EROAD INVESTOR PRESENTATION FY20

FOR THE 12 MONTHS ENDED 31 MARCH 2020

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EROAD DELIVERS ANOTHER PERIOD OF STRONG GROWTH

32%

IN REVENUE

reflecting strong growth in New Zealand and North America

FY20: $81.2m • FY19: $61.4m

31%

EBITDA MARGIN

demonstrating operating leverage

FY20: 33% • FY19: 25%

$1.4m

PROFIT BEFORE TAX

after $2.0m costs associated with patent dispute

$17.0m

FUTURE CONTRACTED INCOME

FY20: $134.4m • FY19: $117.4m

$(12.8)m

FREE CASH FLOW

which includes a $5.2m increase in software development costs

FY19: $(13.1)m

$23.9m

UN-DRAWN DEBT FACILITIES

following refinancing and expanding debt facilities in March 2020

Drawn debt: FY20: $36.1m*, FY19: $34.7m

after borrowing costs of $0.3m

INVESTING TO BUILD FOUNDATIONS FOR THE FUTURE

↑21%

CONTRACTED UNIT GROWTH

reflecting onboarding of 2 enterprise customers in North America and continued steady growth in New Zealand

95.2%

ASSET RETENTION RATE

reflecting quality of service and product offering

$58.38

IN MONTHLY SAAS AVERAGE REVENUE PER UNIT (ARPU)

with customers subscribing to additional SaaS services

FY19: $55.08

7

KEY LAUNCHES OF SAAS PRODUCTS AND ENHANCEMENTS

adding to our customer value proposition

$15.6m

SPENT ON RESEARCH AND DEVELOPMENT

representing 19% of Revenue

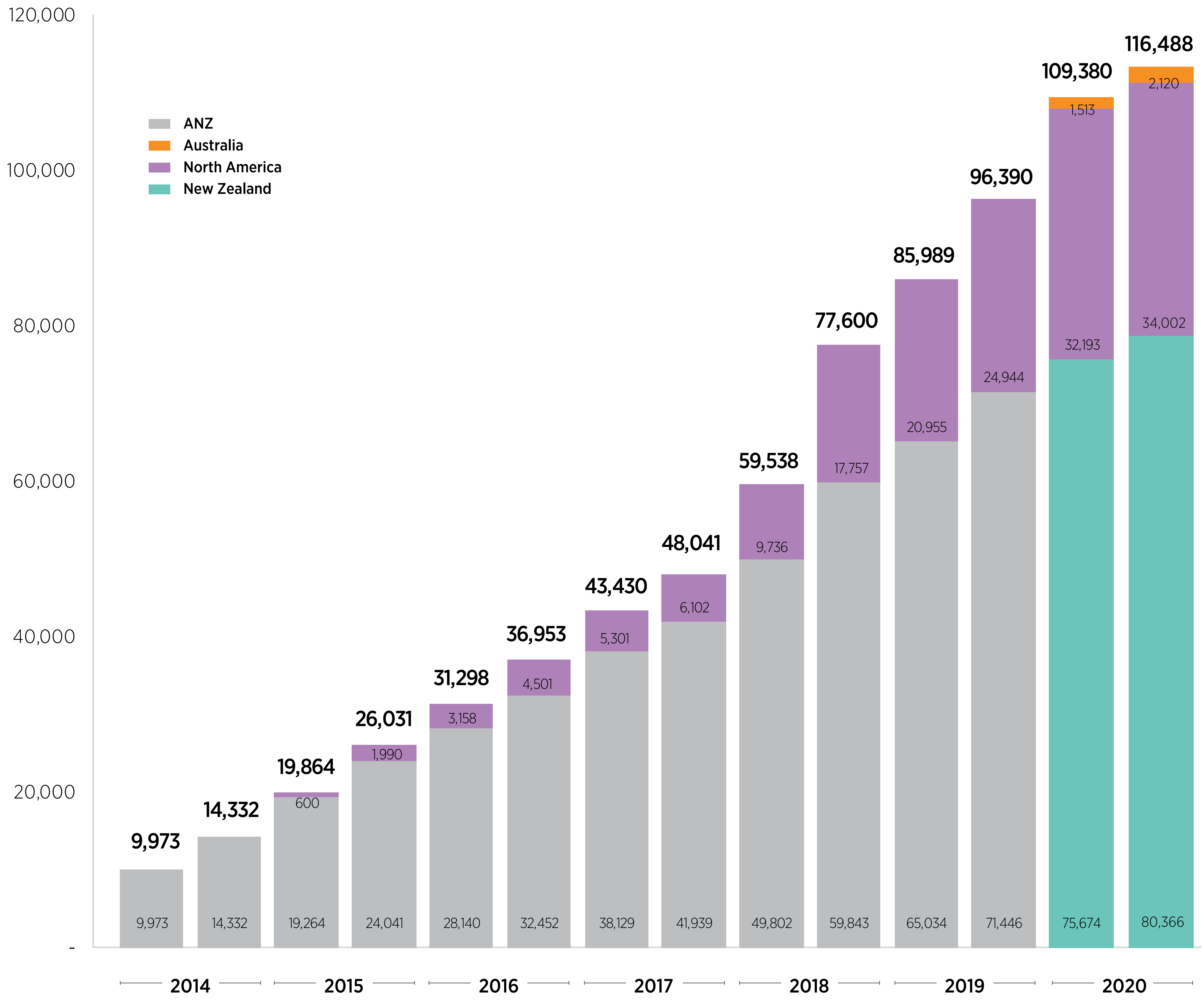
$6.9m

INVESTED IN NEW GENERATION BUSINESS SYSTEMS

to scale for growth, improve operating leverage and customer experience

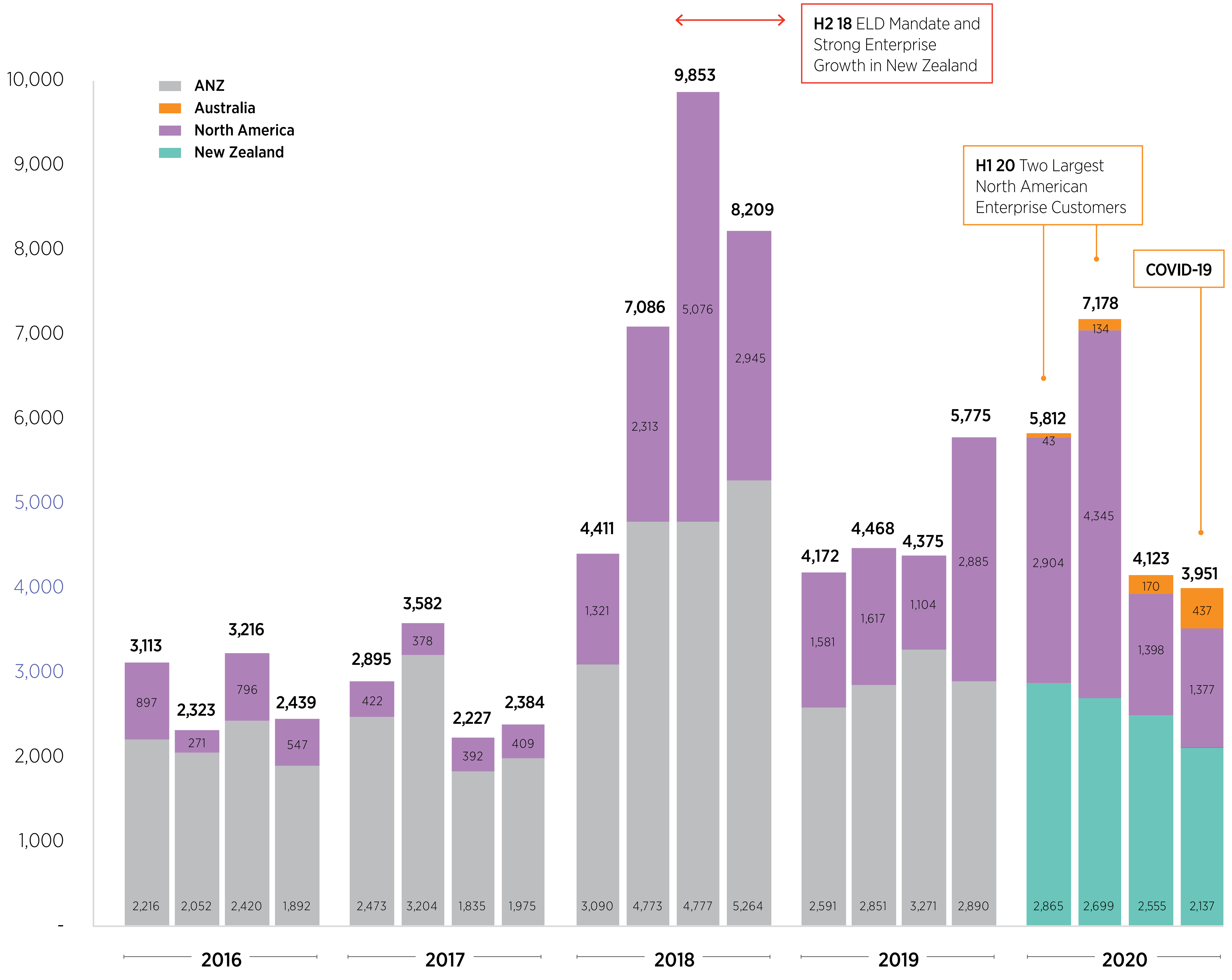
OPERATIONAL UPDATE

Steven Newman
Chief Executive Officer



6-YEAR ANNUAL CAGR OF 42%

- Continued strong growth in New Zealand reflecting continuing expansion into existing customer fleets and a solid underlying new customer run rate
- Two large Enterprise customers on-boarded in North America adding 7,150 units



STRONG H1 GROWTH REFLECTIVE OF ON-BOARDING OF NORTH AMERICAN ENTERPRISE ACCOUNTS

- Solid SMB run-rate in New Zealand across the year
- In North America 3,631 units from EROAD's largest enterprise customer win were deployed and a second large enterprise customer was won and deployed (1,650 units) in H1
- Australian SMB run rate improvement in Q4
- COVID-19 meant delay in finalising contracts across all regions with customers towards the end of FY20

LAUNCHED NEW SAAS PRODUCTS AND ENHANCEMENTS

AU NZ
MARCH 2020

CRASH & ROLL OVER ALERTS (IN PARTNERSHIP WITH ST JOHN AMBULANCE)

Delivers emergency alerts to the driver and their designated first responders in the event of a serious collision or rollover incident.

AU NZ
FEBRUARY 2020

PRIVATE MODE

Technology that complements vehicle policy and compliance regulations around private and company use of vehicles.

AU NZ
SEPTEMBER 2019

MYEROAD DASHBOARD

Consolidates key fleet metrics onto a single view dashboard. Updated with a new map experience in March 2020.

NA
JULY 2019

TEXAS INTRASTATE RULE SET

Drivers can select this ruleset from within their truck, enabling them to view and track their driving hours in line with Texas regulations.

NA
AUGUST 2019

HOURS OF SERVICE RECAP

Displays each driver's available hours. Ensures compliance with regulation, drivers are safe and fleets maximise their productivity.

NZ
DECEMBER 2019

EROAD WHERE

Provides a cost-effective small asset tracking solution.

AU
AUGUST 2019

ACHIEVED ATO CLASS RULING

EROAD FUEL TAX CREDIT (FTC) SOLUTION

Provides customers a solution that helps with claiming back their full Fuel Tax Credit entitlement.

NEW ZEALAND REMAINS A SIGNIFICANT GROWTH OPPORTUNITY

↑15%
GROWTH IN UNITS

96.1%
ASSET RETENTION RATE

$55.78
NZ MONTHLY SAAS ARPU

FY19: $53.74

$34.9m
EBITDA

FY19: $27.9m

EROAD'S THREE STRATEGIC PRIORITIES IN THE NEW ZEALAND MARKET ARE:

GROW THROUGH RETENTION AND ACCOUNT EXPANSION

- 96.1% ANZ asset retention rate
  - renewed 8,136 contracted units. 6,283 of these were Ehubo1, of which 42% upgraded to Ehubo2
  - implementation of customer success model across sales and support teams

CONTINUE EXPANSION INTO SAFETY AND COST CONSCIOUS MARKET

- Increased contracted units by 10,256, of which 30% were new customers in sectors such as Construction & Civil Engineering and Agriculture/Forestry

LEVERAGE NETWORK INTO NEW OPPORTUNITIES

- Launch of EROAD Where business
- Continued development of data analytics
- Partnered with St Johns Ambulance to launch crash & rollover alert functionality which was influential in winning Worksafe as a customer

NORTH AMERICA IS NOW AN ESTABLISHED MARKET

↑38%

GROWTH IN UNITS[1]

2

LARGE ENTERPRISE CUSTOMERS ONBOARDED

$65.73

NA MONTHLY SAAS ARPU[1,2]

FY19: $60.08

$7.5m

EBITDA

FY19: $0.4m

[1] North American units for FY19 are restated for data cleansing adjustments identified as part of the new ERP systems implementation
[2] Stronger USD v NZD contributed $4.26 of the increase from the prior year

EROAD'S THREE STRATEGIC PRIORITIES IN THE NORTH AMERICAN MARKET ARE:

PURSUE SELECTIVE ENTERPRISE OPPORTUNITIES

- 5,281 units deployed from 2 large enterprise wins in first half. These help with referrals to other large enterprise customers

BUILD SUSTAINABLE RUNRATE BUSINESS IN THE SMALL AND MEDIUM BUSINESS SPACE

- An average monthly small to medium business runrate of 338 (H1: 328; H2: 348)
- Expect run rate to improve with product launches over FY21

CONSIDER STRATEGIC GROWTH OPPORTUNITIES

- Launch of EROAD Go Workflow logistics management in HY21
- Continued to hold discussions with potential partners around a range of opportunities to build the product portfolio

BUILDING BRAND IN AUSTRALIA LEVERAGING TRANS-TASMAN SYNERGIES

59%
GROWTH IN UNITS

ONBOARDED FIRST TRANS-TASMAN CUSTOMER OF **355 UNITS**

BUILT OUT SALES TEAM AND INCREASED MARKETING EFFORTS

$(1.3)m
EBITDA

FY19: $(0.6)m

EROAD'S THREE STRATEGIC PRIORITIES IN THE AUSTRALIAN MARKET ARE:

PURSUE SELECTIVE ENTERPRISE OPPORTUNITIES

- Continued to build the strong enterprise pipeline for Australia (fleets of 500–1000). Had expected some contracts finalised by year-end, now delayed due to COVID-19

BUILD SUSTAINABLE RUNRATE BUSINESS IN THE SMALL AND MEDIUM BUSINESS SPACE

- During FY20 added 784 units
- Increased marketing to inform potential customers on EROAD's customer value proposition
- During the fourth quarter a medium sized Trans-Tasman customer fleet was deployed

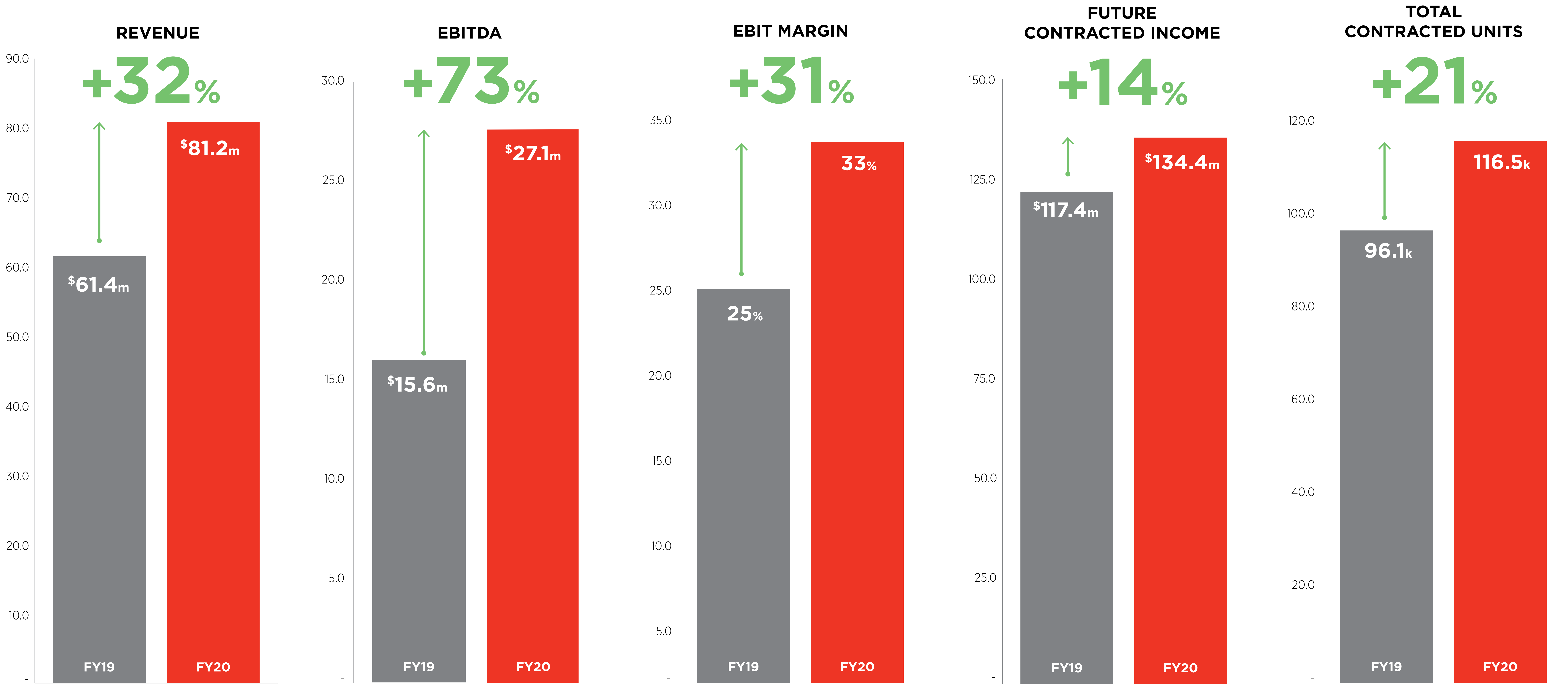
MANAGE COST BASE FOR EFFICIENCIES IN GROWTH

- Customer support functions continue to be provided from New Zealand to ensure cost to serve efficiencies at this early stage of entry into Australia
- The size of the in-market sales team and marketing activity is closely monitored and increases are following sales achievement and pipeline growth

FINANCIAL UPDATE

Alex Ball
Chief Financial Officer

EROAD DELIVERS ANOTHER PERIOD OF STRONG GROWTH



CONTINUED STRONG EBITDA GROWTH IN NEW ZEALAND AND NORTH AMERICA, PARTLY OFFSET BY AUSTRALIAN MARKET ENTRY

($m)	**FY20**	FY19	Movement
New Zealand	**34.9**	27.9	7.0
Australia	**(1.3)**	(0.6)	(0.7)
North America	**7.5**	0.4	7.1
Corporate & Development	**(14.0)**	(12.0)	(2.0)
Elimination of inter-segment EBITDA	**(0.0)**	(0.1)	0.1
EBITDA	**27.1**	15.6	11.5
EBITDA Margin	**33%**	25%	8%

NEW ZEALAND

Continued further growth into existing customer fleets, together with a solid underlying new customer run rate drove the increase in EBITDA for the NZ business to $34.9m from the prior year's $27.9m result.

NORTH AMERICA

The North American EBITDA result of $7.5m (FY19: $0.4m) was driven by strong first half enterprise customer growth with continuing small to medium business runrate growth.

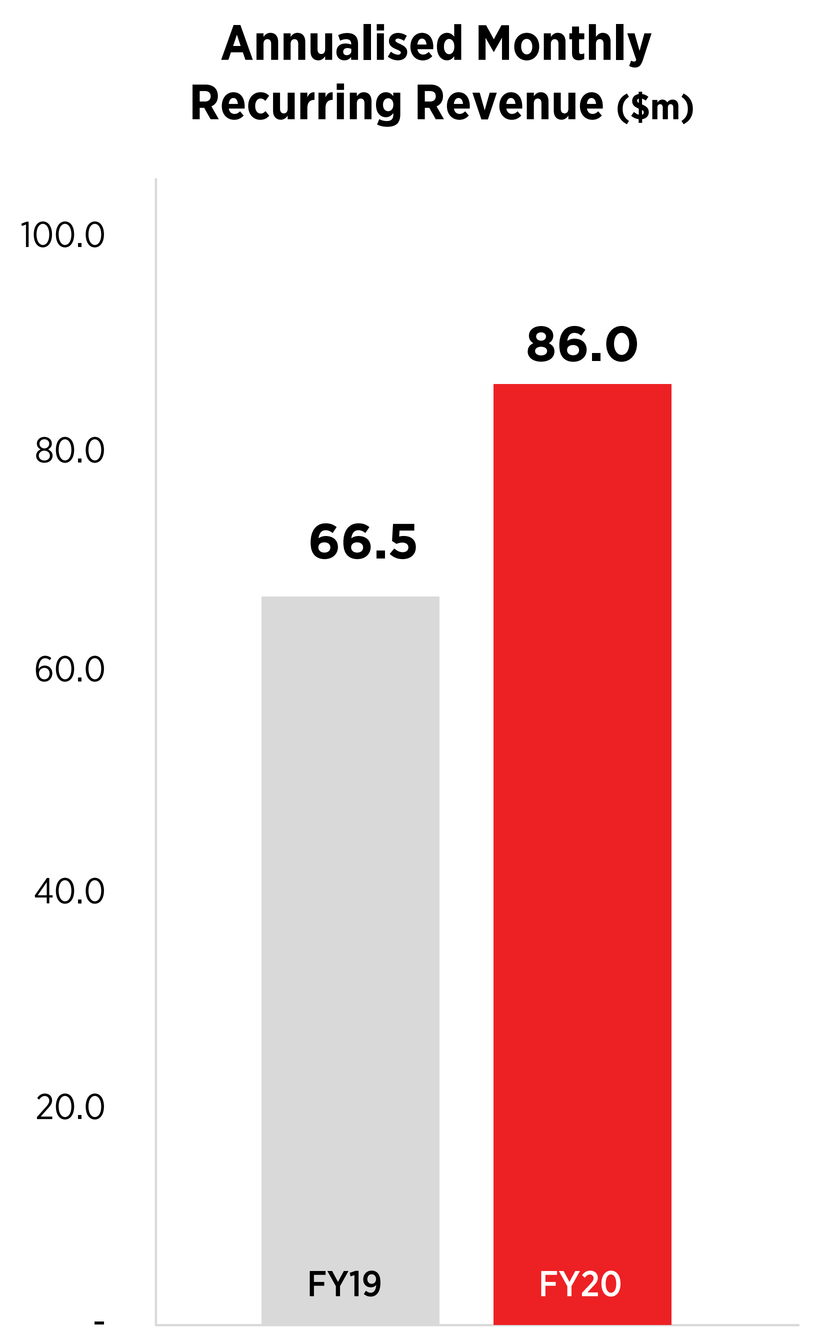
AUSTRALIA

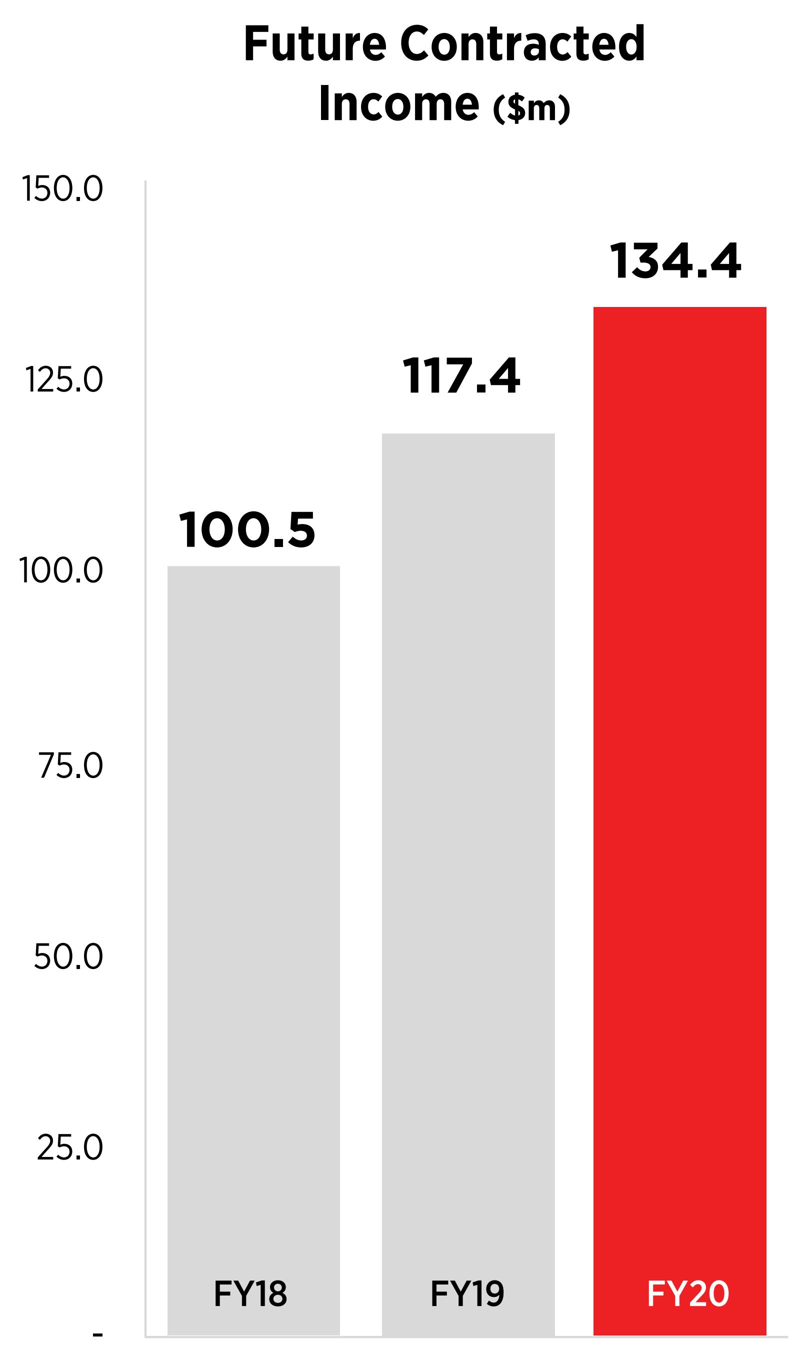
Continuing sales and marketing investment in our newest market, Australia, produced the EBITDA result of $(1.3)m (FY19: $(0.6)m).

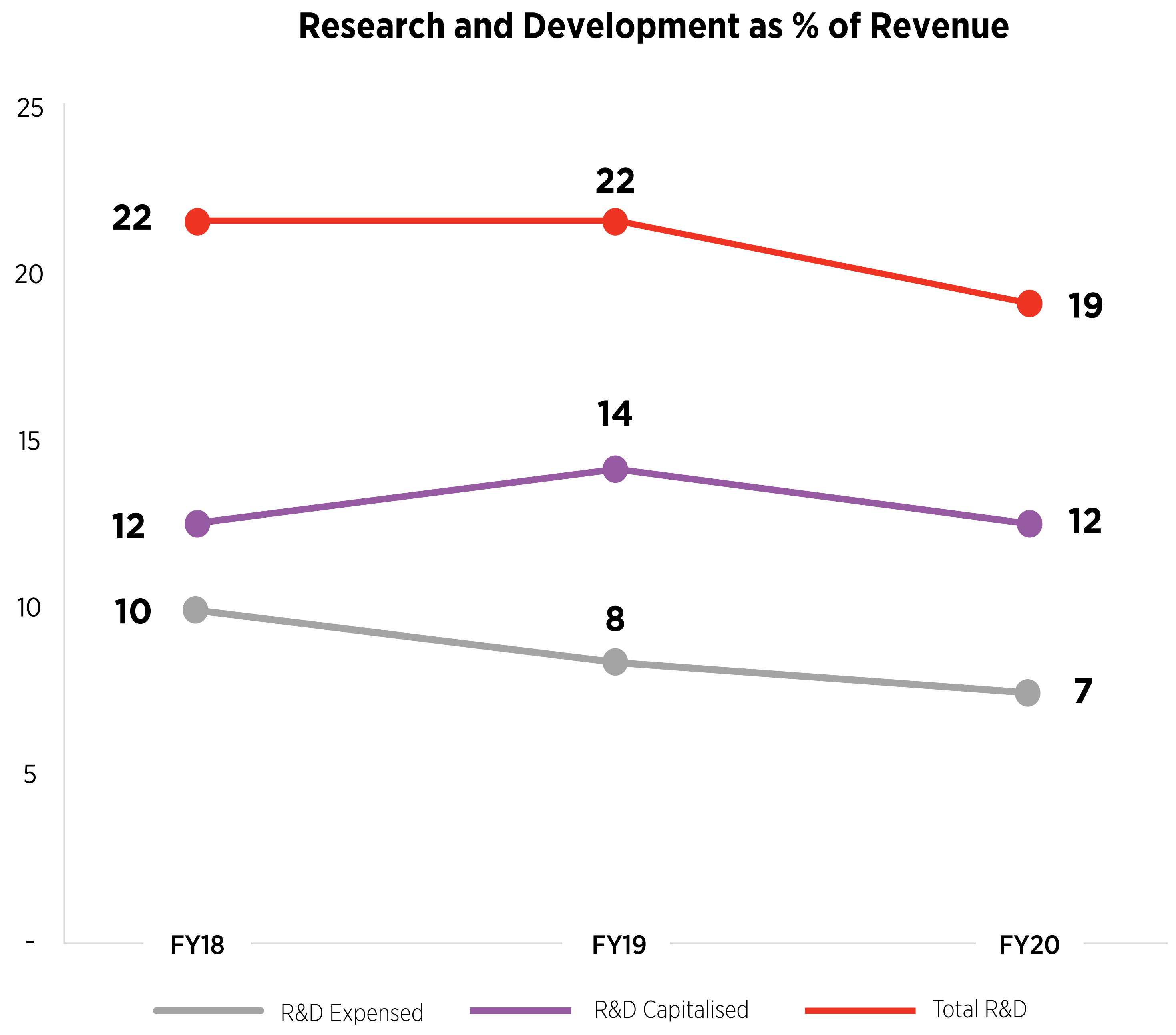
CORPORATE

The Corporate segment's EBITDA was $(14.0)m from $(12.0)m reflecting the combination of continuing investment in R&D activities coupled with a focus on cost management to improve operating leverage. The result included non-recurring patent dispute costs of $2.0m.

MONITORING PERFORMANCE
LEADING GROWTH INDICATORS







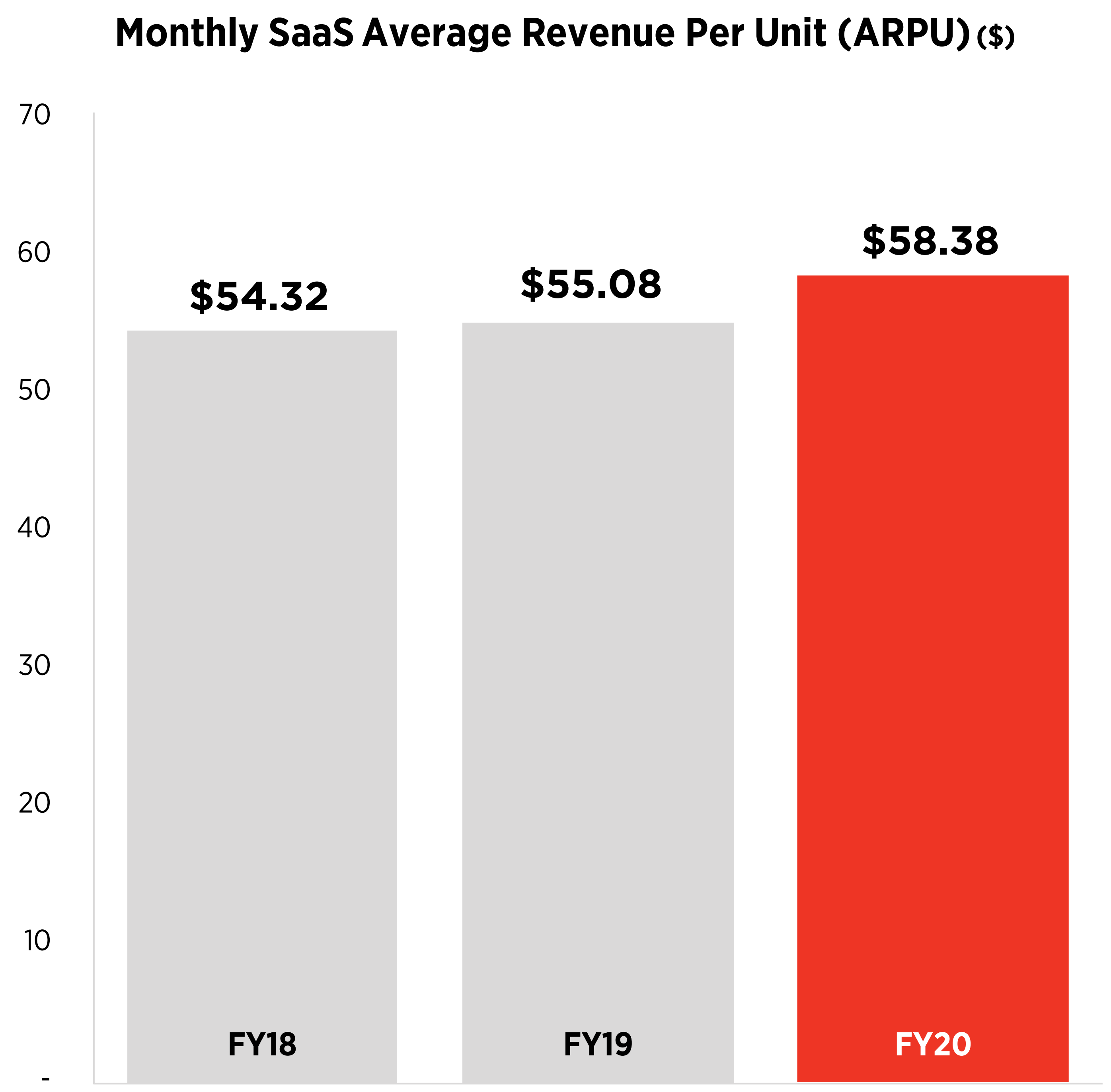
AMRR increase reflects growth in recurring revenues from new units and SaaS ARPU.

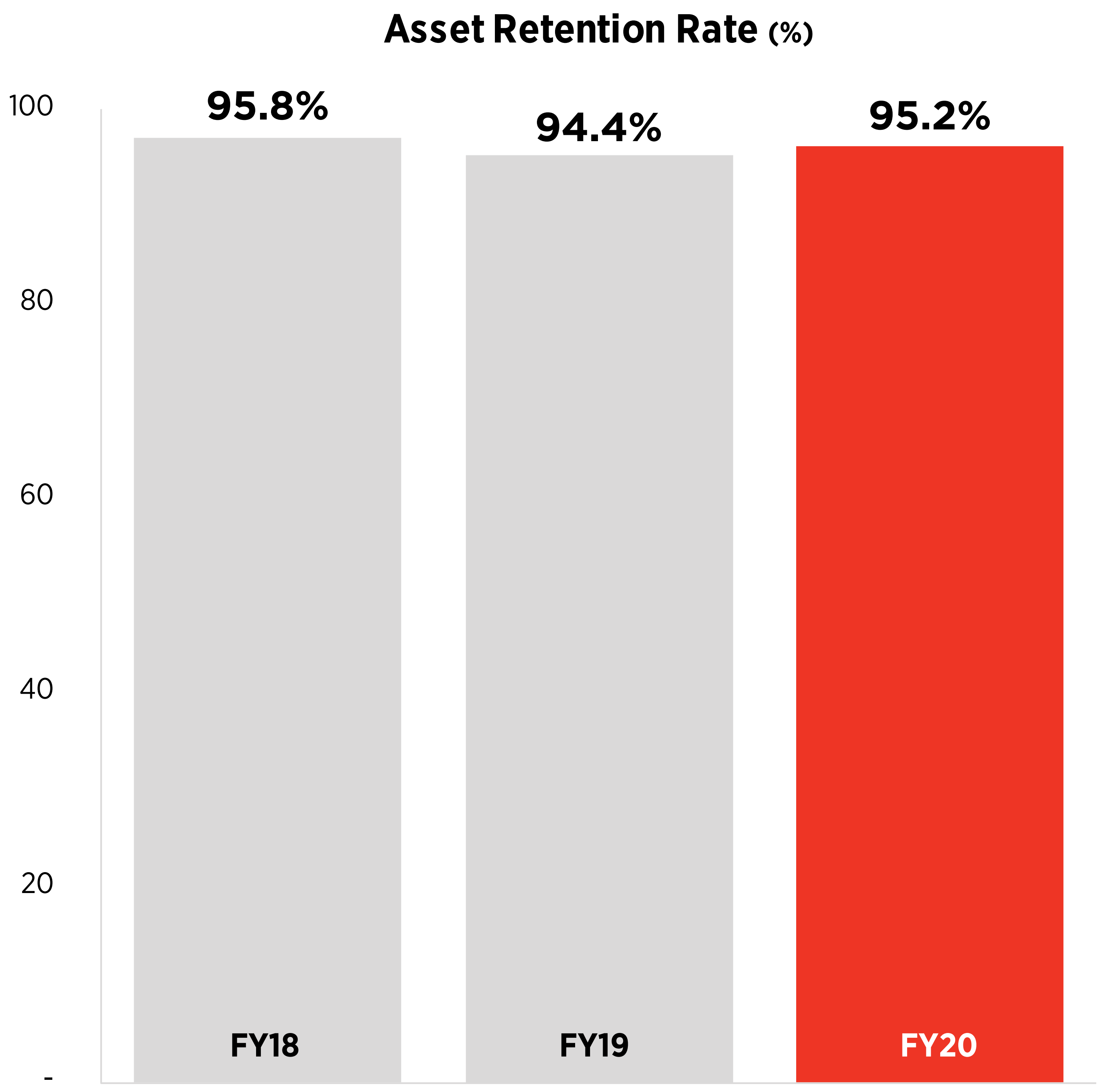
AMRR has only been reported since FY19 following adoption of IFRS 15 & 16

FCI increased with new incremental contracted units added and renewals, partially offset by recognition of revenues for new and existing contracts.

R&D as % of Revenue within expected range of between 18-22% of Revenue.

MONITORING PERFORMANCE
ENTERPRISE VALUE FROM EXISTING CUSTOMER BASE





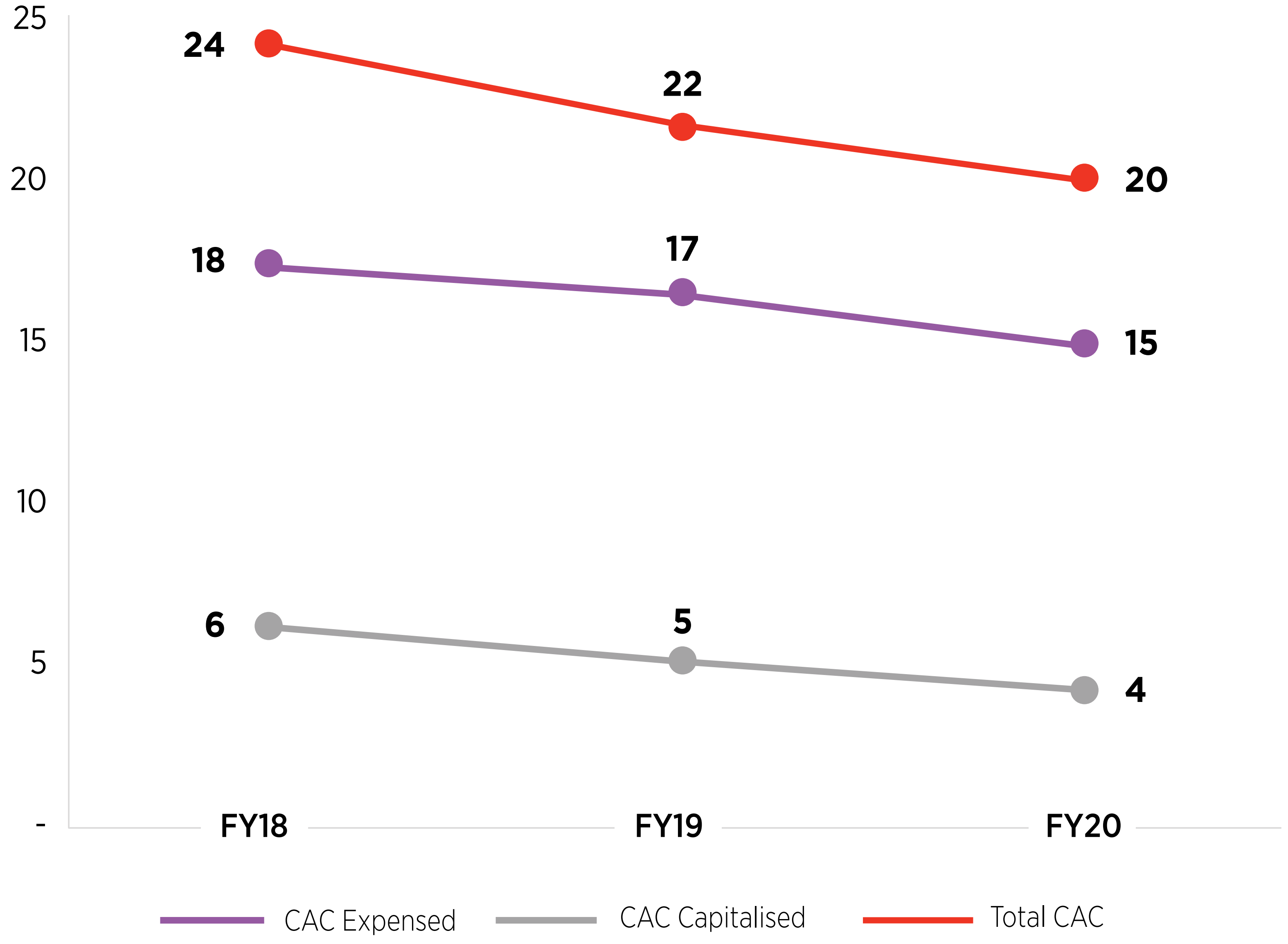
Monthly SaaS ARPU has been trending upwards over past 12 months.

- Plan and hardware upgrades
- Above average pricing for new sales, including NA enterprise accounts
- Stronger USD vs NZD contributed $1.23 of the increase from the prior year

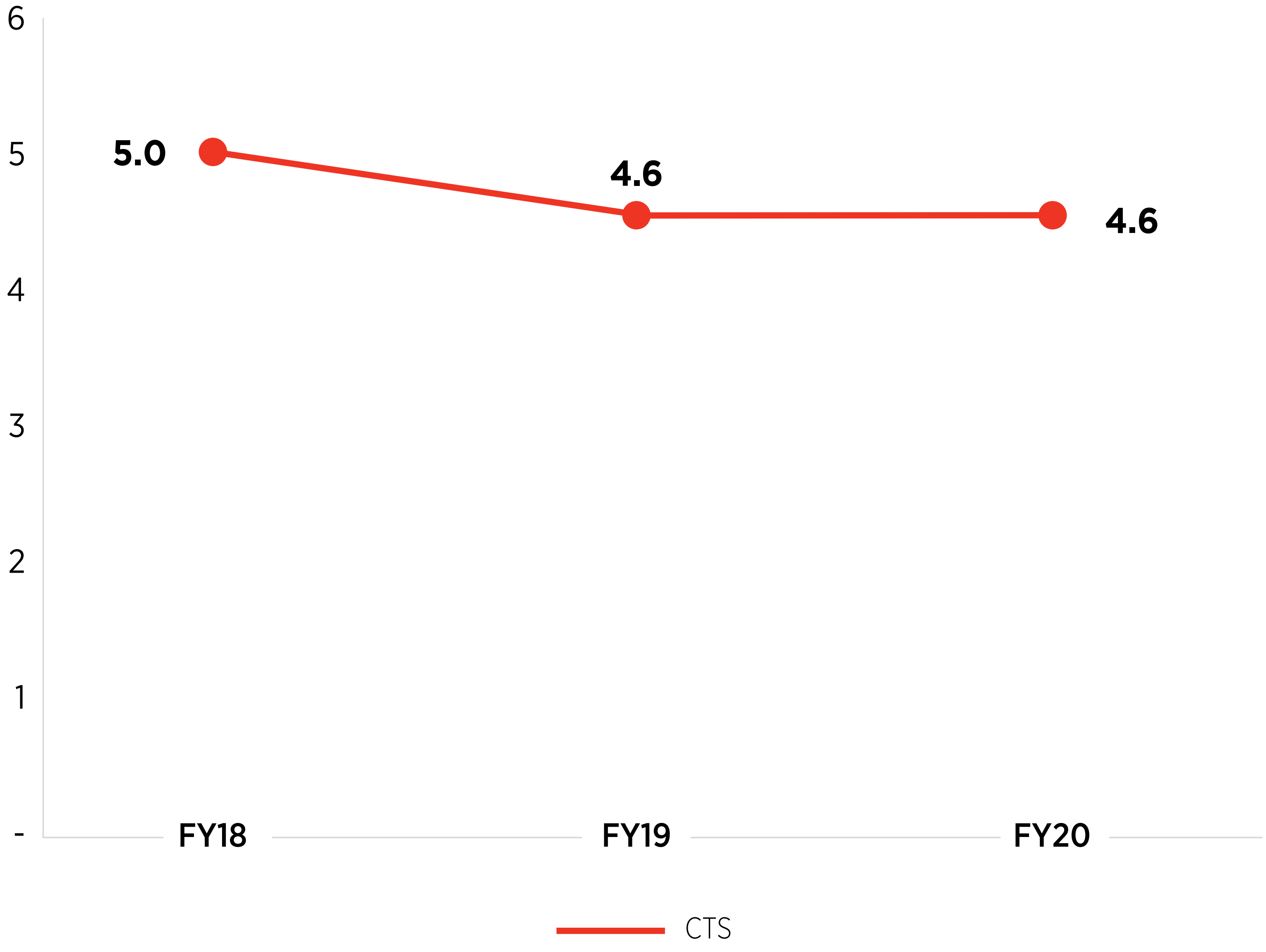
Asset Retention Rate has remained stable and remains a focus as we work to maintain this very high level through renewal programmes in key markets.

MONITORING PERFORMANCE
PROFITABILITY

Cost to Acquire Customers as % of Revenue



Cost to Service and Support as % of Revenue

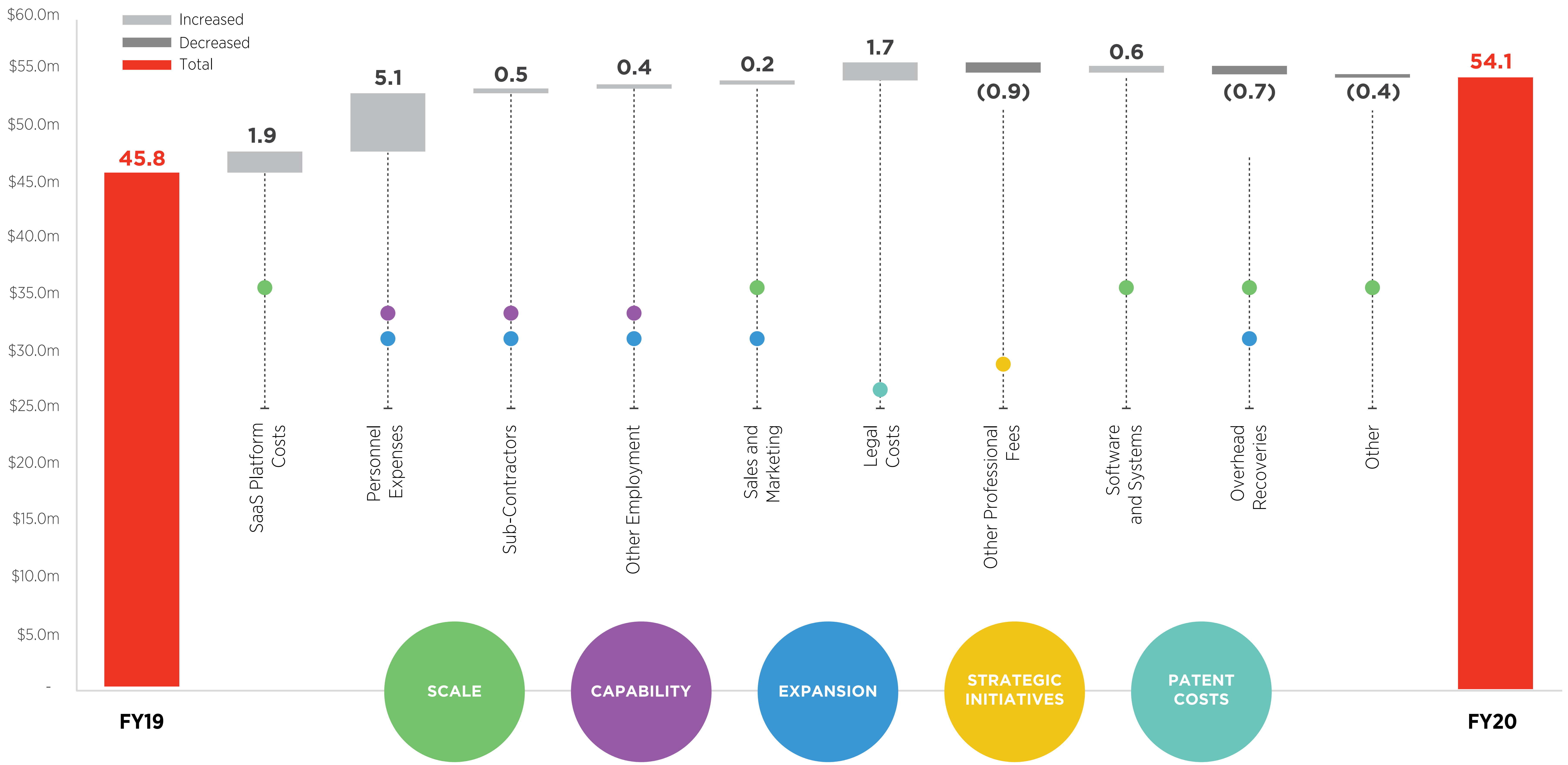


CAC as a % of Revenue would be expected to trend down over time as revenue grows, reductions will be partly offset by investment in CAC ahead of revenues in Australia.

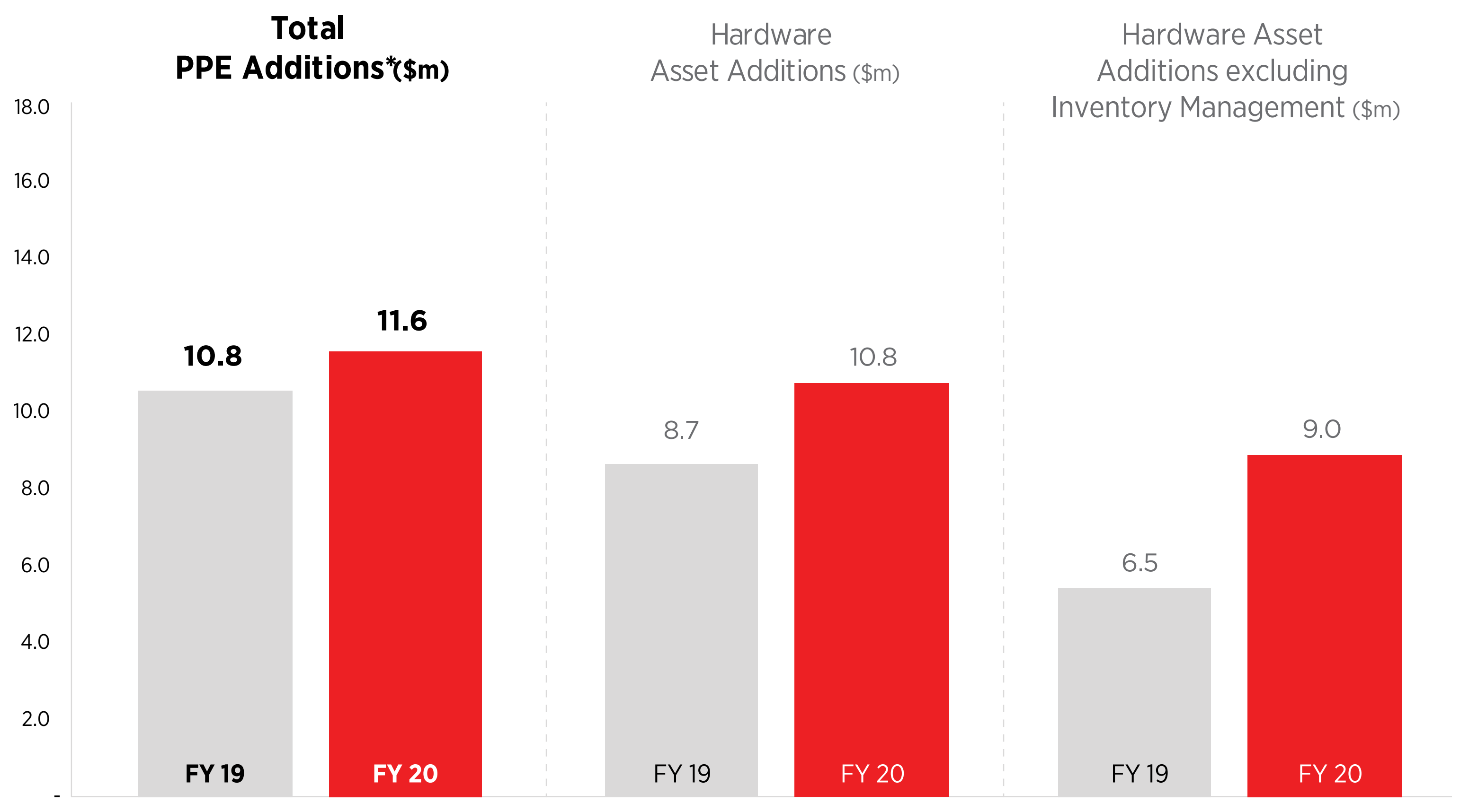
CTS has remained within 4-5% of revenue range. There will be some further operational leverage expected from FY21 as the business realises benefits of system transformation investment.

CTS will improve over time as scale and leverage increases.

OPERATING EXPENSES

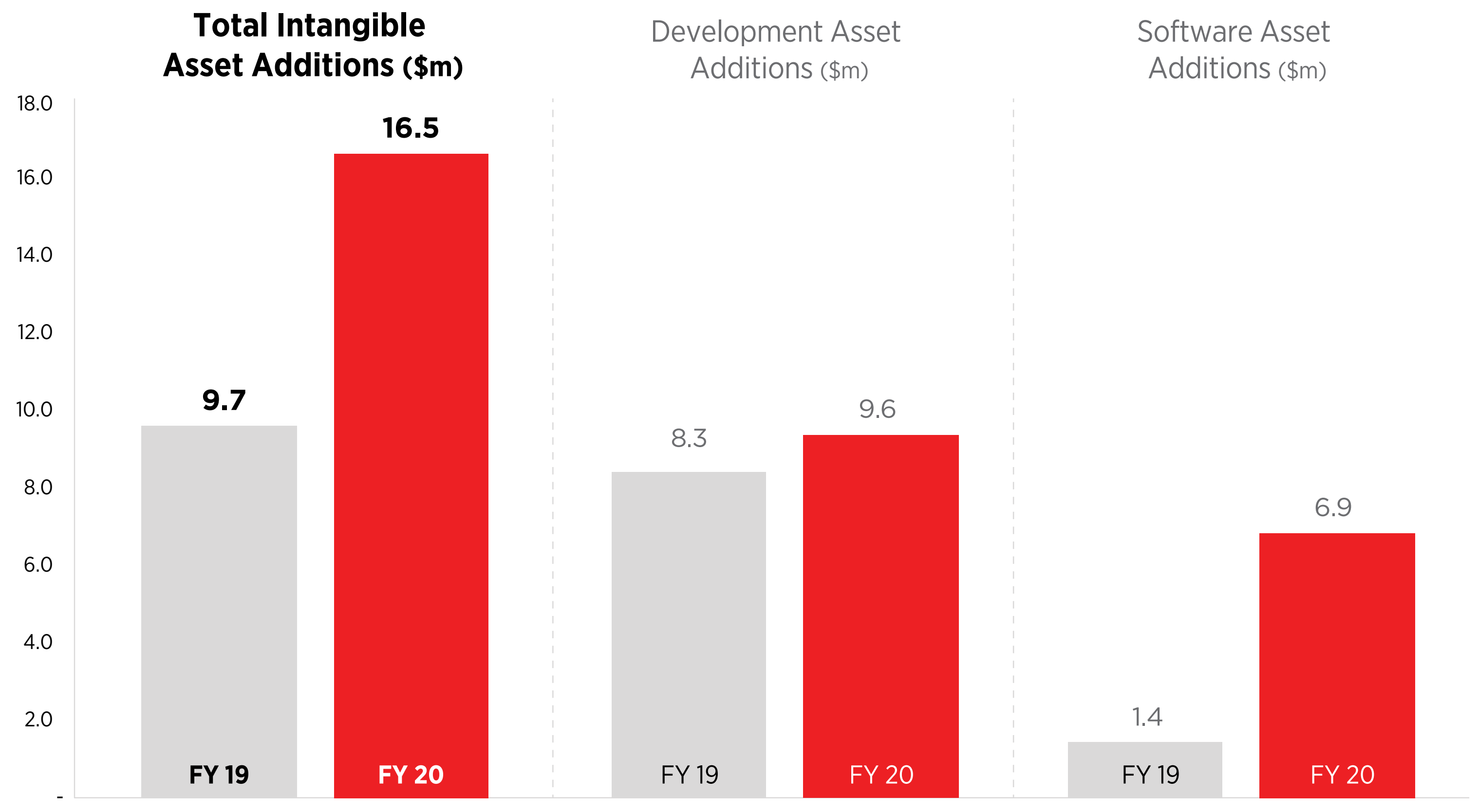


ADDITIONS TO PROPERTY, PLANT AND EQUIPMENT



*Excluding Additions to Right of Use Assets

ADDITIONS TO INTANGIBLE ASSETS



CAPITAL EXPENDITURE HAS INCREASED WITH DEVELOPMENT SPEND AND INVESTMENT IN SCALABLE SYSTEMS

PROPERTY PLANT & EQUIPMENT

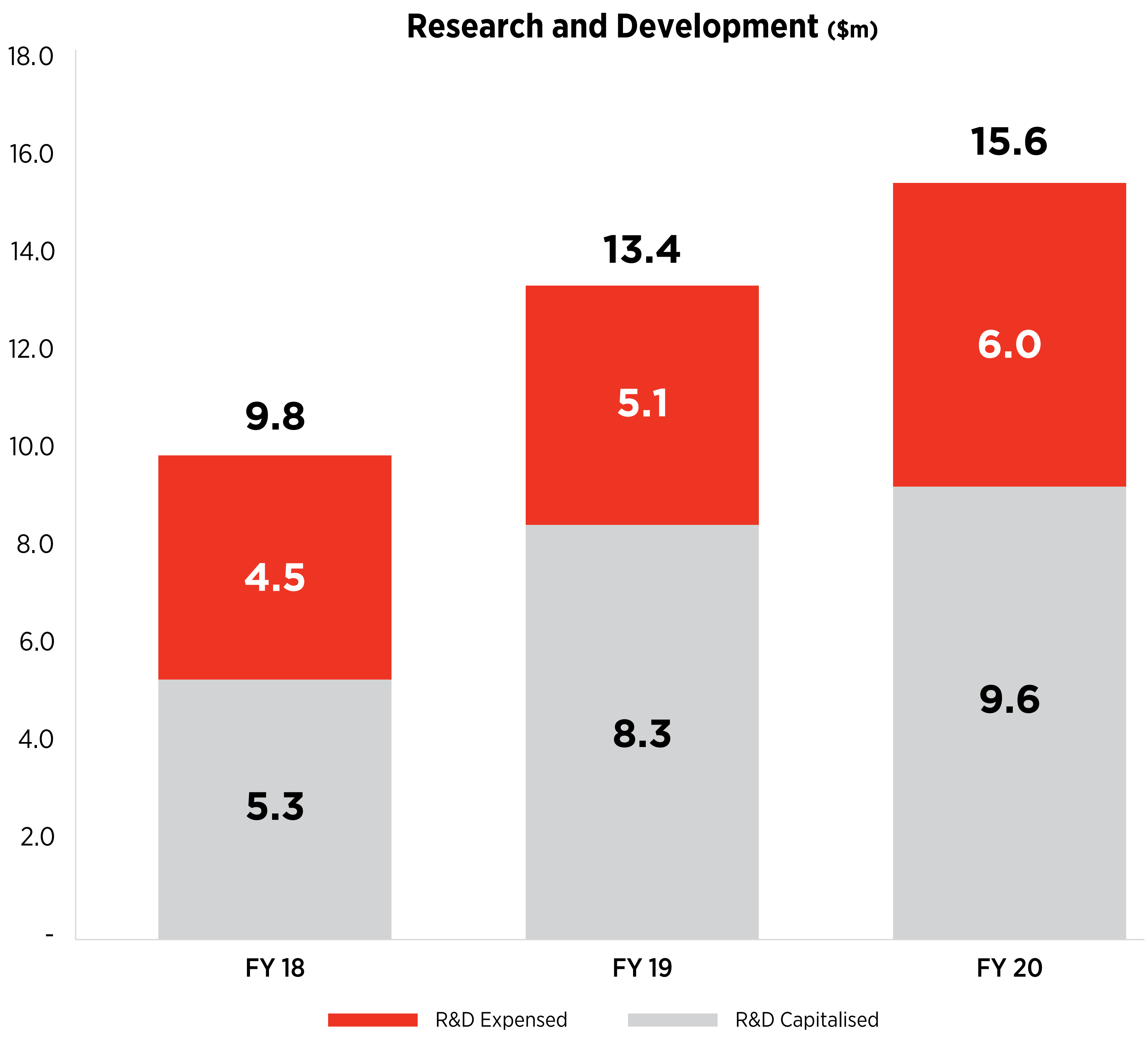
- Investment in Hardware Assets (excluding inventory movements) has increased due to higher new unit volumes and a stronger USD.

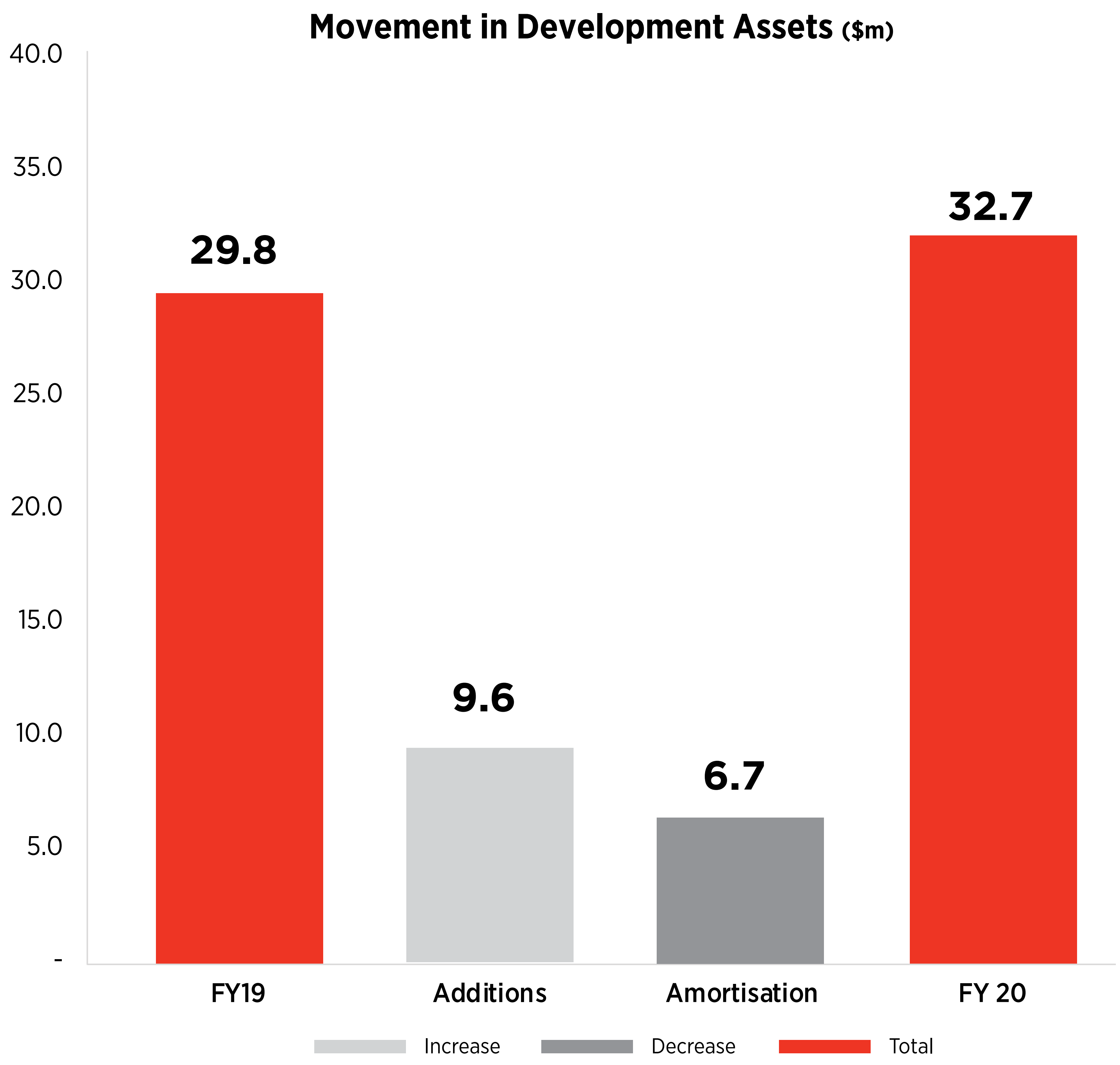
INTANGIBLE ASSETS

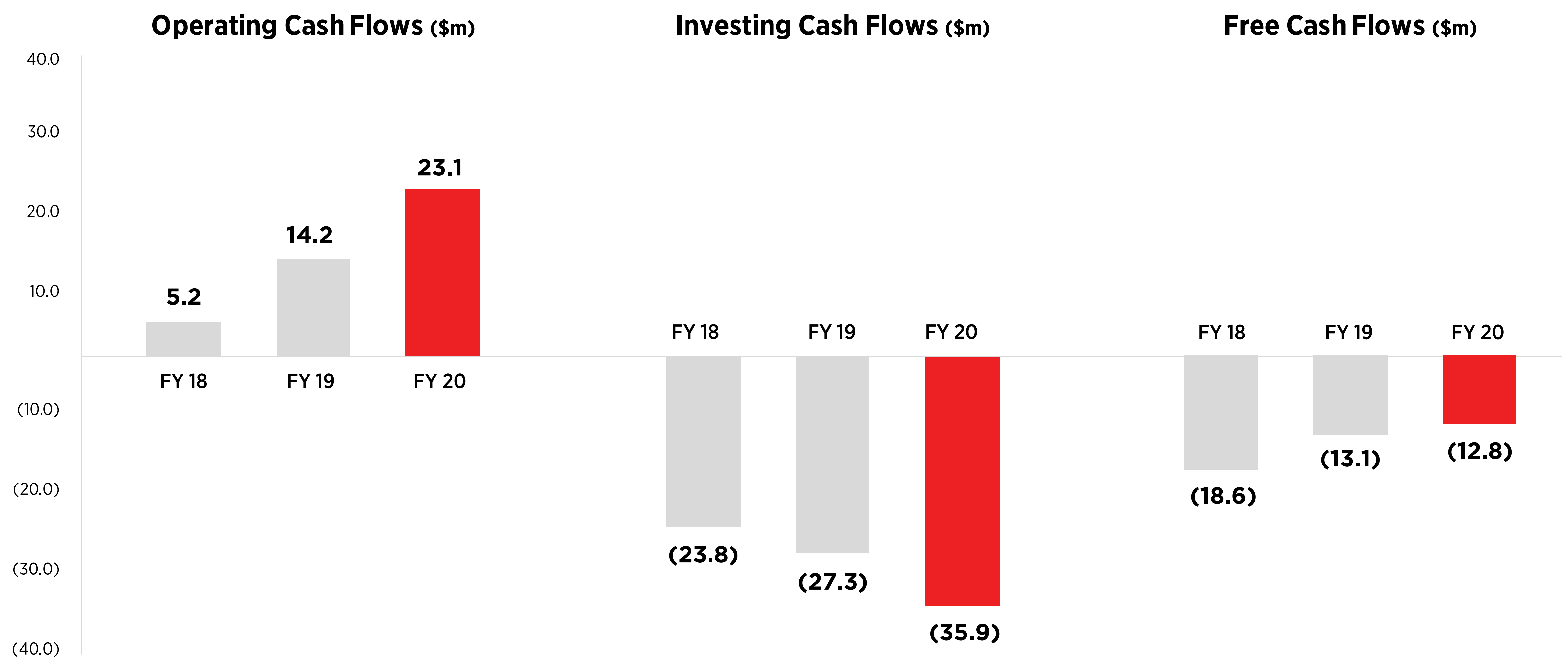
- R&D spend of $15.6m is within the signalled range of 18-22% of revenues, $9.6m of which was capitalised as Development Assets, an increase of $1.3m on the prior period.
- Software additions are $5.5m higher as a result of the investment in new generation business systems and processes this year.

CONTINUED INVESTMENT IN R&D

CRITICAL TO DELIVERING RELIABILITY, SCALABILITY, QUALITY AND GROWTH







Operating Cash Flows:

- Have increased strongly this year as a result of the increased contribution from both New Zealand and North American markets.

Investing Cash Flows:

- $16.5m investment in intangible assets, an increase of $6.8m on FY19.$ 6.9m of the total relates to strategic investment in new generation business systems. Development asset investment was $9.6m, $1.3m on FY19.
- $16.5m PPE largely investment in Hardware Assets.

Free Cash Flows:

Free cash flows impacted by investment in key strategic initiatives:

- $1.3m EBITDA loss in relation to AU market entry.
- $6.9m investment in business and operating systems.
- $2.2m higher R&D compared to FY19.

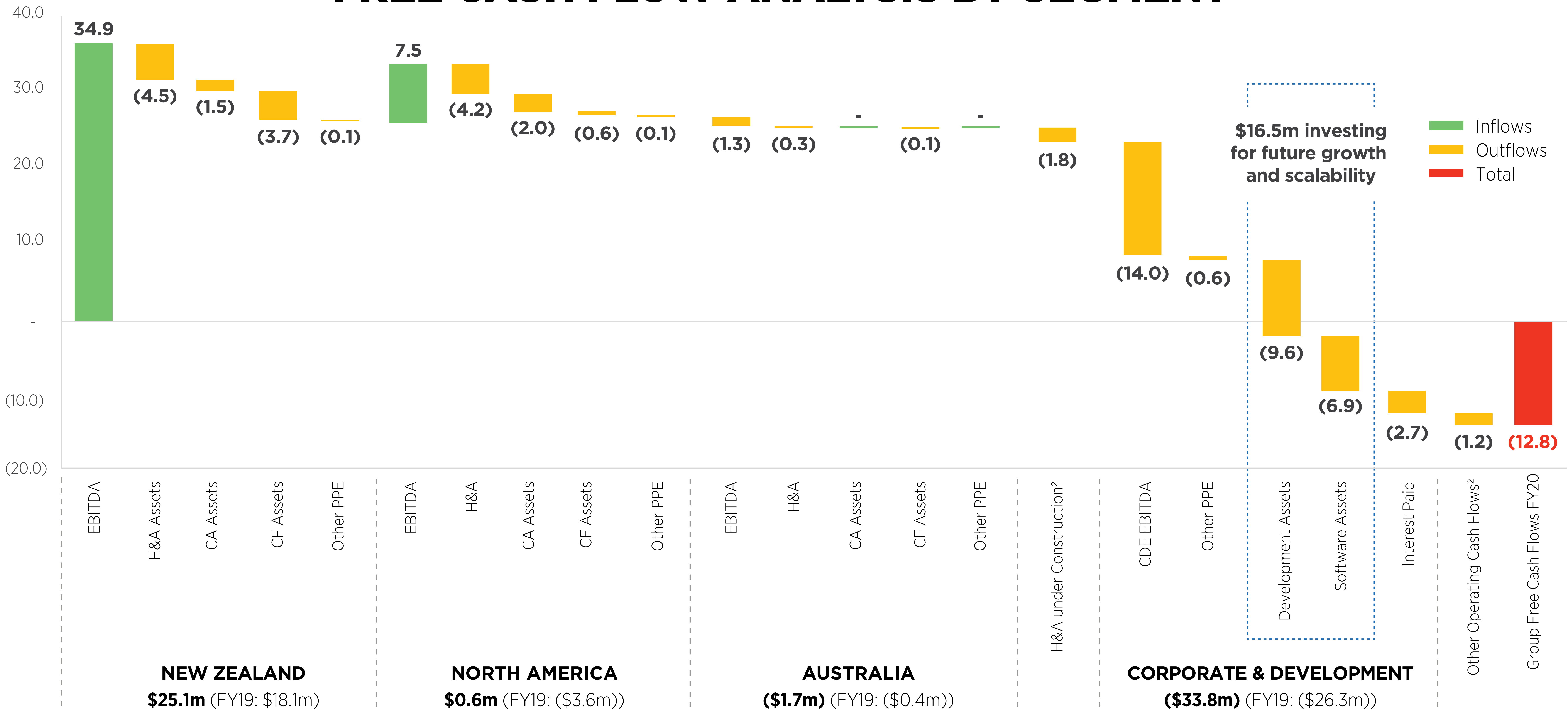
FREE CASH FLOWS IMPACTED BY INVESTMENT IN STRATEGIC INITIATIVES

The Group expects to fund ongoing investment in intangible assets with operating cash flows.

Operating cash flows will continue to improve with continued growth and operating leverage.

In the short term, until the business becomes Free Cash Flow positive, the Group expects that investing cash flows will be able to be funded by operating cash inflows and available debt facilities.

FREE CASH FLOW ANALYSIS BY SEGMENT[1]



H&A Assets - Hardware & Accessory Assets • **CA Assets** - Customer Acquisition Assets • **CF Assets** - Contract Fulfilment Assets • **CDE EBITDA** - Corporate, Development and Elimination EBITDA • **H&A under Construction** - Hardware & Accessories under Construction

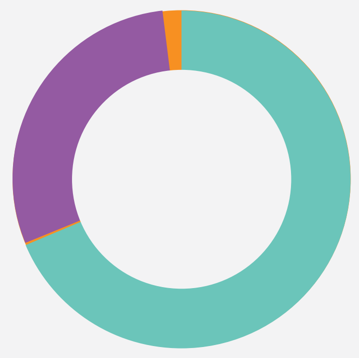
[1]Group Free Cash Flows (FCF) for the purpose of this analysis refers to Operating Cash Flows Less Investing Cash Flows.

[2] This FCF by market analysis provides an indicative view of FCF. Note that this does not represent actual FCF by market: Hardware & Accessories under Construction (inventories held) are presented in total and Other Operating Cash Flows (non-cash and working capital movements) are presented in total and not allocated to specific seg ments. These amounts relate to all operating segments.

WE REMAIN IN A SOLID FINANCIAL POSITION

- $134.4 million of future contracted income and an average remaining contract length of 2 years.
- EROAD's customer base is diverse across regions, business size and industry.
- Positive contribution to operating cash flow from the New Zealand and North American businesses.
- Increase in banking facilities to $60 million, supporting organic growth.

CONTRACTED UNITS *by region*



69% New Zealand

29% North America

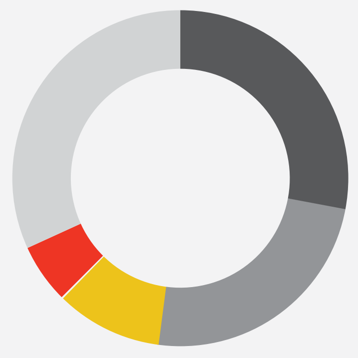
2% Australia

CONTRACTED UNITS *by business size*

63% Small to Medium

37% Enterprise

CONTRACTED UNITS *by industry*



28% Construction & Civil Engineering

24% Freight & Road Transport

10% Agriculture/Forestry

6% Services & Trade

32% Other

LEVERS AVAILABLE IF NECESSARY

- Given COVID-19, EROAD has undertaken a full review and scenario analysis on future cashflow and expenditure
- Taken a number of prudent steps to manage its cost base:
  - Short-term cessation of recruitment, non-essential travel, external research and development expenditures
  - Deferral of some marketing events and activities.
- Additional measures have been identified and can be implemented should some of our worst case scenarios eventuate.

OUTLOOK

Steven Newman
Chief Executive Officer

CREATING SHAREHOLDER VALUE IN FY20

SAFER, MORE PRODUCTIVE ROADS

EXTENDING THE PLATFORM

- Launched EROAD Fuel Tax Credit solution in Australia market
- Launched Texas Intrastate Ruleset, HOS Recap, Updated Map Experience and Optimal service and maintenance scheduling improving customer value proposition
- Launched MyEROAD Dashboard, Private Mode and Crash & Roll Alerts improving retention and revenue
- Launched EROAD Where in New Zealand

SCALING FOR GROWTH

- Completed roll-out of new generation of business systems and supporting processes
- Built further capability in sales and customer support
- Launched our new leadership programme

CHOOSING TO GROW

- **20,382** contracted units added in FY20
- Built acquisition capability in FY20 so we are ready to execute in FY21 as the right opportunities are identified
- Refinanced and extended $60m Debt funding to support organic growth (40% undrawn)

ENERGISED AND CAPABLE TEAM OF EROADERS

COVID-19 CRISIS

- Priority is safety of our people and supporting our customers.
- Global business continuity plan was quickly activated a week ahead of lockdown.
- Many of EROAD's customers provided the essential services that kept the economies running in our markets.
- EROAD was designated an essential service across our three markets, and continued to operate supporting customers who were also designated.
- With easing of lockdown restrictions, EROAD has recommenced Ehubo and EROAD Where hardware installation.
- Sales continued during lockdown – but only to essentai services. The disruption led to some delays in discussions with potential new customers. Since the easing of lockdown we have seen new sales resume and discussions resume with potential new customers.
- Offering customers a contact tracing service as part of our service bundle.

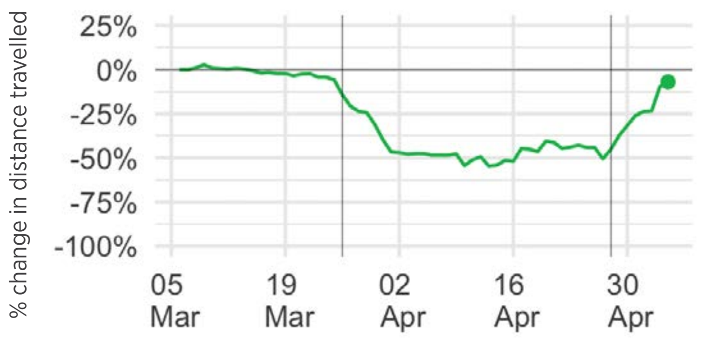
Many of EROAD's customers continued to operate as they were deemed essential

EROAD HEAVY VEHICLES ON THE ROAD *(In Auckland, pre-lockdown and during alert levels)*

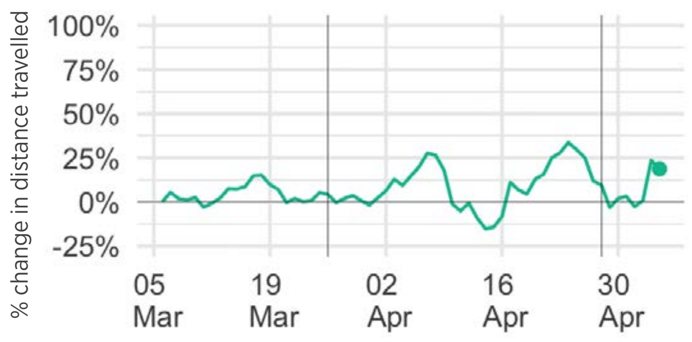
Over 30% of NZ heavy customer vehicles, over 50% of total AU customer vehicles and over 60% of total NA customer vehicles continued to operate despite the restrictions implemented across the markets.

In New Zealand, some sectors, such as ones that maintain our communities, saw little disruption. While others, such as telecommunications, were busier than normal.

ELECTRICITY, GAS, WATER & WASTE SERVICES



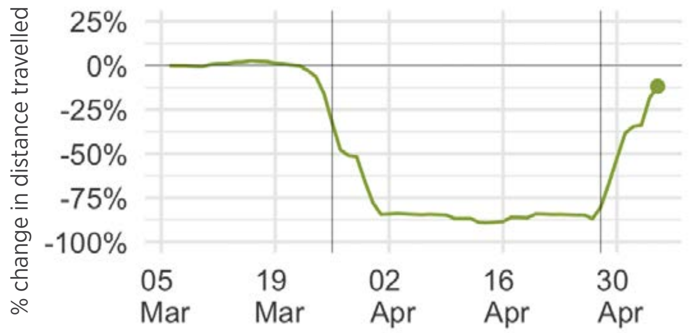
INFORMATION, MEDIA & TELECOMMUNICATIONS



In New Zealand, other sectors were greatly impacted but returned to normal quickly.

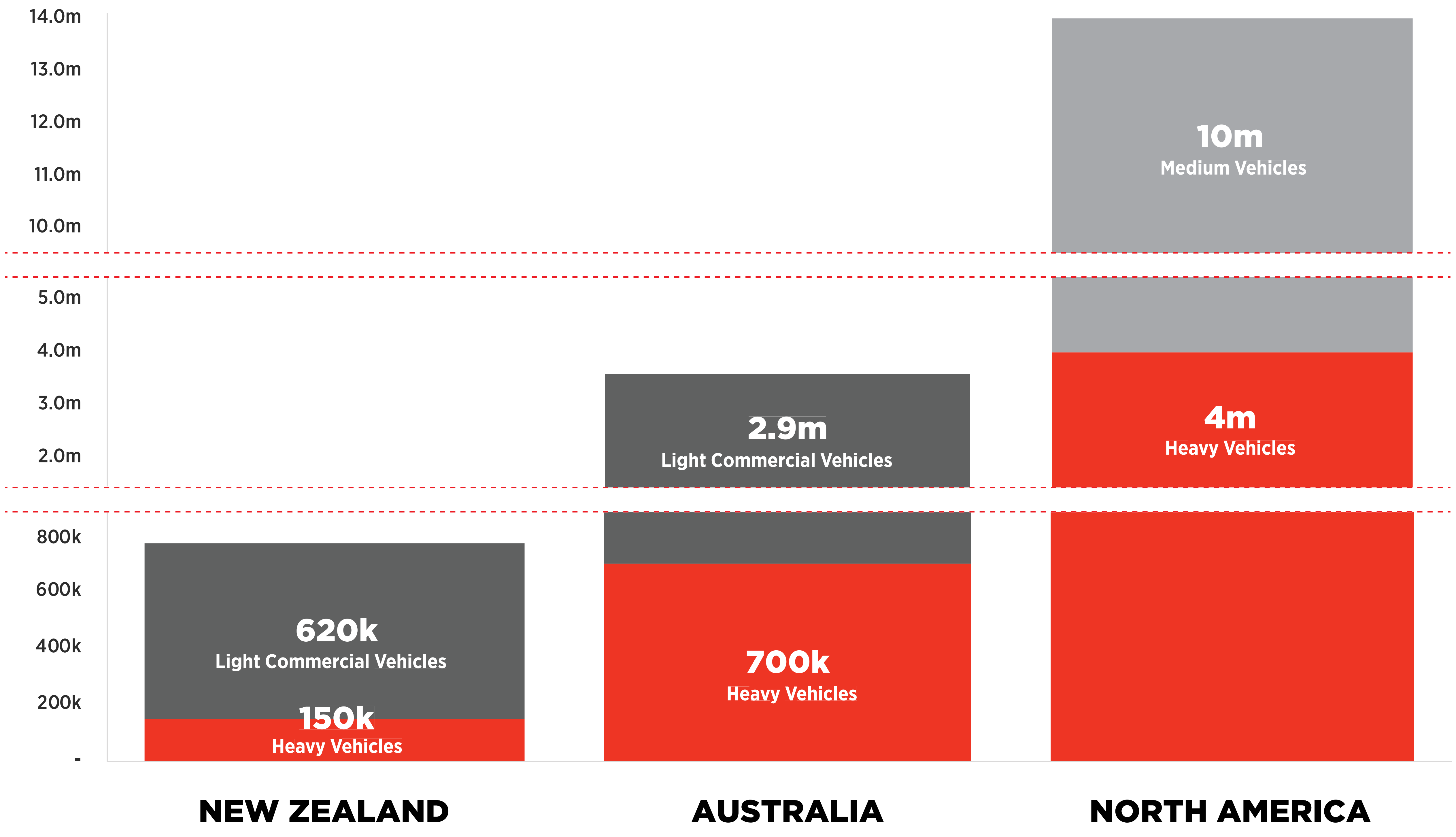
AGRICULTURE, FORESTRY AND FISHING

CONSTRUCTION



SIGNIFICANT GROWTH AND REVENUE OPPORTUNITY REMAINS AS PENETRATION OF TELEMATICS CONTINUES IN MARKETS

EROAD is operating in a large and growing Total Addressable Market (TAM)

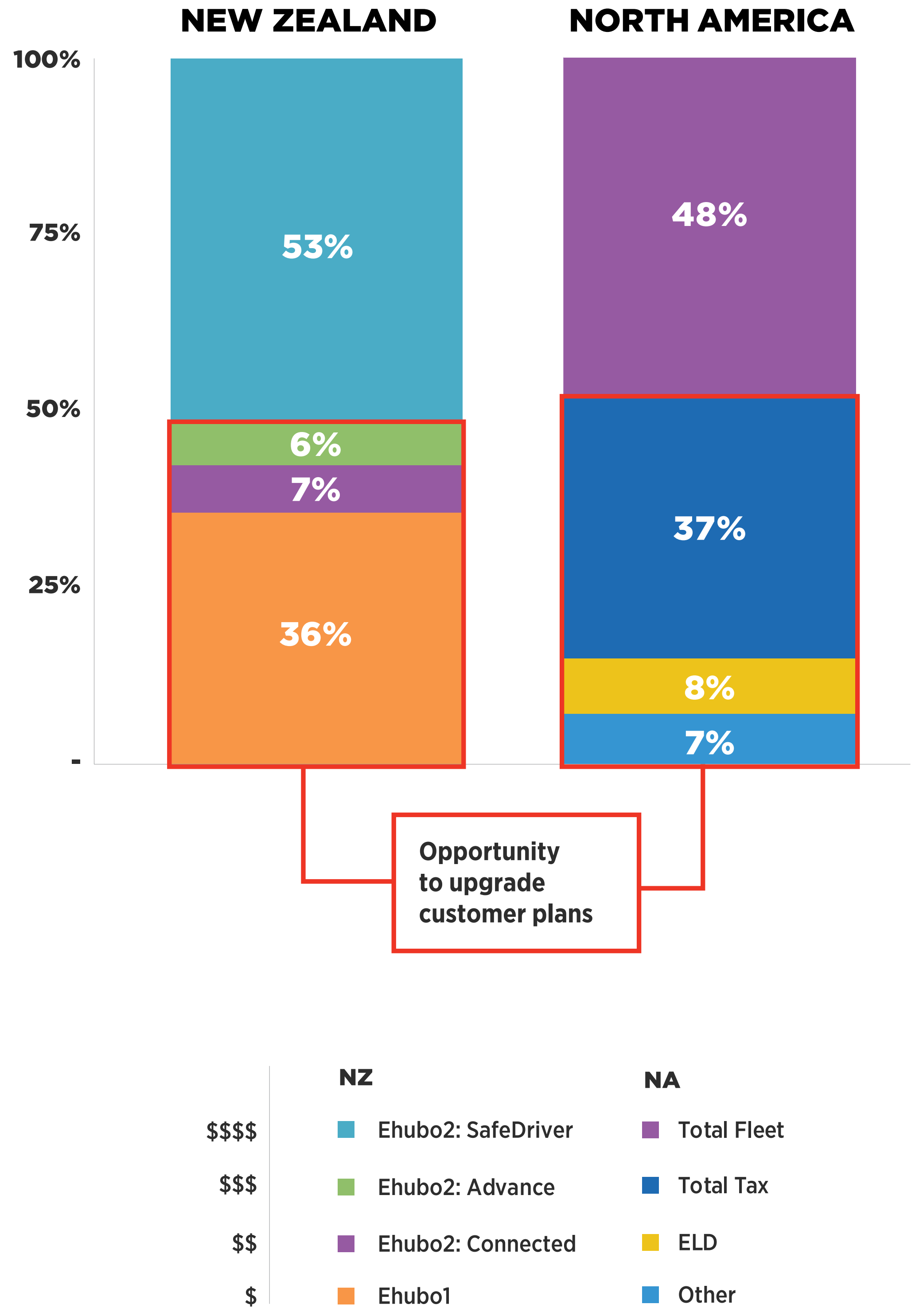


OPPORTUNITIES TO GROW ARPU

Contract renewals, launches of a number of new products and services (including camera) in FY21 will all provide opportunity to improve ARPU

- **New Zealand:** Expect ARPU improvement over the next few years due to the upgrade of the majority of Ehubo1 units to Ehubo2. In addition further opportunity to sell more SaaS products such as Inspect and Logbook.
- In **North America,** still opportunity to upgrade customers plans, as well as selling the ETrack Wired and Go Workflow to improve ARPU.
- **Australia** is a new market, with continued focus on unit growth in both small-to-medium and enterprise customers before we begin to see significant amount of SaaS upgrades.

CONTRACTED UNITS



SAAS UPGRADES

NEW ZEALAND

9% USING INSPECT

6% USING LOGBOOK

AUSTRALIA

FUEL TAX CREDITS

NORTH AMERICA

ETRACK WIRED *launched Q1 FY21*

GO WORKFLOW *will be launched HY21*

FY21 OUTLOOK

Despite economic uncertainty across all our markets, EROAD remains well positioned reflecting its strong customer value proposition, future contracted income and diverse customer base across regions, business size and industry.

While uncertainty results in longer sales lead-times, we remain confident in continued unit growth across all three markets, albeit it is likely to be lower than delivered in FY20 and previously anticipated in FY21.

Continue to monitor economic conditions and its impact on debtor collectability and asset retention rates.

Continue to focus on growing Monthly SaaS Average Revenue per Unit and investing to improve operating leverage.

WE ARE WELL POSITIONED AND READY

- We will continue to support our customers, many of which are necessary to rebuild the global economy
- In a global downturn providing current and new customers will look to our products and services to drive efficiencies in their operations and cost out
- We now have the right systems and processes now in place to drive efficiencies out of our business and continue to grow and scale
- We have the cashflow and funding facilities to support organic growth.
- We continue to look for growth opportunities and evaluate the ASX listing
- We still choose to grow

Q & A

STATEMENT OF INCOME (NZ$m)

YEAR ENDED	FY20	FY19	Movement
Revenue	**81.2**	61.4	19.8
Expenses	**(54.1)**	(45.8)	(8.3)
Earnings before interest, taxation, depreciation and amortisation	**27.1**	15.6	11.5
Depreciation of Property, Plant & Equipment	**(8.6)**	(6.6)	(2.0)
Amortisation of Intangible Assets	**(7.5)**	(6.5)	(1.0)
Amortisation of Contract and Customer Acquisition Assets	**(6.5)**	(4.8)	(1.7)
Earnings before interest and taxation	**4.5**	(2.3)	6.8
Net Financing Costs	**(3.1)**	(2.8)	(0.3)
Profit/(loss) before tax	**1.4**	(5.1)	6.5
Income tax (expense) benefit	**(0.4)**	0.2	(0.6)
Profit/(loss) after tax for the year attributable to the shareholders	**1.0**	(4.9)	5.9
Other comprehensive income	**(1.3)**	(1.1)	(0.2)
Total comprehensive income/(loss) for the year	**(0.3)**	(6.0)	5.7

BALANCE SHEET (NZ$m)

AS AT PERIOD END	FY20	FY19	Movement
Cash	**3.4**	16.1	(12.7)
Restricted Bank Account	**14.0**	12.7	1.3
Costs to Acquire and Contract Fulfilment Costs	**5.9**	4.6	1.3
Other	**10.7**	10.5	0.2
Total Current Assets	**34.0**	43.9	(9.9)
Property, Plant and Equipment	**37.4**	33.9	3.5
Intangible Assets	**42.1**	33.1	9.0
Costs to Acquire and Contract Fulfilment Costs	**4.8**	4.8	-
Other	**7.5**	7.5	-
Total Non-Current Assets	**91.8**	79.3	12.5
TOTAL ASSETS	**125.8**	123.2	2.6
Payables to Transport Agencies	**13.9**	12.5	1.4
Contract Liabilities	**8.2**	10.0	(1.8)
Borrowings	**35.8**	34.7	1.1
Other Liabilities	**16.6**	14.7	1.9
Total Liabilities	**74.5**	71.9	2.6
NET ASSETS	**51.3**	51.3	-

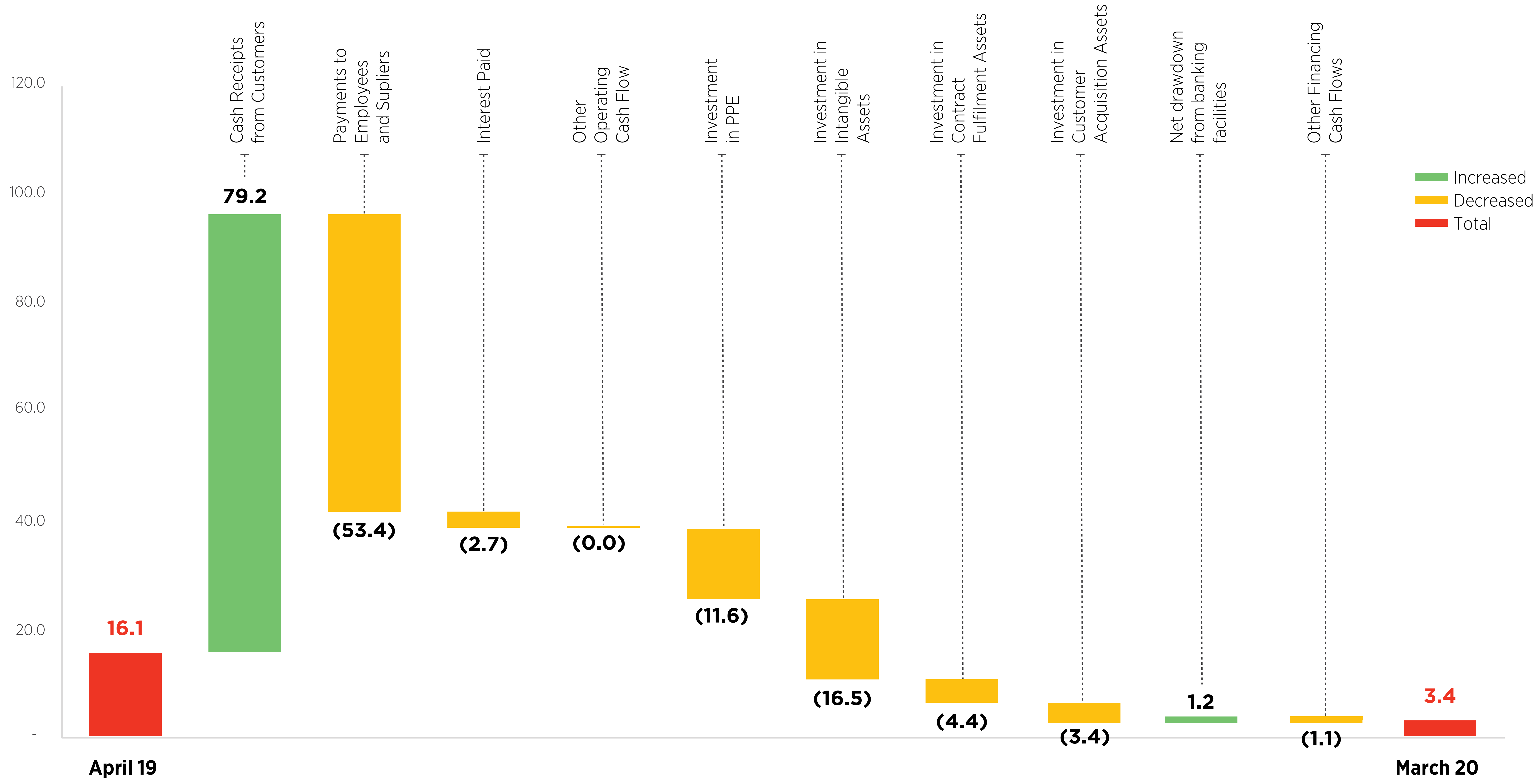
- Net PPE and Contract Fulfilment and Customer Acquisition Assets increased by $4.8m due to growth in contracted assets.
- Intangible assets have increased due to the investment in new generation business systems and continued key R&D investment, including EROAD Where.
- Cash has reduced by $12.7m. Elevated investing cash outflows as a result of investment in business systems resulted in FCF of ($12.8)m.

CASH FLOW STATEMENT (NZ$m)

YEAR ENDED	FY20	FY19	Movement
Cash flows from operating activities			
Other operating cash flows	**25.8**	17.0	8.8
Interest paid	**(2.7)**	(2.8)	0.1
Net cash inflow from operating activities	**23.1**	14.2	8.9
Cash flows from investing activities			
Property, Plant and Equipment (including hardware assets)	**(11.6)**	(10.9)	(0.7)
Intangible Assets	**(16.5)**	(9.7)	(6.8)
Contract Fulfillment and Customer Acquisition Assets	**(7.8)**	(6.7)	(1.1)
Net cash outflow from investing activities	**(35.9)**	(27.3)	(8.6)
Cash flows from financing activities			
Bank loans	**1.2**	8.2	(7.0)
Other financings cash flows	**(1.1)**	(0.9)	0.2
Net cash outflow from financing activities	**0.1**	7.3	(7.2)
Net increase/(decrease) in cash held	**(12.7)**	(5.8)	(6.9)
Cash at beginning of the financial period	**16.1**	21.9	(5.8)
Closing cash and cash equivalents	**3.4**	16.1	(12.7)

- Investing cashflows in intangibles consist of $6.9m of spend in new generation business systems and an incremental amount of spend on key research and development activity.
- Financing cash inflows have reduced period on period as a net effect of amounts drawn down to fund up front hardware and installation costs from new sales, less scheduled loan repayments.

FY20 CASH FLOWS ($NZm)



RECONCILIATION OF PROFIT TO MOVEMENT IN CASH (NZ$m)

YEAR ENDED	FY20	FY19
Profit/(Loss) after tax for the year attributable to the shareholders	**1.0**	(4.9)
Add/(less) non-cash items		
Tax asset recognised	0.0	(0.3)
Depreciation and amortisation	22.5	18.0
Other non-cash expenses/(income)	(1.0)	(0.6)
Add/(less) movements in other working capital items:		
Decrease/(increase) in trade and other receivables	(0.2)	1.1
Increase/(decrease) in current tax payables	0.0	(0.1)
Increase/(decrease) in contract liabilities	(1.8)	(0.2)
Increase /(decrease) in trade payables, interest payable and accruals	2.6	1.2
Net Cash from operating activities	**23.1**	14.2

GLOSSARY

- **Annualised Monthly Recurring Revenue (AMRR)**
  Annualised monthly recurring revenues (AMRR) is a non-GAAP measure representing monthly Recurring Revenue for the last month of the period, multiplied by 12. It provides a 12 month forward view of revenue, assuming unit numbers, pricing and foreign exchange remain unchanged during the year.
- **Asset Retention Rate**
  The number of Total Contracted Units at the beginning of the 12 month period and retained as Total Contracted Units at the end of the 12 month period, as a percentage of Total Contracted Units at the beginning of the 12 month period.
- **Costs to Acquire Customers (CAC)**
  Costs to Acquire Customers (CAC) is non-GAAP measure of costs to acquire customers. Total CAC represents all costs 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)**
  Is 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 reported in Note 4 Expenses of the Financial Statements.
- **EBITDA**
  Is a non-GAAP measure representing Earnings before Interest, Taxation, Depreciation and Amortisation (EBITDA). Refer Condensed Consolidated Statement of Comprehensive Income in Financial Statements.
- **EBITDA Margin**
  Is a non-GAAP measure representing EBITDA divided by Revenue.
- **Ehubo1 and Ehubo2 (GEN1 and GEN2)**
  EROAD's first and second generation electronic distance recorder which replaces mechanical hubodometers. Ehubo is a trade mark registered in New Zealand, Australia and the United States.
- **Electronic Logging Device (ELD)**
  An electronic solution that synchronises with a vehicle engine to automatically record driving time and hours of service records.
- **Free Cash Flows**
  Is a non-GAAP measure representing Operating cash flow and Investing cash flow reported in the Statement of Cash Flows.
- **Future Contracted income (FCI)**
  A non-GAAP measure which represents contracted Software as a Service (SaaS) income to be recognised as revenue in future periods. Refer Revenue Note 3 of Financial Statements.
- **Heavy Vehicle**
  A truck, or a truck and trailer, weighing over:3.5 tonnes in New Zealand (required to pay RUC); 12 tonnes in Oregon (required to pay for WMT), for non WMT purposes means Class 3+, 10,000 pounds or greater; or 4.5 tonnes in Australia.
- **Monthly SaaS Average Revenue Per Unit (ARPU)**
  Monthly Software as Service (SaaS) Average Revenue Per Unit is a non-GAAP measure that is calculated by dividing the total SaaS revenue for the year reported in Note 3 of the Financial Statements, by the total of the TCU balances at the end of each month during the year.
- **Recurring Revenue**
  The Software as a Service (SaaS) revenues EROAD recognises on a recurring monthly basis in accordance with the groups revenue recognition policy.
- **Road User Charges (RUC)**
  Charges payable under the New Zealand Road User Charges Act 2012 in respect of the distance travelled by a RUC vehicle on a road. In New Zealand, RUC is payable for heavy vehicles and all vehicles powered by a fuel not taxed at source. The charges go towards the cost of repairing roads.

EROAD

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