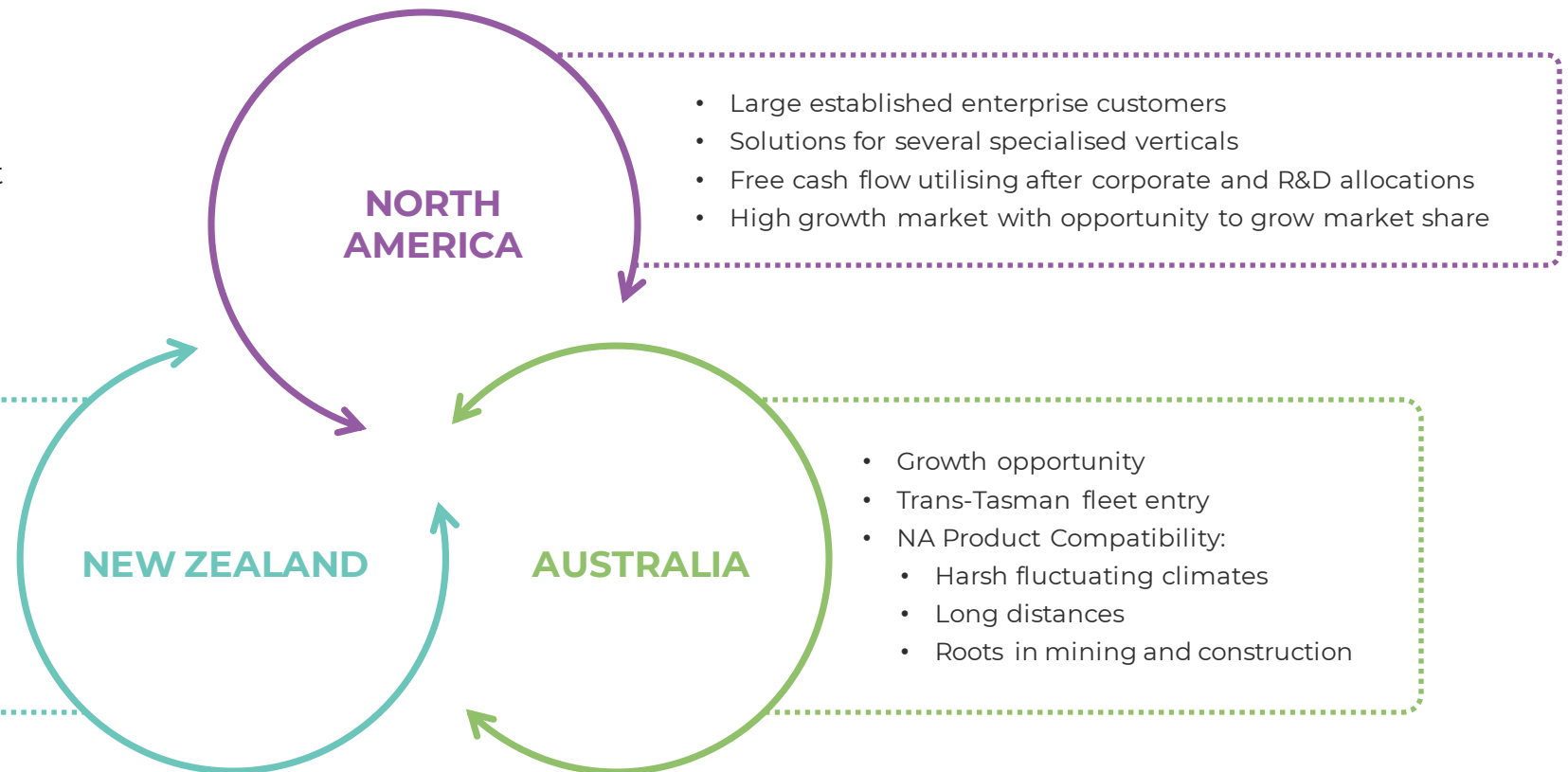
- Partnered with Trane Technologies for direct integrations with their Thermo King Transport Refrigerated Units.
- Allowing us to offer customers the benefits of our monitoring without the hard outlay of full hardware, whilst still retaining our margins.
- Testing currently planned with an existing large enterprise customer

- Cold Chain ✓
- Large Enterprise ✓

Leveraging our strengths for growth

Shared innovations and solutions – three complementary markets

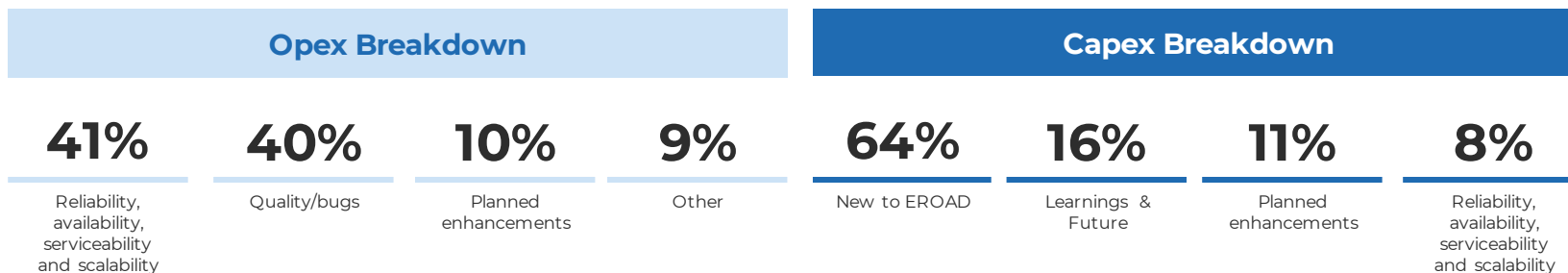
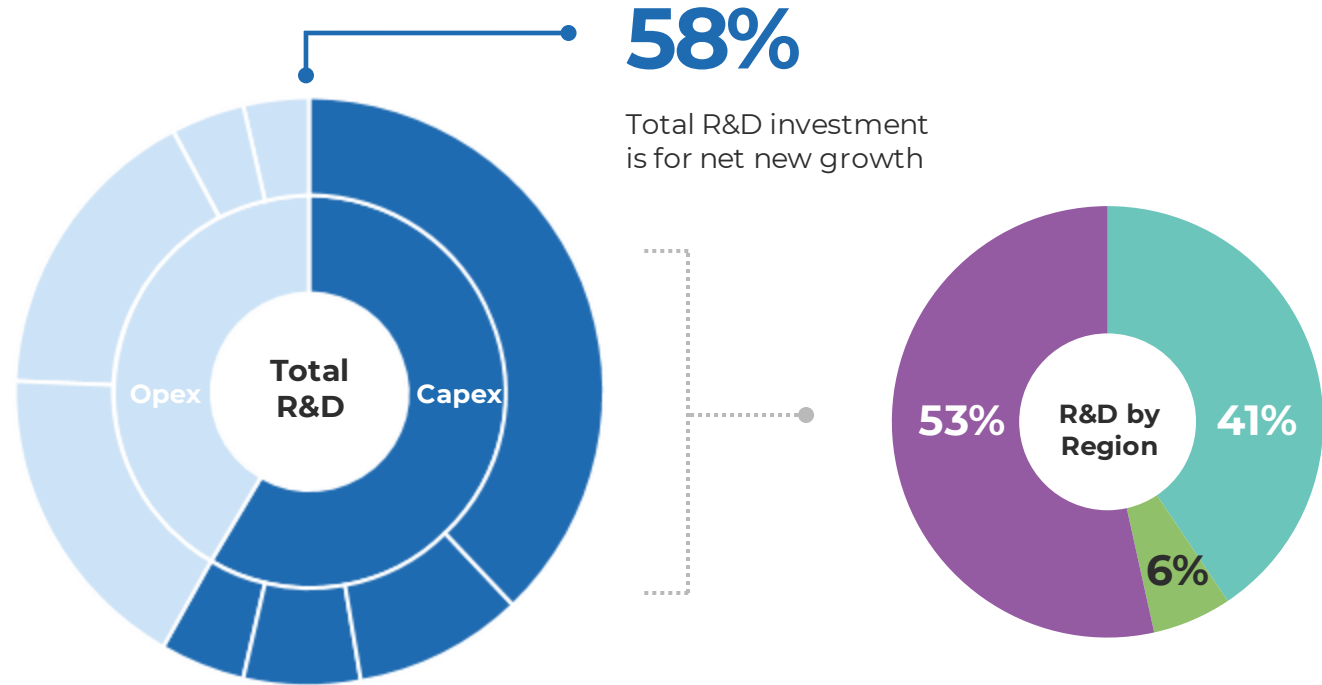
- Shared product development for economies of scale
- Sustainability features in NZ products supportive of long-term North American trends
- Workflow solutions in NA, such as construction and refrigeration, support launch of value-add products in Australia and New Zealand



R&D Investments for growth

Strategic R&D allocations across retention and growth areas globally

- Ongoing maintenance spend in platforms and systems for existing customers for retention.
- Targeted investment in new offerings increases value by opening new customer opportunities and expansion within existing.
- Our R&D priorities vary from period to period in response to customer and market needs.



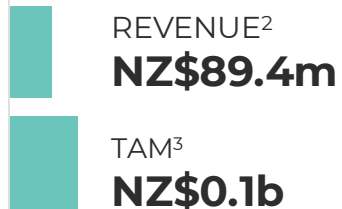
Market Share

Significant growth achievable through market share gain in North America

NEW ZEALAND

Cash generative geography with leading market position in target verticals

9.3% CAGR¹ since Nov-21



Trusted by:
Largest operator in NZ

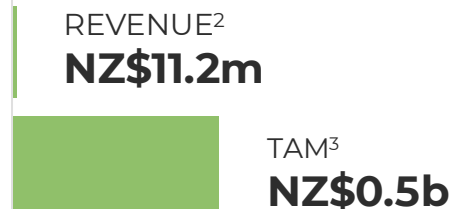
Value proposition

New Zealand's leading transport technology platform for compliance, productivity, health & safety, logistics and sustainability.

AUSTRALIA

Opportunity to leverage leading New Zealand market position for trans-Tasman fleets

16.6% CAGR¹ since Nov-21



Trusted by:
#1 Integrated Construction Material Co

Value proposition

Trusted transport technology platform for health & safety, cold chain and construction assurance.

NORTH AMERICA

Largest market with significant long-term growth prospects

12% CAGR¹ since Nov-21



Trusted by:
Top 2 food shippers in North America

Value proposition

Insights, workflow and productivity solutions help enterprise customers manage complexity through complete integration and vertical specialisation.

Opportunity to drive revenue in North America through market share gains from referenceable customers such as Sysco

¹ Growth of contracted units since acquisition of Coretex ² Revenue figures are first half FY24 annualised

³ Total addressable market, source: ACT Research, I.H.S, Berg, Expert interviews, Fleet manager interviews, reported financials



EROAD

03

Outlook & Guidance

Outlook & Guidance

On track to delivering a path to sustainable, profitable growth

FY24 Guidance reconfirmed

- Revenue growth of between 6 – 9%
- Cost-out program to continue
- EBIT of \$0m to \$5m normalised for 4G hardware upgrade programme

Free Cash Flow neutral for FY25, positive in FY26

Implementation of refreshed strategy provides pathway to sustainable, profitable growth.

EROAD expects to be consistently FCF positive by latter part of calendar 2024

Outlook

Continued, consistent growth in New Zealand, with increased opportunity with proposed government policies for eRUC.

Building on momentum gained in Australia and launching expanded product suite beyond existing customers.

Growing with our existing customer base through expansions alongside newly built enterprise sales and marketing team.

FY24 Guidance

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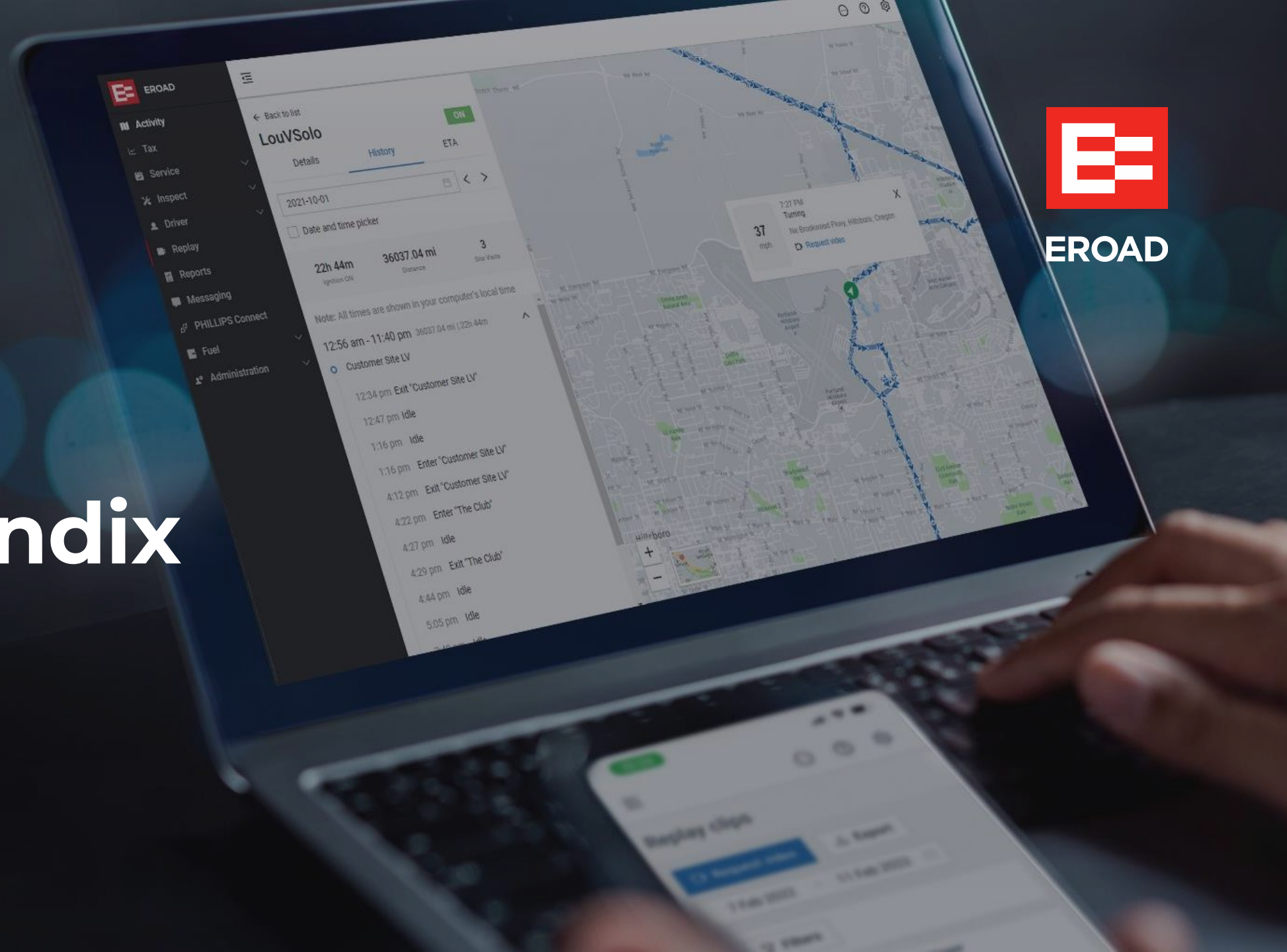
R&D spend	\$30m
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EROAD

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Appendix



Statement of Income

NZ\$m	H1 FY24	H1 FY23	Change (\$)
Revenue	88.9	85.4	3.5
Operating expenses	(63.3)	(64.6)	1.3
Earnings before interest, taxation, depreciation and amortisation	25.6	20.8	4.8
Depreciation of property, plant and equipment	(11.0)	(8.0)	(3.0)
Amortisation of intangible assets	(9.3)	(8.1)	(1.2)
Amortisation of contract and customer acquisition assets	(4.9)	(3.7)	(1.2)
Earnings/(loss) before interest and taxation	0.4	1.0	(0.6)
Net financing costs	(4.7)	(3.7)	(1.0)
Profit/(loss) before tax	(4.3)	(2.7)	(1.6)
Income tax benefit/(expense)	3.1	3.3	(0.2)
Profit(loss) after tax for the period attributable to the shareholders	(1.2)	0.6	(1.8)
Items that are or may be reclassified subsequently to profit or loss	2.7	5.0	(2.3)
Total comprehensive income / (loss) for the period	1.5	5.6	(4.1)

Reported Revenue increased \$3.5m primarily due to unit growth of approximately 25,000 units since 30 Sep 2022. The prior year included \$7.0m of accounting adjustment related to contingent consideration

Strength of the USD has resulted in increased revenue of approximately \$1.2m.

EBITDA increased \$4.8m on the benefit of cost reductions in the first half of this financial year with operating expenses decreasing year on year. This is in spite of additional costs associated with the 4G hardware upgrade program commencing of \$1.5m.

D&A increased \$5.4m on the additional unit growth since 30 Sep 2022 as well as accelerated depreciation on the units impacted by the 4G hardware upgrade program.

Interest increased \$1.0m in line with increased borrowing in the period as well as movements in the interest rates.

Cash Flow Statement

NZ\$m	HI FY24	HI FY23	Change (\$)
Cash received from customers	88.5	78.0	10.5
Payments to suppliers and employees	(58.4)	(64.4)	6.0
Investment in contract fulfilment assets	(5.6)	(3.6)	(2.0)
Net interest	(3.8)	(1.7)	(2.1)
Income taxes paid	0.0	0.0	0.0
Cash flows from operating activities	20.7	8.3	12.4
Property, plant & equipment	(12.8)	(14.3)	1.5
Investment in intangible assets	(9.8)	(16.1)	6.3
Contract fulfilment and customer acquisition assets	(2.1)	(1.3)	(0.8)
Cash flows from investing activities	(24.7)	(31.7)	7.0
Bank loans	(18.0)	15.5	(33.5)
Payment of lease liability	(1.1)	(1.2)	0.1
Receipts in advance for equity issue	5.1	0.0	5.1
Issue of equity	29.2	0.0	29.2
Cost of raising capital	(2.5)	0.0	(2.5)
Cash flows from financing activities	12.7	14.3	(1.6)
Net increase (decrease) in cash held	8.7	(9.1)	17.8
Cash at the beginning of the financial period	8.1	13.9	(5.8)
Effects of exchange rate changes on cash	0.0	(0.4)	0.4
Closing cash and cash equivalents	16.8	4.4	12.4

Operating Cash Flow increased \$12.4m primarily due to the unit growth, foreign exchange impacts, and cost savings.

Investing Cash Flow decreased \$7.0m primarily due to lower integration activity versus the prior year. Prior year included spend to secure inventory during the global supply chain crisis.

Financing Cash Flow decreased \$1.6m on higher borrowings partially offset by new capital raised. Partial proceeds from the equity raise of \$15m were received post-balance date.

Balance Sheet

NZ\$m	H1 FY24	FY23	Change (\$)
Cash	16.8	8.1	8.7
Restricted bank accounts	18.2	11.6	6.6
Costs to acquire and contract fulfilment costs	8.2	7.6	0.6
Other	36.5	34.4	2.1
Total current assets	79.7	61.7	18.0
Property, plant and equipment	81.4	77.8	3.6
Intangible assets	242.6	242.1	0.5
Costs to acquire and contract fulfillments costs	8.0	5.8	2.2
Other	18.4	15.4	3.0
Total non-current assets	350.4	341.1	9.3
Total assets	430.1	402.8	27.3
Payable to transport agencies	18.3	11.9	6.4
Contract liabilities	21.7	19.4	2.3
Borrowings	52.5	70.6	(18.1)
Other liabilities	52.7	52.1	0.6
Total liabilities	145.2	154.0	(8.8)
Net assets	284.9	248.8	36.1

Cash increased \$8.7m following partial proceeds received from the capital raise (final \$15m of proceeds were received post balance date) and pay down of debt.

Property, plant and equipment increased \$3.6m due to the ongoing growth from new hardware leasing and the 4G hardware upgrade program. Inventory balance at 30 September 2023 was \$27.2m.

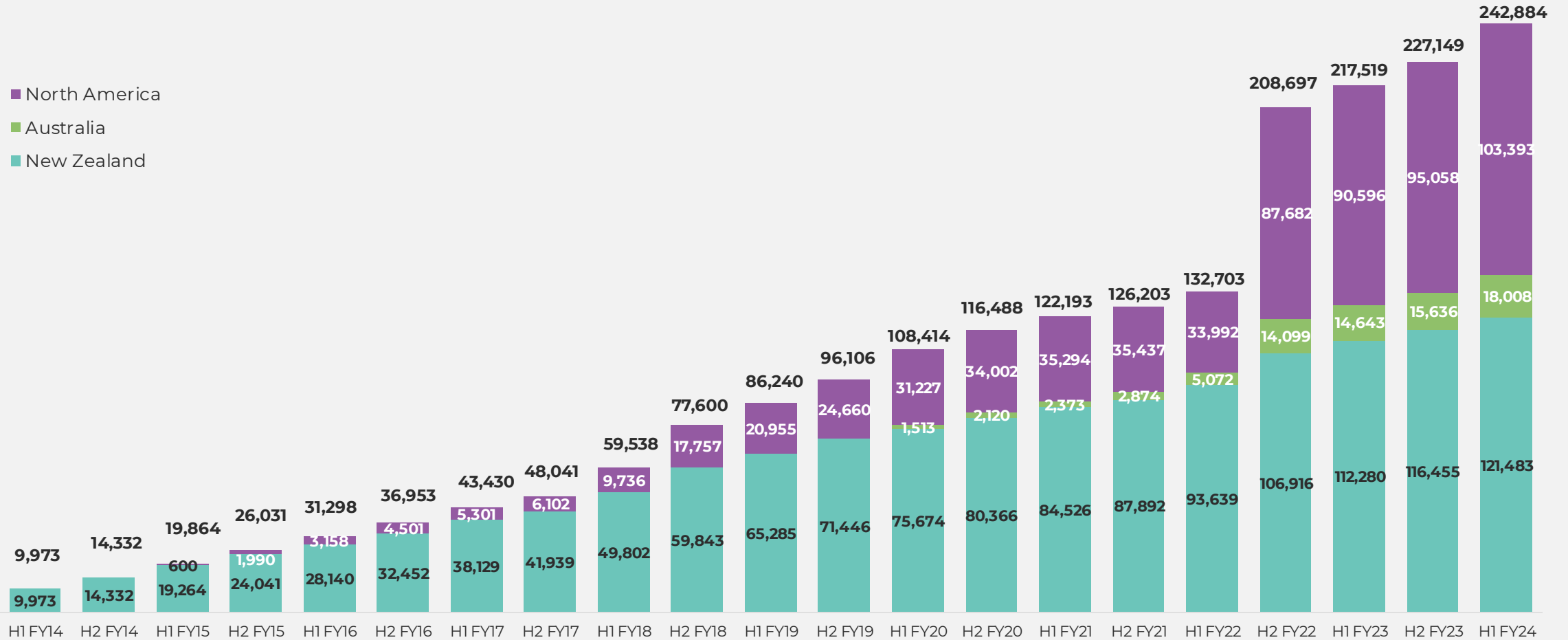
Costs to acquire and contract fulfillment costs increased \$2.2m reflecting growth and renewals.

Borrowings decreased by \$18.1m since 31 March 2023 largely due to the equity raise and the concurrent pay down of debt.

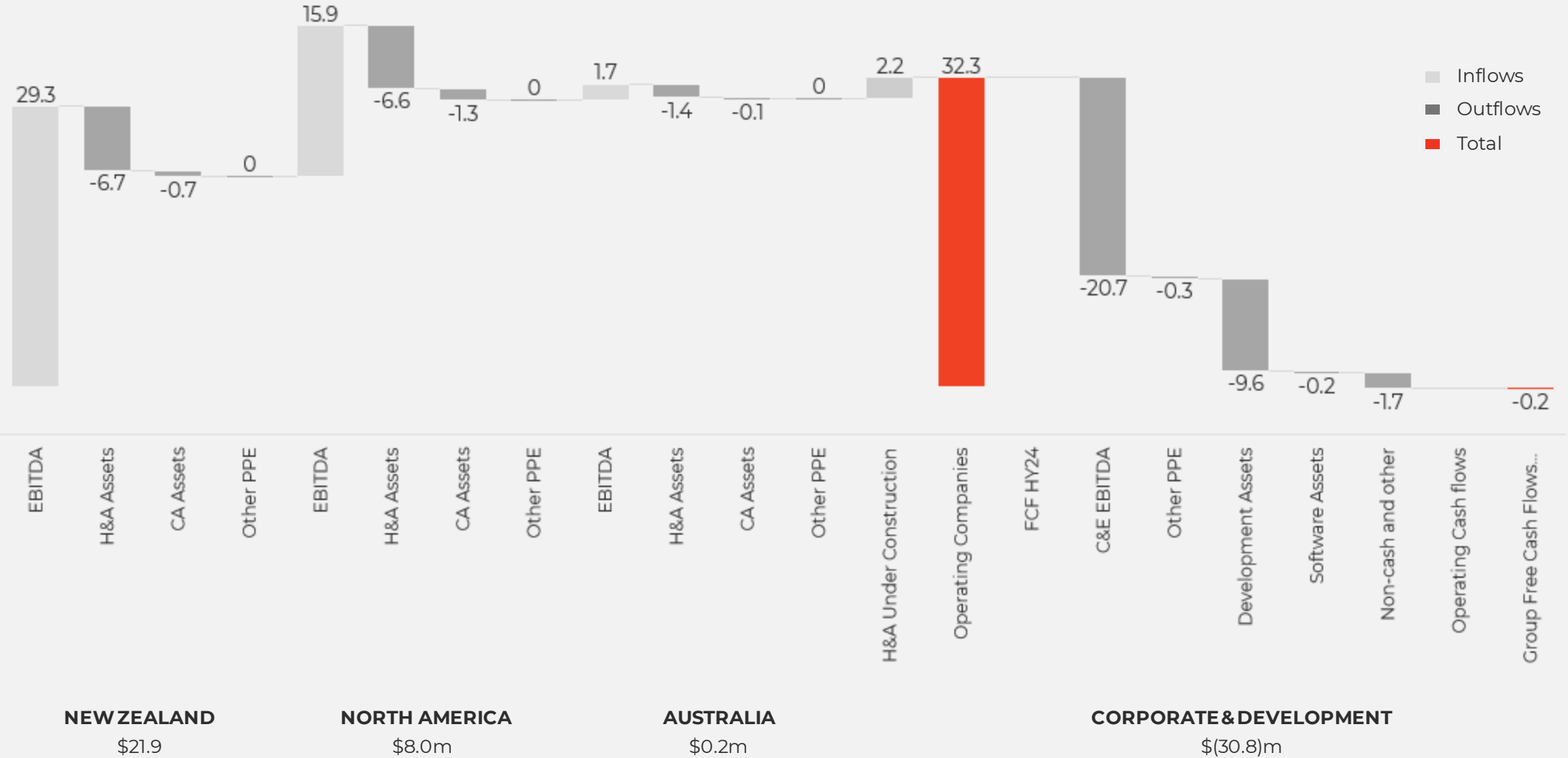
ARPU Trend

NZ\$m	NZ\$		Local \$	
	H1 FY23	H1 FY24	H1 FY23	H1 FY24
North American ARPU	NZ\$57.25	NZ\$60.23	US\$36.18	US\$36.85
New Zealand ARPU	NZ\$55.50	NZ\$58.17	NZ\$55.50	NZ\$58.17
Australian ARPU	NZ\$46.51	NZ\$46.67	A\$42.02	A\$43.16

Unit Count



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

OUR PURPOSE:



EROAD

Delivering intelligence you can trust for a better world tomorrow

Delivering

Knowing our customers needs, and meeting them where they are and can benefit.

Embracing flexibility, humility, and ruthless dedication

Intelligence

The best people powered by cutting edge technologies that deliver value to our customers.

Real intelligence to drive change.

Trust

Earned trust through the validity of our data, the way it's collected and processed.

And trust in us, to do what we promise.

Better World

Always taking the wider environmental context into view.

Solving immediate customer problems while thinking about the impact to the world around us.

Tomorrow

We think beyond today and into the future.

What we do now, shapes the people, customers and business we have tomorrow.

Integrated solutions overview

EROAD provides a **complete connected network** that turns disparate customer data into action



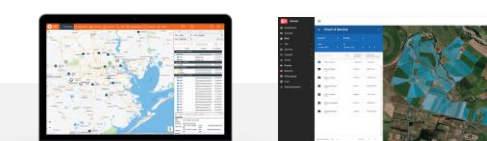
Compliance and assurance

- **RUC and fuel tax compliance**
 - Electronic, automated RUC purchases and claims
 - Fuel tax reporting and IRPI registration
- **Industry-specific solutions**
 - Cold chain assurance
 - Construction assurance
 - Waste and recycling assurance



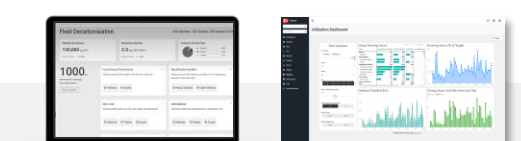
Health & Safety

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



Productivity

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



Sustainability

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

Powered by²



lot hubs



Trackers and sensors



Dashcams

² Proprietary and 3rd party hardware

Glossary

ANNUALISED MONTHLY RECURRING REVENUE (AMRR)

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

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.

CHURN

The inverse of the asset retention rate.

COREHUB

EROAD's next generation telematics hardware that collects rich data, meets electronic logging device certification.

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.

CY (CALENDAR YEAR)

12 months ended 31 December

EBITDA

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

EBITDA MARGIN

A non-GAAP measure representing EBITDA divided by Revenue.

EHUBO, EHUBO2 and EHUBO 2.2

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

ELECTRONIC LOGGING DEVICE (ELD)

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

ENTERPRISE

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

FREE CASH FLOW

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.

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 H1 HY24 Financial Statements.

FY (FINANCIAL YEAR)

Financial year ended 31 March.

H1 (HALF ONE)

For the six months ended 30 September.

H2 (HALF TWO)

For the six months ended 31 March.

LEASE DURATION

Future contracted income as a proportion of reported revenue.

MONTHLY SAAS AVERAGE REVENUE PER UNIT (ARPU)

A non-GAAP measure that is calculated by dividing the total SaaS revenue for the half year (as reported in Note 2 of the H1 FY24 Financial Statements) minus the contract liability discounting gain (as reported in the H1 FY24 Reconciliation of Operating Cash Flows) by the TCU balance at the end of each month during the year.

NORMALISED EBITDA

Excludes one-off 4G hardware upgrade program costs (\$1.5m). H1 FY23 normalisations include acquisition accounting revenue (\$7.0m), and integration costs (\$2.6m).

NORMALISED EBITDA MARGIN

Excludes one-off items, consistent with the definition provided for Normalised EBITDA

NORMALISED REVENUE

Excludes the one-off acquisition accounting revenue in H1 FY23 (\$7.0m).

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.

SAAS REVENUE

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

TOTAL CONTRACTED UNITS

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

UNIT

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

360

A web-based platform that allows customers to access data collected by CoreHub and the associated reports.

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

ASX & NZX: ERD
investors@eroad.com | eroadglobal.com/investors



EROAD