



EROAD

EROAD (NZX: ERD ASX: ERD)

H1 FY26 RECONCILIATION OF GAAP AND NON-GAAP MEASURES

21 November 2025

RECONCILIATION OF NON-GAAP FINANCIAL INFORMATION

- Free cash flow is a non-GAAP measure representing operating cash flow and investing cash flow reported in the Statement of Cash Flows.

Free cash flow		
(\$m)	30-Sep-2025	30-Sep-2024
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)
Income taxes paid	(0.1)	(0.1)
Net cash inflow from operating activities	25.7	17.3
Payments for investment in property, plant and 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	(20.6)	(19.4)
Free cash flow	5.1	(2.1)

RECONCILIATION OF NON-GAAP FINANCIAL INFORMATION

- EBITDA is a non-GAAP measure representing Earnings before Interest, Taxation, Depreciation, Amortisation and impairment loss (EBITDA).

EBITDA		
(\$m)	30-Sep-2025	30-Sep-2024
Total comprehensive loss for the period	(146.5)	(11.0)
Add back/(deduct):		
Items that are or may be reclassified subsequent to profit or loss		
Cash flow hedges	(0.4)	(0.8)
Currency translation differences	2.7	10.3
Income tax expense	7.6	1.4
Net financing costs	2.7	2.5
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

RECONCILIATION OF NON-GAAP FINANCIAL INFORMATION

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

Free cash flow to the firm		
(\$m)	30-Sep-2025	30-Sep-2024
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)
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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	(20.6)	(19.4)
(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
Add back:		
4G Hardware upgrade costs	10.5	6.1
Normalised free cash flow to the firm	16.7	6.2

RECONCILIATION OF NON-GAAP FINANCIAL INFORMATION

- H1 FY26 EBIT is normalised for:
 - Impairment of goodwill and other assets of \$134.7m
 - 4G hardware upgrade related costs of \$1.7m.
- H1 FY25 EBIT is normalized for:
 - 4G hardware upgrade related costs of \$2.3m.

Normalised EBIT		
(\$m)	30-Sep-2025	30-Sep-2024
Revenue	99.1	95.9
Operating expenses	(70.4)	(66.7)
Earnings before interest, taxation, depreciation, amortisation and impairment loss (EBITDA)	28.7	29.2
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 and taxation (EBIT)	(133.9)	2.4
Add back:		
Impairment of goodwill and other assets	134.7	-
4G Hardware upgrade costs	1.7	2.3
Normalised EBIT	2.5	4.7



EROAD

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