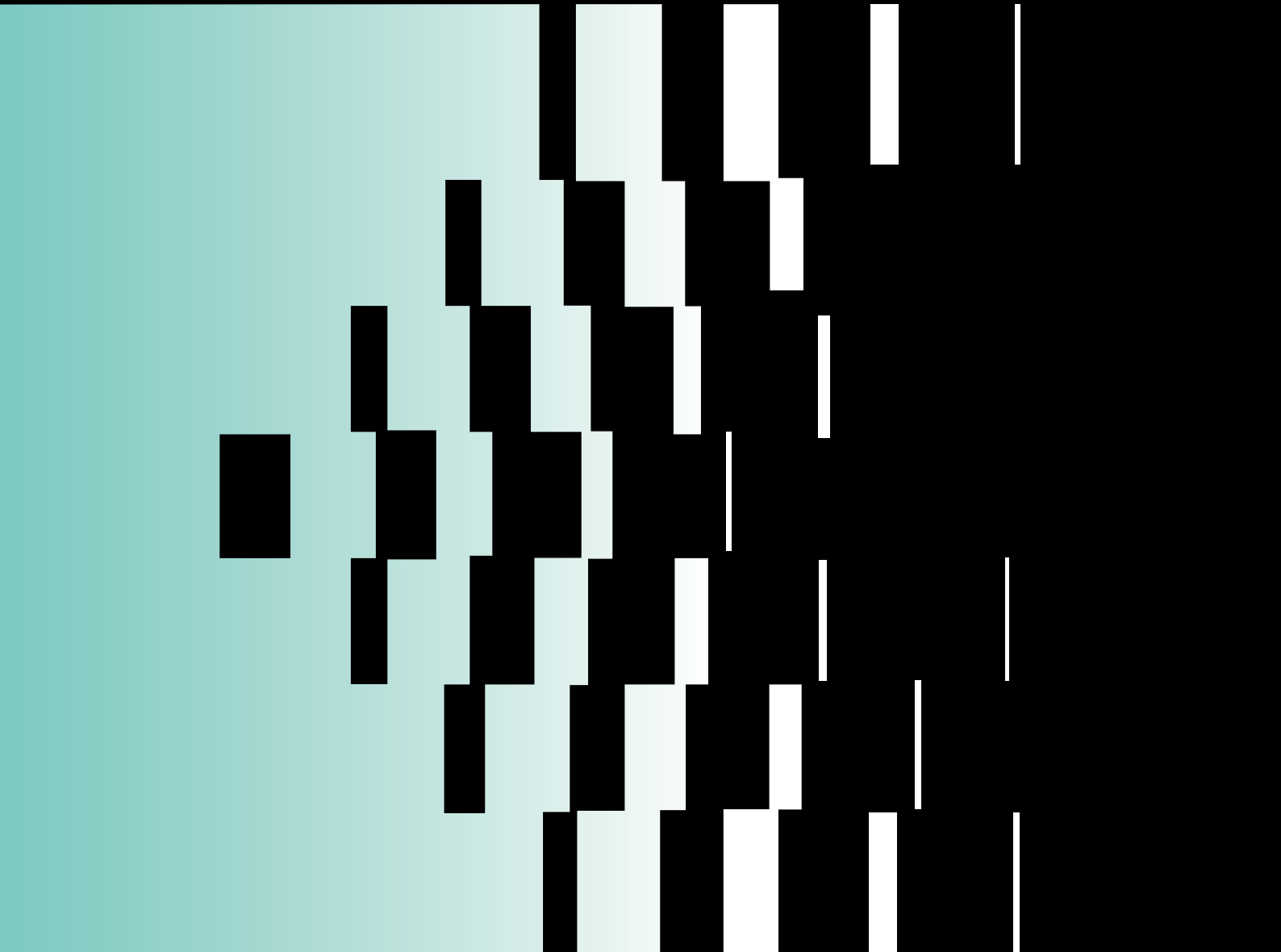


EROAD

ANNUAL REPORT

2026



Acknowledgement

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

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

NON-GAAP MEASURES

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

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

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

ABOUT THIS REPORT

The 2026 Annual Report describes EROAD's strategy, financial performance and includes the Corporate Governance Statement and the Remuneration Report. All numbers relate to the 12 months ended 31 March 2026 (FY26) and comparisons relate to the 12 months ended 31 March 2025 (FY25), unless stated otherwise. All dollar amounts are in NZD, unless otherwise stated. EROAD's Sustainability Report will be released by 31 July 2026 at www.eroadglobal.com/investors/.

This report covers the 12 months ended 31 March 2026 and is dated 25 May 2026.

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

Reporting Suite

EROAD's FY26 Annual Report should be read alongside our wider reporting materials, available at www.eroadglobal.com/investors/.

- Full-Year FY26 Investor Presentation
- Board and Executive profiles, charters, and governance policies
- Sustainability Report (to be published by 31 July 2026)
- ASX/NZX filings and shareholder resources



John Scott
Executive Chair



David Green
Chair of the Finance, Risk
and Audit Committee

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EXECUTIVE CHAIR LETTER

This has been a year of strategic change, beginning in October 2025.

Our FY26 results reflect the past, our future will look different.

EROAD is a unique and valuable New Zealand technology company with a bright future.

Dear Fellow Shareholders

This has been a year of strategic and operational change. The inflection point was in October 2025, when the seriousness of EROAD's situation became increasingly apparent with the loss of a large US customer and the Board appointed me as Executive Chair to lead a reset of the business. At the same time, we announced a write-down of the North American intangible assets and strategically refocused on ANZ.

The strategic reset is an outcome of previous years but impacts our balance sheet today. It's easy to look at this year's earnings result and miss many of the things that are happening so it's worth spending some time on the details.

EROAD delivered FY26 revenue of \$195.2m, broadly flat year-on-year, while ARR declined 0.5% to \$174.3m and free cash flow compressed significantly. These results reflect a combination of factors, the most significant of which was an erosion of focus on our customers.

In the short time I have been in this position, I have had the privilege to spend considerable time with our customers across the regions. I feel a deep personal responsibility to our customers to first meet, and then exceed, their expectations and to represent our staff who are working incredibly hard every day to improve customer outcomes.

The first and most important decision we made was to move from a global operating model to a regional one. Local customers want to work with local organisations that are motivated, empowered and accountable. This shift represents a return to what EROAD does best: serving fleet operators with products and services that work reliably, compliantly, and locally.

EROAD operates in three regions with distinctive competitive environments and customer needs.

- 1. New Zealand** is our strongest market with multiple moats from being the first and largest provider of eRUC in New Zealand, the brand advantage associated with that position, a nation-wide installer network, to the valuable data and insights we produce.
- 2. Australia** is a fragmented and growing market where we are a disrupter brand able to leverage our success in New Zealand. There have been early signs of political movement towards a RUC regulatory environment and being in Australia today places us to participate.
- 3. North America** is a market where we intend to be cash-flow neutral. Our competition is well-funded with home advantage but we will become closer to our customers and serve them better to secure their business.

The backbone of our recovery is straightforward, built around five priorities:

- Our products and processes work as customers expect and we operate within our agreed service levels to customers. This is **Operational Excellence** and we will be uncompromising about it.
- Our products predictably deliver customer expectations and our customers can rely on our commitments & roadmap. This is **Product Excellence**.
- The customer is king, we get close & build a genuine customer focus through scorecards, customer journey ownership and engaged local teams serving local customers. This is **Customer Intimacy**.
- AI is both a productivity tool & a scaler for every function. From order to cash processes to development to customer support. We use AI as a meaningful lever to address the technical debt inherent in a subscale operation and create operating leverage as the business grows. This is becoming **AI Native**.
- We make decisions on the future in a commercial way. Disciplined investment in a business model not dependent on government timing with high optionality. This is how we **Win Universal eRUC**.

All of this is supported by a new executive management team with the clarity and energy required to execute.

Our approach to customer focus is built on an integrated operating model, with operational, technical and commercial support working together as a coordinated whole. All customers have been classified by segment, and we are resourcing to meet the Service Level Agreements ('SLA') defined for each customer type. This is not a one-size-fits-all approach. It is a disciplined framework that matches our resource and commitment to the value of each relationship.

The new executive team has moved quickly. A number of major customer-focused programmes are already underway, including a billing overhaul, end-to-end customer journey mapping, response time standards, SLA adherence tracking and Net Promoter Score ('NPS') measurement across the customer base. Alongside this, the business is transitioning to Agile delivery, with a sharper focus on predictability of output and investment in data integrity and information layers. The team operates on a standing cadence, meeting every 48 hours to clear roadblocks and maintain pace of decision-making.

Being involved in the running of several New Zealand technology business over the years, our plan is tried and tested but building trust with customers and shareholders alike takes time. Our more measured & focused approach will give our employees a chance to win. We intend to share this journey with you through greater transparency to provide a clearer view of how the business is performing. We believe that by focusing fully on the customer in FY27, the financial outcomes will follow.



John Scott
Executive Chair,
EROAD Limited



EXECUTIVE TEAM LETTER

Dear Shareholders

This year was one of decisive change for EROAD. Our Australia and New Zealand business demonstrated its underlying strength, with Australia delivering strong ARR growth and New Zealand well positioned to capture a once-in-a-generation universal electronic road user charges opportunity. We also confronted the realities of our North American business, reset our strategic focus, and took decisive action to right-size the cost base. It was a year of significant management transition and uplift.

The team has laid the foundations for the next stages of the transformation, and we are committed to delivering the results.

Conviction in our home markets of New Zealand and Australia

Our growth strategy focus on New Zealand and Australia is based on the fact that these are markets where we have the strongest product-market fit, the deepest customer relationships, and the clearest policy tailwinds.

New Zealand revenue grew 1.1% year on year to \$102.0m. Australia revenue grew 40% year on year to \$18.8m. The momentum in Australia was underlined by a 5-year agreement with Cleanaway to deploy our solution across more than 3,000 heavy vehicles, adding over A\$5 million in ARR as the solution is rolled out across the fleet.

New Zealand remains the engine of the business. The Government's signalled move to a universal electronic road user charges system, to replace tax collected at the pump, represents a significant potential expansion of our addressable market. With 56% of New Zealand heavy vehicle RUC kilometres already on the EROAD platform and decades of partnership across the ecosystem, we are well placed to support this transition

An honest reckoning in North America

Challenging economic and competitive dynamics, that we were unable to sufficiently adapt to, lead to the previously disclosed termination of a customer contract, with effect in January 2026.

NA continues to provide 40% plus of group revenues and with over 80k active units deployed it continues to be a vital part of the EROAD business.

However with stagnant growth and reduction in free cash flow, the region is being repositioned around a more focused operating model to better serve our customers, secure the revenue base and grow where we have a differentiated offering with the whole focus being to delight customers. New regional leadership is in place and reviewing customer execution, service capability and go-to-market approach across the region.

A focused company, built around satisfied customers

The strategic focus on New Zealand and Australia that was announced in October is straightforward, built around the idea that each region should be self-funding. New Zealand and Australia generated a combined \$19.5m of normalised free cash flow this year. Through uplifting execution and improving customer focus we believe these regions contain opportunities for investment to drive growth.

North America spent \$5.0m more normalised free cash than it generated in the year. We will continue to support our North American customers, cross-sell to our existing customer base and bring on new customers where we have a differentiated offering that offers strong value while targeting a measured cost structure.

Outlook

We enter FY27 leaner, more focused, and clearer about where we win. A new, deeply experienced executive team is in place and has hit the ground running.

The opportunity across New Zealand and Australia is accelerating with enterprise momentum in Australia and a large and growing addressable market in New Zealand, supported by the prospect of Universal eRUC. North America will be a smaller part of our portfolio but will be disciplined and cash-generative.

We will continue to invest in the things that create value: operational excellence, product competence, customer intimacy, embedded AI, and universal eRUC. And we will continue to report transparently on progress.

We are focused on the opportunity ahead and are fully supportive of the strategy and direction developed and approved with the Board, who have been an incredible support through a challenging year.

Sincerely,

The Executive Team

EROAD Limited



Ryan Brosnahan
Chief Transformation Officer



Ciara McGuigan
Chief Financial Officer



Konrad Stempniak
Executive General Manager-AU



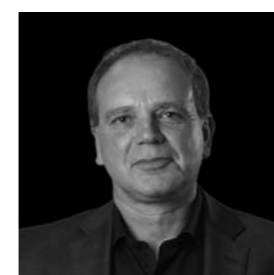
Matt Gibson
Executive General Manager -NZ



Paul Butterworth
Head of Product - DaaS & Ai Transformation



Andrew Corbett
Chief Technology Officer



Jim Brailey
Executive General Manager - NA



Matt Kudla
Chief Customer Officer



Jeremy Wilton
EVP, Programme Manager



Emma Murphy
Chief People Officer



FINANCIAL HIGHLIGHTS

Reported Revenue

\$195.2m

+0.4% FY25: \$194.4

ARPU

\$60.88

+2.5% FY25: \$59.41

ARR

\$174.3m

(0.5%) FY25: \$175.1

Normalised¹ EBITDA

\$53.5m

(13.9%) FY25: \$62.2m

FCF Margin²

7.4%

(4.7pp) FY25: 12.1%

Normalised² FCF to Firm

\$14.4m

FY25: \$23.6m
FY24: \$10.8m

¹ Normalised for the temporary impact of the 4G hardware upgrade programme, change in accounting estimates, patent litigation and transformation costs.

² Normalised for the temporary impact of the 4G hardware upgrade programme.

REGIONAL HIGHLIGHTS

NEW ZEALAND*

Continued steady growth with Revenue +1.1% and ARR +5.0% YoY. Strong unit base of 124,470 underpins platform stability and recurring revenue depth.

AUSTRALIA

Strongest growth region in FY26 with Revenue +40.3% and ARR +73.2% YoY. Rapid unit expansion to 26,089 (+6.4% YoY) reflects accelerating market penetration and large customer wins.

NORTH AMERICA

Revenue and ARR under pressure, declining (7.1%) and (19.8%) respectively. Unit count contraction of (15.9%) reflects market headwinds and large customer churn.

Revenue

\$102.0m

+1.1% FY25: \$100.9m

\$18.8m

+40.3% FY25: \$13.4m

\$74.4m

-7.1% FY25: \$80.1m

*Includes revenues related to the Corporate entity.

ARR (NZD)

\$93.5m

+5.0% FY25: \$89.0m

\$21.9m

+73.2% FY25: \$12.6m

\$58.9m

-19.8% FY25: \$73.5m

EBITDA

\$75.7m

+8.1% FY25: \$70.0m

\$4.9m

+40% FY25: \$3.5m

\$15m

-15.3% FY25: \$17.7m

ARPU

\$61.71

+2.6% FY25: \$60.14

\$57.63

+20.1% FY25: \$47.97

\$60.71

-0.4% FY25: \$60.93

Unit Count

124,470

-1.9% FY25: 126,944

26,089

+6.4% FY25: 24,515

87,830

(15.9%) FY25: 104,386

THE BOARD



JOHN SCOTT

Executive Chair
Auckland
Appointed: March 2025

Board Committees:
Nominations (Chair)

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



SUSAN PATERSON

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

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

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



BARRY EINSIG

Independent Director
Pennsylvania
Appointed: January 2020

Board Committees:
Nominations, Technology

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



SARA GIFFORD

Independent Director
Massachusetts
Appointed: April 2022

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

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



DAVID GREEN

Lead Independent Director
Auckland
Appointed: July 2023

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

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

FINANCIAL STATEMENTS

Consolidated Statement of Comprehensive Income

For the year ended 31 March 2026

	Notes	2026 \$M's	2025 \$M's
Revenue	2	195.2	194.4
Operating expenses	5	(156.2)	(134.8)
Earnings before interest, taxation, depreciation, amortisation and impairment loss		39.0	59.6
Depreciation of property, plant and equipment	10	(21.1)	(21.9)
Amortisation of intangible assets	11	(27.4)	(21.0)
Amortisation of contract assets	3	(11.7)	(10.8)
Impairment of goodwill and other assets	10, 11	(134.7)	-
Earnings before interest and tax (EBIT)		(155.9)	5.9
Finance expense		(5.7)	(6.7)
Finance income		0.6	1.0
Net financing costs	14	(5.1)	(5.7)
Profit / (loss) before income tax		(161.0)	0.2
Income tax benefit / (expense)	20	(0.1)	1.2
Profit / (loss) after tax for the year attributable to the shareholders		(161.1)	1.4
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss:			
Cash flow hedges		0.4	(0.4)
Currency translation differences		(0.9)	8.9
		(0.5)	8.5
Total comprehensive income / (loss) for the year		(161.6)	9.9
Earnings / (loss) per share - Basic (cents)	15	(86.06)	0.73
Earnings / (loss) per share - Diluted (cents)	15	(85.82)	0.73

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

Consolidated Statement of Financial Position

As at 31 March 2026

	Notes	2026 \$M's	2025 \$M's
Current assets			
Cash and cash equivalents	7	10.1	13.8
Restricted bank accounts	7	29.5	26.1
Derivative financial assets	18	0.1	0.1
Trade and other receivables	8	37.8	35.4
Contract assets	3	10.8	9.4
Total current assets		88.3	84.8
Non-current assets			
Property, plant and equipment	10	81.0	82.3
Intangible assets	11	115.0	265.6
Derivative financial assets	18	0.1	0.3
Contract assets	3	7.9	9.3
Deferred tax assets	21	16.5	18.0
Total non-current assets		220.5	375.5
Total assets		308.8	460.3

Consolidated Statement of Financial Position (continued)

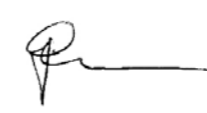
As at 31 March 2026

	Notes	2026 \$M's	2025 \$M's
Current liabilities			
Borrowings	13	5.0	5.0
Trade payables and accruals	9	30.3	23.0
Payables to transport agencies	7	29.5	26.1
Contract liabilities	4	21.3	20.3
Lease liabilities	12	1.7	1.5
Employee entitlements		3.8	3.7
Derivative financial liabilities	18	0.5	0.6
Total current liabilities		92.1	80.2
Non-current liabilities			
Borrowings	13	21.1	20.6
Contract liabilities	4	12.0	11.9
Lease liabilities	12	4.3	4.1
Derivative financial liabilities	18	0.1	0.8
Deferred tax liabilities	21	6.9	11.0
Total non-current liabilities		44.4	48.4
Total liabilities		136.5	128.6
Net assets		172.3	331.7
Equity			
Share capital	15	356.6	356.1
Share capital premium/discount		(19.9)	(19.9)
Other reserves		29.2	29.7
Accumulated losses		(193.6)	(34.2)
Total shareholders' equity		172.3	331.7

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



Executive Chair, 25 May 2026



Chair of the Finance, Risk and Audit Committee, 25 May 2026

Consolidated Statement of Changes in Equity

For the year ended 31 March 2026

Consolidated		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 1 April 2024		353.5	(19.9)	(33.5)	21.6	(0.4)	321.3
Profit for the year		-	-	1.4	-	-	1.4
Other comprehensive income / (loss)		-	-	-	8.9	(0.4)	8.5
Total comprehensive income/(loss)		-	-	1.4	8.9	(0.4)	9.9
Transactions with owners of the Company							
Equity settled share-based payments	16	2.6	-	(2.1)	-	-	0.5
Balance as at 31 March 2025		356.1	(19.9)	(34.2)	30.5	(0.8)	331.7
Balance as at 1 April 2025		356.1	(19.9)	(34.2)	30.5	(0.8)	331.7
Loss for the year		-	-	(161.1)	-	-	(161.1)
Other comprehensive income/(loss)		-	-	-	(0.9)	0.4	(0.5)
Total comprehensive income/(loss)		-	-	(161.1)	(0.9)	0.4	(161.6)
Transactions with owners of the Company							
Equity settled share-based payments	16	0.5	-	1.7	-	-	2.2
Balance at 31 March 2026		356.6	(19.9)	(193.6)	29.6	(0.4)	172.3

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

Consolidated Statement of Cash Flows

For the year ended 31 March 2026

	Notes	2026 \$M's	2025 \$M's
Cash flows from operating activities			
Cash received from customers		191.7	199.8
Payments to suppliers and employees		(147.7)	(141.3)
Payments for contract assets costs	3	(11.7)	(12.4)
Interest received		0.6	1.0
Interest paid		(2.9)	(4.7)
Tax received /(paid)		0.3	(1.8)
Net cash inflow from operating activities		30.3	40.6
Cash flows from investing activities			
Payments for investment in property, plant & equipment	10	(25.2)	(13.4)
Payments for investment in intangible assets	11	(7.3)	(14.9)
Net cash outflow from investing activities		(32.5)	(28.3)
Cash flows from financing activities			
Receipts from bank loans	13	5.3	-
Repayments of bank loans	13	(5.0)	(11.3)
Payment of lease liability	12	(2.0)	(1.8)
Net cash outflow from financing activities		(1.7)	(13.1)
Net (decrease) / increase in the cash held		(3.9)	(0.8)
Cash at beginning of the financial period		13.8	14.5
Effects of exchange rate changes on cash and cash equivalents		0.2	0.1
Closing cash and cash equivalents		10.1	13.8

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

Reconciliation of Operating Cash Flows with Reported Loss After Tax

For the year ended 31 March 2026

	2026 \$M's	2025 \$M's
Reconciliation of operating cash flows with reported loss after tax		
Profit / (loss) after tax for the year attributable to the shareholders	(161.1)	1.4
Add / (less) non-cash items		
Tax asset recognised	(2.6)	(1.4)
Depreciation and amortisation	60.2	53.7
Impairment losses on goodwill and other assets	134.7	-
Other non-cash (income) / expenses	3.5	(0.2)
Unwinding of interest expense for discounted contract liabilities	1.5	1.3
	197.3	53.4
Movements in other working capital items		
Increase in trade and other receivables	(2.8)	(1.3)
Decrease / (increase) in current tax payables	2.6	(0.4)
Increase in contract liabilities	0.5	8.1
Payment for contract asset costs	(11.7)	(12.4)
(Decrease) / increase in trade payables, interest payable and accruals	5.5	(8.2)
	(5.9)	(14.2)
Net cash from operating activities	30.3	40.6

Notes to the consolidated financial statements

For the year ended 31 March 2026

REPORTING ENTITY

The consolidated financial statements for the year ended 31 March 2026 are for EROAD Limited (the "Company") and its subsidiaries (collectively referred to as the "Group"). The Group provides electronic on-board units and software as a service to the transport industry.

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

BASIS OF PREPARATION

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

As at 31 March 2026, current liabilities exceeded current assets by \$3.8m. The Group had a positive operating cashflow in the current year of \$30.3m (2025: \$40.6m).

The consolidated financial statements have been prepared on a going-concern basis, which assumes that the Group will be able to discharge its liabilities including the mandatory repayment terms of the banking facilities as disclosed in Note 13. As at 31 March 2026, the Group balance sheet reflects a net working capital deficit of \$3.8m, primarily driven by contract liabilities of \$21.3m. This does not result in a cash outflow and will be recognised as revenue as performance obligations are satisfied.

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.

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

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

(a) Basis of consolidation

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

(b) Accounting policies

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

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

The Group adopted all mandatory new and amended NZ IFRS Standards and Interpretations and there has been no material impact on the Group's financial statements.

NZ IFRS 18 Presentation and Disclosure in Financial Statements will replace NZ IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. The Group has not early adopted the new accounting standard in preparing these financial statements; however, earlier application is permitted. NZ IFRS 18 requires a more structured statement of profit or loss and greater disaggregation of information. The Group is in the process of assessing the estimated impact that the initial application of NZ IFRS 18 will have on its consolidated financial statements.

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

(c) Critical accounting estimates and judgements

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

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

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

d) Change in presentation

Statement of financial position

In the current year, the Group has changed the presentation of certain contract-related balances in the statement of financial position. Previously, contract fulfilment costs and costs to obtain contracts were presented as separate line items. These balances are now presented as a single line item in the statement of financial position, Contract assets. This change represents a reclassification of presentation only and does not affect the Group's total assets, profit or equity. The underlying recognition and measurement of these balances remain unchanged. Comparative information has been reclassified to conform with the current year presentation.

Consolidated statement of cash flows

In the current year, the Group has also changed the presentation of cash flows relating to costs to obtain contracts within the consolidated statement of cash flows. These cash payments are now presented as cash flows from operating activities, as they relate to the Group's ordinary revenue-generating activities and the associated assets are amortised by reference to the transfer of goods and services to customers. Previously, these cash flows were presented within investing activities. This change represents a reclassification of presentation only. Comparative information has been reclassified to conform with the current year presentation.

Statement of cash flows

	2025 Reported	Reclass	2025 Reclassified
Cash flows from operating activities	43.2	(2.6)	40.6
Cash flows from investing activities	(30.9)	2.6	(28.3)

Performance

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

[NOTE 1 SEGMENT REPORTING](#)

[NOTE 2 REVENUE](#)

[NOTE 3 CONTRACT ASSETS](#)

[NOTE 4 CONTRACT LIABILITIES](#)

[NOTE 5 EXPENSES](#)

[NOTE 6 PERSONNEL EXPENSES](#)

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.

Impairment costs and transfer pricing

Impairment costs recognised in North America have been excluded from the FY26 transfer pricing calculations and, accordingly, from the measurement of segment results used for internal reporting purposes.

The impairment relates to goodwill arising from the loss of a significant customer and is non-recurring in nature. While a portion of the goodwill impairment is recognised in the US entities for statutory accounting purposes, it has been excluded from transfer pricing calculations based on the routine functional characterisation of the entity and advice received.

The advice received supports the exclusion of goodwill impairment from the calculation of the US entity's operating margin, as the entity is characterised as a routine distributor that is not expected to bear goodwill or customer concentration risk.

Including the impairment would distort the assessment of the routine return generated from distribution activities. Management considers this treatment to be supportable and appropriately documented for transfer pricing purposes.

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	
	2026	2025	2026	2025	2026	2025	2026	2025
	\$M's	\$M's	\$M's	\$M's	\$M's	\$M's	\$M's	\$M's
Revenue								
Subscription revenue	-	-	73.1	78.2	94.2	91.5	18.6	13.2
Uncontracted hardware revenue	0.2	0.8	0.9	1.5	-	0.1	-	-
Transaction fee revenue	-	-	-	-	5.1	5.7	-	-
Other revenue ¹	84.7	71.7	0.9	1.5	3.4	6.6	0.6	0.5
Total revenue	84.9	72.5	74.9	81.2	102.7	103.9	19.2	13.7
Earnings / (loss) before interest, taxation, depreciation, amortisation & impairment loss	(55.6)	(31.6)	15.0	17.7	75.7	70.0	4.9	3.5
Other segment information								
Total assets	271.3	289.5	49.8	200.7	111.1	99.2	45.1	39.1
Depreciation of property, plant & equipment	(1.5)	(1.2)	(8.2)	(9.4)	(9.0)	(9.5)	(2.4)	(1.8)
Amortisation of intangible assets	(19.3)	(13.3)	(6.1)	(6.1)	(1.2)	(0.9)	(0.8)	(0.7)
Amortisation of contract assets	-	-	(2.2)	(2.6)	(7.8)	(6.8)	(1.7)	(1.4)
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 \$1.5M (31 March 2025: \$1.4M).

NOTE 1 SEGMENT REPORTING (CONTINUED)

Reconciliation of information on reportable segments

	2026	2025
	\$M's	\$M's
Revenue		
Total revenue for reportable segments	281.7	271.3
Elimination of inter-segment revenue	(86.5)	(76.9)
Consolidated revenue	195.2	194.4
EBITDA		
Total EBITDA for reportable segments	40.0	59.6
Elimination of inter-segment EBITDA	(1.0)	-
Consolidated EBITDA	39.0	59.6
Depreciation		
Total depreciation for reportable segments	(21.1)	(21.9)
Elimination of inter-segment depreciation	-	-
Consolidated depreciation	(21.1)	(21.9)
Amortisation of intangible assets		
Total amortisation for reportable segments	(27.4)	(21.0)
Elimination of inter-segment amortisation	-	-
Consolidated amortisation	(27.4)	(21.0)
Total assets		
Total assets for reportable segments	477.3	628.5
Elimination of inter-segment balances	(168.5)	(168.2)
Consolidated total assets	308.8	460.3

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

Included within Total Assets are Development Assets of \$74.9M (31 March 2025: \$107.6M) which for the purpose of the segment note have been allocated to the Corporate & Development segment based on the ownership of intellectual property. The amortisation for these assets is 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 that do not generate cash flows independent from the CGU are also included and tested as part of impairment testing of respective CGUs.

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

NOTE 1 SEGMENT REPORTING (CONTINUED)

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

	Development Assets	Goodwill	Brand	Customer relationships
	\$M's	\$M's	\$M's	\$M's
31 March 2026				
North America	26.3	-	0.3	11.6
New Zealand	43.2	5.7	-	0.9
Australia	5.4	15.7	-	3.1
	74.9	21.4	0.3	15.6
31 March 2025				
North America	50.7	106.9	1.3	21.2
New Zealand	50.0	5.7	-	1.0
Australia	6.9	14.4	-	3.1
	107.6	127.0	1.3	25.3

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.

	2026	2025
	\$M's	\$M's
Revenue		
New Zealand	102.0	100.9
All foreign countries:		
USA	74.4	80.1
Australia	18.8	13.4
Philippines	-	-
Total revenue	195.2	194.4
Non-current assets		
New Zealand	135.0	143.4
All foreign countries:		
USA	30.4	182.0
Australia	36.2	31.8
Philippines	2.3	-
Total non-current assets	203.9	357.2

NOTE 1 SEGMENT REPORTING (CONTINUED)

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

	2026 \$M's	2025 \$M's
Reconciliation of geographical non-current assets to total non-current assets		
Geographical non-current assets	203.9	357.2
Deferred tax assets	16.5	18.0
Derivative financial instruments	0.1	0.3
Total non-current assets	220.5	375.5

NOTE 2 REVENUE

	2026 \$M's	2025 \$M's
Revenue from contracts with customers		
Subscription revenue	185.9	182.9
Uncontracted hardware revenue	1.1	2.4
Other		
Transaction fee revenue	5.1	5.7
Other revenue and income	1.6	2.0
Grant income	1.5	1.4
Total Revenues	195.2	194.4

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.

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 are 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 transactions 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

NOTE 2 REVENUE (CONTINUED)

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.

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 with 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 subscription revenue, which includes the software service and hardware sale or rental for which the customer simultaneously receives and consumes the benefit of the service.

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

Uncontracted hardware revenue

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

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

The services revenue associated with the uncontracted hardware units is included in the 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 it 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 subscription cash inflows relating to income under non-cancellable long-term agreements. The disclosure below aligns with the Future Contracted Income reported by the Group.

Transaction price allocated to the remaining performance obligations

The table below represents the revenue allocated to performance obligations that are unsatisfied or partially unsatisfied at the period end. The revenue amounts yet to be recognised under non-cancellable contract agreements at 31 March 2026 are expected to be recognised by EROAD based on the time bands disclosed below.

	2026 \$M's	2025 \$M's
Subscription revenue		
No later than one year	98.9	108.2
Later than one year, no later than five years	199.1	206.9
Total price allocated to remaining performance obligations	298.0	315.1

NOTE 3 CONTRACT ASSETS

Capitalised contract fulfilment costs

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

Capitalised contract acquisition costs

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

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

	Contract fulfilment		Contract acquisition		Total contract assets	
	2026	2025	2026	2025	2026	2025
	\$M's	\$M's	\$M's	\$M's	\$M's	\$M's
Opening net book value	13.9	12.0	4.8	5.1	18.7	17.1
Additions	10.1	9.8	1.6	2.6	11.7	12.4
Amortisation	(9.2)	(7.9)	(2.5)	(2.9)	(11.7)	(10.8)
Closing net book value	14.8	13.9	3.9	4.8	18.7	18.7
Current	8.8	6.7	2.0	2.7	10.8	9.4
Non-current	6.0	7.2	1.9	2.1	7.9	9.3

NOTE 4 CONTRACT LIABILITIES

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

	2026	2025
	\$M's	\$M's
Opening balance	32.2	23.6
Amounts deferred during the period	27.8	23.3
Amount recognised in the statement of comprehensive income	(26.7)	(14.7)
	33.3	32.2
Current	21.3	20.3
Non-current	12.0	11.9

NOTE 5 EXPENSES

	Notes	2026	2025
		\$M's	\$M's
Personnel expenses - net of capitalised employee remuneration	6	74.7	65.9
Administrative and other operating expenses		46.1	37.7
SaaS platform costs		33.3	29.4
Directors fees		0.9	0.9
Fees paid to auditors - KPMG		1.2	0.9
Total operating expenses		156.2	134.8

During the year the costs expensed for Research and Development were \$27.3M (31 March 2025: \$20.6M).

Comparative information has been reclassified to conform to the current year presentation.

Certain capitalised freight costs have been reclassified from Personnel expenses to Administrative and other operating expenses to better reflect their nature. This reclassification has no impact on total operating expenses, profit, or cash flows. The reclassification in 2025 amounts to \$0.2m.

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

	2026	2025
	\$M's	\$M's
Audit or review of financial statements		
Audit of financial statements	0.9	0.6
Review of financial statements	0.1	0.1
Total audit or review of financial statements	1.0	0.7
Other assurance services and other agreed-upon procedures		
Review of NZTA transactions to assess compliance with the NZTA service delivery agreement (assurance engagement)	-	-
Review of RDTi (agreed-upon procedures)	-	-
Total other assurance services and other agreed-upon procedures	-	-
Taxation services		
Corporate Income Tax, GST and other tax compliance	0.1	0.1
Transfer pricing review	0.1	0.1
Total taxation services	0.2	0.2
Total fees for services other than the audit or review of financial statements	0.2	0.2
Total fees for services provided by KPMG	1.2	0.9
Total taxation services as a percentage of total audit or review and other assurance services and other agreed-upon procedures	21%	25%

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

NOTE 6 PERSONNEL EXPENSES

	2026	2025
	\$M's	\$M's
Salaries, wages and commissions	77.4	73.0
Annual leave	-	(0.1)
Performance bonus	0.9	2.4
Share-based payments	2.6	1.7
Salaries and wages capitalised to development and software assets	(4.6)	(8.5)
Sales commissions capitalised to acquisition costs (note 3)	(1.6)	(2.6)
	74.7	65.9

Comparative information has been reclassified to conform to the current year presentation

In the current year, the Group has changed the presentation of personnel costs within the Personnel expenses note. Previously, Salaries and wages were presented net of capitalised sales commission costs. In the current year, Salaries, wages and commissions are presented on a gross basis, with sales commissions capitalised as costs to obtain contracts disclosed as a separate line item within the note. In addition, freight and courier costs that were previously included within Personnel expenses have been reclassified to Administrative and other operating expenses to better reflect their nature (refer Note 5).

This reclassification has no impact on total operating expenses, profit, or cash flows.

WORKING CAPITAL

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

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

NOTE 8 TRADE AND OTHER RECEIVABLES

NOTE 9 TRADE PAYABLES AND ACCRUALS

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

	2026	2025
	\$M's	\$M's
Cash and cash equivalents	10.1	13.8
Restricted bank accounts	29.5	26.1
	39.6	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 User Charges (RUC) collected from clients due for payment to the appropriate government agency.

Payables to transport agencies	(29.5)	(26.1)
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NOTE 8 TRADE AND OTHER RECEIVABLES

	2026	2025
	\$M's	\$M's
Trade receivables	32.5	32.0
Allowance for expected credit losses on trade receivables	(7.4)	(6.9)
	25.1	25.1
Prepayments and other receivables	12.7	10.3
	37.8	35.4

In addition to the movement in the expected credit losses, the Group has written off \$0.9M (2025: \$1.6M) of bad debts to the statement of comprehensive income.

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

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

NOTE 9 TRADE PAYABLES AND ACCRUALS

	2026	2025
	\$M's	\$M's
Trade payables	6.0	4.6
Income tax payable	4.6	2.9
Sundry accruals	19.7	15.5
	30.3	23.0

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

LONG-TERM ASSETS

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

NOTE 10 PROPERTY, PLANT AND EQUIPMENT

NOTE 11 INTANGIBLE ASSETS

NOTE 12 LEASES AS LESSEE

NOTE 10 PROPERTY, PLANT AND EQUIPMENT

	Right of use assets	Hardware assets	Plant and equipment	Leasehold improvements	Motor vehicles	Office equipment	Computers	Total
	\$M's	\$M's	\$M's	\$M's	\$M's	\$M's	\$M's	\$M's
Year ended 31 March 2026								
Opening net book amount	4.1	76.2	-	1.0	-	0.4	0.6	82.3
Additions	1.8	24.6	-	0.1	-	0.1	0.5	27.1
Depreciation charge	(1.4)	(19.1)	-	(0.3)	-	(0.1)	(0.2)	(21.1)
Impairment loss	(0.6)	(6.6)	-	(0.3)	-	-	-	(7.5)
Effect of movement in exchange rates	0.1	-	-	0.1	-	-	-	0.2
Closing net book amount	4.0	75.1	-	0.6	-	0.4	0.9	81.0
At 31 March 2026								
Cost	10.7	155.8	0.8	3.1	0.1	2.2	6.6	179.3
Accumulated depreciation and impairment	(6.7)	(80.7)	(0.8)	(2.5)	(0.1)	(1.8)	(5.7)	(98.3)
Net book amount	4.0	75.1	-	0.6	-	0.4	0.9	81.0

	Right of use assets	Hardware assets	Plant and equipment	Leasehold improvements	Motor vehicles	Office equipment	Computers	Total
	\$M's	\$M's	\$M's	\$M's	\$M's	\$M's	\$M's	\$M's
Year ended 31 March 2025								
Opening net book amount	4.7	81.6	0.1	1.2	0.1	0.4	0.7	88.8
Additions	0.6	15.2	-	-	-	0.1	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 March 2025								
Cost	8.7	142.9	0.8	3.0	0.3	2.1	5.8	163.6
Accumulated depreciation	(4.6)	(66.7)	(0.8)	(2.0)	(0.3)	(1.7)	(5.2)	(81.3)
Net book amount	4.1	76.2	-	1.0	-	0.4	0.6	82.3

Included in the Hardware Assets is equipment under construction to be leased or sold of \$23.8M (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.

NOTE 10 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

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

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

Subsequent costs

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

Impairment

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

Depreciation

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

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

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

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

NOTE 11 INTANGIBLE ASSETS

	Development	Software	Goodwill	Brand	Customer relationships	Patents, trademarks and other rights	Total
	\$M's	\$M's	\$M's	\$M's	\$M's	\$M's	\$M's
Year ended 31 March 2026							
Opening net book amount	107.6	4.3	127.0	1.3	25.3	0.1	265.6
Additions	7.2	0.1	-	-	-	-	7.3
Disposals	(2.0)	-	-	-	-	-	(2.0)
Effect of movement in foreign exchange rate	(0.5)	-	(0.7)	-	(0.1)	-	(1.3)
Amortisation charge	(22.1)	(1.2)	-	(0.7)	(3.4)	-	(27.4)
Impairment loss	(15.3)	(0.5)	(104.9)	(0.3)	(6.2)	-	(127.2)
Closing net book amount	74.9	2.7	21.4	0.3	15.6	0.1	115.0
At 31 March 2026							
Cost	201.3	13.0	21.4	4.0	34.0	0.1	273.8
Accumulated amortisation and impairment	(126.4)	(10.3)	-	(3.7)	(18.4)	-	(158.8)
Net book amount	74.9	2.7	21.4	0.3	15.6	0.1	115.0

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

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

NOTE 11 INTANGIBLE ASSETS (CONTINUED)

Change in estimate

During FY26, the Group revised the estimated useful lives of certain capitalised development assets to reflect the Group's current product roadmap, platform architecture, technology replacement expectations and the accelerating impact of AI on software longevity. The revised useful lives are applied prospectively from 1 October 2025 by amortising existing carrying values over the revised remaining useful lives. The revised useful lives are:

Development asset category	Previous useful life	Revised useful life
Development hardware and platform	5 to 15 years	3 to 9 years
Development products	5 to 10 years	3 to 5 years
Software	5 to 7 years	3 to 5 years

The effect of these changes on actual and expected amortisation expense was as follows:

Disclosure note	FY26	FY27	FY28	Later
Increase / (decrease) in amortisation	6.3	13.0	11.2	(28.2)

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.

Amortisation

Patents	10 to 20 years
Development Hardware & Platform	3 to 9 years
Development Products	3 to 5 years
Software	3 to 5 years
Customer relationships	10 to 15 years
Brand	5 years

NOTE 11 INTANGIBLE ASSETS (CONTINUED)**Impairment**

The acquisition of Coretex on 1 December 2021 resulted in goodwill being recognised for the excess of the consideration transferred over the fair value of the identifiable net assets acquired. Net assets acquired included finite life intangible assets such as customer relationships, brands, software and development assets. The goodwill and finite life intangible assets were allocated to the Group's cash-generating units (CGUs) with the assistance of external specialists. The CGUs represent the lowest level at which separately identifiable cash inflows are generated. 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, NZ IAS 36 requires an impairment test to be performed annually for the CGUs to which goodwill has been allocated, irrespective of whether any indication of impairment exists. An impairment test is also required when there is an indicator of impairment in respect of a CGU or asset.

Corporate costs attributable to CGUs are allocated to the respective CGUs on a reasonable and consistent basis for the purposes of impairment testing. Development assets specific to a region are allocated directly to the relevant CGU. Shared platform and development assets are allocated based on each CGU's proportionate share of contracted units. Unallocated corporate costs and assets are assessed using a top-down approach.

Impairment testing of CGUs

At the reporting date, management considered both external and internal sources of information in assessing whether indicators of impairment existed.

An external indicator considered was that the carrying amount of the Group's net assets exceeds its market capitalisation. The share price of EROAD Group at 31 March 2026 was \$0.885 equating to a market capitalisation of \$166.5M compared to net assets of \$172.3M at the same date.

Management also considered CGU-specific indicators, including changes in trading conditions, market competition, customer activity and revised expectations of future cash flows.

To complete the annual impairment testing, management assessed the recoverable amount of each CGU to which goodwill, property, plant and equipment and finite life intangible assets had been allocated by reference to value in use, determined using discounted cash flow models.

Cash flow forecasts were based on Board-approved budgets and strategic plans covering a period of 5 years. Cash flows beyond that period were extrapolated using estimated terminal growth rates.

The key assumptions used in the value-in-use models were forecast revenue growth and the weighted average cost of capital (WACC) and EBITDA margin. These assumptions reflect past experience, current trading performance and management's expectations of future market conditions. WACC reflects the time value of money and the risks specific to each CGU.

The recoverable amounts of the CGUs were estimated based on the following significant assumptions:

	Amount the VIU exceeds the carrying value	Revenue CAGR	WACC
	\$M's (functional currency)		
New Zealand	301.7	8.6%	11.7%
North America	1.0	3.6%	14.2%
Australia	22.6	24.9%	13.2%

A key assumption of EBITDA CAGR of 1.4% has been applied to North America.

Terminal growth rate of 2.5% applied to 2032 and thereafter for Australia, 2.0% applied for New Zealand and North America. Terminal growth rates do not exceed the long-term average growth rates for the markets in which the relevant CGUs operate.

The Group concluded that the recoverable amount of each of the CGUs was higher than its carrying amount and therefore no impairment was considered necessary at 31 March 2026. Also, refer to the below in relation to the North America CGU.

NOTE 11 INTANGIBLE ASSETS (CONTINUED)**Sensitivity analysis**

Sensitivity analysis was undertaken for each CGU by applying reasonably possible changes in key assumptions, while holding all other assumptions constant. The New Zealand CGU was not considered sensitive to reasonably possible changes in key assumptions. The recoverable amounts of the Australia and North America CGUs were most sensitive to changes in key assumptions.

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

The change in an individual assumption which, in isolation, would result in the recoverable amount equalling the carrying amount is set out below for New Zealand and Australia CGU:

	Input required for the VIU to equate to the carrying value	
	Revenue CAGR	WACC
New Zealand	Not sensitive	Not sensitive
Australia	13.07%	17.47%

North America Impairment

During the period, management identified impairment indicators in relation to the North America CGU. These included increased competitive pressure in the US telematics market, weaker economic conditions affecting freight volumes and customer capital expenditure, the loss of a significant legacy customer, and the prioritisation of investment toward growth opportunities in Australia and New Zealand. As a result, the recoverable amount of the North America CGU was reassessed using a value-in-use model at 30 September 2025.

An impairment loss of NZ\$134.7 million was recognised in respect of the North America CGU and presented as a separate line item in the statement of comprehensive income as 'Impairment of goodwill and other assets'. The impairment loss was allocated first to goodwill and then pro rata to intangible assets (NZ\$22.3 million) and property, plant and equipment (NZ\$7.5 million), as outlined in notes 10 and 11.

As at 31 March 2026, the North America CGU has limited headroom and is therefore sensitive to reasonably possible changes in key assumptions; a small adverse movement in forecast revenue growth, EBITDA margin or WACC rate could result in an impairment.

No further impairment losses were identified as a result of the subsequent impairment assessment.

NOTE 12 LEASES AS LESSEE

	2026	2025
	\$M's	\$M's
Maturity analysis - contractual undiscounted cash flows		
Less than one year	2.0	1.8
One to five years	4.3	4.1
More than five years	0.3	0.5
Total undiscounted lease liabilities	6.6	6.4
Current	1.7	1.5
Non-current	4.3	4.1
Lease liabilities included in the statement of financial position	6.0	5.6

Amounts recognised in Statement of Comprehensive Income

	2026	2025
	\$M's	\$M's
Interest expense on lease liabilities	0.4	0.2
Depreciation on right of use assets	1.4	1.3

Amounts recognised in Statement of Cash Flows

	2026	2025
	\$M's	\$M's
Total cash outflow for leases	(2.0)	(1.8)

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

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

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

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

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

DEBT AND EQUITY

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

NOTE 13 BORROWINGS

NOTE 14 FINANCE INCOME AND FINANCE EXPENSES

NOTE 15 EQUITY

NOTE 16 SHARE-BASED PAYMENTS

NOTE 13 BORROWINGS

	2026	2025
	\$M's	\$M's
Current borrowings		
Term loans	5.0	5.0
	5.0	5.0
Non-current borrowings		
Term loans	12.5	17.5
Revolving credit facility	8.9	3.5
Capitalised borrowings costs	(0.3)	(0.4)
	21.1	20.6

			2026	2026	2025	2025
	Nominal Interest	Year of Maturity	Face Value \$M's	Carrying amount \$M's	Face Value \$M's	Carrying amount \$M's
Term Loans	6.63%	2027	17.5	17.5	22.5	22.5
Revolving credit facility	6.63%	2027	8.9	8.9	3.5	3.5
Capitalised borrowing costs	6.63%	2027	-	(0.3)	-	(0.4)
			26.4	26.1	26.0	25.6

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

During the year, EROAD amended and restated its banking facilities, extending the contractual maturity dates of its term loan and revolving credit facilities to 1 October 2027. At 31 March 2026, EROAD had the following facilities in place:

\$17.5M (NZD) Term Loan Facility A – the Term Loan has a term of 18 months from the 30 March 2026 amendment and restatement effective date, with the facility having a maturity date of 1 October 2027. The total facility commitments reduce by \$1.25M on a quarterly basis from 30 June 2026 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.

\$42.5M (NZD) Revolving Credit Facility B – the Revolving Credit Facility has a term of 18 months from the 30 March 2026 amendment and restatement effective 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 facility, and with the facility having a maturity date of 1 October 2027. Funds may be drawn in New Zealand dollars, Australian dollars or United States dollars. The total facility commitments reduce by \$1.25M on a quarterly basis from 30 June 2026 until the maturity of the facility. The full outstanding balance is payable on the termination date.

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

EROAD's operating covenants to support the above facilities include Interest Cover Ratio, Leverage Ratio and Obligor Assets to Group Assets. EROAD was compliant with covenants during the period and at 31 March 2026.

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

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

NOTE 14 FINANCE INCOME AND FINANCE EXPENSES

	2026	2025
	\$M's	\$M's
Finance expenses		
Interest expense	(3.3)	(5.2)
Interest expense - lease liabilities	(0.4)	(0.2)
Interest expense - contract liabilities	(1.5)	(1.2)
Foreign exchange losses	(0.5)	(0.1)
Total finance expenses	(5.7)	(6.7)
Finance income		
Interest Income	0.6	1.0
Net financing costs	(5.1)	(5.7)

NOTE 15 EQUITY

Paid up capital

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

	Number of ordinary shares	Issue price \$	Issued Capital \$
1 April 2025	187,410,632		356.1
Shares issued to employees	556,185	0.89	0.5
31 March 2026	187,966,817		356.6

At 31 March 2026 there was 187,966,817 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 earnings per share at 31 March 2026 was based on the loss attributable to ordinary shareholders of \$161.1M (2025: profit of \$1.4M). The weighted number of ordinary shares on 31 March 2026 was 187,243,077 (2025: 186,222,866) for basic earnings per share and 187,777,813 for diluted earnings per share (2025: 186,750,744).

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.

Other components of equity include:

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

NOTE 16 SHARE-BASED PAYMENTS

At 31 March 2026, the Group had the following share-based payment arrangements.

FY20 Long term incentive grant

Under the FY20 long term Incentive (LTI) Grant, 56,949 performance share rights (PSRs) were forfeited during the prior year, with no PSR's outstanding as at 31 March 2026. PSRs did not entitle the holder to receive dividends or other distributions, or vote in respect of EROAD Limited ordinary shares, although under the terms of the plan an additional number of shares will be issued on conversion of fully vested PSRs to reflect dividends paid to EROAD Limited shares prior to exercise. On becoming exercisable, each PSR entitles the holder to one fully paid ordinary EROAD Limited share, subject to adjustment in accordance with the plan rules and the performance hurdles, ranking equally with all other EROAD Limited ordinary shares. For the FY20 LTI plan, the award was linked to growth in EROAD's total contracted units (TCUs) between 1 April 2019 and 31 March 2022. The Board retained discretion over the final outcome of PSR payments, to allow appropriate adjustments where unanticipated circumstances may have impacted performance over the measurement period.

FY23 Share retention grant #1

Under the FY23 Share Retention Grant #1, 403,691 performance share rights (PSRs) were granted (for nil consideration) to participants which convert to shares (for nil consideration) if targets were met. PSRs did not entitle the holder to receive dividends or other distributions, or vote in respect of EROAD Limited ordinary shares. On becoming exercisable, each PSR entitles the holder to one fully paid ordinary EROAD Limited ordinary share, subject to adjustment in accordance with the plan rules and the performance hurdles, ranking equally with all other EROAD Limited ordinary shares.

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

FY24 Share retention grant #1

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

The FY24 Share Retention Grant #1 had three vesting dates aligned to performance hurdles. 109,388 PSRs vested and were settled in the prior period, with the remaining balance having lapsed due to performance criteria not being met or surrendered to meet tax obligations.

NOTE 16 SHARE-BASED PAYMENTS (CONTINUED)**FY24 Long term incentive grant #1**

Under the FY24 Long Term Incentive (LTI) Grant #1, entitlements equating to \$3.5m have been offered to participants subject to performance hurdles being met. Participants may be paid in cash or shares. Under the FY24 grant, life to date we have granted 3,504,158 performance share rights (PSRs) for nil consideration. PSRs do not entitle the holder to receive dividends or other distributions, or vote in respect of EROAD Limited ordinary shares. On becoming exercisable, each PSR entitles the holder to one fully paid ordinary EROAD Limited share, subject to adjustment in accordance with the plan rules and the performance hurdles, ranking equally with all other EROAD Limited ordinary shares.

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

FY24 Long term incentive grant #2

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

The FY24 LTI Grant vested on 24 June 2024, with all PSRs vesting and being settled in the prior period.

FY25 Long term incentive grant

Under the FY25 Long Term Incentive (LTI) Grant #1, entitlements equating to \$5.0m have been offered to participants subject to performance hurdles being met. Participants may be paid in cash or shares. Under the FY25 grant, life to date we have issued 6,523,286 performance share rights (PSRs) for nil consideration. PSRs do not entitle the holder to receive dividends or other distributions, or vote in respect of EROAD Limited ordinary shares. On becoming exercisable, each PSR entitles the holder to one fully paid ordinary EROAD Limited share, subject to adjustment in accordance with the plan rules and the performance hurdles, ranking equally with all other EROAD Limited ordinary shares.

The FY25 LTI Grant vests after determining financial results for 31 March 2027.

NOTE 16 SHARE-BASED PAYMENTS (CONTINUED)

FY25 Share retention grant #1

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

The FY25 Share Retention Grant #1 vested on 5 March 2025, being one year of service from the employee's start date, 251,686 PSRs vested and were settled in the prior period, with the remaining balance having lapsed due to performance criteria not being met or surrendered to meet tax obligations.

FY25 Share retention grant #2

Under the FY25 Share Retention Grant, 97,087 performance share rights (PSRs) were issued (for nil consideration) to a participant which convert to shares (for nil consideration) if targets are met. PSRs do not entitle the holder to receive dividends or other distributions, or vote in respect of EROAD Limited ordinary shares. On becoming exercisable, each PSR entitles the holder to one fully paid ordinary EROAD Limited share, subject to adjustment in accordance with the plan rules, ranking equally with all other EROAD Limited ordinary shares.

The FY25 Share Retention Grant #2 Grant vested on 18 June 2025 being one year of service from employee's start date.

NOTE 16 SHARE-BASED PAYMENTS (CONTINUED)

FY26 Long Term incentive grant

Under the FY26 Long Term Incentive (LTI) Grant entitlements equating to \$4.9m have been offered to participants subject to performance hurdles being met. Participants may be paid in cash or shares. Under the FY26 grant, life to date we have granted 4,948,561 performance share rights (PSRs) for nil consideration. PSRs do not entitle the holder to receive dividends or other distributions, or vote in respect of EROAD Limited ordinary shares. On becoming exercisable, each PSR entitles the holder to one fully paid ordinary EROAD Limited share, subject to adjustment in accordance with the plan rules and the performance hurdles, ranking equally with all other EROAD Limited ordinary shares.

The FY26 LTI Grant vests after determining financial results for 31 March 2028.

FY26 Share retention grant #1

Under the FY26 Share Retention Grant, 120,976 performance share rights (PSRs) were granted (for nil consideration) to a participant which convert to shares (for nil consideration) if targets are met. PSRs do not entitle the holder to receive dividends or other distributions, or vote in respect of EROAD Limited ordinary shares. On becoming exercisable, each PSR entitles the holder to one fully paid ordinary EROAD Limited share, subject to adjustment in accordance with the plan rules, ranking equally with all other EROAD Limited ordinary shares.

The FY26 Share Retention Grant #1 vesting date is the 1 April 2026 being six months of service from employee's start date.

Grant date/employees entitled	Performance share rights granted									Vesting conditions
	Jul 23	May 24	Jun 24	Jul 24	Oct 24	Nov 24	Jan 26	Jun 25	Dec 25	
Performance share rights granted to key management personnel										
FY24 Long Term Incentive Grant #1	2,060,941	-	-	-	-	-				• 3 years service from grant date and based on performance and financial results for all 3 years to 31 March 2026
FY24 Share Retention Grant #1	661,386	-	-	-	-	-				• 1.25 years service from grant date and based on individual performance
FY24 Long Term Incentive Grant #2	278,437	-	-	-	-	-				• Based on financial results for 31 March 2025
FY25 Long Term Incentive Grant	-	-	4,262,141	-	-	-				• 3 years service from grant date and based on performance and financial results for all 3 years to 31 March 2027
FY25 Share retention Grant #1	-	457,253	-	-	-	-				• 1 year service from grant date
FY25 Share retention Grant #2	-	-	-	-	97,087	-				• 1 year service from grant date
FY26 Share retention Grant #1							120,976			• 6 month service from employment date
FY26 Long Term Incentive Grant								1,773,289	105,950	• 3 years service from grant date and based on performance and financial results for all 3 years to 31 March 2028
Performance Shares Rights granted to other employees										
FY24 Long Term Incentive Grant #1	1,443,218	-	-	-	-	-				• 3 years service from grant date and based on performance and financial results for all 3 years to 31 March 2026
FY25 Long Term Incentive Grant	-	-	1,588,486	441,371	-	231,288				• 3 years service from grant date and based on performance and financial results for all 3 years to 31 March 2027
FY26 Long Term Incentive Grant								3,069,323		• 3 years service from grant date and based on performance and financial results for all 3 years to 31 March 2028
	4,443,981	457,253	5,850,627	441,371	97,087	231,288	120,976	4,842,612	105,950	

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

NOTE 16 SHARE-BASED PAYMENTS (CONTINUED)

FY20 Long term incentive grant	2026	2025
Outstanding at 1 April	-	56,949
Granted during the period	-	-
Forfeited during the period	-	(56,949)
Surrendered during the period	-	-
Vested during the period	-	-
Outstanding at 31 March	-	-

FY23 Share retention grant #1	2026	2025
Outstanding at 1 April	-	323,772
Granted during the period	-	-
Forfeited during the period	-	(14,344)
Surrendered during the period	-	(113,593)
Vested during the period	-	(195,835)
Outstanding at 31 March	-	-

FY24 Long term incentive grant #1	2026	2025
Outstanding at 1 April	1,917,426	3,187,079
Granted during the period	-	-
Forfeited during the period	(79,218)	(1,269,653)
Surrendered during the period	(55,838)	-
Vested during the period	(185,142)	-
Outstanding at 31 March	1,597,228	1,917,426

The prior period has been amended to reflect PSRs granted, not issued.

FY24 Long term incentive grant #2	2026	2025
Outstanding at 1 April	-	278,437
Granted during the period	-	-
Forfeited during the period	-	-
Surrendered during the period	-	-
Vested during the period	-	(278,437)
Outstanding at 31 March	-	-

FY24 Share retention grant #1	2026	2025
Outstanding at 1 April	-	222,447
Granted during the period	-	-
Forfeited during the period	-	-
Surrendered during the period	-	(113,059)
Vested during the period	-	(109,388)
Outstanding at 31 March	-	-

FY25 Long term incentive grant	2026	2025
Outstanding at 1 April	5,098,121	-
Granted during the period	-	6,523,286
Forfeited during the period	(1,589,075)	(1,425,165)
Surrendered during the period	(151,931)	-
Vested during the period	(280,281)	-
Outstanding at 31 March	3,076,834	5,098,121

FY25 Share retention grant #1	2026	2025
Outstanding at 1 April	-	-
Granted during the period	-	457,253
Forfeited during the period	-	-
Surrendered during the period	-	(205,567)
Vested during the period	-	(251,686)
Outstanding at 31 March	-	-

FY25 Share retention grant #2	2026	2025
Outstanding at 1 April	97,087	-
Granted during the period	-	97,087
Forfeited during the period	-	-
Surrendered during the period	(37,864)	-
Vested during the period	(59,223)	-
Outstanding at 31 March	-	97,087

NOTE 16 SHARE-BASED PAYMENTS (CONTINUED)

FY26 Long term incentive grant	2026	2025
Outstanding at 1 April	-	-
Granted during the period	4,948,561	-
Forfeited during the period	(1,725,116)	-
Surrendered during the period	(9,513)	-
Vested during the period	(31,539)	-
Outstanding at 31 March	3,182,393	-

FY26 Share retention grant #1	2026	2025
Outstanding at 1 April	-	-
Granted during the period	120,976	-
Forfeited during the period	-	-
Surrendered during the period	-	-
Vested during the period	-	-
Outstanding at 31 March	120,976	-

During the year-ended 31 March 2026 an amount of \$2.6M (2025: \$1.7M) was recognised as an expense within the statement of comprehensive income in relation to share-based payments for all share plans.

As at 31 March 2026, an amount of \$4.4M (2025: \$2.7M) is included in share based payments reserve equity.

FINANCIAL RISK MANAGEMENT

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

NOTE 17 FINANCIAL RISK MANAGEMENT

NOTE 18 HEDGE ACCOUNTING

NOTE 19 FAIR VALUE MEASUREMENT

NOTE 17 FINANCIAL RISK MANAGEMENT

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

Categories of financial instruments**Financial assets**

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

Financial liabilities

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

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

	2026			2025		
	Amortised cost	FVTPL	Fair Value hedging instruments	Amortised cost	FVTPL	Fair Value hedging instruments
	\$M's	\$M's	\$M's	\$M's	\$M's	\$M's
Financial assets						
Cash and cash equivalents	10.1	-	-	13.8	-	-
Restricted bank account	29.5	-	-	26.1	-	-
Trade receivables	32.5	-	-	32.0	-	-
Derivative financial assets	-	-	0.2	-	-	0.4
	72.1	-	0.2	71.9	-	0.4
Financial liabilities						
Borrowings	26.1	-	-	25.6	-	-
Lease liabilities	6.0	-	-	5.6	-	-
Trade and other payables	6.0	-	-	4.6	-	-
Payables to transport agencies	29.5	-	-	26.1	-	-
Derivative financial liability	-	-	0.6	-	-	1.4
	67.6	-	0.6	62.0	-	1.4

As at 31 March 2026 the derivative financial assets total \$0.2M (comprising \$0.1M in current assets and \$0.1M in non-current assets), and derivative financial liabilities total \$0.6M (comprising \$0.5M in current liabilities and \$0.1M in non-current liabilities). As at 31 March 2025 the derivative financial assets total \$0.4M (comprising \$0.1M in current assets and \$0.3M in non-current assets) and derivative financial liabilities total \$1.4M (comprising \$0.6M in current liabilities and \$0.8M in non-current liabilities).

(a) Credit risk

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

The Group's cash balances are held with a number of banks with the level of exposure to credit risk considered minimal with low levels of cash held. Trade receivables balances are monitored on an ongoing basis. The Group's exposure to credit risk for

NOTE 17 FINANCIAL RISK MANAGEMENT (CONTINUED)

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

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

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

	2026		2025	
	Gross	Allowance for doubtful debts	Gross	Allowance for doubtful debts
	\$M's	\$M's	\$M's	\$M's
Not past due	8.4	0.1	7.4	0.2
Past due 1-30 days	7.0	0.4	7.9	0.5
Past due 31-60 days	2.8	0.2	4.8	0.3
Past due over 61 days	14.3	6.7	11.9	5.9
	32.5	7.4	32.0	6.9

b) Market risk

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

Interest rate risk

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

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

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

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

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

In these hedge relationships the main sources of ineffectiveness are:

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

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

NOTE 17 FINANCIAL RISK MANAGEMENT (CONTINUED)**Foreign exchange risk**

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

The Group reports in New Zealand dollars. Movements in foreign currency exchange rates affect reported financial results, financial position and cash flows. Where practical, the Group attempts to reduce this risk by matching revenues and expenditures, as well as assets and liabilities, by country and by currency. Refer to note 18 for details on foreign currency option agreements.

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

	2026	2025
AUD	0.83	0.91
USD	0.57	0.57
PHP	34.65	-

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

	2026			2025	
	AUD	USD	PHP	AUD	USD
	\$M's	\$M's	\$M's	\$M's	\$M's
Cash and cash equivalents	0.7	3.7	33.0	0.3	1.4
Trade receivables	3.9	7.9	-	5.0	7.7
Lease liabilities	-	(1.3)	(7.7)	-	(1.6)

NOTE 17 FINANCIAL RISK MANAGEMENT (CONTINUED)**Summarised sensitivity analysis**

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

	Foreign Currency Risk				Interest Risk			
	-10%		+10%		-100BPS		+100BPS	
	Profit	Equity	Profit	Equity	Profit	Equity	Profit	Equity
	\$M's	\$M's	\$M's	\$M's	\$M's	\$M's	\$M's	\$M's
2026								
Cash and cash equivalents	(0.3)	(0.3)	0.3	0.3	(0.1)	(0.1)	0.1	0.1
Trade receivables	(0.8)	(0.8)	0.8	0.8	-	-	-	-
Lease liabilities	0.1	0.1	(0.1)	(0.1)	(0.1)	(0.1)	0.1	0.1
Interest rate swap	-	-	-	-	-	(0.1)	-	0.1
Total (decrease) / increase	(1.0)	(1.0)	1.0	1.0	(0.2)	(0.3)	0.2	0.3

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

(c) Liquidity risk

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

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

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

NOTE 17 FINANCIAL RISK MANAGEMENT (CONTINUED)

	Notes	1 year or less \$M's	1 to 5 years \$M's	Over 5 years \$M's	Total contractual cash flows \$M's	Carrying amount of liabilities \$M's
2026						
Non-derivative financial liabilities						
Borrowings	13	7.2	22.4	-	29.6	26.1
Trade and other payables	9	6.0	-	-	6.0	6.0
Payable to transport agencies	7	29.5	-	-	29.5	29.5
		42.7	22.4	-	65.1	61.6
Derivative financial liabilities						
Foreign currency options		0.4	0.1	-	0.5	0.5
Interest rate swaps		0.1	-	-	0.1	0.1
Total financial liabilities and derivatives		0.5	0.1	-	0.6	0.6

	Notes	1 year or less \$M's	1 to 5 years \$M's	Over 5 years \$M's	Total contractual cash flows \$M's	Carrying amount of liabilities \$M's
2025						
Non-derivative financial liabilities						
Borrowings	13	7.1	21.9	-	29.0	25.6
Trade and other payables	9	4.6	-	-	4.6	4.6
Payable to transport agencies	7	26.1	-	-	26.1	26.1
		37.8	21.9	-	59.7	56.3
Derivative financial liabilities						
Foreign currency options		0.6	0.7	-	1.3	1.3
Interest rate swaps		-	0.1	-	0.1	0.1
		0.6	0.8	-	1.4	1.4

NOTE 18 HEDGE ACCOUNTING

Derivatives are measured at fair value.

Interest rate swaps

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

Cash flow hedges

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

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

At 31 March 2026, the Group had interest rate swap agreements in place with a total notional principal amount of \$10.0M (31 March 2025: \$10.0M). The Group applies a hedge ratio of 1:1. These agreements effectively change the Group's interest exposure on the principal covered by the interest rate swaps from a floating rate to fixed rates.

The fair value of these agreements at 31 March 2026 is a \$0.1M liability (31 March 2025: \$0.1M liability). Of this, a liability of \$0.1M is estimated to be current (31 March 2025: nil). The agreements cover notional amounts for terms of up to 1 year.

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

	Nominal amount of the hedging instrument \$M's	Carrying amount - derivative assets/ (liabilities) \$M's	Change in value used for calculating hedge ineffectiveness \$M's	Hedging (gain) or loss recognised in other comprehensive income \$M's	Hedging (gain) or loss recognised in income statement \$M's
2026 Cash flow hedging					
Maturity: 12 months	10.0	(0.1)	-	-	-
2025 Cash flow hedging					
Maturity: 12 months	10.0	(0.1)	-	-	-

There was no hedge ineffectiveness recognised in profit or loss during the year (31 March 2025: nil).

Foreign currency options

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

Cash flow hedges

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

NOTE 18 HEDGE ACCOUNTING (CONTINUED)

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

At 31 March 2026, the Group had foreign currency collar option agreements in place with a total notional principal amount of \$9.0M USD (31 March 2025: \$16.9M USD). The Group applies a hedge ratio of 1:1. These foreign currency collar options limit the Group's exposure to foreign currency exposure within a certain range.

The fair value of these agreements at 31 March 2026 is a \$0.4M net liability, comprised of \$0.6M of swap liabilities and \$0.2M of swap assets (31 March 2025: \$0.9M net liability, comprised of \$1.3M of swap liabilities and \$0.4M of swap assets). Of this, a liability of \$0.5M is current (31 March 2025: \$0.6M). The agreements cover notional amounts for terms of up to 1 year.

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

	Maturity (months)	Weighted average rate	Nominal amount of the hedging instrument \$M's USD	Derivative assets \$M's	Derivative liabilities \$M's
2026 Cash flow hedging					
NZD:USD foreign currency collar options	1-22	0.5947	9.0	0.2	(0.6)

As at 31 March 2026 the derivative financial assets total \$0.2M (comprising \$0.1M in current assets and \$0.1M in non-current assets), and derivative financial liabilities total \$0.6M (comprising \$0.5M in current liabilities and \$0.1M in non-current liabilities).

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

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

NOTE 19 FAIR VALUE MEASUREMENT

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

Capital management

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

OTHER

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

NOTE 20 INCOME TAX EXPENSE

NOTE 21 DEFERRED TAX ASSETS AND LIABILITIES

NOTE 22 RELATED PARTY TRANSACTIONS

NOTE 23 CAPITAL COMMITMENTS

NOTE 24 CONTINGENT LIABILITIES

NOTE 25 NET TANGIBLE ASSETS PER SHARE

NOTE 26 EVENTS SUBSEQUENT TO BALANCE DATE

NOTE 20 INCOME TAX EXPENSE

	2026 \$M's	2025 \$M's
(a) Reconciliation of effective tax rate		
Profit / (loss) before income tax	(161.0)	0.2
Income tax using the Company's domestic tax rate of 28%	(45.1)	0.1
Non-deductible expense/(non-assessable income)	29.1	(0.2)
Adjustment related to prior period	1.2	(0.6)
Utilisation of tax losses previously unrecognised	(0.9)	(0.9)
Current-year losses for which no deferred tax asset is recognised	1.9	0.4
Effect of different tax rates of subsidiaries operating overseas	2.2	-
Derecognition of prior year losses	11.7	-
Income tax benefit	0.1	(1.2)
(b) Current tax expense		
Current year	1.7	2.8
Adjustment related to prior period	1.1	(1.4)
	2.8	1.4
(c) Deferred tax expense		
Current year	(2.8)	(3.4)
Adjustment related to prior period	0.1	0.8
	(2.7)	(2.6)
Income tax expense/(benefit)	0.1	(1.2)

At 31 March 2026 there were no imputation credits available to shareholders (2025: Nil). There were also no Australian franking credits available to shareholders at 31 March 2026 (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.

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

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

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

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

NOTE 21 DEFERRED TAX ASSETS AND LIABILITIES

	2026 \$M's	2025 \$M's
Recognised deferred tax assets/(liabilities)		
Net Deferred tax assets are attributable to the following:		
Tax loss carry forward	14.4	23.7
Derivative financial assets / (liabilities)	0.1	0.3
Property, plant and equipment	(6.3)	(4.4)
Intangibles	(13.9)	(26.6)
Provisions, accruals and other liabilities	1.2	1.6
Equity-settled share-based payments	1.5	0.9
Trade and other receivables including contract assets	11.1	10.1
Lease Liability	1.5	1.4
Net deferred tax asset	9.6	7.0

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

At 31 March 2026 the total deferred tax balance was \$9.6M (31 March 2025: \$7.0M). This balance comprises a deferred tax asset of \$16.5M and deferred tax liabilities of \$6.9M (31 March 2025: deferred tax asset of \$18.0M and deferred tax liabilities of \$11.0M).

Movement in temporary differences during the year:

Movements - Consolidated	Balance 2025 \$M's	Recognised in Profit or Loss \$M's	Under/ (Over) from prior periods \$M's	Currency Translations \$M's	Effective tax rate change \$M's	Balance 2026 \$M's
Tax loss carry forward	23.7	(10.0)	0.7	-	-	14.4
Derivative financial assets / (liabilities)	0.3	(0.2)	-	-	-	0.1
Property, plant and equipment	(4.4)	(1.9)	-	-	-	(6.3)
Intangibles	(26.6)	11.4	1.4	(0.1)	-	(13.9)
Provision, accruals and other liabilities	1.6	0.5	(0.9)	-	-	1.2
Equity-settled share-based payments	0.9	0.6	-	-	-	1.5
Trade and other receivables including contracts assets	10.1	2.3	(1.3)	-	-	11.1
Lease liability	1.4	0.1	-	-	-	1.5
Net deferred tax (liability) / asset	7.0	2.8	(0.1)	(0.1)	-	9.6

NOTE 21 DEFERRED TAX ASSETS AND LIABILITIES (CONTINUED)

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

As at 31 March 2026 the Group has tax losses of \$108.5M (2025: \$84.4M) that are available indefinitely for offsetting against future taxable profits of the entity in which they arose, subject to meeting the relevant tax rules. \$57.3M (2025: \$13.0M) of tax losses are unrecognised due to lack of certainty of recovery. This includes losses incurred in recent years by Coretex New Zealand as a result of a large investment creating the North American market. Coretex New Zealand tax losses of \$41.9M (tax effected: \$11.7M) have been derecognised during the year, as future taxable profits are no longer expected to support their utilisation.

The recognised deferred tax asset in respect of carried forward tax losses relates entirely to the New Zealand EROAD tax group, comprising EROAD Limited, EROAD New Zealand Limited and EROAD Financial Services Limited. Losses incurred within this group are transferred within the group.

A deferred tax asset has been recognised in respect of the tax losses carried forward on the basis that sufficient future taxable profits are expected to be available for utilisation. Recognition of this deferred tax asset does not rely on the reversal of existing taxable temporary differences alone, but is supported by forecast future taxable profits generated by the New Zealand EROAD tax group. The Group expects these losses to be substantially utilised within 3 years.

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

NOTE 22 RELATED PARTY TRANSACTIONS

The subsidiaries of the Company are:

Company	Country of Incorporation	Principal activity	Ownership interest	
			2026	2025
EROAD Financial Services Ltd	New Zealand	Financing activities within group	100%	100%
EROAD LTI Trustee Limited	New Zealand	LTI Scheme Trustee	100%	100%
EROAD (Australia) Pty Limited	Australia	Transport Technology & SaaS	100%	100%
EROAD Inc	United States of America	Transport Technology & SaaS	100%	100%
Coretex NZ Limited	New Zealand	Transport Technology & SaaS	100%	100%
Coretex Australia Pty Limited	Australia	Transport Technology & SaaS	100%	100%
Coretex USA Inc	United States of America	Transport Technology & SaaS	100%	100%
Coretex Telematics Limited	Canada	Transport Technology & SaaS	100%	100%
Coretex Limited	New Zealand	Transport Technology & SaaS	100%	100%
Imarda Pty Limited	Australia	Not Trading	100%	100%
Imarda Asia Pte Limited	Singapore	Not Trading	100%	100%
International Telematics Corporation	United States of America	Not Trading	100%	100%
International Telematics Holdings Limited	New Zealand	Not Trading	100%	100%
EROAD Philippines Inc	Philippines	Provision of services	100%	100%

Other interests of the Company are:

Company	Country of Incorporation	Principal activity	Ownership interest	
			2026	2025
Beyond The Square Ventures Limited	New Zealand	Not Trading	-	50%

Key management personnel compensation comprised:

	2026	2025
	\$M's	\$M's
Short-term employee benefits	3.3	2.7
Share-based payments	0.4	0.6
	3.7	3.3

NOTE 22 RELATED PARTY TRANSACTIONS (CONTINUED)**(a) Loans to key management personnel**

There have been no loans to management personnel.

(b) Other transactions with key management personnel

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

(c) Remuneration of Non-executive Directors

	2026	2025
	\$M's	\$M's
Susan Paterson	0.15	0.15
Barry Einsig	0.15	0.18
Sara Gifford	0.16	0.18
David Green	0.13	0.11
Cameron Kinloch	0.13	0.16
John Scott (Chair)	-	0.01
Selwyn Pellett (retired 13 November 2024)	-	0.06
	0.72	0.85

No additional fees were paid to any Directors for consultancy work provided to the Company (2025: None paid).

(d) Remuneration of Executive Directors

	2026	2025
	\$M's	\$M's
John Scott		
Director fees	0.14	-
	0.14	-

Additional fees were paid to an executive director for consultancy work provided to the Company \$0.2m (2025: None paid).

(e) Transactions with related parties

	2026	2025
	\$M's	\$M's
Streamline Business NZ Limited	-	0.9
Kylie Jay	-	0.1
Swaytech Limited	-	0.1
Digital Matter Pty Limited	0.1	0.1
	0.1	1.2

The Group contracts with Swaytech Limited for marketing services, Streamline Business NZ Limited for outsourcing work, and Digital Matter Pty Limited for inventory-related purchases. In the prior period, all of these entities were considered related parties as they had a common director with EROAD. During the current period, Swaytech Limited and Streamline Business NZ Limited ceased to be related parties following changes in directorship. Digital Matter Pty Limited continues to be a related party of the Group in the current period. Kylie Jay provides strategic support on investor relations activities, including the development of presentation materials and messaging to support investor engagement. Kylie Jay was a related party in the prior period but was not considered a related party in the current period.

NOTE 23 CAPITAL COMMITMENTS

As at 31 March 2026 the Group had confirmed purchase orders open with its third party manufacturer of hardware units amounting to \$6.1M (2025: \$11.3M).

NOTE 24 CONTINGENT LIABILITIES

As at 31 March 2026 the Company had no contingent liabilities or assets (2025: \$Nil).

NOTE 25 NET TANGIBLE ASSETS PER SHARE

	2026	2025
	\$M's	\$M's
Net assets (equity)	172.3	331.7
Less Intangibles	(115.0)	(265.6)
Total net tangible assets	57.3	66.1
Net tangible assets per share (\$)	0.30	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 26 EVENTS SUBSEQUENT TO BALANCE DATE

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



Independent Auditor's Report

To the shareholders of EROAD Limited

Report on the audit of the consolidated financial statements

Opinion

We have audited the accompanying consolidated financial statements which comprise:

- the consolidated statement of financial position as at 31 March 2026;
- the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended; and
- notes, including material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements of EROAD Limited (the **Company**) and its subsidiaries (the **Group**) on pages 15 to 67 present fairly in all material respects:

- the Group's financial position as at 31 March 2026 and its financial performance and cash flows for the year ended on that date;
- In accordance with New Zealand Equivalents to International Financial Reporting Standards (**NZ IFRS**) issued by the New Zealand Accounting Standards Board and the International Financial Reporting Standards issued by the International Accounting Standards Board.

Basis for opinion

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

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

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

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

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Document classification: **KPMG Public**



Materiality

The scope of our audit was influenced by our application of materiality. Materiality helped us to determine the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the consolidated financial statements as a whole. The materiality for the consolidated financial statements as a whole was set at \$2 million determined with reference to a benchmark of the Group's revenue. We chose the benchmark because, in our view, this is a key measure of the Group's performance.

Key audit matters

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

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

The key audit matter	How the matter was addressed in our audit
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<p>Impairment of non-current assets</p> <p>Refer to Note 11 to the consolidated financial statements.</p> <p>Non-current assets are allocated to three cash generating units ('CGUs') representing the three core markets the Group develops and markets its products for (New Zealand, Australia and North America). The carrying value of each CGU to which goodwill is allocated must be tested for impairment annually.</p> <p>The recoverable amounts of the CGUs, which have been determined based on their value in use, have been derived from discounted cash flow models. These models use several key assumptions, including estimates of future revenue growth rates, EBITDA margin, and the weighted-average cost of capital (discount rate) relevant to each market.</p> <p>At 30 September 2025, indicators of impairment were noted for the North America CGU and the Group recognised an impairment loss of \$134.7m due to lower than expected</p>	<p>We assessed management's impairment testing of non-current assets by performing the following procedures:</p> <ul style="list-style-type: none"> - Identifying the level at which non-current assets should be tested for impairment and assessing the appropriateness of the CGUs determined by the Group; - Enquiring of executive management to corroborate an understanding of the Group's products, markets and strategic opportunities; - Obtaining a value-in-use model for each CGU and assessing the methodology and key assumptions including: <ul style="list-style-type: none"> o Challenging management's future cash flow forecasts, in particular forecast revenue growth and EBITDA margin. This included comparing previous forecasts to actual results to assess the reliability of historical forecasting and obtaining other relevant supporting documentation as evidence of the feasibility of the forecasts; o Using our corporate finance specialists to challenge the reasonableness of the discount and terminal growth rates; and o Performing sensitivity analysis of the forecast revenue growth rates, EBITDA margin and discount rates.
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The key audit matter

revenue growth rates. Goodwill relating to this CGU was fully impaired.

As of 31 March 2026, further indicators of impairment were noted in relation to the North America CGU and the group as a whole (the carrying amount of the Group's net assets as at 31 March 2026 of \$172 million exceeded its market capitalisation of \$167 million).

The impairment testing of non-current assets in respect of the Australia and North America CGUs is considered to be a key audit matter due to:

- the complexity of the accounting requirements in respect of impairment testing; and
- the significant judgement required in determining the assumptions used to estimate the recoverable amount of these CGUs.

How the matter was addressed in our audit

- Evaluating the estimate of the recoverable amount of the Group as a whole, including all corporate costs and related corporate assets.

We did not identify any matters that were materially inconsistent with management's overall conclusions.

Capitalisation of development costs and consideration of useful lives

Refer to Note 11 to the consolidated financial statements.

The Group has reported development assets of \$74.9 million (2025: \$107.6 million). The capitalisation of development assets requires significant judgement as to whether a project meets the capitalisation criteria, and which expenditure is directly attributable to the development of such projects.

In assessing whether a project meets the capitalisation criteria the Group considers its technical and economic feasibility, intention and ability to develop, use or sell the asset. In assessing the costs to be capitalised, the Group considers the roles of employees and the nature of overhead costs to assess whether they are directly attributable to a qualifying project.

We assessed the judgements related to capitalised expenditure by performing the following procedures:

- Understanding the nature and background of the activities that are capitalised through inquiry of executive management;
- Selecting a sample of projects and evaluating whether they meet the capitalisation criteria;
- Challenging whether costs capitalised during the year were directly attributable to development projects;
- Selecting a sample of timesheets and recalculating the amount of internal costs capitalised based on the hours which staff spent developing the asset;
- Evaluating whether projects in progress continue to meet the capitalisation criteria through inquiry of executive management, with a focus on projects that remain in progress across multiple reporting dates, and assessing the decisions made by management whether to retain the project costs incurred to date in capital work-in-progress or to expense them.



The key audit matter

Projects in progress are reviewed at each reporting date and to the extent they no longer meet the capitalisation criteria, the amounts recognised to date are expensed. Capitalised development assets are reviewed at each reporting date and to the extent the asset is no longer expected to generate future economic benefits, the carrying value is impaired.

Due to the change in strategy in North America, and ongoing reviews of the group's technology strategy in light of the focus on opportunities in New Zealand and Australia, we also noted additional risks associated with the useful lives of previously capitalised development assets.

We focused on this area due to the quantum of the development costs capitalised and judgement involved in both the capitalisation assessment and the consideration of useful lives.

How the matter was addressed in our audit

- We made specific inquiries in respect of both in-progress projects and assets previously capitalised in respect of the North America CGU in order to respond to the change in strategy, we challenged the accounting treatment of the impact of the change in strategy across these assets; and
- We benchmarked useful lives of development assets in comparison to a selection of NZX and ASX technology businesses, and challenged management's continued use of previous useful lives in light of other changes in the business. We evaluated the calculation of accelerated amortisation as a result of the shortening of the useful lives of previously capitalised development assets.

We did not identify any matters that were materially inconsistent with management's overall conclusions.

Revenue recognition

Refer to Note 2 to the consolidated financial statements.

The Group's contracts are accounted for as a service contract under NZ IFRS 15 Revenue from Contract with Customers and the associated revenues recognised over the contract term.

We focused on this area because the accounting determination of whether or not the contract contains a lease is a significant judgement and the outcome has a significant impact on the recognition of profit and loss and the financial position.

The 3G switch-off in New Zealand during the second half of FY26 has resulted in an increase in the number of contracts with customers where there has been a change in the hardware linked to the contract during the period. There is an increased level of risk associated with the accuracy of

We assessed the judgement in revenue recognition by performing the following procedures:

- Obtaining the Group's customer contracts and trading terms and evaluating whether management's revenue recognition assessment is appropriate and in accordance with relevant financial reporting standards;
- Assessing whether the Group's customer contract terms and conditions meet the definition of service contracts to be recognised over time;
- Understanding any changes or new contractual terms and conditions entered into with customers during the period to identify any potential impact on performance obligations required to satisfy the contract; and
- Selecting a sample of customer contracts to compare the revenue recognised to the underlying contractual terms.

We performed the following procedures in response to the increased risk associated with the accuracy of revenue transactions:

- Evaluating the design & implementation of key controls over customer billings and contract modifications including unit changes and pricing updates;



The key audit matter How the matter was addressed in our audit

revenue transactions where there are changes to key elements of the service(s) being provided.

- Selecting a sample of revenue transactions and comparing to customer contracts and EROAD operating system records to assess whether the revenue was recognised in accordance with the contract terms;
- Assessing unresolved billing matters at balance date and billing adjustments processed subsequent to balance date, and evaluating whether the risk of further billing adjustments was appropriately addressed in the current year revenue;
- Performing revenue cut-off testing for a sample of customer invoices prior to and after year end to evaluate whether revenue is recognised in the correct period; and
- Challenging management's assumptions used to determine the recoverability of trade receivables balances.

We did not identify any matters that were materially inconsistent with management's overall conclusions.

Other information

The directors, on behalf of the Group, are responsible for the other information. The other information comprises information included in the entity's Annual Report, but does not include the financial statements and our auditor's report thereon.

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

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

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

Use of this independent auditor's report

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



Responsibilities of directors for the consolidated financial statements

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

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

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

Our objective is:

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

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

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

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

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

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

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

For and on behalf of:

KPMG
Auckland
25 May 2026

GOVERNANCE REPORT

GOVERNANCE

EROAD's Board of Directors ("Board") and management are committed to robust corporate governance to support long-term value creation and maintain stakeholder confidence.

FY26 was a year of significant transition. The Board refreshed governance arrangements to strengthen accountability, oversight and execution during leadership change and strategic reset. Focus areas included enterprise risk and financial oversight, management responsibilities, and closer alignment of Committee structures, charters and reporting rhythms were updated to support effective decision-making and challenge, alongside continued emphasis on transparent shareholder engagement.

This Corporate Governance Statement outlines EROAD's governance framework, key developments during FY26, and how the Company applies the principles and recommendations of the NZX Corporate Governance Code for the financial year ended 31 March 2026.

The statement is prepared in accordance with the NZX Corporate Governance Code dated March 2026 ("NZX Code"). EROAD complied with all NZX Corporate Governance Code recommendations for the financial year ended 31 March 2026, except for the following recommendations:

- Recommendation 2.9 provides that an issuer should have an independent Chair. From 17 October 2025, the Board appointed John Scott as Executive Chair, for a period of no longer than 9 months. To support effective governance and independent oversight while EROAD has an Executive Chair, the Board has appointed a Lead Independent Director, who also chairs the Finance, Risk and Audit Committee. The Board considers these arrangements appropriate in the circumstances.
- Recommendation 8.5 provides that an issuer should post its notice of meeting to shareholders on its website at least 20 working days' before a meeting. The Notice of Meeting for EROAD's FY26 Annual Shareholders' Meeting was posted on its website 19 working days before the meeting as a result of an administrative error in calculating the number of working days. EROAD has since reviewed and strengthened its internal processes to ensure timely publication of meeting notices in compliance with Recommendation 8.5 in future.

This statement addresses each recommendation of the NZX Corporate Governance Code either directly within this report or by cross-reference to publicly available governance documents on EROAD's Investor Website referred to below.

EROAD is incorporated in New Zealand and is subject to the NZX Listing Rules. As a foreign-exempt issuer on the

ASX, and for the purposes of ASX Listing Rule 1.15.3, EROAD confirms that it has complied with, and continues to comply with, the Listing Rules of its home exchange, the New Zealand Stock Exchange (NZX), as well as any applicable ASX requirements.

EROAD's governance policies are available at <http://www.eroadglobal.com/investors/> ("Investor Website").

This Corporate Governance Statement was approved by the Board on 25 May 2026 and is current as at that date.

PRINCIPLE 1: ETHICAL STANDARDS

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

Code of Ethics

EROAD's Code of Ethics applies to all directors, employees, independent contractors, advisers and related companies ("EROADers"). It sets out the principles and standards that guide professional conduct across the organisation and supports ethical decision-making, integrity and accountability.

During FY26, EROAD undertook a comprehensive update of its Code of Ethics to align with evolving regulatory expectations and market practice. The updated Code has a clearer, governance-focused structure and places stronger emphasis on EROAD's values, integrity and reputation. It consolidates core behavioural expectations, including ethical conduct, compliance with laws and policies, the appropriate escalation of issues and the consequences of breaches.

The update also strengthened provisions relating to conflicts of interest, corporate opportunities, gifts and personal benefits, bribery and corruption, confidentiality, and the use of EROAD information, assets and property. Operational and procedural detail has been removed from the Code and is addressed through supporting policies and guidance, ensuring the Code remains principles-based and focused on expected standards of conduct. Director responsibilities and Board obligations were also refined to reflect best practice, including an expectation that directors remain fully informed about matters relevant to EROAD and its operating environment.

EROAD mandates Code of Ethics training for all staff as part of onboarding, with refresher training delivered at least every

three years through company-wide programmes. As at 30 August 2025, completion rates remained strong, with 95% of employees and contractors having completed the training.

In late 2025, EROAD transitioned to a new learning management system and reviewed its mandatory training framework, with refreshed Code of Ethics training scheduled for re-launch in 2026. Ethical behaviour is reinforced across all levels of the organisation and embedded into everyday practice through governance processes, leadership engagement and day-to-day decision-making. The Board expects the prompt escalation of any serious matters arising under the Code, underscoring its commitment to ethical conduct across the organisation.

Other Ethical Standards and Policies

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

1. Code of Conduct

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

2. Financial product dealing policies

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

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

3. Conflict of interest register and policies

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

4. Whistleblower Policy

EROAD's **Whistleblower Policy** complements the Code of Ethics and Code of Conduct by providing clear, accessible mechanisms for raising concerns about serious wrongdoing. The policy aligns with relevant whistleblower legislation in New Zealand, Australia, the United States and the Philippines.

During FY26, EROAD updated its Whistleblower Policy to strengthen protections, improve clarity and support a culture of transparency and accountability. The revised policy provides clearer reporting pathways and escalation routes, expands the categories of eligible whistleblowers, and enhances confidentiality protections, including explicit safeguards against retaliation. It also clarifies investigation processes, roles and responsibilities, and outlines how whistleblowers will be acknowledged and kept informed, subject to confidentiality requirements.

Concerns may be raised with a line manager or any member of the executive team, with material matters escalated to the Board. An independent whistleblower service administered by Deloitte is also available, enabling confidential and anonymous reporting through webform, email or toll-free telephone channels. Any serious concerns raised are addressed promptly and appropriately, with oversight by management and the Board, reinforcing EROAD's commitment to ethical conduct and regulatory compliance.

5. Modern Slavery Statement

EROAD's FY26 **Modern Slavery Statement** will be published on our Investor Website and is lodged annually with the Australian Modern Slavery Statements Register. Social sustainability is central to our ethical business practices, and we are committed to upholding both our legal and moral responsibilities as a socially responsible entity.

Policy review

EROAD has continued to review and update key policies throughout FY26 to ensure ongoing alignment with the Company's strategic objectives, regulatory expectations and evolving standards. As part of the transition to a new learning management system, policy-related training content has been reviewed and will be updated where appropriate. This work will continue into FY27 as policies and training are refreshed to support consistent understanding and application across the organisation.

PRINCIPLE 2: BOARD COMPOSITION AND PERFORMANCE

Responsibilities of the Board and Executive Management

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

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

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

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

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

The Board regularly reviews and evaluates EROAD's governance structures, policies, and procedures to ensure alignment with best practice and legal requirements. The Board Charter was last updated in March 2024 to reflect the transition back to a single CEO model and to confirm the Board's responsibility for overseeing EROAD's sustainability strategy.

Board Composition

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

As at 31 March 2026, the Board comprised four independent, non-executive directors and one Executive Director. David Green serves as Lead Independent Director. A brief biography of each current Board member, including experience, length of service, expertise, role, and the term of office is set out in the "Board Skills" section of this report. Disclosure of director shareholdings and other directorships is included on pages 110 - 112 of this report.

During FY26, Cameron Kinloch resigned from the Board with effect from 2 March 2026. No other directors were appointed to or retired from the Board during the financial year.

The Board is actively undertaking a programme of renewal to ensure it maintains the appropriate mix of skills, experience and perspectives around the table, aligned with the Company's evolving strategy.

Director Evaluation, Appointment, and Re-Election

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

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

Due to the Board's small size, and in accordance with Recommendation 3.4 of the NZX Code, the full Board performs the functions ordinarily undertaken by a Nominations Committee. In this capacity, the Board oversees director selection, appointment and re appointment processes, including succession planning and Board composition.

In line with the NZX Code, background checks are conducted for all candidates prior to nomination. External consultants may be engaged to assist in searching for candidates when appropriate. Candidates are assessed against a range of criteria including background, experience, professional qualifications, personal qualities, the potential for the candidate's skills to augment the existing Board (board skills matrix), and the candidate's availability to commit to the Board's activities. The Board includes in the Notice of Meeting for annual meetings all material information that is considered relevant to a decision on whether shareholders should elect or re-elect a director. At EROAD's FY25 Annual Shareholders' Meeting, John Scott stood for election and was elected to the Board. Susan Paterson and Sara Gifford stood for re-election and were re-elected to the Board.

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

Each director's induction program is tailored based on the director's existing skills, knowledge, and experience.

Board Skills

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

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

CAPABILITY AREA	DESCRIPTION OF SKILLS AND EXPERIENCE	CURRENT BOARD CAPABILITY (HIGH/MEDIUM/LOW)				
		John Scott	David Green	Susan Paterson	Sara Gifford	Barry Einsig
Strategic knowledge for scale – technology businesses	Experience as a senior executive in, or as a strategy professional advisor to, a growth-scale or scaling technology businesses, ideally in SaaS or adjacent sectors.	●		●	●	●
Financial, audit and capital management	A strong accounting or finance background, with experience in financial reporting, corporate finance, internal controls, and audit oversight, including audit committee responsibilities. Likely a chartered accountant who has held a CFO or senior finance leadership role in a publicly listed company.		●	●		
Listed governance	Experience in NZX or ASX listed company Board experience other than EROAD. Experience with sophisticated governance structures.	●	●	●		
Risk management and regulatory compliance	Experience in regulatory compliance and enterprise risk management, including identifying and mitigating financial and non-financial risks across multi-jurisdictional environments.	●	●	●		●
Growth strategy and capital markets	Strong knowledge of debt and equity capital markets, and experience with mergers and acquisitions, and/or dealing with a range of funding sources and capital structuring models.	●	●	●		●
Customer, market insight and commercial strategy	Experience in understanding customer needs, market dynamics and competitive positioning in technology or SaaS markets, including go-to-market strategy, product-market fit, and driving sustainable revenue growth across multiple geographies.	●			●	●
AI, digital and data-enabled growth	Experience in software, digital platforms or data-driven business models, including practical application of artificial intelligence, machine learning or cloud technologies to drive product innovation, operational efficiency and commercial growth.	●			●	●
Industry Experience	Experience in telematics, fleet management, transport technology or adjacent regulated industries	●			●	●
Geographic and market experience	Operating experience across EROAD’s key markets, including New Zealand, Australia and/or North America	●	●	●	●	●

CAPABILITY AREA	DESCRIPTION OF SKILLS AND EXPERIENCE	CURRENT BOARD CAPABILITY (HIGH/MEDIUM/LOW)				
		John Scott	David Green	Susan Paterson	Sara Gifford	Barry Einsig
Technology risk and resilience	Experience in overseeing technology risk, cybersecurity and operational resilience, whether gained through board, executive or advisory roles, including an understanding of the risks associated with data-dependent, digitally delivered business models and the governance frameworks used to manage them.	●	●	●	●	●
People, culture and remuneration	Experience in human capital strategy, executive remuneration and leadership accountability, including guiding organisations through cultural or operational change and aligning people strategy with performance in a scaling technology business.	●	●	●	●	●

KEY ● High capability ● Medium capability

The Board values a mix of tenures, recognising that longer-serving directors bring deep knowledge of the business, while newer members offer fresh perspectives. Although there is no formal tenure policy, the Board considers the current composition—outlined in the table below—to be appropriately balanced. This supports effective succession planning and ensures continuity and renewal over time. As at 31 March 2026, director tenure was as follows:

DIRECTOR TENURE AS AT 31 MARCH 2026	0-3 YEARS	3-9 YEARS	9+ YEARS
Number of directors	2	3	-

The Board considers that this mix of skills, experience and tenure enables it to effectively oversee EROAD’s strategy, risk profile and long-term value creation.

Independence of Directors

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

1. is currently, or has been within the last three years, employed in an executive role by EROAD, or any of its subsidiaries;
2. currently derives, or has derived within the last 12 months, a substantial portion of his, her or their annual income from EROAD;
3. is currently or has been within the last 12 months, in a senior role at a provider of material professional services (other than an external auditor) to EROAD or any of its subsidiaries;
4. is currently, or has been within the last three years, employed by EROAD’s external auditor, or any of its subsidiaries;

5. currently has, or has had within the past three years, a material business relationship (for example, as a supplier or customer) with EROAD or any of its subsidiaries;
6. is a substantial product holder of EROAD, or a senior manager of, or otherwise associated with, a substantial product holder of EROAD;
7. is currently, or has been within the past three years, party to a material contractual relationship with EROAD or any of its subsidiaries, other than as a director;
8. has close family or personal relationships (including close social or business connections) with any person falling within the categories listed above;
9. has served as a director of EROAD for a period that may compromise independence (12 years or more).

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

Based on these factors, and in accordance with the guidance provided in the Code (noting that none of the factor set out in items 1 to 9 apply) and with no Disqualifying Relationships (as defined in the NZX Listing Rules) identified, the Board has determined that, as at 31 March 2026, Susan Paterson, David Green, Barry Einsig and Sara Gifford were independent directors. John Scott, as an Executive Director, is not considered independent due to his executive role within the Group. As at 31 March 2026, the Board considered Mr Heine, in his role as CEO, to be sufficiently independent of the Chair. Mr Heine has resigned and will step down from his role as CEO in June 2026.

Diversity and Inclusion

Commitment and governance

- Diversity and inclusion remain key priorities for EROAD and are aligned with the Company’s value of Play as a Team. The Board recognises that a diverse workforce supports effective decision making, enhances business performance, and contributes to long term value creation. The Board is satisfied with EROAD’s progress against its various diversity and inclusion initiatives.
- EROAD’s Diversity and Inclusion Policy was reviewed and approved by the Board in November 2025 and is available on the Investor Website. The policy requires the Board to set, review and report on measurable diversity objectives across the business. Oversight is provided by the People & Culture Committee, with FY27 priorities currently being finalised.

Measurement and employee sentiment

Employee sentiment regarding diversity and inclusion remains positive. EROAD achieved an ePulse survey score of +51 for diversity and inclusion, an increase of two points from the prior survey and nine points above the industry benchmark. This forms part of the Board’s assessment of performance against the Diversity and Inclusion Policy.

Data, transparency and reporting

During FY26, EROAD enhanced the collection and reporting of diversity data:

Employees were invited to voluntarily update diversity information in Workday, including gender, ethnicity, age, pronouns, and disability or neurodivergence support needs, supporting improved insights and external reporting.

Reporting capability was strengthened to provide visibility of candidate diversity metrics across shortlisted and progressed recruitment stages.

Equal employment opportunity and remuneration

EROAD is committed to equal employment opportunity and inclusive remuneration practices. As part of the annual remuneration review, diversity data is considered to identify potential inequities across gender and other under represented groups.

Gender representation and progression

- Approximately 30% of EROADers identify as female, above the industry benchmark of 26.7%.
- Women represent 45% of the senior leadership team and 27% of people leaders¹.
- During FY26, EROAD continued to implement its Women in Motion Charters across each operating region to support the progression of women in the industry.

¹Represents EROAD’s Senior Leadership Team and does not include EROAD’s Executive Team.

Cultural diversity and inclusion initiatives

- EROADers represent 36 different cultural backgrounds globally. Inclusion is supported through a range of initiatives, including cultural celebrations, Pink Shirt Day, Pride Month, and employee led groups such as The Fono Crew and the Albany Sports Club.

Gender composition

The table below presents the number of men and women on the Board, in executive management positions (referred to as “Officers”), and across the entire organisation, including both full-time and part-time employees, as of 31 March 2025 and 31 March 2026.

2025	Women	Men	Gender diverse/ gender not declared
Board	3 (50%)	3 (50%)	0
Officers*	1 (10%)	9 (90%)	0
Other employees	153 (37%)	249 (60%)	15 (4%)

2026	Women	Men	Gender diverse/ gender not declared
Board	2 (40%)	3 (60%)	0
Officers*	1 (12.5%)	7 (87.5%)	0
Other employees	179 (30%)	343 (57%)	76 (13%)

*“Officers” are the CEO and senior executives reporting directly to the CEO.

Board Performance

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

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

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

As part of the Board’s renewal, an independent governance evaluation was undertaken during FY26, facilitated by the Institute of Directors New Zealand. The evaluation assessed the Board’s composition, culture, effectiveness and governance practices, and identified areas of strength as well as opportunities for continued improvement. The Board considers the outcomes of independent evaluations as part of its ongoing commitment to effective governance and continuous improvement. In addition to periodic independent reviews, the Board also undertakes self assessments from time to time.

Company Secretary

EROAD’s General Counsel & Company Secretary was accountable to the Board, through the Chair, for matters relating to the proper functioning of the Board throughout FY26. The role included supporting the Chair in managing the flow of information between the Board, its committees and senior executives, and advising the Board and management on legal, regulatory and governance matters.

EROAD maintains policies and processes to support compliance with applicable laws and regulations, with oversight by the Board and its committees. The Company is not aware of any material breaches of laws or regulations during the year.

PRINCIPLE 3: BOARD COMMITTEES

The Board has established four key committees:

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

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

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

Finance, Risk and Audit Committee (“FRAC”)

The FRAC oversees EROAD’s risk management, internal controls, financial reporting integrity and the auditing processes and activities. FRAC held 5 meetings during the year ended 31 March 2026.

According to its Charter, the Committee must be comprised of non-executive directors, the majority of whom must be independent. Further, the Chair of the Committee must be an independent director and cannot be the Chair of the Board. Where the Chairperson of the Board is an executive director, the Chairperson of the Committee shall also serve as the Lead Independent Director (LID). In this scenario, the Committee shall discharge the functions of the Executive

²Cameron Kinloch served as a member of the FRAC until her resignation on 2 March 2026.

³Sara Gifford was appointed to the FRAC as a member on 9 March 2026.

⁴John Scott was appointed the Chair of the NC on 17 October 2025.

Oversight Committee (EOC), with the Chairperson acting as Chairperson for both the Committee and the EOC. The Chairperson shall discharge the LID’s responsibilities in accordance with the duties and responsibilities outlined in this Charter, as approved and updated by the Board from time to time.

As at 31 March 2026, the members of the FRAC² were David Green (Chair), Susan Paterson, and Sara Gifford³. Currently, all members of the Committee are independent non-executive directors and at least two members have an adequate accounting or financial background. Qualifications and experience of the Committee members is outlined on pages 12 and 13 of this Annual Report.

The Chair of the Committee reported to the Board on the Committee’s proceedings following each meeting.

Employees attend FRAC meetings only by invitation from the Committee. During the year ended 31 March 2026, the following individuals were invited to attend:

- Mark Heine, Chief Executive Officer
- David Kenneson, former Co-Chief Executive Officer
- Rebecca Lineham, former Interim Chief Financial Officer
- Ciara McGuigan, Chief Financial Officer
- Ksenija Chobanovich, General Counsel

Nominations Committee (“NC”)

The NC assists the Board in fulfilling its responsibilities to shareholders with respect to Board performance, composition, succession planning and the selection and appointment of Directors. For the purposes of Recommendation 3.4 of the Code, the Board has determined that the whole Board will carry out the functions of the NC due to the small size of the Board, with the Board Chair serving as the Committee Chair⁴. A quorum of four directors is required in accordance with the Nominations Committee Charter. One Nominations Committee meeting was held during the year.

Detailed responsibilities of the Committee are set out in the [Nominations Committee Charter](#), accessible via the Investor Website.

People & Culture Committee (“PCC”)

The PCC assists the Board in overseeing EROAD’s culture, values and leadership; health, safety, environment and wellbeing matters; remuneration and organisational matters; and remuneration policies and practices.

As at 31 March 2026, members of the People & Culture Committee were Susan Paterson (Chair)⁵, David Green and Sara Gifford.

Qualifications and experience of the committee members is outlined on pages 12 and 13 of this Annual Report. A quorum for the meeting is two directors in accordance with the [Committee Charter](#), accessible via the Investor Website.

The Chair of the Committee reports to the Board on the Committee’s proceedings following each meeting. There were 3 PCC meetings in FY26.

All members of the PCC are independent directors. Management only attends the PCC meetings at the invitation of the Committee.

Technology Committee (“TC”)

The TC assists the Board in its obligations to oversee EROAD’s digital transformation. The TC governs product management, technology and innovation strategies, technology execution plans, and necessary workforce development.

The TC also oversees operations relating to hardware, product and platform innovation, as well as information security, cyber security, data privacy and third-party technology risk management. Key product and ecosystem partners also form part of the TC’s workstream.

As at 31 March 2026, the members of EROAD’s TC are Sara Gifford (Chair)⁶, David Green⁷ and Barry Einsig. Qualifications and experience of the Committee members is outlined on pages 12 and 13 of this Annual Report.

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

Detailed responsibilities of the Committee are set out in the [Technology Committee Charter](#), accessible via the Investor Website.

Attendance and Board and Committee Meetings

The Board held 8 meetings during the year ended 31 March 2026. A quorum was present for all Board and Committee meetings held in FY26.

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

	Board	FRAC	NC	PCC	TC
Susan Paterson	8	4	1	3	-
David Green	8	5	-	3	2 ⁹
Sara Gifford	8	1 ⁸	1	3	5
Barry Einsig	8	3 ¹¹	1	-	5
Cameron Kinloch	6	4 ¹⁰	-	-	-
John Scott	8	-	1	-	-

In addition to the above scheduled Board meetings, the Board also had 12 Board calls during the year.

⁵ Sara Gifford served as Chair of the PCC until 17 October 2025, when Susan Paterson assumed the role.

⁶ Barry Einsig served as Chair of the TC until 17 October 2025, when Sara Gifford assumed the role.

⁷ David Green was appointed to the TC on 17 October 2025.

⁸ Sara Gifford was appointed to the FRAC as a member on 9 March 2026.

⁹ David Green was appointed to the TC on 17 October 2025.

¹⁰ Cameron Kinloch served as a member of FRAC until resignation on 2 March 2026.

¹¹ Barry Einsig served as a member of FRAC until 17 October 2025.

Takeover Protocol

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

PRINCIPLE 4: REPORTING & DISCLOSURE

Making Timely and Balanced Disclosure

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

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

Financial Reporting

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

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

Non-Financial Reporting

EROAD reports on environmental, social and governance (ESG) matters across this Annual Report and its standalone Sustainability Report. The Sustainability Report, which will be released by 31 July 2026 and made available on EROAD’s website, contains the Group’s primary environmental disclosures, including greenhouse gas (GHG) emissions.

Social and governance disclosures are addressed through this Corporate Governance Statement, the Remuneration Report, and relevant sections of the Sustainability Report.

Together, these disclosures provide an integrated overview of EROAD’s approach to responsible business practices, culture, and long-term value creation.

Governance is a core pillar of EROAD’s ESG framework. The Board oversees strategy, risk management, culture and compliance, including the management of environmental and social risks and opportunities.

Responsibility for ESG matters is allocated across management. The General Counsel and Chief Financial Officer are responsible for economic and governance-related matters. The Chief Executive Officer and wider executive team are responsible for social factors, and also oversee environmental and broader sustainability matters.

The General Counsel and Chief Financial Officer keep the Board informed of material ESG matters and provide updates on relevant market developments. ESG matters are considered regularly by the Board. Members of the executive team report on sustainability matters to the Finance, Risk and Audit Committee at each meeting. The Board also receives input from the Finance, Risk and Audit Committee, the General Counsel, and EROAD’s Engineering and Product teams.

Climate-Related Disclosures

During FY26, New Zealand’s climate related disclosure regime was reformed following a Cabinet decision in October 2025, including changes to increase the reporting thresholds for listed issuers and narrow the scope of the regime. Transitional regulatory relief applied from November 2025, with legislative amendments intended to apply for reporting periods ending on or after 31 March 2026. Based on these changes and its current market capitalisation, EROAD is no longer classified, and is not expected to be in scope, as a climate reporting entity. As a result, EROAD has not prepared a climate related disclosure statement for FY26.

Notwithstanding this change, climate-related governance, strategy and risk considerations continue to be overseen by the FRAC and the Board and remain integrated into EROAD’s broader risk management and strategic decision-making processes. EROAD continues to publish an annual Sustainability Report, which includes information on the Company’s carbon emissions profile and emissions reduction plans.

PRINCIPLE 5: REMUNERATION

Please refer to the Remuneration Report on page 90 of this Annual Report for details on our compliance with Principle 5 of the Code.

PRINCIPLE 6: RISK MANAGEMENT

Risk Management Framework

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

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

Management maintains several risk registers to track and manage known risks. These include enterprise and operational risks.¹²

- Enterprise risks are reviewed regularly with a top-down assessment of material risks to EROAD. Each risk is rated by impact and likelihood, and mitigation plans are embedded into business planning.
- Monthly, the executive team reports on any threshold breaches under the RAS, emerging risks, and status updates on mitigation. These are discussed at the Board and in management forums including Executive meetings.

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

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

In FY26 EROAD identified the following material risks to the company.

RISK	Risk description and management
Growth execution and retention	Competitive market conditions may impact EROAD’s revenue growth and net dollar retention, which could adversely affect profitability and shareholder value. Risk mitigation includes: • EROAD manages this risk through a focus on customer retention, sales discipline and effective commercial execution.
Liquidity and funding	Reduced revenue growth or higher working capital requirements may constrain EROAD’s liquidity and financial flexibility Risk mitigation: • Liquidity risk is managed through disciplined cost control, forecasting and active working capital and funding oversight.
Strategic execution	Delivering on EROAD’s strategic priorities requires strong organisational alignment, governance and execution capability. As EROAD evolves its operating model, maintaining this alignment is an ongoing focus. Risk mitigation: • EROAD continues to invest in its people, governance frameworks and performance management to support effective execution.
Productivity and technology enablement	EROAD’s ability to realise productivity and commercial benefits from technology investment may be lower than expected, potentially resulting in higher operating costs. Risk mitigation: • This risk is managed through continued investment in workforce enablement, modernisation and disciplined technology investment.

¹² Climate-related risks are integrated into EROAD’s existing risk and governance processes, with emissions measurement and reduction managed through the Toitū Carbon Reduce programme.

RISK	Risk description and management
Product delivery and platform capability	Constraints in delivery capacity or reliance on legacy technology may delay product development or affect product quality and reliability, which could reduce customer satisfaction and impact revenue growth and retention. Risk mitigation: • EROAD manages this risk through ongoing platform modernisation, strengthened delivery capability and governance, and the use of performance metrics to improve delivery predictability and quality.
Operational complexity	Growth and expansion of EROAD’s product and service offerings increases operational complexity. This may present risks to process efficiency, data accuracy and financial reporting. Risk mitigation: • EROAD manages this through ongoing investment in process improvement, controls and governance frameworks.
Competitive advantage and innovation	Rapid technological change may affect the ongoing differentiation of EROAD’s offerings, impacting market position and long-term value. Risk mitigation: • EROAD manages this risk through targeted investment in innovation, disciplined product development and leveraging technology to deliver differentiated customer outcomes.
Platform scalability and reliability	Legacy infrastructure and increasing platform demand may affect service reliability and scalability, impacting customer outcomes and reputation. Risk mitigation: • EROAD manages this risk through ongoing investment in infrastructure upgrades, system stabilisation, monitoring and controls, alongside longer-term platform modernisation.
eRUC market execution	Time-bound regulatory change may create execution risk in the rollout of eRUC solutions, potentially affecting revenue opportunities and market position. Risk mitigation: • EROAD manages this risk through dedicated leadership and governance for eRUC initiatives, multiple go-to-market pathways, and ongoing engagement with government and industry stakeholders.
Cybersecurity	Cybersecurity threats may disrupt operations or compromise data, with potential regulatory, financial and reputational impacts. Risk mitigation: • EROAD manages this risk through strengthened access controls, monitoring and incident response capability, employee awareness programmes, and progress towards recognised assurance standards.

Risk Appetite

EROAD's RAS supports the Company's strategic objectives by clearly articulating the level and types of risk EROAD is willing to accept in pursuing sustainable long-term value creation.

The RAS provides a framework for consistent, risk-informed decision-making, balancing disciplined financial management with the flexibility required to respond to a dynamic operating environment.

The RAS applies across six key risk categories: strategy, finance, customers, technology, people and legal. It is used to guide decision-making at all levels of the organisation and to ensure that material risks are identified, assessed and managed in a manner consistent with EROAD's purpose, values and long-term objectives.

Risks that exceed the Company's defined risk appetite are escalated to the Board, together with mitigation plans and regular progress updates. The Board, supported by the FRAC, oversees the effectiveness of EROAD's risk management framework and approves key policies and controls to ensure that risk-taking remains appropriate and that internal controls continue to operate effectively.

For FY26, EROAD maintains a conservative risk appetite in areas fundamental to the Company's resilience, including financial sustainability, liquidity and covenant compliance, cybersecurity, legal and regulatory compliance, health and safety, and the protection of customer data.

A more flexible risk appetite applies to strategic and technology-related risks, and to aspects of customer delivery, where measured risk-taking supports innovation, growth and product development.

People-related risks are managed conservatively, with limited tolerance in areas such as integrity and health and safety, alongside a focus on capability, engagement and organisational effectiveness.

Insurance

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

Health and Safety Risk Management

The Board recognises health, safety and wellbeing as a core priority and retains ultimate accountability for the effective oversight of health and safety risks across EROAD. Oversight is supported through the Board Charter and delegated committees, with regular reporting provided to enable the Board to monitor risk profile, performance and the effectiveness of controls.

EROAD maintains a Safety and Wellbeing Policy and a Safety and Wellbeing Management Framework, which together establish the governance structure, roles and accountabilities for managing health and safety across the organisation.

These frameworks define the responsibilities of the Board, executive leadership and employees, and embed health and safety into EROAD's broader risk management framework and business planning processes.

Objectives and key results relating to safety and wellbeing are incorporated into operational planning, and the safety and wellbeing strategy is formally reviewed at least every three years to ensure continued alignment with EROAD's values, strategy and risk profile.

Health and safety risks are actively monitored and managed, with a focus on critical risks and associated controls. During FY26, risk appetite triggers included notifiable incidents and serious near misses. No notifiable events were reported to regulatory authorities, including WorkSafe New Zealand, Safe Work Australia, the Department of Labor and Employment in the Philippines, or the Occupational Safety and Health Administration in North America.

The Board receives regular reporting on key health and safety indicators, including notifiable incidents, serious near misses and other leading and lagging measures, and uses this information to assess trends and the effectiveness of risk controls. The Board also seeks assurance on the effectiveness of EROAD's health and safety systems and processes through governance forums, management engagement and periodic review activities.

During FY26, EROAD continued to strengthen its safety management practices, including progressing alignment with relevant International Organization for Standardization (ISO) guidance, enhancing contractor management practices and strengthening controls for higher-risk activities. Particular focus was placed on critical risk management in installation and warehousing activities, alongside increased emphasis on psychosocial risk awareness and management.

EROAD promotes active worker participation and engagement in health, safety and wellbeing. During the year, this included the ongoing development of GLOWS (Global Leaders of Wellbeing and Safety), an employee-led network supporting engagement, awareness and leadership connectivity. GLOWS met regularly during FY26 and was supported by governance forums to enable oversight, prioritisation and continuous improvement.

A range of initiatives were implemented to support a safe and healthy working environment and reinforce a positive safety culture, including global wellbeing programmes, awareness campaigns and regular internal communications. These initiatives were supported by leadership engagement and organisation-wide participation, contributing to increased visibility of safety, health and wellbeing across EROAD's operations. EROAD remains committed to the continuous improvement of its health and safety systems, with ongoing enhancements to reporting, risk management and governance practices to support the effective management of both physical and psychosocial risks.

Cybersecurity

Cybersecurity is managed as a core component of EROAD's enterprise risk management framework. The Cybersecurity Governance Framework implemented in FY25 remained fully operational during FY26 and supports the Board's oversight of material cyber risks, controls and resilience. The Board receives regular reporting on cybersecurity risks, incidents, and control effectiveness, and oversight is supported through the Board's committees as follows:

- The FRAC oversees cybersecurity risks as part of EROAD's broader risk management framework, including governance, controls, compliance and assurance; and
- The TC oversees the technical dimensions of cybersecurity, including system architecture, platform resilience, information security capability and emerging technology risks.

This governance structure enables the Board to identify, assess and manage cybersecurity risks consistent with EROAD's risk appetite, and to monitor the effectiveness of mitigation actions on an ongoing basis.

Based on the processes described above, the Board considers that EROAD's risk management and internal control systems were appropriate to the size, complexity and risk profile of the business and were operating effectively during FY26.

PRINCIPLE 7: AUDITORS

Oversight of the Company's external audit arrangements to safeguard the integrity of financial reporting is the responsibility of FRAC. The FRAC Charter sets out the procedure for communication with the external auditors.

The External Auditor Independence Policy, reviewed and updated during FY25, ensures that audit independence is maintained, both in fact and appearance. It covers:

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

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

EROAD's lead external audit partner is Matt Diprose of KPMG. Mr Diprose was appointed as engagement partner in FY25 in accordance with EROAD's External Auditor Independence Policy, which requires rotation of the lead audit partner at least every five years, and continues in this role for FY26. Mr Diprose has provided an independence attestation to the Board and will attend the annual shareholders' meeting to respond to shareholder questions relating to the audit.

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

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

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

In the fiscal year 2026, KPMG's non-audit services were limited to tax related activities. These activities encompassed compliance work, advisory support for tax compliance (including income tax) and transfer pricing services.

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

Activity	Description	Fees (NZ\$)
Tax compliance	Income tax return filing in two tax jurisdictions, including calculation review, tax agent services, documentation and query response.	\$86,828
Transfer Pricing Support	Review of information and preparation of master file, local file documentation and intercompany loan analysis; Additional time and efforts in relation to local file documentation and consideration of intercompany balances for FY2025; Assistance with the Interest rate analysis for FY2026	\$92,295
Total Non-Audit Fees Paid to KPMG (representing 21% of the audit fee)		\$185,123

FRAC reviewed these non-audit services and was satisfied that their nature and scope did not compromise the independence or objectivity of the external auditor.

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

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

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

The Board considers that, given the size and complexity of EROAD, the combination of management assurance processes, external audit, and Board and Committee oversight provides an appropriate level of independent assurance.

PRINCIPLE 8: SHAREHOLDER RIGHTS AND INTERESTS

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

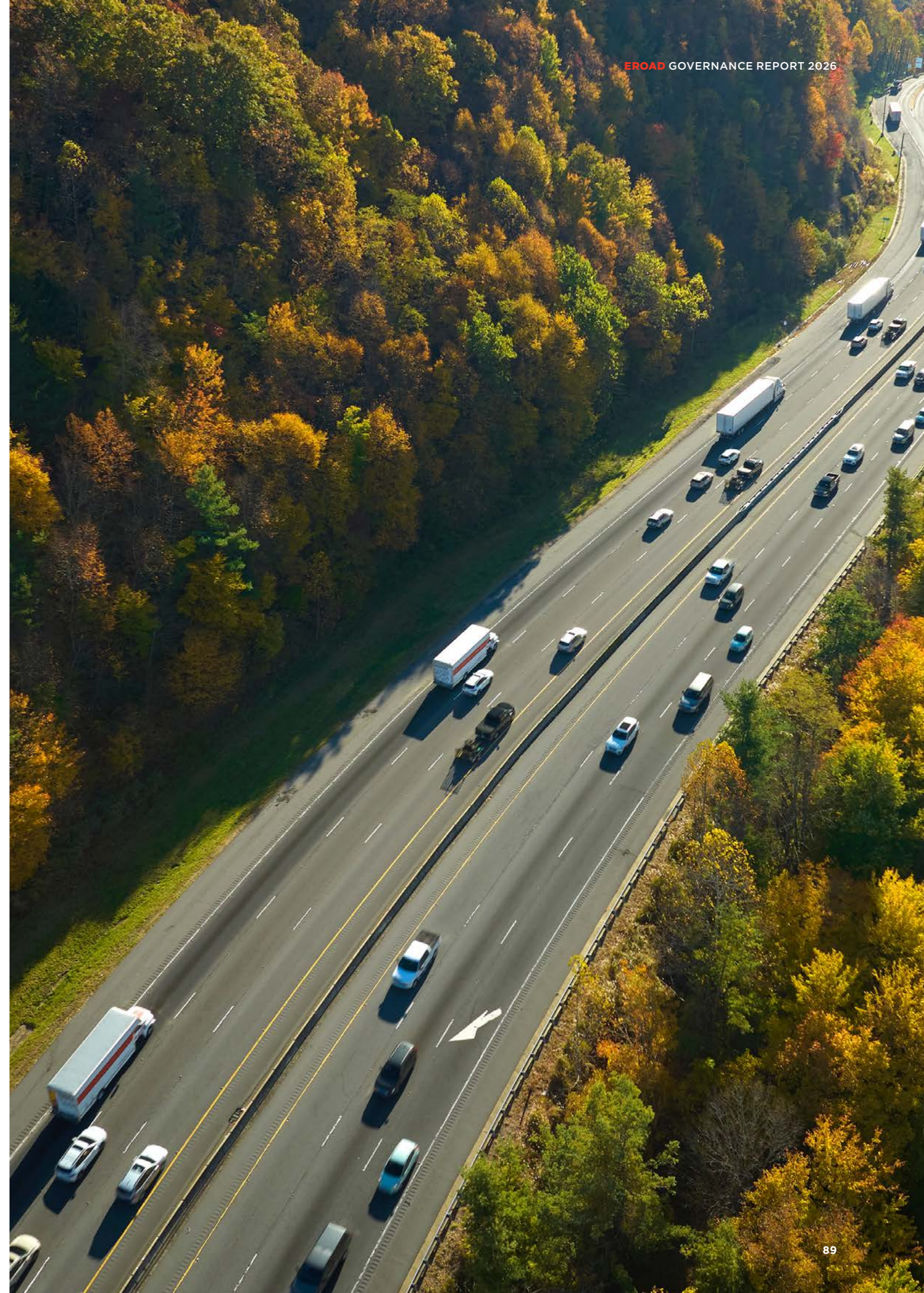
to the Board, management, and auditors. This policy is part of the corporate governance policies available on the Investor Website. Feedback received from shareholders through these channels is reported to management and, where appropriate, escalated to the Board to inform decision making.

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

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

Major communications with shareholders during the financial year include the annual and half-year results, and the annual meeting of shareholders. The Annual Report is available in both electronic and hard-copy formats, and shareholders have the option to receive communications from EROAD electronically. EROAD also regularly engages with its shareholders as part of its regular investor relations programme of work.

Shareholders have the right to vote on major decisions as required by the NZX Listing Rules. The Notice of Meeting is sent to shareholders and published on EROAD's website at least 20 working days prior to the annual shareholders' meeting each year (see, however, EROAD's disclosure in relation to the publication of the 2026 Notice of Meeting on page 75. EROAD offers this meeting in a hybrid format and so also includes a Virtual Meeting Guide which sets out information to help investors understand and participate in hybrid meetings. Physical meetings will not take place where doing so would pose a risk to public health and safety. In any instance where health and safety is a concern, EROAD may determine that virtual only meetings are most appropriate.



REMUNERATION REPORT

LETTER FROM THE PEOPLE AND CULTURE COMMITTEE CHAIR

Dear Shareholders,

On behalf of the Board's People and Culture Committee, I am pleased to present EROAD's FY26 Remuneration Report.

FY26 was a year of significant change for EROAD. The Board oversaw a reset of the Company's leadership structure, operating model and strategic focus to strengthen accountability and position the business to deliver improved performance. EROAD also sharpened its strategy around five priorities: Product Competence, Customer Intimacy, Operational Excellence, becoming AI Native, and executing the New Zealand eRUC opportunity.

The remuneration framework and outcomes set out in this report reflect this period of transition. EROAD's approach to remuneration is to align executive performance with these priorities, reinforce accountability, and support the creation of long-term shareholder value.

During the year, EROAD transitioned back to a single-CEO model to provide clearer accountability and a more focused operating structure. Recruitment for a permanent CEO is well advanced. The broader executive team has also been strengthened, with additional capability introduced across key areas of the business to support delivery of the Company's strategy.

The Board also undertook a review of EROAD's remuneration arrangements to ensure they remain fit for purpose. This included refining the long-term incentive framework to better align executive outcomes with the Company's growth profile and strategic objectives. Further detail on the framework, including performance measures and outcomes for FY26, is set out in this report.

Looking ahead to FY27, the Board intends to simplify and strengthen the LTI framework, with a greater emphasis on performance-based outcomes. In response to shareholder feedback, the tenure-based vesting component will be removed so that long-term incentives are more directly linked to the achievement of meaningful performance milestones.

In determining STI outcomes for FY26, the Board applied discretion to ensure outcomes reflect underlying Company performance, individual contribution and the broader business context during the year of transition. Outcomes calculated under the incentive plans were considered alongside qualitative factors to ensure alignment with shareholder interests. LTI outcomes for FY26 remain subject to future assessment in accordance with the relevant performance periods.

In addition, the Board introduced a Directors' Fixed Share Trading Plan (FTP). Under this plan, a portion of director's after-tax fees, together with consultancy fees paid to the Executive Chair, are applied to the on-market acquisition of EROAD shares within predefined parameters. This supports closer alignment between directors and shareholders through the accumulation of meaningful shareholdings.

The Committee remains focused on maintaining a remuneration framework that appropriately recognises performance, supports the attraction and retention of critical talent, and aligns outcomes with the interests of shareholders. The Board considers that the changes made during FY26 have strengthened the foundations required to deliver improved performance over time.

EROAD is committed to maintaining high standards of corporate governance and transparent remuneration practices. We welcome shareholder feedback on this report via investors@eroad.com.

Susan Paterson

Chair, People and Culture Committee

Remuneration Report Structure

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

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

Remuneration Governance

EROAD’s Board is supported by the People and Culture Committee, which makes recommendations on company-wide remuneration, benefits, and people-related policies. The Committee also oversees senior management performance objectives, remuneration, succession planning, and development programmes, and considers company culture and values as part of its remit. The Committee is not responsible for director selection, appointment, reappointment or succession planning, as this is overseen by the Nominations Committee.

The Committee is comprised of the following members: Susan Paterson (Chair), Sara Gifford and David Green. A description of the skills and experience of each committee member is detailed on pages 12 and 13. Attendance at FY26 committee meetings is detailed on page 82 of the Annual Report. All members of the People and Culture Committee are non- executive, independent directors. Management attends committee meetings by invitation only.

EROAD’s People and Culture Committee operates under a written Charter, which is available at <https://eroadglobal.com/investors/>. The Committee’s objectives and activities are reviewed periodically, and any changes to its duties, responsibilities or Charter are subject to Board approval.

In FY26, the Committee’s Charter was rewritten to clarify its focus and role. The previous Charter set out a broad list of responsibilities; the revised Charter removes operational detail and centres the Committee’s role on four Board-level priorities; culture aligned to strategy, talent attraction and retention, performance-based reward, and remuneration governance for the CEO and direct reports. Governance processes were also strengthened, with the Committee Chair reporting to the Board at the next scheduled Board meeting following each Committee meeting.

The Committee does not have decision-making authority except where expressly delegated by the Board.

The internal governance policies that support and provide context for remuneration outcomes are outlined below:

- *No Dealing or Protection Arrangements:* All directors, employees, contractors and advisers are subject to EROAD’s Securities Trading Policy (updated in FY26 and available on the investor website). Participants are prohibited from entering into arrangements that hedge or otherwise mitigate the economic risk of holding EROAD securities. Once vested, securities are subject to the Securities Trading Policy, prior to vesting, securities cannot be transferred or encumbered.
- *Directors’ Fixed Trading Plan:* Directors are required to allocate 50% of their after-tax fees to the on-market purchase of EROAD ordinary shares, with the remaining 50% paid to directors in cash (after tax). Funds are accumulated, and, on a quarterly basis, an independent broker acquires shares during a defined trading window. Directors have no discretion or influence over the timing or execution of trades. Directors are responsible for brokerage costs and personal tax obligations. Shares must generally be held for the duration of a director’s tenure and for six months thereafter, subject to limited exceptions. The Company assists directors with applicable disclosure requirements.
- *Minimum Shareholding Requirements:* The Board encourages, but does not require, members of the senior leadership team to hold shares in EROAD.

Further information on the People and Culture Committee, including its responsibilities and FY26 meeting attendance, is provided on pages 82 of this Annual Report.

Executive Remuneration Policy

EROAD’s Director and Executive Remuneration Policy is designed to attract and retain high-calibre leaders and to align a meaningful portion of their remuneration with the delivery of EROAD’s strategy. The Policy is regularly reviewed to ensure it remains fit for purpose and aligned with strategic priorities.

PRINCIPLE	DESCRIPTION
Alignment	A meaningful portion of every executive’s pay is contingent on delivering EROAD’s strategic choices. If the company doesn’t perform, neither does the pay packet.
Balance	Fixed remuneration is set at market median - competitive enough to attract the right people, disciplined enough to reflect where we are in the transformation.
Flexibility	The STI and LTI frameworks are designed to move with the strategy. As priorities shift, so can the measures, without rebuilding the framework from scratch.
Fairness	Pay follows performance. There is a direct and visible line between what an executive delivers and what they earn. No performance, no payment.
Reward	Executives who deliver the proof window, such as revenue growth, cash discipline, shareholder value, are rewarded accordingly.
Transparency	The measures are simple enough to explain in one sentence. If they require a footnote to understand, they are the wrong measures.
Competitiveness	EROAD needs leaders with technical, commercial and operational fluency. The remuneration framework is designed to attract and keep them.

Executive Remuneration Components

Executive remuneration comprises three parts: Total Fixed Remuneration (TFR), STI, and LTI. For most executives, TFR represents approximately 55% of the total remuneration package, with STI and LTI comprising 17% and 28% respectively. This opportunity reflects a balanced approach, providing a competitive level of fixed remuneration while ensuring a meaningful proportion of remuneration is performance-linked.

Total Fixed Remuneration (TFR)

TFR comprises base salary and benefits and is benchmarked against relevant market data, using independent survey sources. Benefits are set with reference to local market practice in each jurisdiction.

The performance of the CEO and executive team is reviewed annually against agreed strategic and operational objectives. Any adjustments to TFR are determined following this review and are not automatic.

Variable Remuneration STI Plan

The STI Plan links executive remuneration to annual Company and individual performance. STI opportunities are expressed as a percentage of base salary and may be delivered in cash or shares at the Board's discretion.

STI awards are discretionary. Achievement of performance measures determines eligibility only and does not create an entitlement to payment.

Each year, the Board, on the recommendation of the People and Culture Committee, sets the STI framework and performance measures (commencing 1 April). STI awards are only considered where threshold performance is achieved across Company financial performance, individual performance, and health and safety outcomes. All STI outcomes are subject to Board approval.

FY26 STI Plan

- Chief Executive Officer: STI outcomes are based 100% on company financial performance, including Revenue, EBIT, SaaS Bookings, and Free Cash Flow.
- Executives (excluding Chief Revenue Officer and EVP Product and Engineering):
 - 50% Company performance metrics (including Revenue, EBIT, SaaS Bookings, and Free Cash Flow); and
 - 50% individual performance objectives.

STI Plan payments

STI payments are discretionary and not guaranteed, even where performance criteria have been met. In FY26, the Board retained discretion as to whether STI payments are made in cash or shares. In FY25, STI payments were made in cash.

Further detail on the CEO and Executive Team STI Plans is set out in the table below¹

Short-Term Incentive (STI) Plan - FY26 Design

ELEMENT	DETAILS																					
	FY26 CEO STI Plan	FY26 Executive STI Plan																				
Purpose	Rewards achievement of Board-approved key performance indicators that support delivery of EROAD's strategic and financial objectives.																					
Target opportunity	up to 50% of base salary.	up to 30%* of base salary ²																				
Performance period	Full financial year, 1 April 2025 - 31 March 2026																					
Performance Measures and Weightings	For FY26, the CEO's STI outcome was based 100% on financial performance, assessed against EROAD's performance across the following four equally weighted metrics:	For FY26, Executive Team STI outcomes are generally weighted: <ul style="list-style-type: none"> • 50% to Group financial performance, assessed against Reported Revenue, SaaS Bookings, EBIT, and FCF; and • 50% to individual performance objectives³ 																				
	<table border="1"> <thead> <tr> <th>Metrics</th> <th>Targets</th> </tr> </thead> <tbody> <tr> <td>Reported Revenue</td> <td>\$205m</td> </tr> <tr> <td>SaaS Bookings</td> <td>\$34m</td> </tr> <tr> <td>EBIT</td> <td>\$15.6m</td> </tr> <tr> <td>Free Cash Flow (FCF)</td> <td>\$16.4m</td> </tr> </tbody> </table>	Metrics	Targets	Reported Revenue	\$205m	SaaS Bookings	\$34m	EBIT	\$15.6m	Free Cash Flow (FCF)	\$16.4m	<table border="1"> <thead> <tr> <th>Metrics</th> <th>Targets</th> </tr> </thead> <tbody> <tr> <td>Revenue</td> <td>\$205m</td> </tr> <tr> <td>SaaS Bookings</td> <td>\$34m</td> </tr> <tr> <td>EBIT</td> <td>\$15.6m</td> </tr> <tr> <td>Free Cash Flow (FCF)</td> <td>\$16.4m</td> </tr> </tbody> </table>	Metrics	Targets	Revenue	\$205m	SaaS Bookings	\$34m	EBIT	\$15.6m	Free Cash Flow (FCF)	\$16.4m
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Free Cash Flow (FCF)	\$16.4m																					
Performance as a percentage (%) of target	The aggregated threshold for the financial metrics needs to be over 85% (i.e. the combination of Revenue, SaaS bookings, EBIT and FCF).	The aggregated threshold for the financial metrics needs to be over 85% (i.e. the combination of Revenue, SaaS bookings, EBIT and FCF).																				
Performance Thresholds and Award Scaling	<p>Performance must exceed an aggregated minimum threshold of 85% across the relevant financial measures for any award to be considered.</p> <p>STI outcomes are calculated on a rateable straight-line basis, with 85% performance corresponding to 85% of target award and a maximum cap of 130% of target award.</p> <table border="1"> <thead> <tr> <th>Performance level</th> <th>Performance as % of target</th> <th>Award as a % of target</th> </tr> </thead> <tbody> <tr> <td>Threshold</td> <td>85%</td> <td>85%</td> </tr> </tbody> </table>	Performance level	Performance as % of target	Award as a % of target	Threshold	85%	85%	<p>Performance must exceed an aggregated minimum threshold of 85% across the relevant performance measures for any award to be considered.</p> <p>STI outcomes are calculated on a rateable straight-line basis, with 85% performance corresponding to 85% of target award and a maximum cap of 130% of target award.</p> <table border="1"> <thead> <tr> <th>Performance level</th> <th>Performance as % of target</th> <th>Award as a % of target</th> </tr> </thead> <tbody> <tr> <td>Threshold</td> <td>85%</td> <td>85%</td> </tr> </tbody> </table>	Performance level	Performance as % of target	Award as a % of target	Threshold	85%	85%								
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¹Employees who are eligible to participate in sales commission arrangements are not typically invited to participate in EROAD's STI Plan.
² Executive STI is typically 30% of base salary. One executive has an ongoing STI of 35% of base salary to drive performance outcomes. Another executive had a temporary STI increase to 50% for FY26 during a secondment.
³ For the Chief Revenue Officer, STI objectives are weighted 75% to individual sales-related performance metrics and 25% to Group financial performance against the metrics of Reported Revenue, SaaS Bookings, EBIT and Free Cash Flow. For the EVP of Product and Engineering, STI objectives were weighted to 100% individual performance metrics.



Setting of Objectives	Financial performance targets are set following completion of the annual budgeting process. Individual performance objectives are agreed at the commencement of the performance year.	
Objectives set	Following completion of financial year budgets.	
Performance Assessment and Approval	<p>The People and Culture Committee assesses the CEO's performance and makes a recommendation to the Board.</p> <p>The Board retains sole discretion to determine whether performance conditions have been met and whether an STI award is made.</p>	<p>The CEO assesses Executive performance and makes a recommendation to the People and Culture Committee, which then makes a recommendation to the Board.</p> <p>The Board retains sole discretion to determine whether performance conditions have been met and whether an STI award is made.</p>
STI payment	<p>STI awards, if any, are paid on an annual basis following Board approval. Payments will be made within one month of EROAD's FY26 financial results being released to the market.</p> <p>All STI awards are discretionary and not guaranteed, even where performance conditions are achieved.</p>	

FY26 Long-Term Incentive (LTI)

The LTI Plan sets the framework for performance measures, vesting conditions and participant eligibility. It is reviewed periodically to ensure alignment with EROAD's strategy and market practice.

Following an independent review, the LTI Plan was restructured in FY24. For FY26, the financial performance measure was updated to the Rule of 40, a metric that balances revenue growth and profitability that is widely used by technology investors.

For FY26, the LTI comprised three equally weighted performance conditions: continued employment, relative Total Shareholder Return (rTSR) measured against the ASX All Technology Index (XTX), and the Rule of 40. These measures were designed to support leadership continuity, align outcomes with shareholder returns, and balance revenue growth and profitability.

The Board is currently reviewing the LTI design to ensure it continues to support EROAD's strategic priorities. Based on feedback from investors, it is proposing to remove the tenure-based vesting condition and adopt a performance-focused structure based on revenue and shareholder return.

LTI Grants

An LTI Grant represents the award made to participants in a particular financial year under the LTI Plan. Each Grant has its own grant date, performance conditions, performance period (typically three years) and quantum.

LTI Grants are assessed independently and operate concurrently. In FY26, three Grants were active at different states of their performance periods (FY24, FY25 and FY26), with PSRs issued under each Grant.

During FY26, EROAD issued:

- FY24 LTI Grant: 167,215 PSRs⁴
- FY25 LTI Grant: 2,053,942 PSRs⁵
- FY26 LTI Grant: 1,946,599 PSRs⁶

LTI Grant awards may be settled in shares or cash, with settlement in shares preferred where capacity permits under NZX Listing Rule 4.6.1.

Relative TSR Design

For FY26, rTSR was measured against the XTX, consistent with prior grants. The NZX 50 was considered but not selected, as its broader sector composition was not considered comparable to EROAD's business. Vesting commences at the 40th percentile, reflecting the level of outperformance required relative to a technology-focused peer group.

⁴ \$326,955 remains as liability under the FY24 LTI Grant, subject to performance criteria being met. The Board intends to issue the remaining FY24 LTI award as PSRs, subject to capacity under NZX Listing Rule 4.6.1.

⁵ \$649,047 remains as liability under the FY25 LTI Grant, subject to performance criteria being met. The Board intends to issue the remaining FY25 LTI award as PSRs, subject to capacity under NZX Listing Rule 4.6.1

⁶ \$955,263 remains as liability under the FY26 LTI Grant, subject to performance criteria being met. The Board intends to issue the remaining FY26 LTI award as PSRs, subject to capacity under NZX Listing Rule 4.6.1

FY26 Long-Term Incentive (LTI) Plan - Key Terms

ELEMENT	DETAILS				
Purpose	To reward and retain key executives and senior leaders for FY26, support delivery of EROAD's strategic objectives, align executive incentives with shareholder interests, and encourage long term decision-making and value creation.				
Mechanism and performance period	Performance Share Rights (PSRs) granted in FY26 as part of a three-year incentive programme. Awards vest subject to performance conditions and may be settled in shares or cash at the Board's discretion ⁷ .				
Performance Metrics	Award type	Weighting	Vesting	Rationale	Vesting Scale
	Time-based vesting	1/3 of total award	100% vests after three years, subject to continued employment.	Supports retention and leadership continuity during execution of EROAD's long-term strategy.	0% if not achieved
	Relative Total Shareholder Return (rTSR)	1/3 of total award	Assessed over three years against the ASX All Technology Index (XTX).	Aligns executive outcomes with long-term shareholder value and relative market performance.	<ul style="list-style-type: none"> • Below 40th percentile: 0% vesting • 40th percentile: 50% vesting • 60th percentile: 150% vesting • 100th percentile: 200% vesting
	Rule of 40	1/3 of total award	Assessed based on performance over the 12-month period from 1 April 2027 to 31 March 2028.	Encourages execution of EROAD's long-term strategy by balancing revenue growth, profitability and cash generation.	From 85% to 130%, with no vesting below the 85% threshold.
Opportunity	CEO: LTI opportunity of up to 100% of base salary. Executive Team: LTI opportunity of up to 50% of base salary for the majority of Executive Team members.				
Eligibility Requirements	Under the FY26 LTI Plan, vesting is subject to the achievement of performance conditions and satisfaction of the Plan's eligibility requirements. Participants must remain employed by EROAD throughout the grant period ⁸ and must not be subject to disqualifying disciplinary proceedings ⁹ . No vesting will occur where a Participant is terminated for cause.				
Board Discretion	<p>Vesting and payments may be deferred at the Board's discretion where exercise on the Vesting Date would result in a breach of the Company's constitution, the Listing Rules or applicable law or regulation. In such circumstances, share rights eligible for vesting may be exercised up to the Termination Date once the Board is satisfied that exercise would not result in a breach; otherwise, the rights will lapse.</p> <p>Where a participant leaves the business and is determined by the Board to be a good leaver, they may retain their Cash Entitlement and Share Rights for the relevant tranche, subject to any conditions determined by the Board, including adjustment of the Vesting Date.</p>				

⁷ The Board intends to issue the FY26 LTI award as shares.

⁸ Continuous employment excludes any unpaid leave of absence exceeding 30 days, other than approved parental leave. Approved parental leave of up to six months does not affect eligibility for the full Grant. Where approved parental leave extends beyond six months, the Grant will be eligible to vest on a pro rated basis, reflecting the duration of the absence

⁹ A Participant will be deemed not to be employed for vesting purposes where disciplinary proceedings result in a finding of serious misconduct, or where ongoing disciplinary proceedings may result in such a finding as at the final Vesting Date, unless the Board determines otherwise

Variation of Terms

The Board may vary the terms of a participant’s participation in the STI Plan or LTI Plan, with the agreement of the relevant participant.

EROAD’s Director and Executive Remuneration Policy is available on EROAD’s investor website at <https://eroadglobal.com/investors/>.

EROAD’s remuneration framework applies to the Chief Executive Officer and members of the executive leadership team, together with wider employee remuneration arrangements as applicable.

External and Independent Advice

Independent advice from Haigh & Company, obtained in FY24 to benchmark executive remuneration against relevant markets, continued to inform remuneration decisions in FY25 and FY26, including by providing benchmarking data to support the development and calibration of executive remuneration. Market data was also sourced from Strategic Pay in Australia and New Zealand, and from Insuperity in North America.

CEO Remuneration Arrangements and Outcomes

Mark Heine

Mark Heine’s fixed remuneration remained unchanged at \$700,000 for FY26. Consistent with New Zealand-based employees, he is entitled to subsidised healthcare and a 3% employer Kiwisaver contribution.

Mr Heine was eligible to participate in the FY26 STI Plan, with a maximum opportunity of 50% of base salary, and the FY26 LTI Grant with a maximum opportunity of 100% of base salary. STI awards may be delivered in cash or shares at the Board’s discretion. All variable remuneration is subject to performance conditions and Board discretion. Eligibility does not constitute an entitlement to payment.

Mr Heine’s employment will end on 10 June 2026. In connection with his departure, he will receive payment in lieu of his notice period of \$116,666.66 (less tax), together with all outstanding salary and accrued leave to his termination date.

The Board has determined that Mr Heine will retain his PSRs in full under the FY24 LTI grant (subject to performance conditions), and on a pro-rated basis under the FY25 and FY26 LTI Grants. Any vesting of retained PSRs remains subject to the applicable performance conditions and Board discretion. All other PSRs will lapse.

David Kenneson

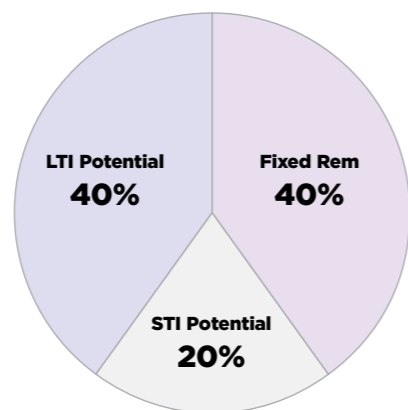
David Kenneson stepped down as Co-Chief Executive Officer on 31 October 2025. His fixed remuneration for FY26 was USD \$450,000. As a U.S.-based employee, he received standard employment benefits, including a 3% employer 401(k) contribution, long-term disability and life insurance, and healthcare subsidies.

Mr Kenneson was eligible to participate in the FY26 STI Plan with a maximum opportunity of 50% of his base salary, and the FY26 LTI Grant with a maximum opportunity of 100% of his base salary. All variable remuneration was subject to performance conditions and Board discretion, and eligibility did not constitute an entitlement to payment. No STI payment was made for FY26.

In connection with his departure, the Board approved the accelerated vesting of a pro rated portion of Mr Kenneson’s PSRs under the FY25 LTI Grant, reflecting performance conditions accrued to date and in accordance with the Plan Rules. All remaining PSRs lapsed on departure. Mr Kenneson held no PSRs at the reporting date.

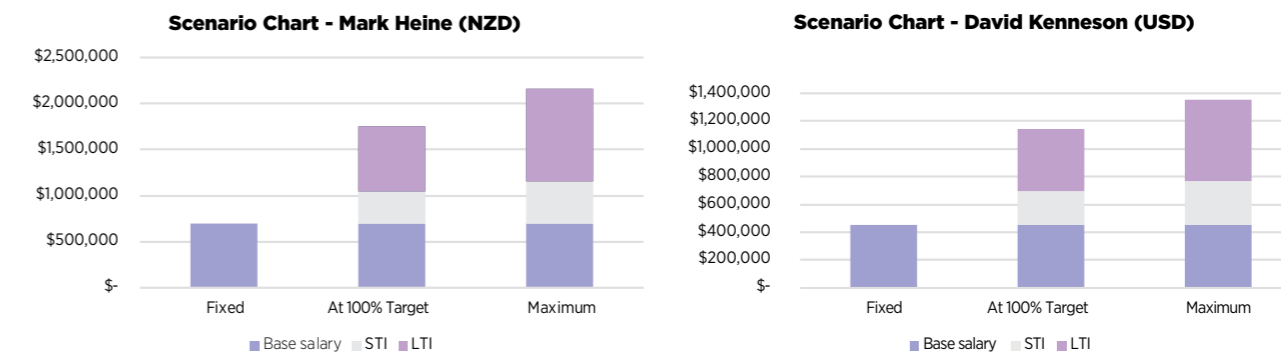
CEO remuneration mix

The remuneration mix for the CEO is as follows:



CEO FY26 remuneration scenarios

The chart below illustrates the potential range and composition of the CEO’s remuneration under targets and maximum performance outcomes. Actual STI and LTI outcomes will depend on performance against the relevant measures and may differ from the amounts shown.



CEO Remuneration Outcomes

The table below summarises CEO remuneration outcomes for FY25 and FY26, including for former Co CEO David Kenneson. It presents STI and LTI amounts paid in cash or vested in shares during each financial year.

Year	CEO	Gross Fixed Remuneration	STI Plan	LTI Plan	Other Variable Remuneration	Total Value of Variable Remuneration	Total Remuneration Earned			
			STI Plan award paid	Amount paid as % of maximum award under STI Plan	Value of LTI Plan grant Vested	Amount paid as % of maximum grant under LTI Plan	Price per share at vesting date			
FY25	Mark Heine ¹⁰	\$700,505	\$239,189 ¹¹	89%	-	\$239,189	\$939,694			
FY25	David Kenneson ¹²	\$767,029	-	-	-	\$265,080 ¹³	\$1,032,109			
FY26	Mark Heine	\$767,225.67	\$378,813 ¹⁴	108.23%	-	\$378,813	\$1,146,068.67			
FY26	David Kenneson	\$415,024	\$414,638 ¹⁵	108.23%	\$251,815 ¹⁶	22% ¹⁷	\$2.14 ¹⁸	\$245,950 ¹⁹	\$912,403	\$1,327,427

¹⁰ Gross Fixed Remuneration includes base salary payments and other benefits such as Kiwisaver contribution paid at 3%, annual leave entitlements, backpay due to pay increases and additional allowances e.g. "higher duties allowance".

¹¹ STI Plan payment relates to the FY24 reporting period and was issued to Mark Heine in June 2024, in the form of shares. The stated value represents the market value of the shares issued to Mark Heine, calculated using the VWAP of ordinary shares on the NZX over the 10 day period following the release of EROAD’s FY24 results to the market.

¹² Gross Fixed Remuneration includes base salary and other benefits such as a 3% employer 401(k) contribution, long-term disability and life insurance, and healthcare subsidies.

¹³ Mr Kenneson was awarded 457,253 PSRs as part of his sign on bonus arrangements. All of these these PSRs vested on 5 March 2025, resulting in Mr Kenneson receiving 251,686 ordinary shares, valued at NZD\$265,080 (being the net number of shares Mr Kenneson was entitled to after accounting for his resulting tax liability which has been met by EROAD)

¹⁴ STI Plan payment relates to the FY25 reporting period and was paid to Mr Heine in June 2025.

¹⁵ STI Plan payment relates to the FY25 reporting period and was paid to Mr Kenneson in June 2025.

¹⁶ Following Board approved accelerated vesting of PSRs issued to Mr Kenneson under his FY25 LTI grant, 117,671 ordinary shares were issued to Mr Kenneson, valued at NZD\$251,815 (being the net number of shares Mr Kenneson was entitled to after accounting for his resulting tax liability which has been met by EROAD).

¹⁷ 22% represents the proportion of Mr Kenneson’s FY25 LTI grant that vested following Board-approved accelerated vesting in connection with his departure. All remaining entitlements lapsed.

¹⁸ Represents the 10 day VWAP in NZD as at the vesting date.

¹⁹ Other variable remuneration comprises payments to Mr Kenneson for accrued annual leave paid on cessation of employment, a leave payment, and a day-rate payment to satisfy his minimum contractual notice period.

CEO STI Plan Outcomes

The table below summarises CEO STI outcomes for FY25 and FY26, including FY25 payments made in FY26.

Following the Board's assessment of performance, and in the exercise of its discretion under the STI Plan, no STI payments will be made to the CEO or former Co CEO for FY26, reflecting the Company's current operating environment.

Mark Heine	STI Target		STI Awarded		Earned	% Earned of Awarded	% of Target Awarded
FY25	Up to 50% of base salary	\$350,000	108.23%	\$378,813 ²⁰	\$378,813	108.23%	108.23%
FY26	Up to 50% of base salary	\$350,000	0%	\$0	\$0	\$0	\$0

David Kenneson	STI Target		STI Awarded		Earned	% Earned of Awarded	% of Target Awarded
FY25	Up to 50% of base salary	USD\$225,000	108.23%	USD\$243,523	USD\$243,523	100%	108.23%
FY26	Up to 50% of base salary	USD\$225,000	\$0	\$0	\$0	\$0	\$0

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

²⁰ STI Plan payment relates to the FY25 reporting period and was paid to Mark Heine in June 2025.

CEO LTI Plan Outcomes

FY24, FY25 and FY26 LTI Plan Performance Outcomes

The table below summarises the potential remuneration available to the CEO under the FY24, FY25 and FY26 LTI Grants, assuming 100% achievement of the applicable performance hurdles. It also outlines the LTI awards earned to date for each Grant. Blank fields indicate performance conditions that have not yet been assessed.

These tables show performance against the relevant hurdles to date and do not reflect actual vesting outcomes. The amounts presented are based on achievement measured against the cash values at grant date and do not represent the cash value of any PSRs that may ultimately vest, as this will depend on the share price at the time of vesting. Accordingly, the amounts shown should not be interpreted as amounts that will be received.

In connection with his departure, the Board agreed that Mr Heine would retain the PSRs issued to him under his FY24 LTI Grant with vesting of the TSR performance hurdle to be assessed following release of the FY26 results to NZX and ASX, noting that rTSR outcomes are assessed 10 trading days following the release of EROAD's FY26 results, based on TSR performance over the period from 1 April 2023 to 10 June 2026, calculated using 10 day VWAPs and ranked against the S&P/ASX All Technology Index (XTX). In addition, in connection with his departure, the Board has agreed that accelerate vesting of the PSRs issued to Mr Heine under his FY25 LTI Grant, with the financial results performance hurdle to be determined following release of EROAD's FY26 results to NZX and ASX. The final number of PSRs issued to Mr Heine under the FY24 and FY25 LTI Grants that will vest is therefore yet to be determined by the Board.

Mr Kenneson held no PSRs as at the reporting date. The tables below reflect the vested portions of Mr Kenneson's PSRs, which were vested in accordance with the outcomes as disclosed on page 103 (net of Mr Kenneson's resulting tax liabilities that were met by EROAD).

FY24 LTI Grant - Mark Heine (NZD)

	Tenure			TSR performance	Financial Results				TOTAL
	FY24	FY25	FY26	FY24-FY26	FY24	FY25	FY26	FY24-FY26	FY24-FY26
At 100% Target (NZD)	\$77,778	\$77,778	\$77,778	\$233,333	\$46,667	\$46,667	\$46,667	\$93,333	\$700,000
Earned and Accrued Value (NZD)	\$77,778	\$77,778	\$77,778	To be determined ²¹	\$56,467 ²²	\$50,508 ²³	\$0	\$0	\$340,309

FY25 LTI Grant - Mark Heine

	Tenure			rTSR performance	Financial Results				TOTAL
	FY25	FY26	FY27	FY25-FY27	FY25	FY26	FY27	FY25-FY27	FY25-FY27
At 100% Target (NZD)	\$77,778	\$77,778	\$77,778	\$233,333	\$46,667	\$46,667	\$46,667	\$93,333	\$700,000
Earned and Accrued Value (NZD)	\$77,778	\$77,778	\$0	\$0	\$50,508	\$0	\$0	\$0	\$206,064

²¹ rTSR outcomes are assessed 10 trading days following the release of EROAD's FY26 results, based on TSR performance over the period from 1 April 2023 to 10 June 2026, calculated using 10 day VWAPs and ranked against the S&P/ASX All Technology Index (XTX).

²² Financial targets were weighted 100%, with a stretch target of up to 130%. A 121% weighted performance target was achieved.

²³ Financial targets were weighted 100%, with a stretch target of up to 130%. A 108.23% weighted performance target was achieved.

FY26 LTI Grant - Mark Heine (NZD)

	Tenure			rTSR performance	Financial Results				TOTAL
	FY26	FY27	FY28	FY26-FY28	FY26	FY27	FY28	FY26-FY28	FY26-FY28
At 100% Target (NZD)	\$77,778	\$77,778	\$77,778	\$233,333	\$46,667	\$46,667	\$46,667	\$93,333	\$700,000
Earned and Accrued (NZD)	\$77,778	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$77,778

FY25 LTI Grant - David Kenneson (USD)

	Tenure			TSR performance	Financial Results				TOTAL
	FY25	FY26	FY27	FY25-FY27	FY25	FY26	FY27	FY25-FY27	FY25-FY27
At 100% Target (USD)	\$50,000	\$50,000	\$50,000	\$150,000	\$30,000	\$30,000	\$30,000	\$60,000	\$450,000
Earned and Eligible for Vesting in FY26 (USD)	\$50,000	\$16,667	\$0	\$0	\$32,469	\$0	\$0	\$0	\$99,136

FY26 LTI Grant - David Kenneson (USD)

	Tenure			TSR performance	Financial Results				TOTAL
	FY26	FY27	FY28	FY26-FY28	FY26	FY27	FY28	FY26-FY28	FY26-FY28
At 100% Target (USD)	\$50,000	\$50,000	\$50,000	\$150,000	\$30,000	\$30,000	\$30,000	\$60,000	\$450,000
Earned and Eligible for Vesting in FY26 (USD)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

PSRs Granted to CEO Mark Heine during FY26

The table below summarises the outstanding PSRs granted to and held by CEO Mark Heine as at 31 March 2026, in respect of the FY24 LTI Grant, FY25 LTI Grant and FY26 LTI Grant.

PSR Grant	PSR Grant date	Vesting date	Balance of PSRs at 31 March 2025 under Grant	Granted during the reporting period		PSRs vested/lapsed in relation to the reporting period		Shares issued in relation to the reporting period			Balance of PSRs at 31 March 2026 under Grant
				PSRs granted	Market Price per share at grant date	PSRs lapsed	PSRs vested	Shares issued following vesting	Market Price per share at issue date	Issue date	
FY24 LTI Grant	6 July 2023	31 March 2026	508,251	65,149	\$1.01	N/A	N/A	N/A	N/A	N/A	573,400
FY25 LTI Grant	3 October 2024	31 March 2027	303,030	368,625	\$0.77	N/A	N/A	N/A	N/A	N/A	671,655
FY26 LTI Grant	5 December 2025	31 March 2028	-	476,190	\$0.98	N/A					476,190
Total balance of PSRs issued to Mark Heine as at 31 March 2026											1,721,245²⁴

PSRs Granted to former Co-CEO David Kenneson during FY26

The table below summarises the PSRs granted to former Co-CEO David Kenneson during FY26.

PSR Grant	PSR Grant date	Vesting date	Balance of PSRs at 31 March 2025	Granted during the reporting period		PSRs vested/lapsed in relation to the reporting period		Shares issued in relation to the reporting period			Balance of PSRs at 31 March 2026
				PSRs granted	Market Price per share at grant date	PSRs lapsed	PSRs vested	Shares issued following vesting	Market Price per share at issue date	Issue date	
FY25 LTI Grant	6 July 2023	31 March 2026	314,202	377,043	\$1.01	573,574	117,671	N/A	N/A	N/A	0

²⁴ The PSR figures presented reflect the number of rights granted based on target entitlements at the time of issue. These figures do not represent the number of shares that will ultimately vest. Vesting is subject to performance conditions and may be significantly lower, including nil, and may also be reduced to reflect tax obligations. Accordingly, the amounts shown should not be interpreted as amounts that will be received.

CEO employment conditions

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

ESG Disclosures

Gender Pay Gap and Pay Equity

EROAD's gender pay gap for FY26 was 16.8% on a median basis and 23.0% on a weighted mean basis, measured across all employees and regions²⁵. The Board is not satisfied with these numbers and is committed to addressing them. More information about EROAD's gender composition of Directors and Officers is available at page 80.

Pay Ratio

The ratio of total annual remuneration for EROAD's highest paid individual to the median annual remuneration of all other employees was 18:1 for FY26. The Board acknowledges that this ratio reflects a remuneration structure that is no longer in place. The Co-CEOs, identified as the highest paid individuals during the year, are either no longer employed by EROAD or outgoing, and the Board considers that the pay ratio going forward will be more reflective of the disciplined, performance-based remuneration framework now being embedded across the organisation.

²⁵ The median pay gap represents the difference between the midpoint remuneration of male and female employees. The weighted mean pay gap represents the difference in average remuneration across all employees and is more influenced by the distribution of higher-paid roles.

Employee Remuneration

The following table sets out the number of current and former employees (other than employees who are directors) whose entitlement to remuneration and other benefits for FY26 was above NZ\$100,000 in value. The "ceased employment" column represents the number of individuals within each remuneration band who had ceased employment as at the balance date. These individuals do not represent ongoing employee costs.

EROAD has employees in New Zealand, the United States, Australia and The Philippines with remuneration market levels that differ between the three countries. Of EROAD's 321 employees noted in the table below who received remuneration and other benefits that exceed NZ \$100,000 in value, 83 (26%) are employed by EROAD in the United States of America, 26 (8%) in Australia, 2 (1%) in The Philippines, and 210 (65%) in New Zealand. The overseas remuneration amounts in US dollars, Philippines peso, and Australian dollars are converted into New Zealand dollars at rates of 0.587, 33.905 and 0.888 respectively.

NZ\$	Total	Ceased employment
100,00-110,000	18	6
110,000-120,000	26	2
120,000-130,000	25	2
130,000-140,000	26	
140,000-150,000	27	3
150,000-160,000	30	
160,000-170,000	17	1
170,000-180,000	27	2
180,000-190,000	17	1
190,000-200,000	14	
200,000-210,000	11	
210,000-220,000	7	1
220,000-230,000	9	1
230,000-240,000	4	
240,000-250,000	6	1
250,000-260,000	5	1
260,000-270,000	8	1
270,000-280,000	7	1
280,000-290,000	3	1
290,000-300,000	2	

300,000-310,000	2	
310,000-320,000	2	
320,000-330,000	1	
330,000-340,000	3	
340,000-350,000	1	
350,000-360,000	1	
360,000-370,000	4	2
370,000-380,000	3	
410,000-420,000	1	1
420,000-430,000	1	
440,000-450,000	2	
510,000-520,000	1	
580,000-590,000	2	1
630,000-640,000	1	1
670,000-680,000	2	*
680,000-690,000	1	
760,000-770,000	1	1
860,000-870,000	1	1
1,140,000-1,150,000	1	*
1,550,000-1,560,000	1	1
TOTAL	321	33

*One individual in each of these bands resigned during the period.

DIRECTOR REMUNERATION

The People and Culture Committee oversees EROAD’s director remuneration framework, which is designed to attract and retain appropriately experienced directors and support effective governance and long-term shareholder value.

Non-executive director and committee Chair fees are set with reference to market benchmarks for comparable listed companies in New Zealand, Australia, and the United States. In FY22, EROAD sought independent external advice from PwC in relation to its director remuneration policy and practices, including benchmarking against relevant markets, and this advice has continued to inform the setting of director remuneration.

EROAD’s Director and Executive Remuneration Policy is available on the Company’s investor website at <https://eroadglobal.com/investors/>. There were no material changes to the Director Remuneration Policy in FY26. However, the Board introduced a Directors’ Fixed Trading Plan during the year.

The directors who held office during FY26 are listed below.

	Position	Country of residence	Period position was held during FY26
John Scott	Executive Director, Chair	New Zealand	Independent Director until 17 October 2025 and Executive Chair from 17 October 2025
David Green	Independent Director, Lead Independent Director	New Zealand	Full year, Lead Independent Director from 17 October 2025
Susan Paterson	Independent Director	New Zealand	Full year (Chair until 17 October 2025)
Sara Gifford	Independent Director	United States of America	Full year
Barry Einsig	Independent Director	United States of America	Full year
Cameron Kinloch	Independent Director	United States of America	Until 2 March 2026

In 2024, the director fee pool was increased to \$900,000 (and remains the same size) in accordance with NZX Listing Rule 2.11.3 to reflect the increased Board size.

In line with EROAD’s Remuneration Policy, non-executive directors do not receive performance-based remuneration, and no retirement benefits are provided to directors or executive employees.

DIRECTORS’ FIXED TRADING PLAN (FTP)

In FY26, EROAD implemented a Fixed Trading Plan (FTP) to strengthen alignment between directors and shareholders. Under the FTP, 50% of each director’s accrued remuneration is paid in cash, with the remaining 50% (after tax) used to acquire EROAD ordinary shares on market on a quarterly basis through an appointed broker. Trades occur within predefined trading windows, and directors have no discretion over the timing or execution of purchases.

Fees payable to each director, including amounts allocated to the FTP are set out below. John Scott’s consultancy fees, payable during his temporary executive capacity, are also included within the FTP on the same basis. Shareholdings acquired under the FTP are disclosed in the “Directors’ Shareholdings” section of this report.

Country of residence	Executive Chair	Director	Finance, Risk and Audit Committee Chair	People and Culture Committee Chair	Nominations Committee Chair	Technology Committee Chair
New Zealand (\$NZD)	\$106,250 ²⁶	\$106,250 ²⁷	\$35,416.67 ²⁸	\$35,416.67 ²⁹	-	
United States (\$USD)		USD\$61,625 ³⁰			-	USD\$20,541.66 ³¹

The director fee pool includes unallocated capacity to accommodate additional responsibilities undertaken by non-executive directors.

In FY26, Board fees were updated within the approved fee pool, including an increase to the Chair’s fee to reflect John Scott’s expanded responsibilities during his period as Executive Chair.

Mr Scott also received consultancy fees, which were paid outside the director fee pool. No other additional remuneration was paid to directors.

The table below sets out the fees paid to for the year ended 31 March 2026. Amounts include fees allocated under the FTP and are presented in NZD unless otherwise stated.

²⁶ In October 2025, the former Board Chair fee of \$150,000 (covering both the Chair role and director fees) was revised following John Scott’s appointment as Executive Chair, reflecting the additional responsibilities of that role. From 17 October 2025, Board fees were updated to reflect the increased level of engagement. John Scott’s total remuneration of \$212,500 comprises an Executive Chair fee of \$106,250 and a director fee of \$106,250.

²⁷ Revised on 17 October 2025 from the former director fee of \$95,000 to reflect the increased level of Board engagement.

²⁸ Revised on 17 October 2025 from the former FRAC Chair fee of \$15,000 to reflect the increased level of Board engagement.

²⁹ Revised on 17 October 2025 from the former PCC Chair fee of USD\$12,000 to reflect the increased level of Board engagement.

³⁰ Revised on 17 October 2025 from the former director fee of USD\$95,000 to reflect the increased level of Board engagement.

³¹ Revised on 17 October 2025 from the former TC Chair fee of USD\$12,000 to reflect the increased level of Board engagement.

Director	Base director fee	Consultancy fee	Chair fee	Fee for Finance, Risk and Audit Committee Chair	Fee for People and Culture Committee Chair	Fee for Technology Committee Chair	Total Remuneration Received for FY26
John Scott ³² (Independent Director until 17 October 2025 and Board Chair and Executive Director from 17 October)	\$91,714.48	\$171,920.80	\$44,270.84				\$307,906.11
David Green (Independent Director and Lead Independent Director from 17 October 2025)	\$107,604.14			\$24,765.89			\$132,370.02
Susan Paterson (Board Chair until 17 October 2025 and People and Culture Committee Chair from 17 October 2025)	\$44,270.84		\$87,163.98		\$14,756.95		\$146,191.76
Sara Gifford (People & Culture Committee Chair until 17 October 2025 and Technology Committee Chair from 17 October 2025)	USD\$80,635.44 ³³			USD\$7,000.00 ³⁴	USD\$8,599.03 ³⁵		USD\$96,194.47³⁶
Barry Einsig (Technology Committee Chair until 17 October 2025)	USD\$79,807.13 ³⁷				USD\$7,000.00 ³⁸		USD\$86,807.13³⁹
Cameron Kinloch (Director until 2 March 2026)	USD\$75,681.62						USD\$75,681.62

Non-executive directors are entitled to reimbursement of reasonable expenses incurred in connection with Board duties.

No EROAD director or employee receives remuneration or other benefits in respect of directorships of subsidiary companies.

³² As announced on 17 October 2025, John Scott receives \$106,250 as a Director and \$106,250 as Chair. In addition, for his temporary executive responsibilities, Mr Scott has entered into a consultancy agreement with EROAD, under which he receives a weekly fee of \$7,913 (excluding GST) for a period of up to nine months. The consultancy fee is aligned with prevailing market rates for comparable advisory services.

³³ Base fees paid to Sara Gifford were \$136,686.84(NZD).

³⁴ Chair fees paid to Sara Gifford were \$11,854.66(NZD).

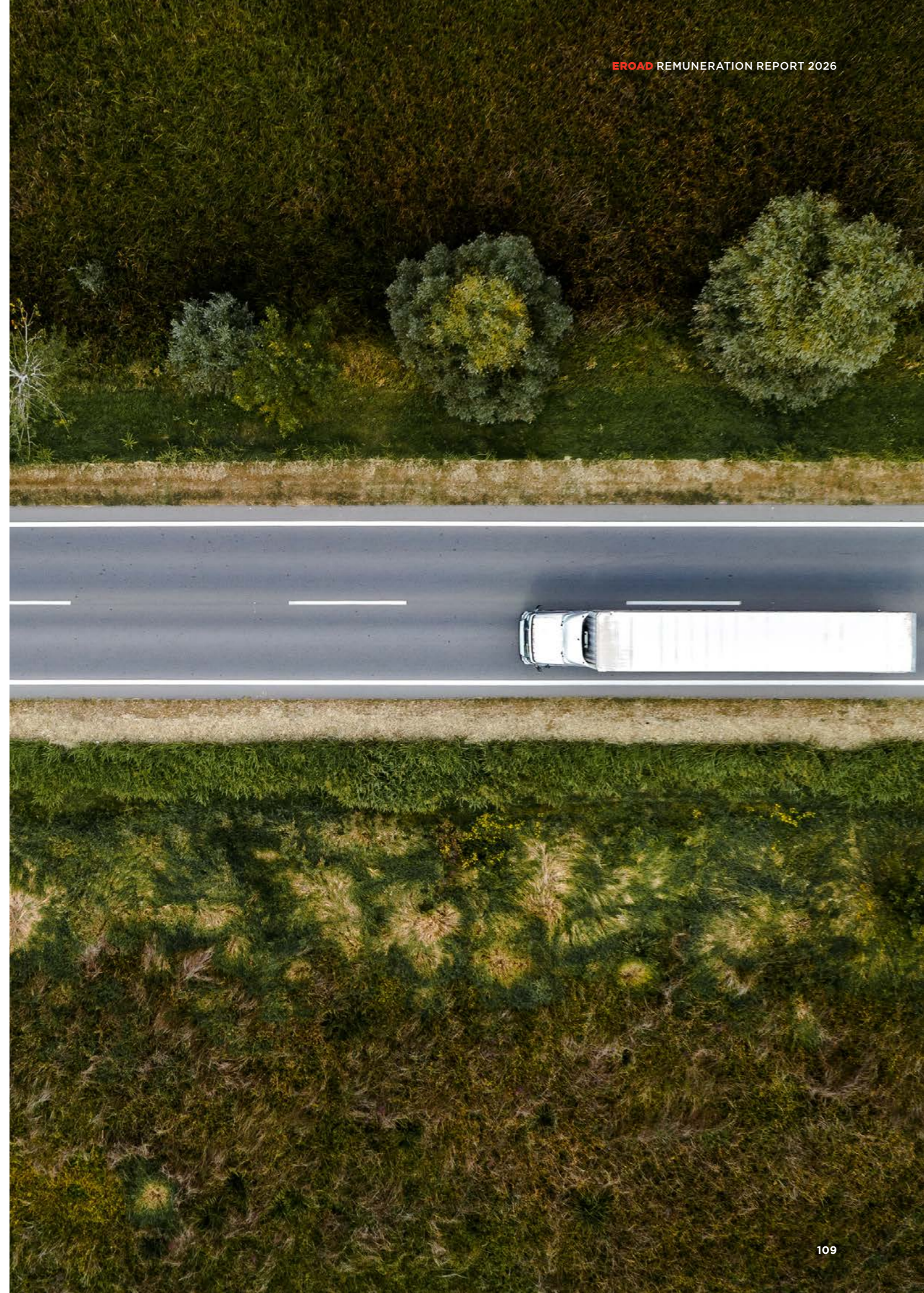
³⁵ Chair fees paid to Sara Gifford were \$14,562.31(NZD).

³⁶ Total director fees paid to Sara Gifford were \$163,104.15(NZD).

³⁷ Base fees paid to Barry Einsig were \$135,237.15(NZD).

³⁸ Chair fees paid to Barry Einsig were \$11,851.60(NZD).

³⁹ Total director fees paid to Barry Einsig were \$147,088.74(NZD).



REGULATORY DISCLOSURES

DIRECTORS

The persons who held office as directors of EROAD at any time during the year ended 31 March 2026, are as follows:

Director	Status	Period position was held
John Scott	Executive Director, Chair	Independent Director until 17 October 2025 and Executive Chair from 17 October 2025
David Green	Independent Director, Lead Independent Director	Full year, Lead Independent Director from 17 October 2025
Susan Paterson	Independent Director	Full year (Chair until 17 October 2025)
Sara Gifford	Independent Director	Full year
Barry Einsig	Independent Director	Full year
Cameron Kinloch	Independent Director	Until 2 March 2026

SUBSIDIARY COMPANY DIRECTORS

The persons who held office as directors of subsidiary companies at any time during the year ended 31 March 2026 are as follows:

EROAD Financial Services Limited	Ksenija Chobanovich
EROAD Australia Pty Limited	Konrad Stempniak, Ksenija Chobanovich
EROAD Inc	Ksenija Chobanovich
EROAD LTI Trustee Limited	Ksenija Chobanovich
Coretex Limited	Konrad Stempniak, Ksenija Chobanovich
Coretex NZ Limited	Konrad Stempniak, Ksenija Chobanovich
Coretex Australia Pty Ltd	Konrad Stempniak, Ksenija Chobanovich
Coretex USA Inc	Ksenija Chobanovich
Imarda Pty Limited	Konrad Stempniak, Ksenija Chobanovich
International Telematics Holdings Limited	Konrad Stempniak, Ksenija Chobanovich
EROAD Philippines Inc	Ksenija Chobanovich, Jeremy Wilton

INTERESTS REGISTER

In accordance with section 140(2) of the Companies Act, the directors named below have made a general disclosure of interest by a general notice disclosed to the Board and entered in the Company's interests register. General notices given by directors which remain current as at 31 March 2026 are as follows, with entries made during the year ended 31 March 2026 denoted with. (*):

John Scott	
Director	Aofrio Limited
Director (Chair)	Vessev Limited
Director (Chair)	Digital Matter Pty Ltd
Director	Number8workshop Limited
Director	Gentrack Group Ltd
Director	Hikoterra Limited
Ceased Director	Asbuilt Holdings Limited

David Green	
Director and Shareholder	Abner & Hobson Limited
Director (Chair)	BT Funds Management (NZ) Limited
Director and Shareholder	Casa Verde Investments Limited
Director	Stride Property Limited
Director	Stride Holdings Limited
Director	Stride Investment Management Limited
Director and member of the Board Risk and Compliance Committee and Chair of the Board Audit Committee	Westpac New Zealand Limited
Ceased Director	MyFarm UFI GP Limited

Susan Paterson	
Director and Shareholder	Les Mills Holdings Limited
Director	Lodestone Energy
Director	Reserve Bank of New Zealand
Director (Chair)	Steel & Tube Holdings Limited
Director (Chair) and Shareholder	Theta Systems Limited
Ceased Director	Energy Education Trust Nominees Limited

Sara Gifford	
Co-Founder, Director and Shareholder	ActiVote Inc
Director	National Civil League

Barry Einsig	
Founder, Director and Shareholder	Barry C. Einsig Advisory Services LLC

Cameron Kinloch	
	resigned 2 March 2026
Director and Shareholder	Copper Cow Coffee
Director	The Clean Cubes Inc*

SHAREHOLDER INFORMATION

SHARE DEALINGS BY DIRECTORS

In accordance with section 148(2) of the Companies Act, the Board has received disclosures from the directors named below of acquisitions or dispositions of relevant interests in the Company between 1 April 2025 and 31 March 2026, and details of those dealings were entered in the Company's interest register. The acquisitions were undertaken in accordance with director fixed trading plans, as described in the Remuneration Report. The particulars of such disclosures are:

John Scott

- Acquired 53,630 ordinary shares at \$0.88 on 2 March 2026, 3 March 2026 and 4 March 2026. He is the registered holder and beneficial owner of these shares.

David Green

- Acquired 12,154 ordinary shares at \$0.88 per share on 2 March 2026, 3 March 2026 and 4 March 2026. He is the registered holder and beneficial owner of these shares.

Susan Paterson

- Acquired 12,154 ordinary shares at \$0.88 per share on 2 March 2026, 3 March 2026 and 4 March 2026. She is the registered holder and beneficial owner of these shares.

Sara Gifford

- Acquired 10,577 ordinary shares at \$0.88 per share on 2 March 2026, 3 March 2026 and 4 March 2026. She is the registered holder and beneficial owner of these shares.

Barry Einsig

- Acquired 14,690 ordinary shares at \$0.88 per share on 2 March 2026, 3 March 2026 and 4 March 2026. He is the registered holder and beneficial owner of these shares.

Use of Company Information

There were no notices from directors of the Company requesting to use Company information received in their capacity as directors that would not otherwise have been available to them.

DIRECTORS' AND OFFICERS' INSURANCE AND INDEMNITY

EROAD maintains directors' and officers' liability insurance in accordance with the Company's constitution. Together with a Deed of Indemnity entered into with each director, this provides protection so that directors generally do not incur personal financial loss for actions taken in the course of their duties. However, certain matters, such as penalties or fines arising from legal breaches, are expressly excluded from this protection.

DIRECTORS RELEVANT INTERESTS

The following directors held relevant interests in the following ordinary shares in the Company as at 31 March 2026:

Name	Nature of interest	Ordinary shares
John Scott	Registered holder and beneficial owner	108,630
David Green	Registered holder and beneficial owner	182,154
Susan Paterson	Registered holder and beneficial owner	179,611
Sara Gifford	Registered holder and beneficial owner	367,719
Barry Einsig	Registered holder and beneficial owner	87,781

ANNUAL SHAREHOLDERS' MEETING

EROAD's 2026 Annual Shareholders' Meeting will be held on 24 June 2026 at 3:00pm at EROAD Office, Level 3, 260 Oteha Valley Road, Albany, Auckland 0632, New Zealand and virtually via audio visual link.

SHAREHOLDER INFORMATION

Holding Range	Number of holders	% of Holders	Number of ordinary shares	% of Ordinary Shares
1 to 999	1,174	31.88	467,276	0.25
1,000 to 4,999	1,323	35.92	3,070,477	1.63
5,000 to 9,999	413	11.21	2,815,873	1.5
10,000 to 49,999	593	16.1	12,064,200	6.42
50,000 to 99,999	77	2.09	5,173,393	2.75
100,000 and over	103	2.8	164,375,598	87.45
Total	3,683	100	187,966,817	100

The details set out above were as at 31 March 2026. The Company only has one class of shares on issue, ordinary shares, and these shares are quoted on the NZX and ASX Main Boards.

SUBSTANTIAL PRODUCT HOLDERS

According to notices given under the FMC Act, the substantial product holders in ordinary shares (being the only class of quoted voting products) of the Company and their relevant interests according to the substantial product holder noticed filed as at 31 March 2026, were as follows:

Substantial product holder	Date of last SPH Notice	Number of shares	% of shares on issue at 31 March 2026
Ampfield Management, L.P.	30/03/2026	12,209,507	6.50% ⁴⁰
State Street Australia Ltd ACF Australian Ethical Investment	03/11/2025	28,177,888	15.025%
Regal Funds Management Pty Ltd	03/11/2025	27,277,553	14.541%
Ellerston Capital Limited	06/08/2025	15,683,399	8.37%
Steven Newman and NMC Trustees Limited	13/06/2025	10,020,952	5.347%
Accident Compensation Corporation	16/06/2025	10,046,793	5.361%

The total number of ordinary shares (being the only class of quoted voting products) on issue in the Company as at 31 March 2026 was **187,966,817**.

⁴⁰ As at the date of this report, Ampfield Management L.P. holds 15.3% of EROAD's shares.

PRINCIPAL SHAREHOLDERS

The names and holdings of the 20 largest registered shareholders in the Company as at 31 March 2026 were:

Holder Name	Shares	%
HSBC Custody Nominees (Australia) Limited	41,555,127	22.10
HSBC Nominees (New Zealand) Limited A/C State Street	17,823,869	9.48
Accident Compensation Corporation	10,769,674	5.73
HSBC Custody Nominees (Australia) Limited	10,597,644	5.64
Citicorp Nominees Pty Limited	10,342,580	5.50
Anthony Henry Kandziora	7,802,873	4.15
HSBC Custody Nominees (Australia) Limited <A/C 2>	7,718,492	4.11
JP Morgan Nominees Australia Limited	7,051,755	4.05
NMC Trustees Limited <Nmc Investment A/C>	6,853,024	3.65
Ubs Nominees Pty Limited	6,455,714	3.43
New Zealand Depository Nominee Limited <A/C 1 Cash Account>	3,874,915	2.06
Mirrabooka Investments Limited	2,145,000	1.14
Bond Street Custodians Limited <Salter - D79836 A/C>	2,000,000	1.06
FNZ Custodians Limited	1,905,635	1.01
Warbont Nominees Pty Ltd <Unpaid Entrepot A/C>	1,749,630	0.93
HSBC Custody Nominees (Australia) Limited <Gsi Eda A/C>	1,000,000	0.53
Custodial Services Limited <A/C 4>	889,332	0.47
JBWERE (NZ) Nominees Limited <Nz Resident A/C>	845,533	0.45
HSBC Nominees (New Zealand) Limited - NZCSD <HKBN90>	844,212	0.45
John Grant Sinclair	812,861	0.43

OTHER INFORMATION**NZX WAIVERS**

No waivers were granted during FY26.

DISCIPLINARY ACTION TAKEN BY THE NZX

The NZX has not taken any disciplinary action against the Company during the year ended 31 March 2026.

AUDITOR'S FEES

KPMG has continued to act as auditor of EROAD and our subsidiaries. The amount paid by EROAD and our subsidiaries to KPMG as audit fees and other assurance fees during the year ended 31 March 2026 was \$1.0m. The amount of fees expensed to KPMG for non-audit and assurance work during the year ended 31 March 2026 was \$0.2m. The Financial Statements section of this Annual Report includes a detailed breakdown of auditor's fees for audit and non-audit work recognised in the financial statements.

DONATIONS

EROAD does not make any donations, nor do any of EROAD's subsidiaries.

CREDIT RATING

EROAD does not currently have a credit rating.

GLOSSARY



ANNUALISED RECURRING REVENUE (ARR)

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

ASSET RETENTION RATE

The number of Total Contracted Units at the beginning of the 12 month period and retained as Total Contracted Units at the end of the 12 month period, as a percentage of Total Contracted Units at the beginning of the 12 month period.

AVERAGE REVENUE PER UNIT (ARPU)

A non-GAAP measure that is calculated by dividing the total subscription revenue for the year reported.

COSTS TO ACQUIRE CUSTOMERS (CAC)

A non-GAAP measure of costs to acquire customers. Total CAC represents all sales & marketing related costs. CAC capitalised includes incremental sales commissions for new sales, upgrades and renewals which are capitalised and amortised over the life of the contract. All other CAC related costs are expensed when incurred and included within CAC expensed.

COSTS TO SERVICE & SUPPORT (CTS)

A non-GAAP measure of costs to support and service customers. Total CTS represents all customer success and product support costs. These costs are included in Administrative and other Operating Expenses.

EBIT

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

EBITDA

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

ELECTRONIC LOGGING DEVICE (ELD)

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

ENTERPRISE

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

FREE CASH FLOW (FCF)

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

FREE CASH FLOW TO THE FIRM

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

FY (FINANCIAL YEAR)

Financial year ended 31 March.

HALF ONE (H1)

For the six months ended 30 September.

HALF TWO (H2)

For the six months ended 31 March.

NORMALISED EBIT

Excludes impairment to North American goodwill, intangible and other assets \$134.7m (FY25 nil), change in accounting estimates \$18.2m (FY25 nil), one-off costs related to the 4G hardware upgrade program \$2.9m (FY25 \$4.0m), patent litigation \$1.7m (FY25 nil) and transformation (net of savings) \$1.3m (FY25 nil).

NORMALISED FCF

Excludes one-off 4G hardware upgrade program costs of \$14.3m (FY25 \$7.6m)

ROAD USER CHARGES (RUC)

In New Zealand, RUC is applicable to Heavy Vehicles and all vehicles powered by a fuel not taxed at source. The charges are paid into a fund called the National Land Transport Fund, which is controlled by NZTA, and go towards the cost of repairing the roads.

SAAS

Software as a Service, a method of software delivery in which software is accessed online via a subscription rather than bought and installed on individual computers.

SERVICEABLE ADDRESSABLE MARKET (SAM)

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

TOTAL ADDRESSABLE MARKET (TAM)

The total revenue opportunity available for a product or service, assuming 100% market share within all relevant segments and geographies.

TAM & SAM METHODOLOGY

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

UNIT

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



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