



EROAD

2026 INTERIM REPORT

OUR PURPOSE

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

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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, Annualised Recurring Revenue (ARR), Costs to Acquire Customers (CAC), Costs to Service & Support (CTS), EBITDA, Normalised EBIT, Free Cash Flow, Free Cash Flow to the firm and Normalised Free Cash Flow to the firm.

LETTER FROM THE EXECUTIVE CHAIR

Dear shareholders,

In the first half of FY26, EROAD delivered revenue growth of 3.3% to \$99.1 million and achieved positive free cash flow of \$6.2 million. Despite ongoing macro-economic challenges, particularly in the U.S., the business remains steady and is executing on priorities, growing revenue, and investing deliberately for long-term returns.

Every company gets moments that define what comes next. For EROAD, this is one of them.

In August 2025, the New Zealand Government confirmed its plan to replace fuel excise with distance-based electronic Road User Charges for all 4.7 million vehicles on the road.

EROAD pioneered the world's first nationwide eRUC system in 2009, transforming how the heavy-transport sector paid road charges and met compliance obligations. Today, that same technology, regulatory credibility, and delivery experience position us to lead again as universal eRUC becomes a reality.

It's rare to see a market shift that aligns so directly with a company's heritage and capability, and we are moving decisively to capture it.

To enable the team to move at the pace this moment demands, the Board and I implemented a temporary Executive Chair arrangement that allows for speed without compromising discipline. For up to nine months, I'm working more closely with Mark Heine and the leadership team to ensure decisions are fast, aligned, and well-governed.

Governance & Leadership

In October, the Board applied an impairment to goodwill and other assets from the Coretex acquisition to reflect the combined impact of competitive and economic conditions, a large customer non-renewal, and our strategic shift toward ANZ. It was a non-cash adjustment and a prudent step to ensure the balance sheet accurately reflects current conditions.

I also want to acknowledge Susan Paterson for her leadership as Chair through EROAD's turnaround and David Kenneson for his contribution as Co-CEO. Both helped stabilise the business and set it up for the next phase.

While I'm in an executive capacity, the Board has strengthened oversight arrangements. The Finance, Risk & Audit Committee, made up entirely of independent directors, is also acting as an Executive Oversight Committee during this period. David Green, who chairs that committee, serves as Lead Independent Director, ensuring independence where it matters most. This structure will remain in place until the executive component of my role concludes, after which standard Board arrangements will resume.

After the release of our H1 FY26 results, the Board will introduce a Directors' Fixed Share Trading Plan (FTP) under which half of any fees paid to directors will be used to acquire EROAD shares on market. This strengthens alignment with shareholders and reinforces our commitment to long-term value.

Looking ahead

We're operating in a complex environment. Inflation, interest-rate uncertainty and mixed market dynamics remain part of the backdrop for every business in our sector. But moments of structural change, such as the move to universal eRUC, are where great companies emerge.

EROAD's foundation is strong: disciplined governance, strong balance sheet, an immense opportunity, loyal customers, and a proven platform. Our success ultimately comes down to people — customers, partners, and our team — and a shared belief that when you get those things right, everything else follows.

Our guidance for FY26, reset in October to reflect the shift toward Australasia and the non-renewal of one large North American customer, remains unchanged. We continue to expect:

- **Revenue: \$197 – \$203 million**
- **Annualised Recurring Revenue (ARR): \$175 – \$183 million**
- **Free Cash Flow Margin: 5 – 8 percent (normalised for the 4G upgrade programme)**

The Board is confident in this outlook and in the company's ability to deliver against it.

EROAD's foundations are strong, the environment is turning in our favour, and the path ahead is clear. What matters now is disciplined execution as we convert this opportunity into lasting shareholder value.

Few companies get to shape an industry twice. EROAD is one of them, and we intend to make it count.

John Scott
Executive Chair

EROAD pioneered the world's first nationwide eRUC system in 2009, transforming how the heavy-transport sector paid road charges and met compliance obligations. Today, that same technology, regulatory credibility, and delivery experience position us to lead again as universal eRUC becomes a reality.

It's rare to see a market shift that aligns so directly with a company's heritage and capability, and we are moving decisively to capture it.



LETTER FROM THE CEO

Fellow shareholders,

EROAD is a company focused on execution and long-term growth. Our strength comes from combining technology and innovation with deep transport and regulatory knowledge to solve real problems for fleets and governments.

We entered FY26 with the same focus that guided our turnaround - generating cash, investing consciously, and putting our resources behind the right opportunities. First half results delivered \$6.2m in free cash flow, or \$16.7m when normalised for the 4G upgrade programme. Revenue grew 3.3% to \$99.1m, and ARR rose 6.9% to \$178.1m. Our balance sheet remains strong, with \$62.3m in liquidity to support growth, fund large enterprise deployments, and provide flexibility to make the right choices.

We earn our returns by building long-term partnerships with customers. New contracts typically begin with solving a compliance or safety need - often through electronic Road User Charging (eRUC), our cold chain solution or video safety products - and when customers see the value, those relationships can expand through additional products and new vehicle connections. Each new connected vehicle adds recurring subscription revenue. Each additional product deepens that relationship and increases lifetime value.

Future growth

Our disciplined focus on free cash flow gives us the opportunity to decide where growth capital should go. In October, we shared that new investment will be directed to the markets where opportunity and conversion are strongest - in the near term that is Australia and New Zealand. These are regions where we already have a strong product market fit, credibility, and policy momentum. Governments in both countries are moving toward usage-based and time-of-use charging, and EROAD is uniquely positioned to help them get there.

For the 12 months to September 2025 we collected ~\$946m in RUC for the New Zealand Government, and proudly serve a majority of the country's heavy-vehicle fleets. This trusted role places us at the centre of New Zealand's planned transition of approximately 4.7m vehicles to a universal RUC system.

The shift toward electronic and usage-based charging is one of the most significant infrastructure transitions of the coming decade. In New Zealand, the Government's plan to move all vehicles onto electronic RUC represents a multi-year opportunity that builds directly on EROAD's existing capability and credibility. Australia is now signalling similar intent, and we have previously worked with partners at both state and federal levels to help shape practical solutions. These programmes will require proven technology, data integrity and regulatory experience at scale, and no one has deeper, more proven experience in electronic road charging than EROAD.

The long-term potential extends well beyond ANZ. Governments around the world are confronting the same challenge: declining fuel-tax revenues and the need to sustainably fund transport infrastructure. As this shift accelerates, we see meaningful opportunities to extend our leadership in road-charging technology into other markets. Our goal is to be the trusted partner that helps governments implement fair, efficient and future-ready systems while simultaneously giving fleets a seamless entry point into EROAD's wider platform.

Regional Updates:

New Zealand remains a stable, cash-generating market with a loyal customer base and a deep runway for expansion. ARR increased by just over 6% year-on-year, supported by disciplined portfolio management and steady upsell activity. The team is advancing work to prepare for the government's move to universal electronic road user charging in 2027 - a once-in-a-generation opportunity to build on an already expanding market. This includes launching our connected car pilot for light vehicles beginning early in the New Year.

Australia delivered another strong half, with ARR up 36% year-on-year. Growth came from the completion of a major customer roll-out and steady conversion across the pipeline. The region is set to continue this growth, with the newly announced enterprise win with Cleanaway of 3,000+ vehicles, validating EROAD's product strength and customer relationships in the region. Asset retention remains high, and an 8% lift in ARPU reflects both disciplined pricing and demand for higher-value solutions.

North America continues to serve a solid base of enterprise customers while navigating a slower, more competitive market. Growth has been muted, with a 6% ARR decline year-on-year in local currency (3% growth in reporting currency due to favourable fx rates) driven primarily by fleet resizing. We also received notice from a large customer that they will not be renewing their contract, with the impact to be realised in February 2026. Given ongoing uncertainty, we have applied growth capital cautiously to protect free cash flow, while focusing on deepening engagement and expanding value with existing fleets to position the region for future recovery.

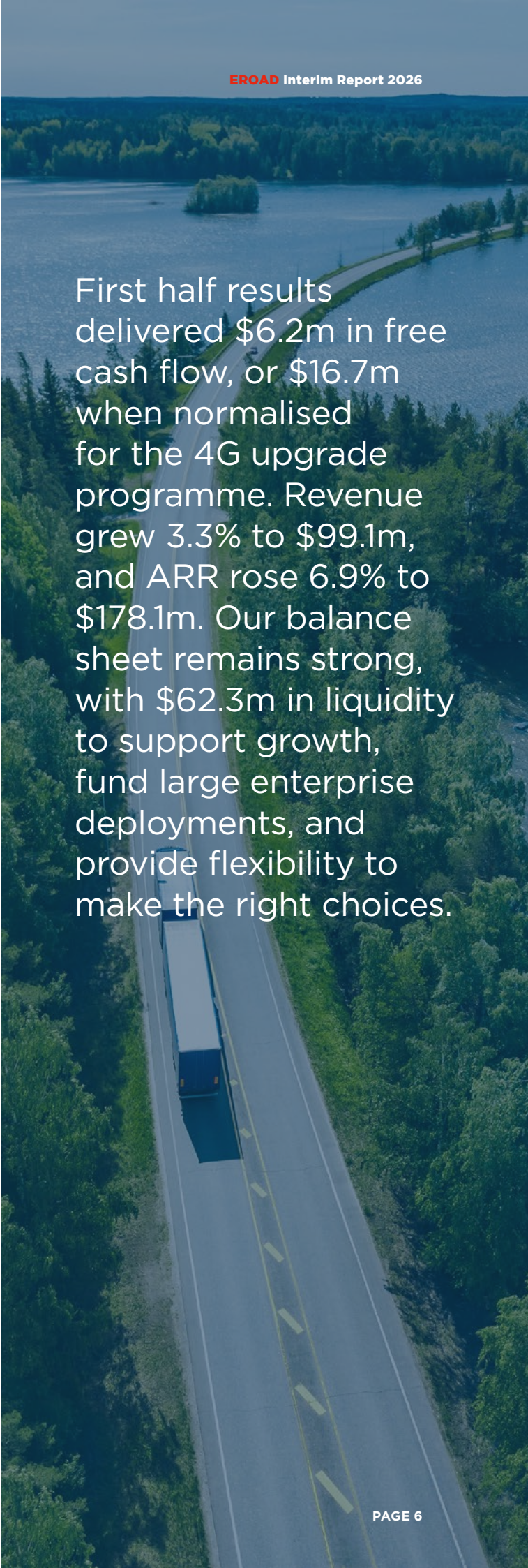
Across all markets, our priorities remain the same: deliver value to customers, convert that value into recurring, profitable growth, and generate cash to fund the next opportunity. The 3G network shutdown in NZ, now scheduled for completion in December 2025, will release additional cash capacity and simplify operations. We've also increased our investment in customer operations to lift the experience end-to-end, from faster onboarding to proactive support, so fleets can see value sooner and stay with EROAD longer.

EROAD exists to make transport safer, smarter and fairer. We've always focused on helping fleets operate efficiently and enabling governments to fund infrastructure sustainably, using trusted data to connect fleets, drivers and regulators. Today, the strength of the business means we can do that from a position of real stability and choice.

We'll keep focusing on what we control: generating cash, delivering for customers, and directing investment where it creates the most value. The opportunity in front of us is significant, and the team is ready to make the most of it.

Mark Heine
Chief Executive Officer

First half results delivered \$6.2m in free cash flow, or \$16.7m when normalised for the 4G upgrade programme. Revenue grew 3.3% to \$99.1m, and ARR rose 6.9% to \$178.1m. Our balance sheet remains strong, with \$62.3m in liquidity to support growth, fund large enterprise deployments, and provide flexibility to make the right choices.



FINANCIAL STATEMENTS



Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 September 2025

		30 SEP 2025	30 SEP 2024
		\$M's	\$M's
	Notes	Unaudited	Unaudited
Revenue	2	99.1	95.9
Operating expenses		(70.4)	(66.7)
Earnings before interest, taxation, depreciation, amortisation and impairment loss		28.7	29.2
Depreciation of property, plant and equipment	4	(10.8)	(11.0)
Amortisation of intangible assets	5	(11.6)	(10.4)
Amortisation of contract and customer acquisition assets		(5.5)	(5.4)
Impairment of goodwill and other assets	4,5	(134.7)	-
Earnings before interest and taxation		(133.9)	2.4
Finance expense		(3.1)	(2.9)
Finance income		0.4	0.4
Net financing costs		(2.7)	(2.5)
Loss before income tax		(136.6)	(0.1)
Income tax expense	8	(7.6)	(1.4)
Loss after tax for the period attributable to the shareholders		(144.2)	(1.5)
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss:			
Cash flow hedges		0.4	0.8
Currency translation differences		(2.7)	(10.3)
		(2.3)	(9.5)
Total comprehensive loss for the period		(146.5)	(11.0)
Loss per share - Basic (cents)	7	(77.07)	(0.82)
Loss per share - Diluted (cents)	7	(77.04)	(0.82)

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Financial Position

As at 30 September 2025

		30 SEP 2025	31 MAR 2025
		\$M's	\$M's
	Notes	Unaudited	Audited
Current assets			
Cash and cash equivalents	3	15.5	13.8
Restricted bank accounts	3	28.7	26.1
Derivative financial assets		-	0.1
Trade and other receivables		31.5	35.4
Contract fulfilment costs		7.2	6.7
Costs to obtain contracts		2.1	2.7
Total Current Assets		85.0	84.8
Non-current assets			
Property, plant and equipment	4	83.3	82.3
Intangible assets	5	131.5	265.6
Derivative financial assets		0.1	0.3
Contract fulfilment costs		7.2	7.2
Costs to obtain contracts		2.0	2.1
Deferred tax assets		7.6	18.0
Total Non-Current Assets		231.7	375.5
Total Assets		316.7	460.3

Condensed Consolidated Statement of Financial Position (continued)

As at 30 September 2025

		30 SEP 2025	31 MAR 2025
		\$M's	\$M's
	Notes	Unaudited	Audited
Current liabilities			
Borrowings	6	5.0	5.0
Trade payables and accruals		31.0	23.0
Payables to transport agencies		28.6	26.1
Contract liabilities		16.6	20.3
Lease liabilities		1.7	1.5
Employee entitlements		4.8	3.7
Derivative financial liabilities		0.4	0.6
Total Current Liabilities		88.1	80.2
Non-current liabilities			
Borrowings	6	18.2	20.6
Contract liabilities		11.4	11.9
Lease liabilities		5.1	4.1
Derivative financial liabilities		0.1	0.8
Deferred tax liabilities		7.0	11.0
Total non-current liabilities		41.8	48.4
Total Liabilities		129.9	128.6
Net Assets		186.8	331.7
Equity			
Share Capital	7	356.1	356.1
Share capital premium/discount	7	(19.9)	(19.9)
Other reserves	7	27.4	29.7
Accumulated losses		(176.8)	(34.2)
Total Shareholders' Equity		186.8	331.7

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.



Chair, 21 November 2025



Chair of the Finance, Risk and Audit Committee, 21 November 2025

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 September 2025

		Share Capital	Share Premium / Discount	Accumulated losses	Translation Reserve	Hedging Reserve	Total
	Notes	\$M's	\$M's	\$M's	\$M's	\$M's	\$M's
Balance as at 31 Mar 2024		353.5	(19.9)	(32.7)	2.5	(0.4)	303.0
(Audited) as previously reported							
Retrospective restatement	(e)	-	-	(0.8)	19.1	-	18.3
Restated Balance as at 31 Mar 2024		353.5	(19.9)	(33.5)	21.6	(0.4)	321.3
Loss after tax for the period		-	-	(1.5)	-	-	(1.5)
Other comprehensive income		-	-	-	(10.3)	0.8	(9.5)
Total comprehensive income		-	-	(1.5)	(10.3)	0.8	(11.0)
Transactions with owners of the Company							
Equity settled share-based payments		2.2	-	(0.7)	-	-	1.5
Balance as at 30 Sep 2024		355.7	(19.9)	(35.7)	11.3	0.4	311.8
(Unaudited)							
Balance as at 31 Mar 2025		356.1	(19.9)	(34.2)	30.5	(0.8)	331.7
(Audited)							
Loss after tax for the period		-	-	(144.2)	-	-	(144.2)
Other comprehensive income/(loss)		-	-	-	(2.7)	0.4	(2.3)
Total comprehensive income/(loss)		-	-	(144.2)	(2.7)	0.4	(146.5)
Transactions with owners of the Company							
Equity settled share-based payments		-	-	1.6	-	-	1.6
Balance as at 30 Sep 2025		356.1	(19.9)	(176.8)	27.8	(0.4)	186.8
(Unaudited)							

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

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2025

		30 SEP 2025	30 SEP 2024
		\$M's	\$M's
	Notes	Unaudited	Unaudited
Cash flows from operating activities			
Cash received from customers		97.3	96.1
Payments to suppliers and employees		(65.8)	(71.4)
Payments for contract fulfilment assets		(4.6)	(5.1)
Interest received		0.4	0.4
Interest paid		(1.5)	(2.6)
Tax paid		(0.1)	(0.1)
Net cash inflow from operating activities		25.7	17.3
Cash flows from investing activities			
Payments for investment in property, plant & equipment	4	(12.4)	(9.1)
Payments for investment in intangible assets	5	(7.5)	(8.8)
Payments for investment in costs to obtain contracts		(0.7)	(1.5)
Net cash outflow from investing activities		(20.6)	(19.4)
Cash flows from financing activities			
Repayments of bank loans		(2.5)	-
Payment of lease liability		(0.9)	(1.0)
Net cash outflow from financing activities		(3.4)	(1.0)
Net increase/(decrease) in the cash held		1.7	(3.1)
Cash at beginning of the financial period		13.8	14.5
Effects of exchange rate changes on cash and cash equivalents		-	(0.1)
Closing cash and cash equivalents		15.5	11.3

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 six months ended 30 September 2025

	30 SEP 2025	30 SEP 2024
	\$M's	\$M's
	Unaudited	Unaudited
Reconciliation of operating cash flows with reported loss after tax		
Loss after tax for the year attributable to the shareholders	(144.2)	(1.5)
Add/(less) non-cash items		
Tax expenses	7.5	0.1
Depreciation and amortisation	27.9	26.8
Impairment losses on intangible assets, goodwill and other assets	134.7	-
Other non-cash expenses	1.5	1.1
Unwinding of interest expense for discounted contract liabilities	0.8	0.6
	172.4	28.6
Movements in other working capital items		
Decrease in trade and other receivables	3.0	0.5
(Decrease)/increase in current tax payables	0.7	0.4
(Decrease)/increase in contract liabilities	(4.3)	0.6
Increase/(decrease) in trade payables, interest payable and accruals	2.7	(6.2)
Increase in contract fulfillment costs	(4.6)	(5.1)
	(2.5)	(9.8)
Net cash from operating activities	25.7	17.3

Notes to the consolidated financial statements

For the six months ended 30 September 2025

REPORTING ENTITY

The condensed consolidated interim financial statements presented for the six months ended 30 September 2025 are for EROAD Limited (EROAD), 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 (the “Company”) is a company domiciled in New Zealand registered under the Companies Act 1993 and listed on the New Zealand Stock Exchange (NZX) Main Board and Australian Stock Exchange (ASX). The Company is a FMC reporting entity for the purposes of the Financial Markets Conduct Act 2013.

BASIS OF PREPARATION

The condensed consolidated interim financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). These consolidated interim financial statements also comply with the New Zealand equivalent to International Accounting Standard 34: Interim Financial Reporting (NZ IAS 34), and International Accounting Standard 34: Interim Financial Reporting (IAS 34) and are prepared in accordance with the Financial Markets Conduct Act 2013.

The condensed consolidated interim financial statements for the six months ended 30 September 2025 are unaudited and have been the subject of review by the auditor, pursuant to NZ SRE 2410 (Revised): Review of Financial Statements Performed by the Independent Auditor of the Entity as issued by the External Reporting Board.

The condensed consolidated interim 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 disclosed in note 6, which the Group expects to achieve through a refinancing prior to 31 March 2026.

These financial statements have been approved for issue by the Board of Directors on 21 November 2025.

(a) Basis of measurement

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

(b) Presentation currency

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 currencies of the Company’s subsidiaries in Australia, North America, and the Philippines are Australian dollars, United States dollars, and Philippine pesos, respectively.

(c) Accounting policies

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning on or after 1 April 2025.

The Group has not adopted, and currently does not anticipate adopting, any standards prior to their effective dates.

These condensed consolidated interim financial statements have been prepared using the same accounting policies as, and should be read in conjunction with the Group’s last annual consolidated financial statements as at and for the year ended 31 March 2025 (‘last annual financial statements’). These condensed consolidated interim financial statements do not include all of the information required for a complete set of NZ IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of changes in the Group’s financial position and performance since the last annual financial statements.

(d) 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

(e) Restrospective restatement

During the half-year period to September 2024, 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. The correction was reflected in the Group’s full-year financial statements for the year ended 31 March 2025, with comparative figures restated.

Performance

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

NOTE 1 SEGMENT REPORTING
NOTE 2 REVENUE

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 Chief Executive Officer (CEO). The CEO is considered to be the chief operating decision maker (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:* Includes costs associated with the corporate head office, the Philippines office, 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 CEO 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.

NOTE 1 SEGMENT REPORTING (CONTINUED)

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	
	30 SEP 2025	30 SEP 2024	30 SEP 2025	30 SEP 2024	30 SEP 2025	30 SEP 2024	30 SEP 2025	30 SEP 2024
	Unaudited \$M's	Unaudited \$M's	Unaudited \$M's	Unaudited \$M's	Unaudited \$M's	Unaudited \$M's	Unaudited \$M's	Unaudited \$M's
Revenue								
Subscription revenue	0.5	-	38.4	38.4	47.7	45.0	7.9	6.3
Uncontracted hardware revenue	0.1	-	0.4	1.0	-	-	-	-
Transaction fee revenue	-	-	-	-	2.5	3.2	-	-
Other revenue ¹	32.4	40.7	0.5	0.7	1.9	1.3	0.3	0.2
Total revenue	33.0	40.7	39.3	40.1	52.1	49.5	8.2	6.5
Earnings/(loss) before interest, taxation, depreciation & amortisation and impairment loss	(19.7)	(17.4)	9.2	10.3	35.5	34.4	3.7	1.9
Depreciation of property, plant & equipment	(0.7)	(0.6)	(4.7)	(4.8)	(4.3)	(4.8)	(1.1)	(0.8)
Amortisation of intangible assets	(6.6)	(6.7)	(4.2)	(3.0)	(0.5)	(0.4)	(0.3)	(0.3)
Amortisation of contract and customer acquisition assets	-	-	(1.2)	(1.4)	(3.5)	(3.4)	(0.8)	(0.6)
Impairment loss - goodwill	-	-	(104.9)	-	-	-	-	-
Impairment loss - other intangible assets	-		(22.3)	-	-	-	-	-
Impairment loss - property, plant &equipment	-		(7.5)	-	-	-	-	-

¹ Revenue from Corporate & Development Markets includes R&D Grant Income of \$0.9m (30 September 2024: \$0.9m).

	CORPORATE & DEVELOPMENT		NORTH AMERICA		NEW ZEALAND		AUSTRALIA	
	30 SEP 2025	31 MAR 2025	30 SEP 2025	31 MAR 2025	30 SEP 2025	31 MAR 2025	30 SEP 2025	31 MAR 2025
	Unaudited \$M's	Audited \$M's	Unaudited \$M's	Audited \$M's	Unaudited \$M's	Audited \$M's	Unaudited \$M's	Audited \$M's
Total assets	296.9	289.5	48.7	200.7	100.2	99.2	39.3	39.1

NOTE 1 SEGMENT REPORTING (CONTINUED)

Reconciliation of information on reportable segments

	30 SEP 2025	30 SEP 2024
	\$M's	\$M's
	Unaudited	Unaudited
Revenue		
Total revenue for reportable segments	132.6	136.8
Elimination of inter-segment revenue	(33.5)	(40.9)
Consolidated Revenue	99.1	95.9
EBITDA		
Total EBITDA for reportable segments	28.7	29.2
Elimination of inter-segment EBITDA	-	-
Consolidated EBITDA	28.7	29.2
Depreciation		
Total depreciation for reportable segments	(10.8)	(11.0)
Elimination of inter-segment depreciation	-	-
Consolidated Depreciation	(10.8)	(11.0)
Amortisation of intangible assets		
Total amortisation for reportable segments	(11.6)	(10.4)
Elimination of inter-segment amortisation	-	-
Consolidated Amortisation	(11.6)	(10.4)

	30 SEP 2025	31 MAR 2025
	\$M's	\$M's
	Unaudited	Audited
Total assets		
Total assets for reportable segments	485.1	628.5
Elimination of inter-segment balances	(168.4)	(168.2)
Consolidated Total Assets	316.7	460.3

NOTE 1 SEGMENT REPORTING (CONTINUED)

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

Included within Total Assets are Development Assets of \$90.6M (31 March 2025: \$107.6M) 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 repective 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.

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	GOODWILL	BRAND	CUSTOMER RELATIONSHIPS
	\$M's	\$M's	\$M's	\$M's
30 SEP 2025				
(Unaudited)				
North America	33.6	-	0.6	12.4
New Zealand	50.0	5.7	-	0.9
Australia	7.0	14.9	-	3.1
	90.6	20.6	0.6	16.4
31 MAR 2025				
(Audited)				
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

The figures above as at 30 September 2025 are after taking into account the impairment loss described in note 5.

NOTE 1 SEGMENT REPORTING (CONTINUED)

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.

	30 SEP 2025	30 SEP 2024
	\$M's	\$M's
	Unaudited	Unaudited
Revenue		
New Zealand	52.1	49.8
All foreign countries:		
USA	39.0	39.6
Australia	8.0	6.5
Total revenue	99.1	95.9

	30 SEP 2025	31 MAR 2025
	\$M's	\$M's
	Unaudited	Audited
Non-current assets		
New Zealand	156.1	143.4
All foreign countries:		
USA	35.6	182.0
Australia	32.3	31.8
Total non-current assets	224.0	357.2

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

	30 SEP 2025	31 MAR 2025
	\$M's	\$M's
	Unaudited	Audited
Reconciliation of geographical non-current assets to total non-current assets		
Geographical non-current assets	224.0	357.2
Deferred tax assets	7.6	18.0
Derivative financial instruments	0.1	0.3
Total non-current assets	231.7	375.5

NOTE 2 REVENUE

	30 SEP 2025	30 SEP 2024
	\$M's	\$M's
	Unaudited	Unaudited
Revenue from contracts with customers		
Subscription revenue	94.5	89.7
Uncontracted hardware revenue	0.5	1.0
Other		
Transaction fee revenue	2.5	3.2
Other revenue and income	0.7	1.1
Grant income	0.9	0.9
Total Revenues	99.1	95.9

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. Each of the Group’s main sources of revenue are described in detail below:

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.

NOTE 2 REVENUE (CONTINUED)

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 recognized 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 subscription 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 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 SaaS cash inflows relating to income under non-cancellable long-term agreements. The disclosure below aligns with the Future Contracted Income reported by the Group.

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 30 September 2025 are expected to be recognised by EROAD based on the time bands disclosed below.

	30 SEP 2025	30 SEP 2024
	\$M's	\$M's
	Unaudited	Audited
Subscription revenue		
No later than one year	127.6	98.9
Later than one year, no later than five years	136.9	190.3
Total price allocated to remaining performance obligations	264.5	289.2

Working capital

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

NOTE 3 CASH AND CASH EQUIVALENTS, RESTRICTED CASH AND PAYABLES TO TRANSPORT AGENCIES

NOTE 3 CASH AND CASH EQUIVALENTS, RESTRICTED CASH AND PAYABLES TO TRANSPORT AGENCIES

	30 SEP 2025	31 MAR 2025
	\$M's	\$M's
	Unaudited	Audited
Cash and cash equivalents	15.5	13.8
Restricted bank accounts	28.7	26.1
	44.2	39.9

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	(28.6)	(26.1)
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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 4 PROPERTY, PLANT AND EQUIPMENT
NOTE 5 INTANGIBLE ASSETS

NOTE 4 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 Mar 2025 (Audited)								
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	-	-	-	0.1	0.4	16.3
Disposals	-	(2.3)	-	-	-	-	-	(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	-	-	-	-	-	1.4
Closing net book amount	4.1	76.2	-	1.0	-	0.4	0.6	82.3
At 31 Mar 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	-	1.0	-	0.4	0.6	82.3

NOTE 4 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	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
Six months ended 30 Sep 2025 (Unaudited)								
Opening net book amount	4.1	76.2	-	1.0	-	0.4	0.6	82.3
Additions	2.0	17.2	-	-	-	0.1	0.8	20.1
Disposals	-	(0.3)	-	-	-	-	-	(0.3)
Depreciation charge	(0.7)	(9.6)	-	(0.1)	-	(0.1)	(0.3)	(10.8)
Impairment loss	(0.6)	(6.6)	-	(0.3)	-	-	-	(7.5)
Effect of movement in exchange rates	-	(0.5)	-	-	-	-	-	(0.5)
Closing net book amount	4.8	76.4	-	0.6	-	0.4	1.1	83.3
At 30 Sep 2025								
Cost	10.7	153.5	0.8	3.0	0.3	2.1	6.5	176.9
Accumulated depreciation and impairment losses	(5.9)	(77.1)	(0.8)	(2.4)	(0.3)	(1.7)	(5.4)	(93.6)
Net book amount	4.8	76.4	-	0.6	-	0.4	1.1	83.3

Included in the Hardware Assets is equipment under construction to be leased or sold of \$26.2M (31 March 2025: \$22.0M). 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.

At 30 September 2025, an impairment loss has been recognised for the North American CGU (refer to note 5 for further details). As a result the impairment loss with respect to property, plant and equipment was NZD \$7.5 million (USD \$4.5 million).

NOTE 4 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

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 5 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 Mar 2025 (Audited)							
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
Amortisation charge	(16.9)	(1.2)	-	(0.8)	(2.1)	-	(21.0)
Effect of movement in foreign exchange rate	1.0	-	5.2	0.1	1.0	-	7.3
Closing net book amount	107.6	4.3	127.0	1.3	25.3	0.1	265.6
At 31 Mar 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)	-	(107.7)
Net book amount	107.6	4.3	127.0	1.3	25.3	0.1	265.6

NOTE 5 INTANGIBLE ASSETS (CONTINUED)

	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
Six months ended 30 Sep 2025							
Opening net book amount	107.6	4.3	127.0	1.3	25.3	0.1	265.6
Additions	7.5	-	-	-	-	-	7.5
Amortisation charge	(8.4)	(0.6)	-	(0.4)	(2.2)	-	(11.6)
Impairment loss	(15.3)	(0.5)	(104.9)	(0.3)	(6.2)	-	(127.2)
Effect of movement in foreign exchange rate	(0.8)	-	(1.5)	-	(0.5)	-	(2.8)
Closing net book amount	90.6	3.2	20.6	0.6	16.4	0.1	131.5
At 30 Sep 2025							
Cost	202.7	12.9	125.5	3.9	33.3	0.1	378.4
Accumulated amortisation and impairment losses	(112.1)	(9.7)	(104.9)	(3.3)	(16.9)	-	(246.9)
Net book amount	90.6	3.2	20.6	0.6	16.4	0.1	131.5

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.

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 relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in the statement of comprehensive income when incurred.

NOTE 5 INTANGIBLE ASSETS (CONTINUED)

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 (‘Cash Generating Unit’) of the business, the lowest level for which there are separately identifiable cashflows, with the assistance of external specialists (refer to note 1 for the allocation of goodwill, property, plant and equipment and other finite life intangible assets to CGUs).

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.

As part of impairment testing, Corporate costs attributable to the CGUs are allocated to the respective CGUs using a basis that reflects the nature of expenditure and its relationship to operating requirements. Development assets specific to a region are allocated directly to the relevant CGU, while global platform and shared development assets are allocated based on each CGU’s proportionate share of contracted units.

Impairment Indicator at 30 September 2025

- In October 2025, EROAD announced it was reducing its FY2026 guidance across Revenue, Annualised Recurring Revenue and Free Cash Flow Margin. The announcement highlighted that the circumstances that led to the guidance update include:
- Competitive dynamics in the US telematics market; Weaker economic conditions, partially due to tariffs, resulting in lower freight volumes and reduced capex spending;
- The loss of a large legacy customer; and
- Prioritisation of new growth investment to the significant eRUC opportunity in ANZ which is expected to lead to a slower growth rate in the US.

This constitutes an impairment indicator for the North American CGU. There are no indicators of impairment for the New Zealand or Australian CGUs.

Impairment test North American CGU

Management have assessed the recoverable amount of the CGU by reference to its value in use (VIU) determined using a discounted cash flow model over a five-year period using Management forecasts.

The recoverable amounts of the CGU was estimated based on the following key assumptions:

	Amount the VIU exceeds the carrying value	Revenue CAGR	WACC	TGR
	\$M’s (functional currency)	FY26-FY30		
North America	(78.5)	3.1%	13.2%	2.0%

Operating costs, although pared back slightly, reflect management’s strategy to continue to sustain and win in North America.

NOTE 5 INTANGIBLE ASSETS (CONTINUED)

Changes in assumptions for the North American CGU since 31 March 2025

Revenue CAGR FY26 – FY30

The North American revenue growth assumptions for FY26 – FY30 at 31 March 2025 was 14.6%. Since this date, the reduced financial guidance reflecting the strategic changes, which are explained below, and loss of a large legacy customer, have resulted in negative near-term growth expectations. When this is factored into future growth assumptions, this has the impact of reducing the FY26 – FY30 CAGR down to 3.1% growth.

In October 2025, management communicated a strategic change in focus towards Australia and New Zealand opportunities, following the government’s announcement on 6 August 2025, on the intention to transition all vehicles in New Zealand from fuel tax to an electronic Road User Charges (‘eRUC’) system.

The refreshed focus will see prioritisation of new growth investment to the significant eRUC opportunity in ANZ, whilst continuing to be committed to maintaining and growing existing customer relationships in NA and continuing to win new customers where returns on investment are appropriate.

WACC and TGR

The WACC rate has increased from 12.0% in March 2025 to 13.2% following market risk adjustments. The terminal growth rate also reduced from 2.5% to 2.0% due to the revised economic forecasts. These changes reflect recent customer churn and macroeconomic uncertainty at September 2025.

An adverse change in a key assumption could result in a further reduction in the recoverable amount, in which case a further impairment may be possible.

North American impairment

The carrying amount of the net assets of the North American CGU was USD\$108.0 million. The recoverable amount is USD\$29.5 million, based on its value in use. This means that an impairment has been recognised of NZD \$134.7 million (USD \$78.5 million). The impairment has been recognised as a separate line item on the face of the income statement “Impairment of goodwill and other assets.”

The impairment loss has resulted in the full amount of goodwill allocated to the North America CGU of NZ\$104.9 million being impaired. Since the impairment loss exceeds this amount, the impairment has also been allocated against other intangible assets (NZ\$22.3 million) and property plant & equipment (NZ\$7.5 million) on a pro rata basis, as outlined in notes 4 and 5.

Debt and equity

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

NOTE 6 BORROWINGS
NOTE 7 EQUITY

NOTE 6 BORROWINGS

	30 SEP 2025	31 MAR 2025
	\$M's	\$M's
	Unaudited	Audited
Current borrowings		
Term Loans	5.0	5.0
	5.0	5.0
Non-current borrowings		
Term loans	15.0	17.5
Revolving credit facility	3.6	3.5
Capitalised borrowings costs	(0.4)	(0.4)
	18.2	20.6

			30 SEP 2025	30 SEP 2025	31 MAR 2025	31 MAR 2025
			Unaudited	Unaudited	Audited	Audited
	Nominal Interest	Year of Maturity	Face Value \$M's	Carrying amount \$M's	Face Value \$M's	Carrying amount \$M's
Term Loans	7.04%	2026	20.0	20.0	22.5	22.5
Revolving credit facility	7.04%	2026	3.6	3.6	3.5	3.5
Capitalised borrowing costs			-	(0.4)	-	(0.4)
			23.6	23.2	26.0	25.6

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

At 30 September 2025, EROAD had the following in place:

\$20M (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 from 31 December 2024 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.

\$45M (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 from 31 December 2024 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. No amounts were drawn under this facility as at the reporting date.

NOTE 6 BORROWINGS (CONTINUED)

EROAD’s operating covenants to support the above facilities include Interest Cover Ratio, Leverage Ratio, Obligor Assets to Group Assets and Obligor EBITDA to Group EBITDA. EROAD was compliant with covenants during the period and at 30 September 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 7 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 \$
At 31 Mar 2025 (Audited)	187,410,632		356.1
Shares issued to employees	59,223	1.03	0.0
At 30 Sept 2025 (Unaudited)	187,469,855		356.1

At 30 September 2025 there was 187,469,855 authorised and issued ordinary shares (31 March 2025: 187,410,632). 386,166 (31 March 2025: 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 per share at 30 September 2025 was based on the loss attributable to ordinary shareholders of (\$144.2m) (30 September 2024: loss of \$1.5m). The weighted number of ordinary shares on 30 September 2025 was 187,058,023 (30 September 2024: 185,642,091) for basic earnings per share and 187,123,242 for diluted earnings per share (30 September 2024: 185,653,538).

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 contingent consideration portion classified as equity related to the acquisition of Coretex. There have been no changes since 31 March 2025.

- 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.

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 8 INCOME TAX EXPENSE
NOTE 9 RELATED PARTY TRANSACTIONS
NOTE 10 CAPITAL COMMITMENTS
NOTE 11 CONTINGENT LIABILITIES
NOTE 12 NET TANGIBLE ASSETS PER SHARE
NOTE 13 EVENTS SUBSEQUENT TO BALANCE DATE

NOTE 8 INCOME TAX EXPENSE

	30 SEP 2025	30 SEP 2024
	\$M's	\$M's
	Unaudited	Unaudited
(a) Reconciliation of effective tax rate		
Loss before income tax	(136.6)	(0.1)
Income tax using the Company's domestic tax rate of 28%	(38.3)	-
Non-deductible expense	27.6	-
Adjustment related to prior period	0.9	0.6
Utilisation of tax losses previously unrecognised	(0.5)	0.8
Current-year losses for which no deferred tax asset is recognised	3.1	-
Derecognition of prior-year tax losses	12.5	-
Effect of different tax rates of subsidiaries operating overseas	2.3	-
Income tax expense	7.6	1.4
(b) Current tax expense		
Current year	-	0.7
Adjustment related to prior period	0.9	-
	0.9	0.7
(c) Deferred tax expense		
Current year	6.7	0.1
Adjustment related to prior period	-	0.6
	6.7	0.7
Income tax expense	7.6	1.4

At 30 September 2025 there were no imputation credits available to shareholders (31 March 2025: 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.

NOTE 8 INCOME TAX EXPENSE (CONTINUED)

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.

As noted in note 5, in light of the reforecasting for North America, the Group has reassessed the recoverability of deferred tax assets. Consequently, Coretex NZ tax losses have been derecognised, as future taxable profits are no longer expected to support their utilisation.

NOTE 9 RELATED PARTY TRANSACTIONS

Related party transactions are consistent in nature with those reported in 31 March 2025.

NOTE 10 CAPITAL COMMITMENTS

As at 30 September 2025 the Group had confirmed purchase orders open with its third party manufacturer of hardware units amounting to \$7.7M (31 March 2025: \$11.3M).

NOTE 11 CONTINGENT LIABILITIES

During the half year ended 30 September 2025, the Group was served with a lawsuit filed by a third party alleging that EROAD and Coretex had infringed a number of its patents. From our internal review of the patent claims asserted by the other party, the Group believes there are grounds in support for why we have not infringed their patents and also plausible grounds that the patents could be invalid if challenged.

As we firmly believe that we have not infringed any patents no amounts have been provided for in relation to this claim. The Group has incurred legal costs in defending this claim over the six months ended 30 September 2025 and will continue to incur legal costs over the next twelve months.

NOTE 12 NET TANGIBLE ASSETS PER SHARE

	30 SEP 2025	30 SEP 2024	31 MAR 2025
	\$M's	\$M's	\$M's
	Unaudited	Unaudited	Audited
Net assets (equity)	186.8	311.8	331.7
Less Intangibles	(131.5)	(253.9)	(265.6)
Total net tangible assets	55.3	57.9	66.1
Net tangible assets per share (\$)	0.30	0.31	0.35

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

NOTE 13 EVENTS SUBSEQUENT TO BALANCE DATE

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



Independent Auditor’s Review Report

To the Shareholders of EROAD Limited (Group)

Report on the interim condensed consolidated financial statements

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements on pages 9 to 34 do not:

- present fairly, in all material respects, the Group’s financial position as at 30 September 2025 and its financial performance and cash flows for the 6 months ended then ended and comply with New Zealand Equivalent to International Accounting Standard 34 Interim Financial Reporting (NZ IAS 34) issued by the New Zealand Accounting Standards Board.

We have completed a review of the accompanying interim condensed consolidated financial statements which comprise:

- the interim condensed consolidated statement of financial position as at 30 September 2025;
- the interim condensed consolidated statements of comprehensive income, changes in equity and cash flows for the 6 months ended then ended; and
- notes, including material accounting policy information.

Basis for conclusion

We conducted our review of the interim condensed consolidated financial statements in accordance with NZ SRE 2410 (Revised) Review of Financial Statements Performed by the Independent Auditor of the Entity (NZ SRE 2410 (Revised)). Our responsibilities are further described in the Auditor’s responsibilities for the review of the interim condensed consolidated financial statements section of our report.

We are independent of EROAD Limited in accordance with the relevant ethical requirements in New Zealand relating to the audit of the annual financial statements and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements.

Our firm has provided other services to the Group in relation to tax compliance, tax advisory, agreed upon procedures in relation to RDTI 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.

Use of this Independent Auditor’s Review Report

This report is made solely to the Shareholders. Our review 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 Review Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Shareholders for our review work, this report, or any of the conclusions we have formed.

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Responsibilities of Directors for the interim condensed consolidated financial statements

The Directors on behalf of the Group are responsible for:

- the preparation and fair presentation of the interim condensed consolidated financial statements in accordance with NZ IAS 34; and
- for such internal control as Directors determine is necessary to enable the preparation of interim condensed consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s responsibilities for the review of the interim condensed consolidated financial statements

Our responsibility is to express a conclusion on the interim condensed consolidated financial statements based on our review.

NZ SRE 2410 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the interim condensed consolidated financial statements, taken as a whole, are not prepared, in all material respects, in accordance with NZ IAS 34.

A review of the interim condensed consolidated financial statements in accordance with NZ SRE 2410 (Revised) is a limited assurance engagement. The auditor performs procedures, consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the interim condensed consolidated financial statements.

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

For and on behalf of:

KPMG

KPMG
Auckland

21 November 2025

GAAP to Non-GAAP Reconciliations

For the six months ended 30 September 2025

EBIT/EBITDA

	30 SEP 2025	30 SEP 2024
	\$M's	\$M's
Loss after tax for the period attributable to the shareholders (GAAP)	(144.2)	(1.5)
Add back:		
Income tax expense	7.6	1.4
Net financing costs	2.7	2.5
Earnings before interest and tax (EBIT)	(133.9)	2.4
Add back:		
Depreciation of property, plant and equipment	10.8	11.0
Amortisation of intangible assets	11.6	10.4
Amortisation of contract and customer acquisition assets	5.5	5.4
Impairment of goodwill and other assets	134.7	-
Earnings before interest, taxation, depreciation, amortisation and impairment loss (EBITDA)	28.7	29.2
Reported EBIT	(133.9)	2.4
Adjustments:		
Impairment of goodwill and other assets	134.7	-
4G Hardware upgrade costs	1.7	2.3
Normalised EBIT	2.5	4.7

GAAP to Non-GAAP Reconciliations (continued)

For the six months ended 30 September 2025

Free cash flow / Free cash flow to the firm

	30 SEP 2025	30 SEP 2024
	\$M's	\$M's
Cash flows from operating activities		
Cash received from customers	97.3	96.1
Payments to suppliers and employees	(65.8)	(71.4)
Payments for contract fulfilment assets	(4.6)	(5.1)
Interest received	0.4	0.4
Interest paid	(1.5)	(2.6)
Tax paid	(0.1)	(0.1)
Net cash inflow from operating activities (GAAP)	25.7	17.3
Cash flows from investing activities		
Payments for investment in property, plant & equipment	(12.4)	(9.1)
Payments for investment in intangible assets	(7.5)	(8.8)
Payments for investment in costs to obtain contracts	(0.7)	(1.5)
Net cash outflow from investing activities (GAAP)	(20.6)	(19.4)
Free cash flow	5.1	(2.1)
(Deduct)/add back:		
Interest received	(0.4)	(0.4)
Interest paid	1.5	2.6
Free cash flow to the firm	6.2	0.1
Adjustments:		
4G Hardware upgrade costs	10.5	6.1
Normalised free cash flow to the firm	16.7	6.2

GAAP to Non-GAAP Reconciliation

EROAD’s standard profit measure prepared under New Zealand GAAP is net profit/(loss) and for cash flow is cash flows from operating activities and cash flows from investing activities. EROAD has used non-GAAP measures when discussing financial and cash flow performance in this document. The directors and management believe that these measures provide useful information as they are used internally to evaluate business units and total group performance and to establish operational goals and allocate resources. Non-GAAP profit and cash flow measures are not prepared in accordance with NZ IFRS (New Zealand equivalents to International Financial Reporting Standards) and are not uniformly defined; therefore, the non-GAAP profit and cash flow measures included in this report are not comparable with those used by other companies. They should not be viewed in isolation or as a substitute for GAAP profit or cash flow measures as reported by EROAD in accordance with NZ IFRS.

Definitions relating to non-GAAP measures are included in the glossary at the back of this report.

GLOSSARY

ANNUALISED RECURRING REVENUE (ARR)

A non-GAAP measure representing monthly subsription 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 reporting period by the TCU balance at the end of each month during this period.

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.

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, Amortisation and impairment loss (EBITDA).

ENTERPRISE

A customer where the \$ARR is more than \$100k in local currency 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.

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.

NORMALISED EBIT

Excludes one-off 4G hardware upgrade program \$1.7m (H1 FY25 \$2.3m) and impairment of goodwill and other assets of \$134.7m (H1 FY25 nil).

NORMALISED FREE CASH FLOW TO THE FIRM

Excludes one-off 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.

TOTAL CONTRACT VALUE (TCV)

The total value of a customer contract over its entire duration, including recurring revenue (e.g., ARR) and any one-off payments

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).

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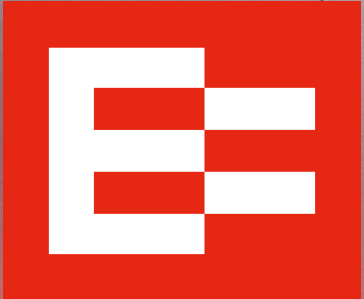
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