



EROAD

We choose growth



Graham Stuart
Chair

Agenda



1:00pm
Welcome
Graham Stuart



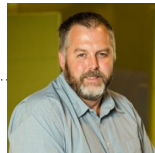
1:15pm
Positioned for Growth
Steven Newman



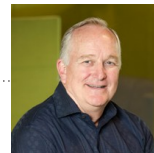
1:35pm
Our Customer Value Proposition
Genevieve Tearle



2:00pm
Opportunities in New Zealand
Tony Warwood



2:25pm
Opportunities in Australia
Tony Warwood



3:00pm
Opportunities in North America
Norm Ellis



3:25pm
Research & Development
Jarred Clayton



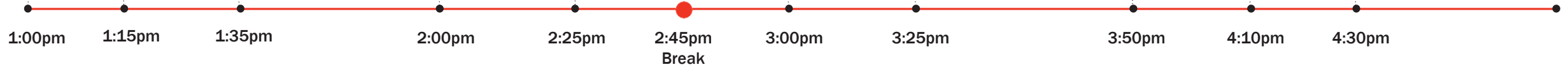
3:50pm
Accelerating Smoothly
Alex Ball



4:10pm
Wrap up Q & A
Steven Newman



4:30pm
Session with the Board



Key Takeaways



We have a unique customer value proposition that **wins, retains** and **grows** ARPU per customer



We have an **energised** and **capable** team of EROADers



We will **continue to invest** in R&D critical to delivering reliability, scalability, quality and growth



We will capitalise on a large and **growing pipeline** of organic and acquisition opportunities



We are choosing to **grow** – our next milestone is **250,000+** units

EROAD today

37%

3-year CAGR* in Units

**Leader in New Zealand,
emerging in North America,
and launching in Australia**

* As at 30 June 2019

94.4%**

Asset Retention Rate

**Loyal customers
generating recurring revenue**

18 - 22%

Investment in R&D

**Scaling business, driving
growth and retention**

282

EROADers

**Energised team with
strengthened capability**

+48%

EBITDA growth in FY19

**Delivering earnings growth
to fund organic growth**

250,000+

subscribers

The next target

**Seeking opportunities to acquire
complimentary businesses**

* As at 30 June 2019.

** Defined in appendix

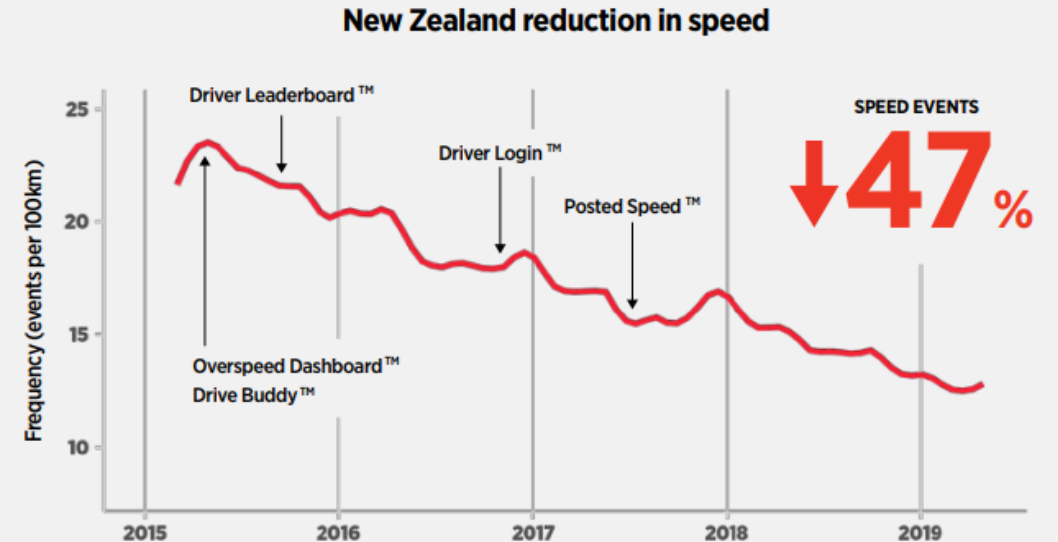
Our purpose is **safer,** more **productive roads**

SAFER

- EROAD solutions have a direct impact on road safety, reducing accident/incident rates and saving lives
- Vehicle service and maintenance monitoring ensures safer vehicles on our roads
- Our driver management services improve driving behaviour

IMPROVED PRODUCTIVITY

- EROAD data insights help customers achieve greater fuel efficiency and reduce emissions
- Our analytics informs improved infrastructure decisions
- EROAD solutions reduce compliance costs and improve on-road productivity



The above graph shows the reduction in over speed events over time as product enhancements have been added.

We act with environmental and social responsibility

PRIVACY & CYBER SECURITY

- Designed for privacy and security
- Data centre and network architecture built to meet the requirements of the most security-sensitive organizations
- Independently audited annually for IT security
- EROAD operates in partnership with AWS security to leverage AWS expertise

RESPONSIBLE MANUFACTURING

- We have evaluated our supply chain against human rights and sustainable manufacturing criteria
- Our manufacturing partner participates in Carbon Disclosure Project to reduce CO2 emissions
- Our supply chain improvements have reduced reliance on international freight

WASTE REDUCTION

- We remanufacture/ refurbish ≈1500 units per month using recycled components
- In FY19 we reclaimed 287kg of LiSOCl₂ batteries and 48kg of PCB boards
- Manufacturing scrap levels have reduced by 67% since 2017
- We follow NZ Ministry for the Environment guidance on minimising electrical and electronic equipment waste

Creating Shareholder Value



Safer and more productive roads



ESTABLISHING THE PLATFORM

- Recognised pioneer in regulatory telematics
- Unique and compelling product, driving growth and retention of customer base
- Product enhancements delivering further retention and increased ARPU
- Market leader in New Zealand, emerging in North America and launching in Australia



SCALING FOR GROWTH

- Strengthened leadership team and deepened capabilities in key areas
- Invested to strengthen systems capability to support growth aspirations
- Continued high level of innovation and investment in R&D

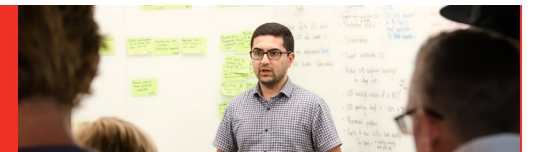


CHOOSING TO GROW

- Achieved critical milestone of 100,000 subscribers, now aiming for 250,000+
- Existing cashflow and debt facilities to fund organic growth
- Seeking opportunities to acquire complementary businesses
- Poised to become a global leader in vehicle telematics



Energised and capable team of EROADers





EROAD

Positioned for growth



Steven Newman
CEO

EROAD has been listed on the NZX for 5 years

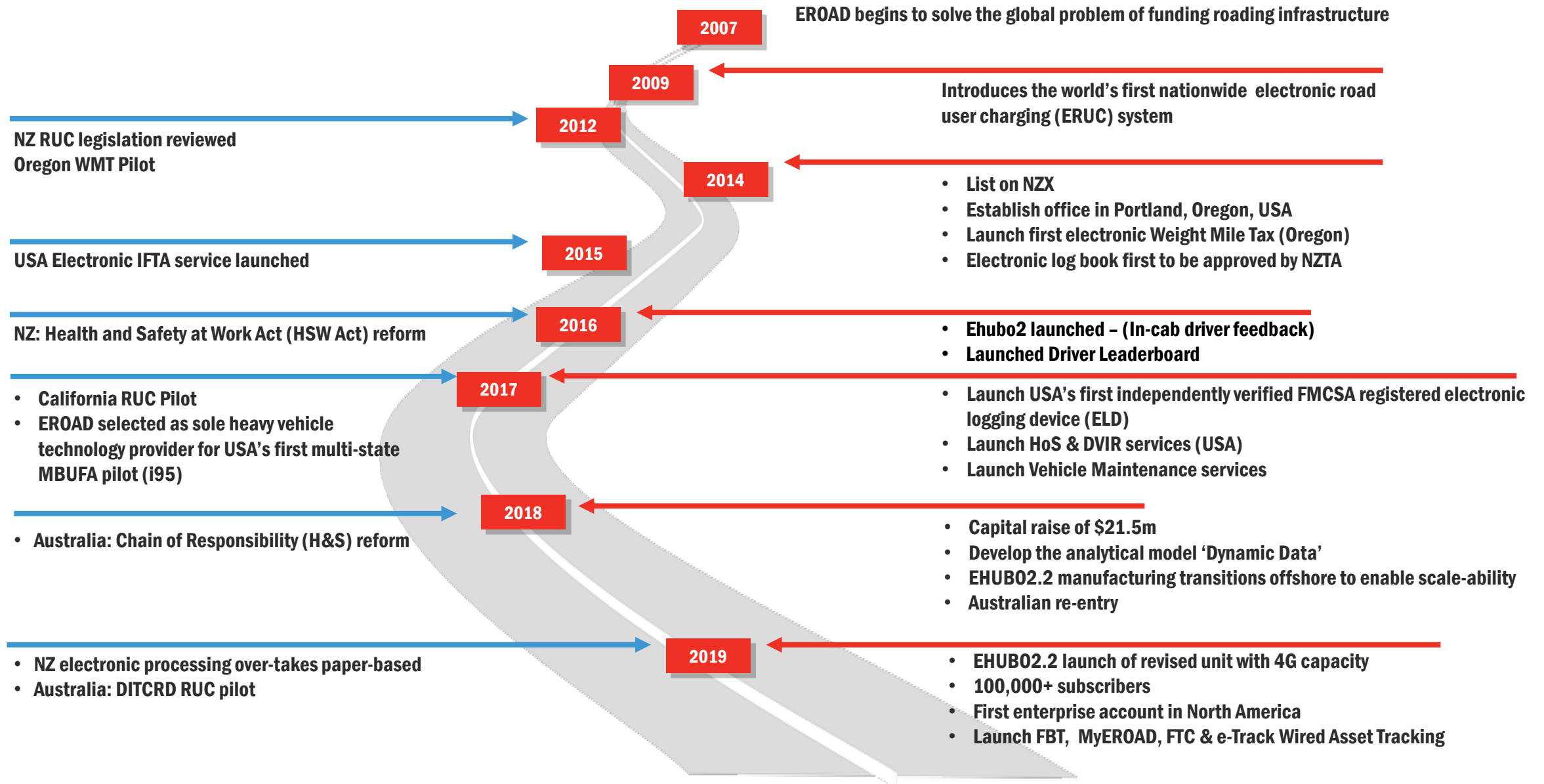
We have grown strongly

	FY14	FY19	CAGR
Revenue	\$9.96m*	\$61.35m	44%
Total Contracted Units*	13,453	96,527	48%

We will continue to grow strongly

*FY14 Revenue has not been restated to reflect recent changes in accounting policy as a result of adoption of NZ IFRS 15 and NZ IFRS 16, however are considered not materially different for comparative purposes.

The road travelled



Every country is looking to solve the same issues

How do we pay for and maintain roading infrastructure?



How do we improve health and safety on roads?



How do we ensure vehicles are fit for use?

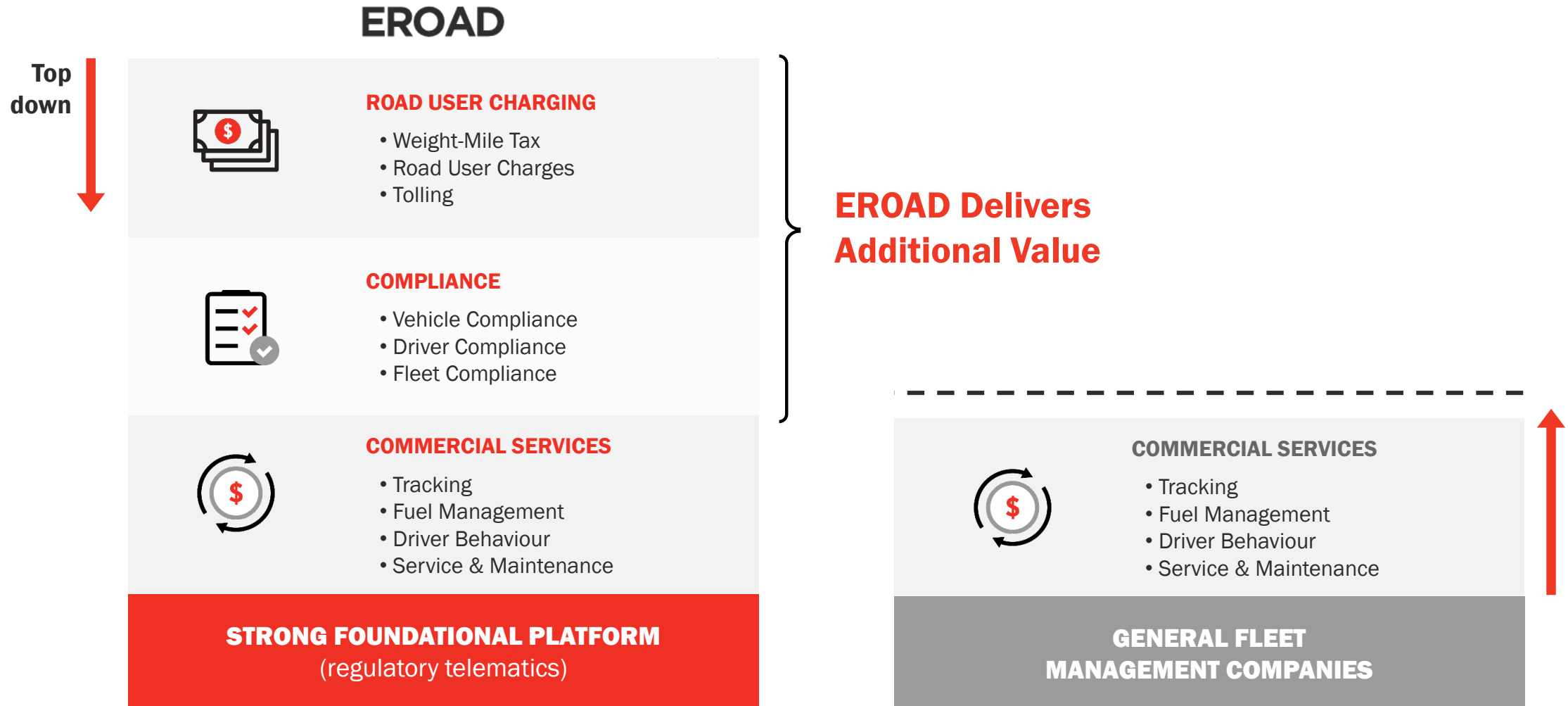


How do we best manage driver fatigue?



We pioneered regulatory telematics

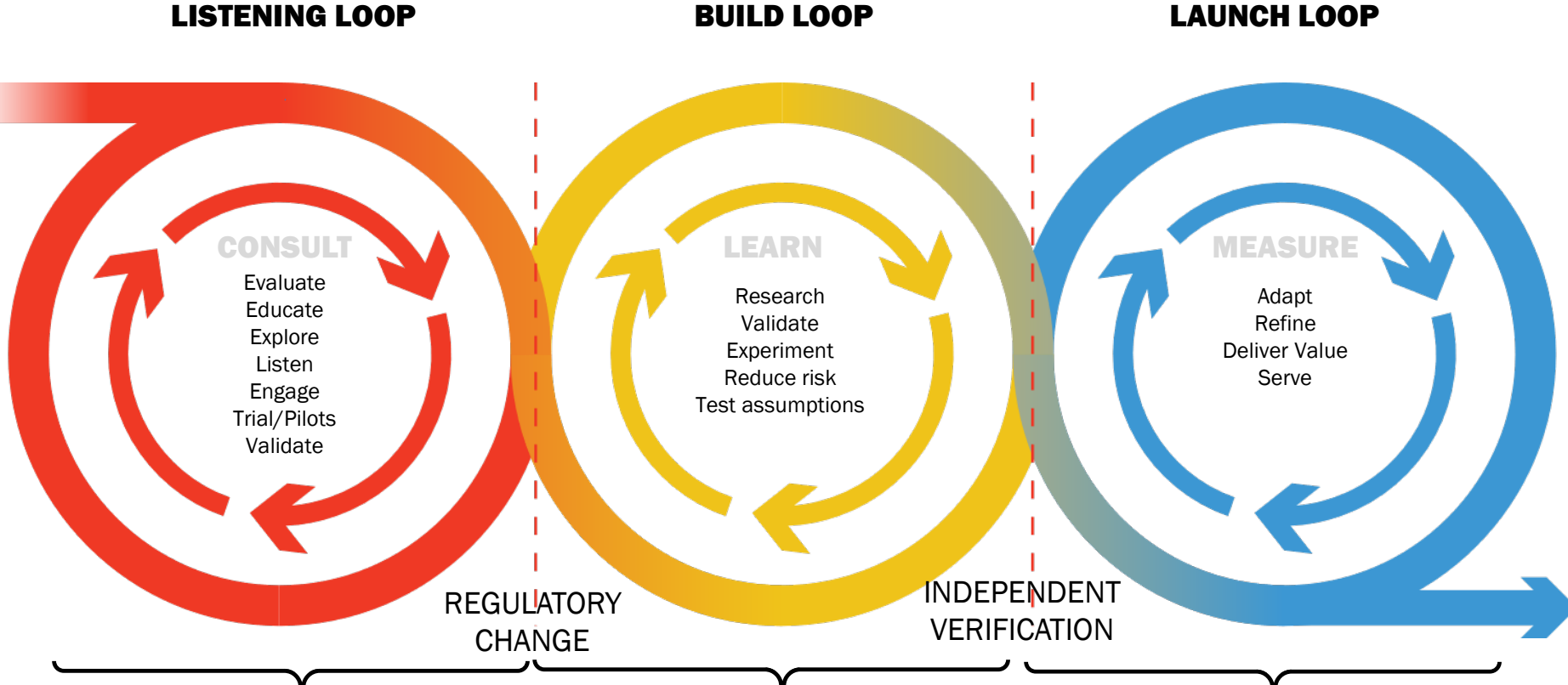
providing a solid foundation for our unique customer value proposition



Our unique approach

to entering a market builds on that foundation

Government
 Policy Makers
 Regulators
 Enforcers
 Industry Bodies
 Customers



GLOBAL MARKET DEVELOPMENT

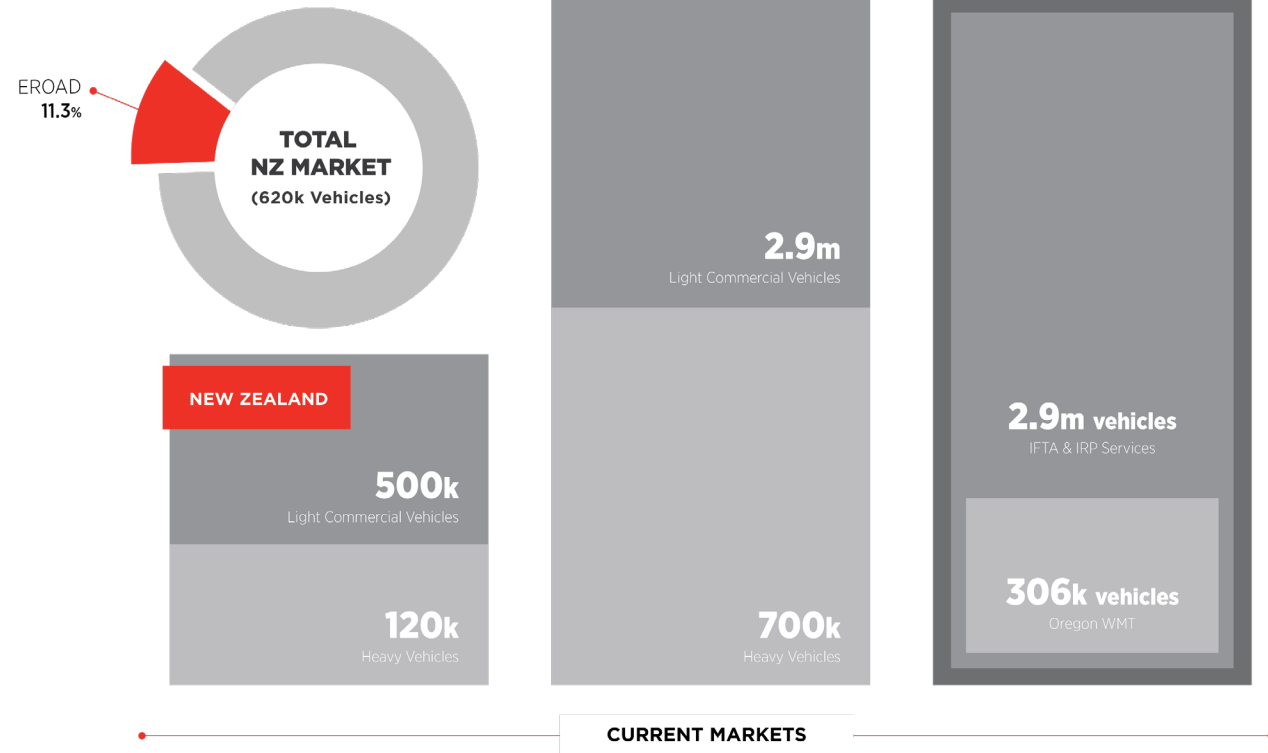
R&D PRODUCT

GO TO MARKET

Operating in a large and growing market

- Research by CJ O’Driscoll & Associates has estimated the commercial telematics market in North America has grown by 265% during the past ten years.
- McKinsey & Company estimates the value of telematics could be as large as \$750 billion by 2030 with no country reaching adoption rates that exceed 20% (US – 20%, Italy 17%, Australia 3% and NZ 1%).
- Global commercial telematic CAGRs are estimated at 18%-21% between 2018 and 2024. Main drivers are:
 - Regulatory change (H&S, COR, Driver Fatigue)
 - Operational improvements from integration to back office systems (Payroll, dispatch, logistics management)
 - Data insights, benchmarking and predictions.
 - More customer solutions, and connected devices.

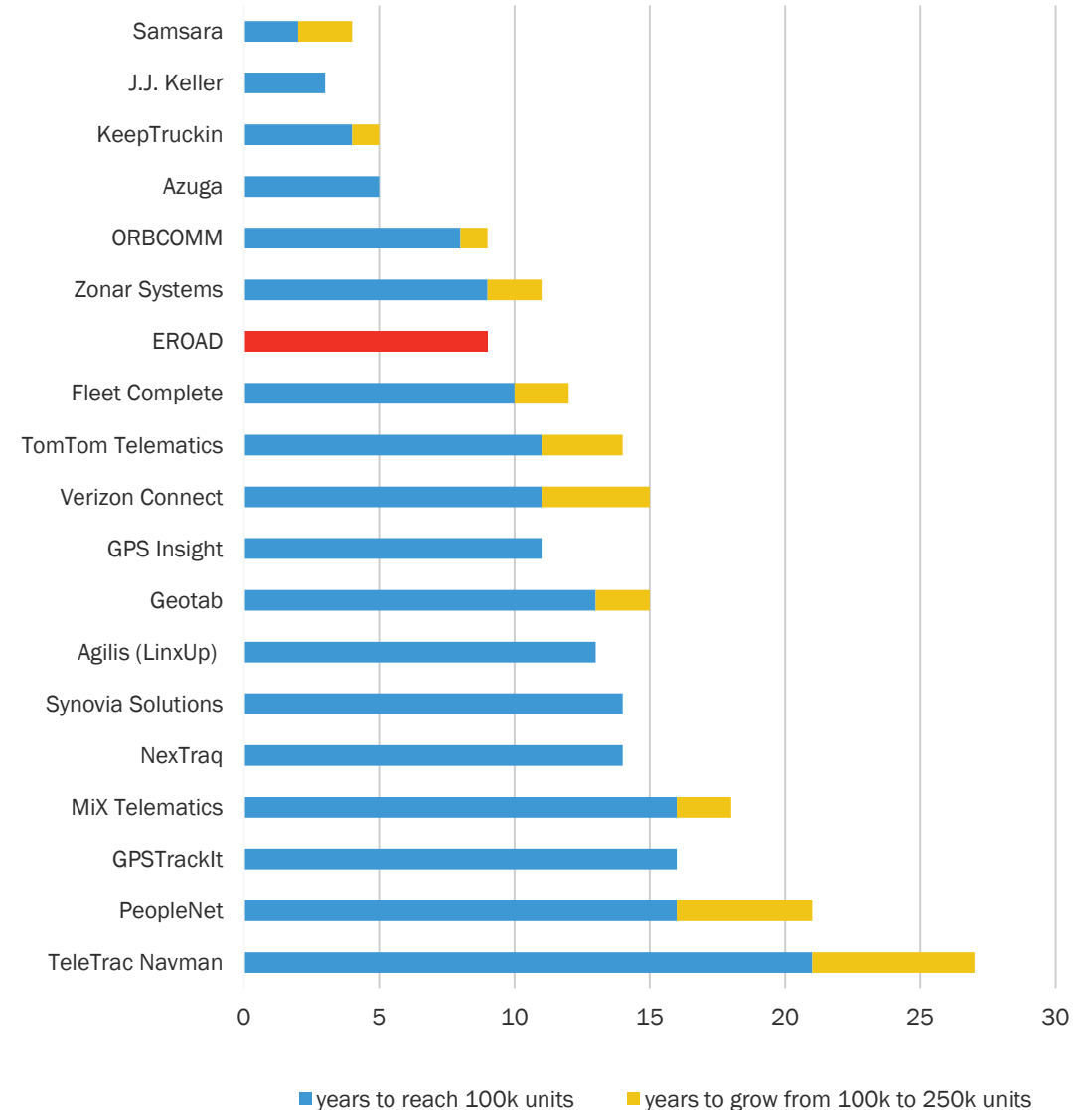
EROAD is operating in a **large and growing** Total Addressable Market (TAM)



“What race we are in?”

- The true race we are in is with other telematic competitors who operate in our markets.
- We know from the C.J. Driscoll research their growth performance and can set growth targets for ourselves.
- 28 telematics providers operating in North America, Australia and New Zealand have achieved the 100,000 subscriber vehicle milestone. On average achieved in 12 years. EROAD achieved this milestone in 9 years.
- 13 telematics providers have achieved the 250,000 subscriber vehicle milestone taking an average further 3.2 years to achieve. High growth rates were achieved through acquisition (of product gaps or subscriber base), large R&D spend, and significant marketing investment.
- Of the 15 telematic providers than have not achieved the 250,000 milestone, 5 have been acquired or merged. The balance of 10 (excluding EROAD) have an average estimated fleet size of 143,000 and an average estimated run rate of 17,000 per year.
- Based on annualised Q1 unit growth of 24%, we will achieve the 250,000 subscriber target in five years. Our challenge is to get there faster.

Years to reach 100k and 250k units



Building blocks in place to sustain high growth

- Board refresh: Susan Paterson appointed; search underway for new North American Director.
- Strengthened Executive team in place: Key hires in Finance, Marketing, Operations, People & Culture and Product.
- Deep capability building in key areas, including R&D, M&A, Sales and Customer Success.
- Business systems and process transformation, enabling us to scale more efficiently and improve customer experience.
- Established growth incubators for regulatory trials, data insights and new ventures are gaining traction across all markets.



FY20 focus on strengthening capability and culture

- Initiated a Leadership Program.
- Enhanced our Learning Management System providing faster, more robust onboarding and team development.
- Building acquisition capacity.
- Lifting the (already strong) Company Culture: Improved collaboration and accountability with focus groups responsible for delivery.

How will we reach
250,000+
subscribers ?





EROAD

**Our Compelling and Unique
Customer Value
Proposition**

**Genevieve Tearle
Chief Marketing Officer**

Every country is looking to solve the same issues

How do we pay for and maintain roading infrastructure?



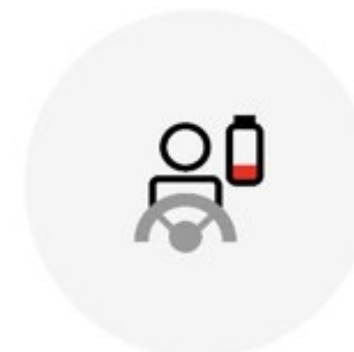
How do we improve health and safety on roads?



How do we ensure vehicles are fit for use?



How do we best manage driver fatigue?



Our customers too have common problems to be solved

How do we manage our fleets most effectively?



How do I manage my drivers cost effectively



How do I keep my business compliant?



How do I keep my drivers safe?





EROAD believes every community deserves safer and more productive roads

That is why we create *easy to use* solutions that manage vehicle fleets, support compliance, improve driver safety and reduce costs associated with driving.

EROAD pioneered regulatory telematics.

This is why we are the experts in Easy Compliance, Improved Safety & Easy Fleet Management

Solving customer problems



CUSTOMER OBSESSED

Our solutions help
run a safer business



ONE SOURCE

One platform
delivering intuitive,
multiple services



RELIABLE

Reliable accuracy
EROAD 1st to receive
independent verification
(ELD, NA).



EASY TO USE

*“Better than the
30 other devices
we tried”*

Using four pillars of products and services

EROAD pioneered regulatory telematics.

This is why we are the experts in Easy Compliance, Improved Safety & Easy Fleet Management

CUSTOMER NEEDS	REGULATORY COMPLIANCE	FLEET MANAGEMENT	DRIVER MANAGEMENT	ROAD SAFETY
Customer Obsessed <i>Our solutions help run a safer business</i>	After-sales customer support	94.4% Asset Retention Rate*	Services that reward self-improvement (e.g. Leaderboard)	Reduce violations by >50%
One Source <i>One platform delivering intuitive, multiple services</i>	RUC, WMT, FTC, FBT, ELD, IFTA	All the reports you need, in one place	Minimal in cab distraction. Ehubo2 faces the driver	Reduce emissions, improve infrastructure
Reliable <i>Reliable accuracy – EROAD 1st to receive independent verification (ELD, NA)</i>	Regulatory authorities accept reports generated through EROAD systems. Auditing takes less time	Industry-leading up-time	Less training required (than competitive products)	Data that informs better decisions
Easy to use <i>“Better than the 30 other devices we tried”</i>	Viewable anytime, on any device	Icons, widgets and colour coding make it easy to understand	Really easy to understand at a time when you can take action	Designed for tough environments. Easy to use wearing gloves.

* Defined in Appendix, as at 31 March 2019

Building out product solutions to solve these problems

2019 / Present

REGULATORY COMPLIANCE

FLEET MANAGEMENT

DRIVER MANAGEMENT







ROAD SAFETY









 **ELECTRONIC LOGBOOK**
 **DRIVER CERTIFICATIONS**
 **FRINGE BENEFIT TAX**



 **EROAD SHARE**
 **E-TRACK WIRED**
 **PARTNER INTEGRATIONS**
 **TRIP INVESTIGATOR**
 **PROOF OF SERVICE**

 **LEADERBOARD**
 **DRIVER INSIGHT**
 **DAILY DRIVER ACTIVITY**
 **SPEED MONITORING**

 **SPEED MONITORING**
 **EROAD ANALYTICS**
 **SAFETY EVENT MONITORING**
 **CHAIN OF RESPONSIBILITY**
 **INTEGRATED DVIR WORKFLOW**

 **EASY-TO-USE ELD**
 **IFTA EASY FILE**
 **ELECTRONIC OREGON WMT**
 **IFTA FUEL TRIP RECORDS**
 **ELECTRONIC IRP**
 **ELECTRONIC OREGON RUAF**

 **DAILY FLEET ACTIVITY**
 **GEOFENCE SITE ACTIVITY**
 **FUEL MANAGEMENT**
 **IDLE REPORT**
 **SERVICE RECORD HISTORY**
 **OUTSOURCED REPAIR SERVICE ACCESS**
 **EROAD U Book-It**
 **SERVICE SCHEDULING AND ALERTS**

 **AUTO RUC**
 **OFF-ROAD CLAIMS**

2009 / Launch

Using four pillars of products and services

SMB and Enterprise customers have different needs

We grow with their business



Our solution starts with keeping track

The screenshot displays the EROAD tracking software interface. At the top, there is a red navigation bar with the EROAD logo and menu items: ACTIVITY, RUC, SERVICE, DRIVER, and REPORTS. On the right side of the bar are icons for a menu, settings, and help. Below the bar is a map showing the location of Mike Marsh at 139 Whangaparaoa Rd, Red Beach, Auckland. A pop-up window provides details: "Mike Marsh", "139 Whangaparaoa Rd, Red Beach, Auckland", "Speed: 45 km/h", and "M.Marsh Logged In". Below the map is a table with tabs for "Mike Marsh", "Details", "Activity", and "Messages". The "Activity" tab is selected, showing a table of driving events.

Type	Time	Date	Speed	Distance	Reading	Stop time	Location
Location	15:12	Today	54	16.3	58419.4		139 Whangaparaoa Rd, Red Beach, Auckland
Exit	14:58	Today	55	0.4	58403.1		31 - Red Beach turn off
Entry	14:57	Today	28	0.0	58402.7		31 - Whangaparaoa Rd
Exit	14:57	Today	28	0.1	58402.7		31 - Silverdale Centre
Entry	14:57	Today	37	0.2	58402.6		31 - Silverdale
Exit	14:57	Today	28	0.1	58402.4		SH1 Silverdale Off ramp
Exit	14:57	Today	15	0.0	58402.3		SH1 Albany

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“

Thanks to EROAD we know where our truck is and what it's doing. It's the same with our utes. If there's any dispute about a job, we've got proof of where they've been and how many loads they've done.

It's all there in black and white. No one can bullshit you because you've got it all there.

Strickland Contracting, New Zealand

And simplifying taxation

“

It's simplified RUC. We no longer run out or get tickets. It's reduced admin time, is one less thing for our drivers to worry about and the total amount of cash outlay is drastically lower, with each vehicle sitting on 2000km rather than 5000-10,000.”

McCurdy Engineering, New Zealand

IFTA (US)

Jurisdiction	Vehicle	Fuel Type	Total Distance (mi)	IFTA Taxable (mi)	IFTA License (mi)	Fuel File (mi)	MPG
California (CA)	100 - 100 / 40000	Diesel	3,830	3,830	0	25	
Idaho (ID)	101 - 101 / 10000	Diesel	11,125	11,059	66	328	
Nevada (NV)	102 - 102 / 10000	Diesel					
Oregon (OR)	103 - 103 / 10000	Diesel					

Road User Charges (NZ)

Name	Regs	Distance reading	Type	Start Dist.	End Dist.	Rem.
901-Corcor	K2VJTG					
480-Jordan	JACKZJ					
213-Richard	D8WHFX					
797-George	U0GR3					
386-Elice	BAMELC					
414-Owen	1P9KTA					
240-Alan	F22DHF					
666-Melissa						
136-Edd						
391-Miles						
720-Catze						
236-Mckenzie	G45U3	2,9252	D-2	27,000	30,000	748
100-Edward	TAARJO	2,32897	D-2	232,000	234,000	1,182
613-Lee	D9WFC	6,6881	D-2	67,000	68,000	1,267
279-Anthony	D8PSP	11,6337	D-1	112,644	117,644	1,307
324-Daniel	7VADG	4,5644	D-2	45,000	47,000	1,354
160-Andre	G45U3	17,6385	D-2	175,000	178,000	1,815
315-Alisa	TAARJO	1,9360	D-2	18,001	21,001	1,541
312-Jane	D9WFC	8,9722	D-2	88,000	92,000	2,278

Weight Mileage Tax (US)

UNIT NO	PLATE	STATE	Distance	Configuration	Weight	Weight Miles	Weight Tax (\$)
808 - Matt	808CJ	US-OR	11,584	12,507	076	48,000	0726
942 - Chris	M800P	US-OR	9,969	10,873	076	48,000	0726
925 - Josh	AKU9V	US-VA	0	0	020	0	0000
944 - Rob	MVNDP	US-OR	9,883	11,507	076	48,000	0726
962 - Billy	W800V	US-VA					0.00
884 - Chris	WYALC	US-OR					7.84
887 - Wayne	FM0JH	US-VA	12,849	14,804	076	48,000	0726
815 - Phil	8800V	US-OR	20,770	22,808	076	48,000	0726
100 - Matt	MVNDP	US-OR	45,255	48,424	076	48,000	0726
Totals:			25,114	116	12,518	12,474	\$1,702.32

As fleets grow, compliance needs to grow

DRIVER SAFETY MANAGEMENT



DRIVER
CERTIFICATIONS



ELECTRONIC
LOGBOOK



EASY-TO-USE
ELD

US ROAD CHARGING



IFTA
EASY FILE



IFTA FUEL TRIP
RECORDS



ELECTRONIC
IRP



ELECTRONIC
OREGON WMT



ELECTRONIC
OREGON RUAF

TAXATION



AUTO RUC



OFF-ROAD
CLAIMS



FRINGE
BENEFIT TAX



The complexity of fleet management concerns grow



**PARTNER
INTEGRATIONS**



**EROAD
SHARE**



**EROAD
U Book-It**



**ASSET
TRACKING**



**PROOF OF
SERVICE**



**DAILY FLEET
ACTIVITY**



**GEOFENCE
SITE ACTIVITY**



**FUEL
MANAGEMENT**



**TRIP
INVESTIGATOR**



**SERVICE RECORD
HISTORY**



**SERVICE SCHEDULING
AND ALERTS**



**OUTSOURCED REPAIR
SERVICE ACCESS**



IDLE REPORT



And their safety concerns grow, so we educate on safety

- LEADERBOARD
- DRIVER INSIGHT
- DAILY DRIVER ACTIVITY
- SPEED MONITORING
- CHAIN OF RESPONSIBILITY
- SAFETY EVENT MONITORING
- INTEGRATED DVIR WORKFLOW

Mike Marsh

CAREFUL ON CORNERS

4 h 02 m 298.2 km

Mike Marsh

HARSH ACCELERATION

3 h 57 m 277.3 km

Mike Marsh

REDUCE YOUR SPEED

3 h 57 m 277.3 km

Mike Marsh

CONSIDER TAKING A BREAK

2 h 00 m 154.7 km

Matthew Wilson

55

Oteha Valley Road

5 h 01 372 km

Matthew Wilson

62

Oteha Valley Road

2 h 06 91 km

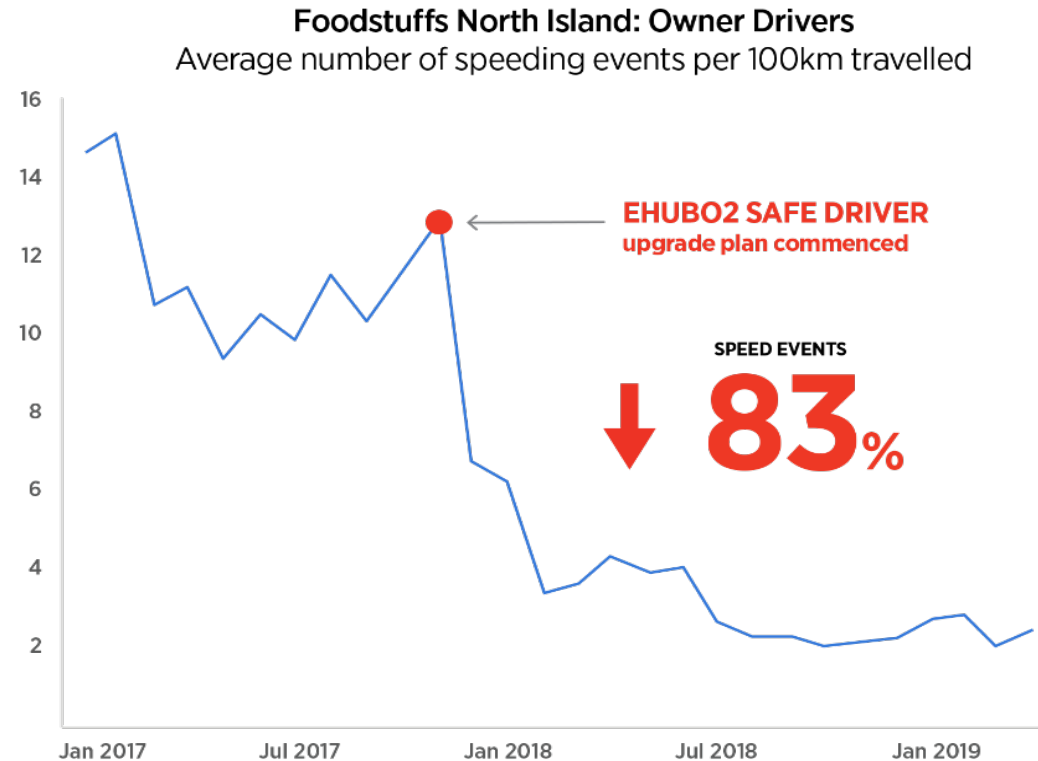
“

EROAD has so far brought down our over speed events from approximately 25,000 a month to about 1200.

It's reduced our overall fuel bill by approximately 20% and accident incident rates by 20%.

McConnell Dowell
EROAD Customer, New Zealand

Making our roads safer



“EROAD data has led to a 7% reduction in insurance premiums and savings of \$3,000 per month with maintenance recordkeeping, fewer violations and lower fines. The ROI for us on EROAD was almost immediate.”

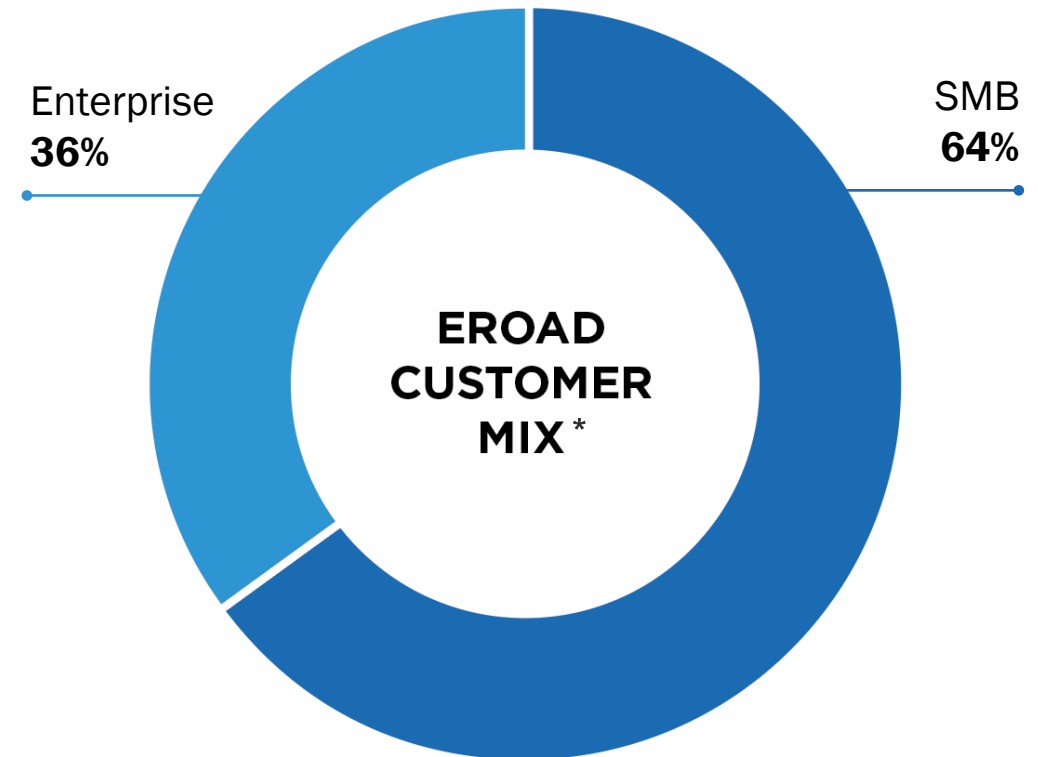
Recoil Oilfield Services

**SMB and Enterprise customers
have different purchase and
decision-making processes**



Changing our customer mix in a considered way

- Our customer base is evolving into a mix of SMB and Enterprise customers, as anticipated given the role of Enterprise customers in the ecosystem
- Securing enterprise contracts takes longer due to their phased procurement process, including prior experience
- To maximise our available resources (sales/R&D) we review potential enterprise customers to ensure:
 - strategic fit
 - value set alignment
 - if required enhancements will be commercially reusable
 - ARPU at target levels



Our sales model has evolved to reflect our customers' needs

We have changed our sales model as our customer base has grown in size and scale to reflect the needs and increasing sophistication of our customer base

- Our sales structure reflects this with a differentiated approach:
 - Enterprise Sales teams established in NZ (2013) and NA (2018)
 - Marketing team established to bring in Marketing Qualified Leads to increase the efficiencies of the sales team
 - Customer Success approach being developed to service our customers:
 - Tech touch for SMB customers being built
 - Account manager centric approach for larger customers to ensure that we can deliver customer value and up sell our product offerings as our portfolio grows

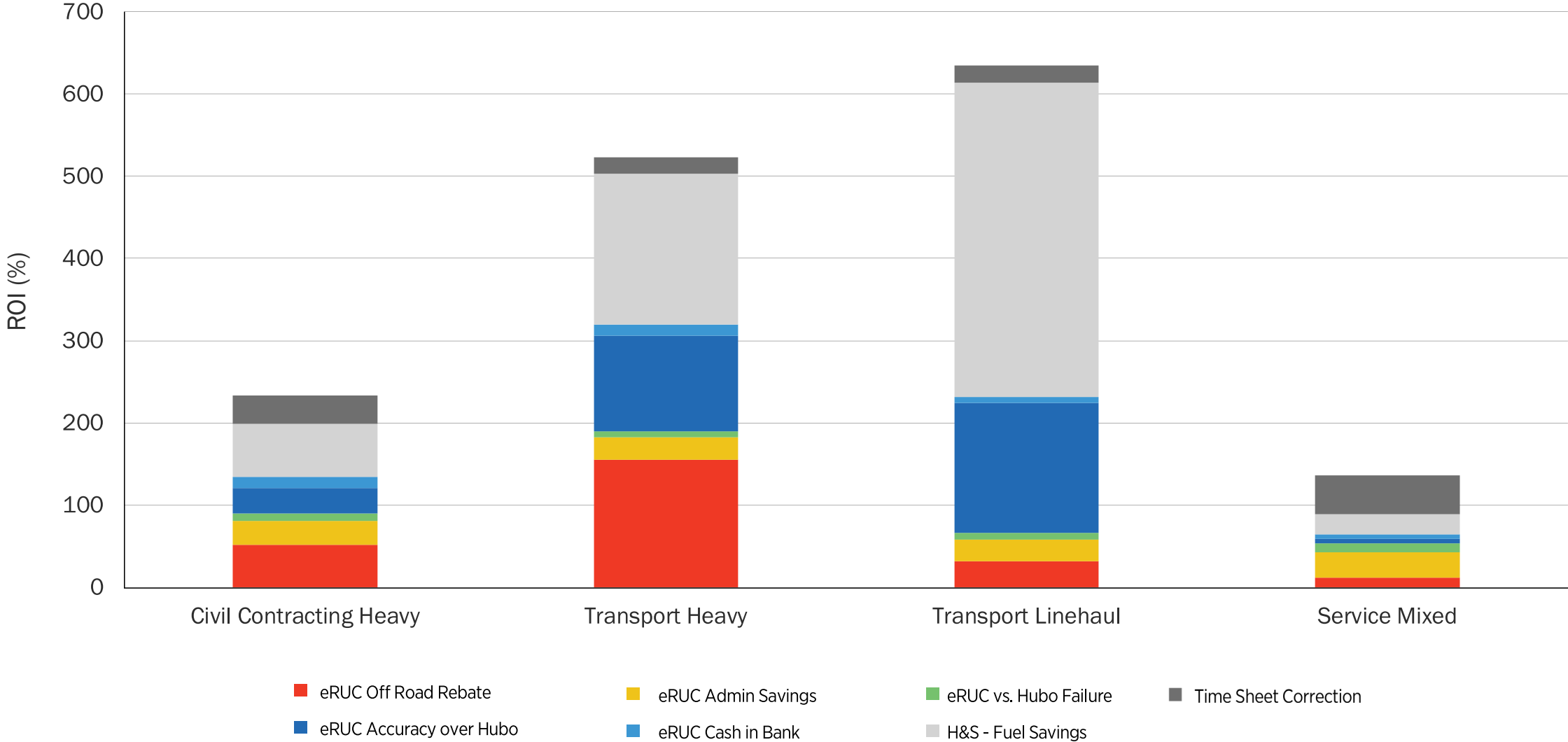


Customer Success delivers value for our customers and EROAD

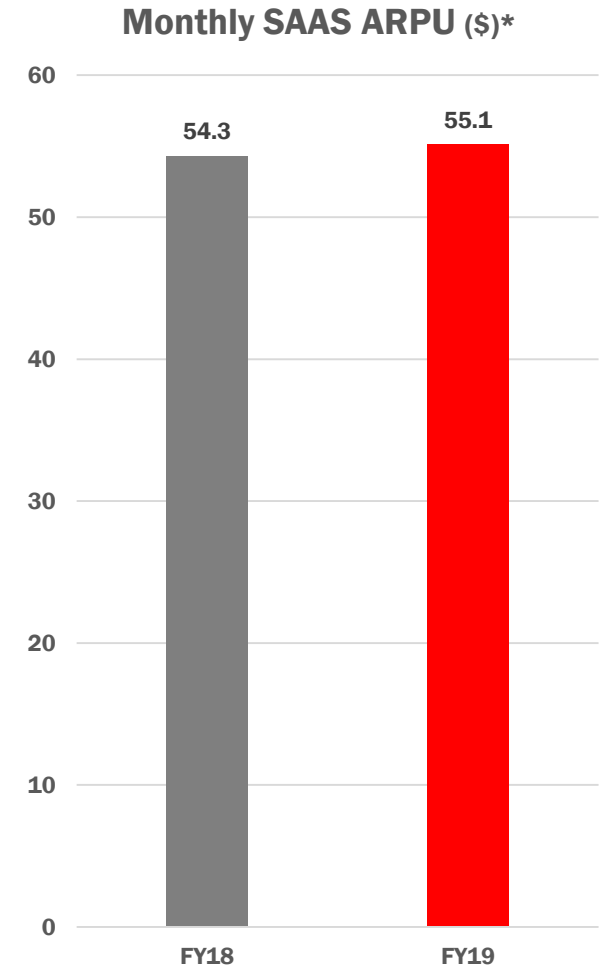
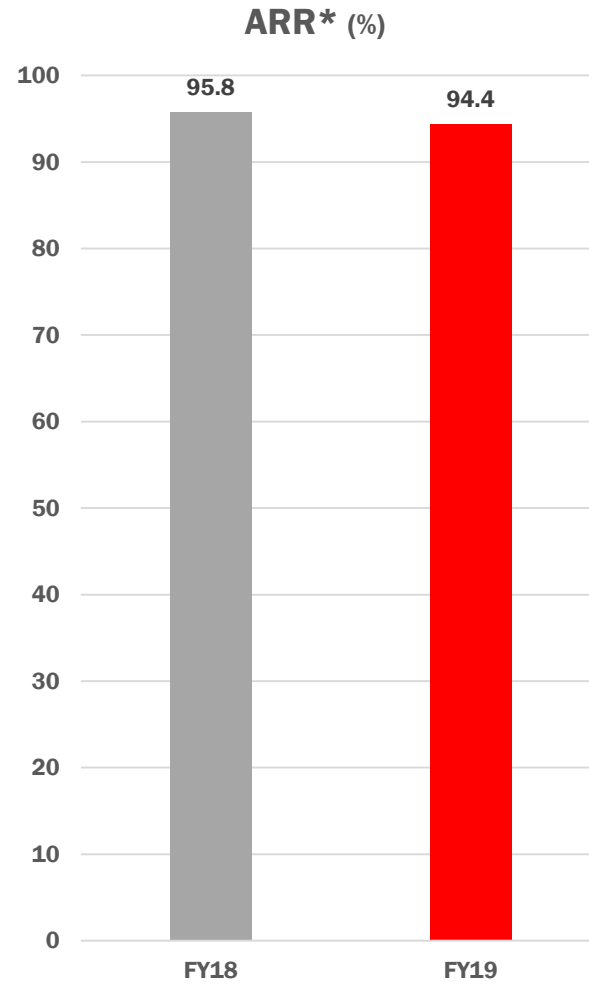
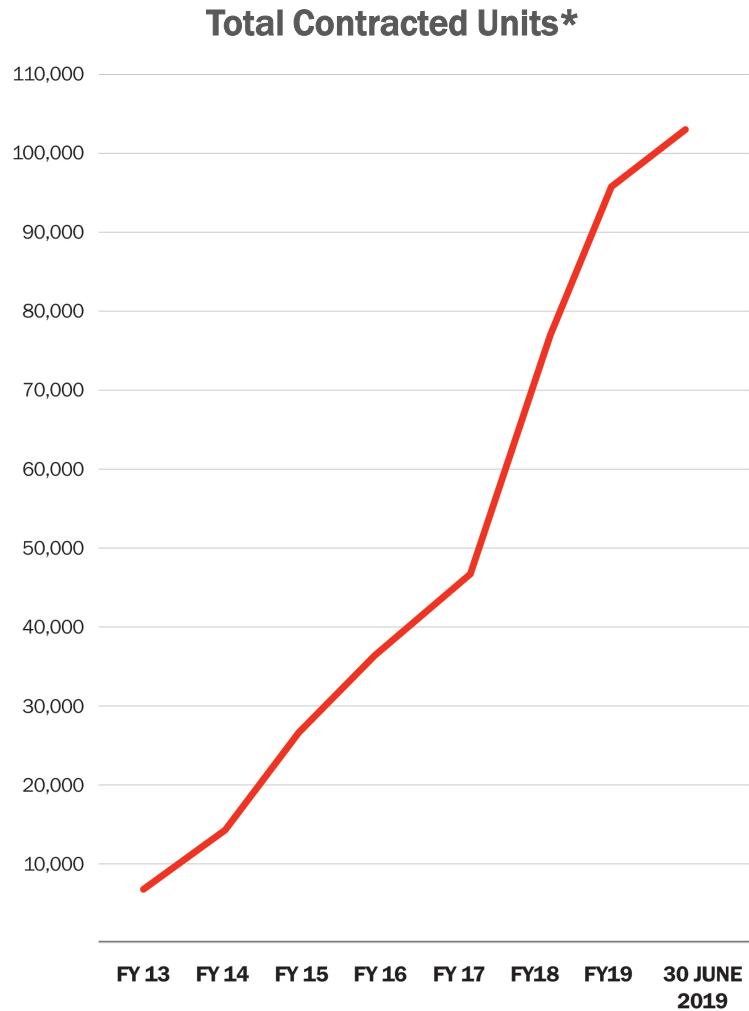
- We travel a journey with our customers throughout their time with us
- Setting success measures with the customer
- Being the advocate for the client within EROAD
- Aiding our customers to maximise value from their EROAD product suite
- Sharing new product launches and upselling where it makes sense
- Sharing industry best practises
- Training our customers on product usage



Our total solution is delivering ROI for our customers



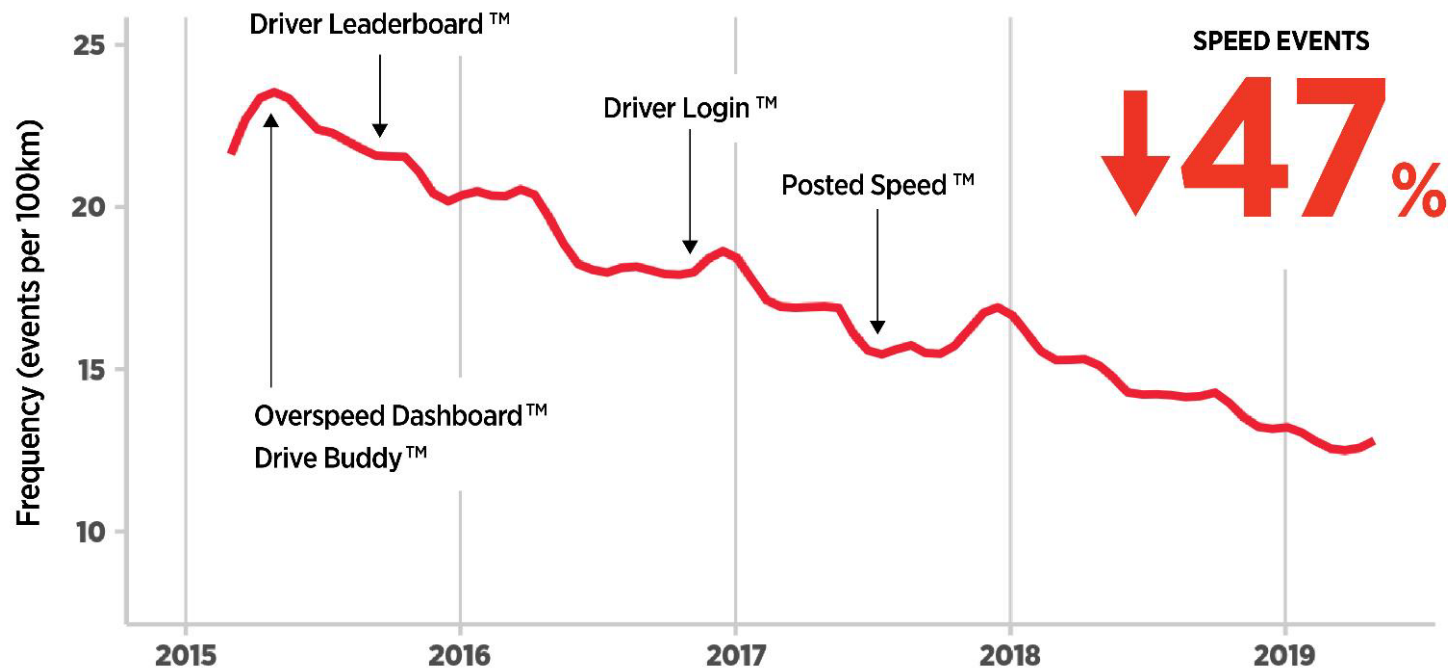
Resulting in a loyal and growing customer base



* As defined in Glossary

And safer roads for the community

NEW ZEALAND REDUCTION IN SPEED, ALL EROAD TRACKED VEHICLES



“

EROAD has made us more proactive in keeping the trucks safe. Maintenance is simpler to manage and we're able to keep on top of things a lot more easily.

Conroy Removals, Australia



“

The EROAD installation was the easiest and most successful vehicle technology roll out in to the St. John fleet.

This was due to the flexibility of EROAD, their structured approach and their seamless work, with our Infrastructure Managers and Install Co-ordinators.

St. John, New Zealand



EROAD

New Zealand

A growing success



Tony Warwood
Executive General Manager
Australia & New Zealand

A Market Leader in New Zealand

Our success in New Zealand provides the launch pad and cashflow for market expansion and product development

WINNING CUSTOMERS

33%*

2-year unit CAGR*

RETAINING CUSTOMERS

94.4%**

Asset Retention Rate

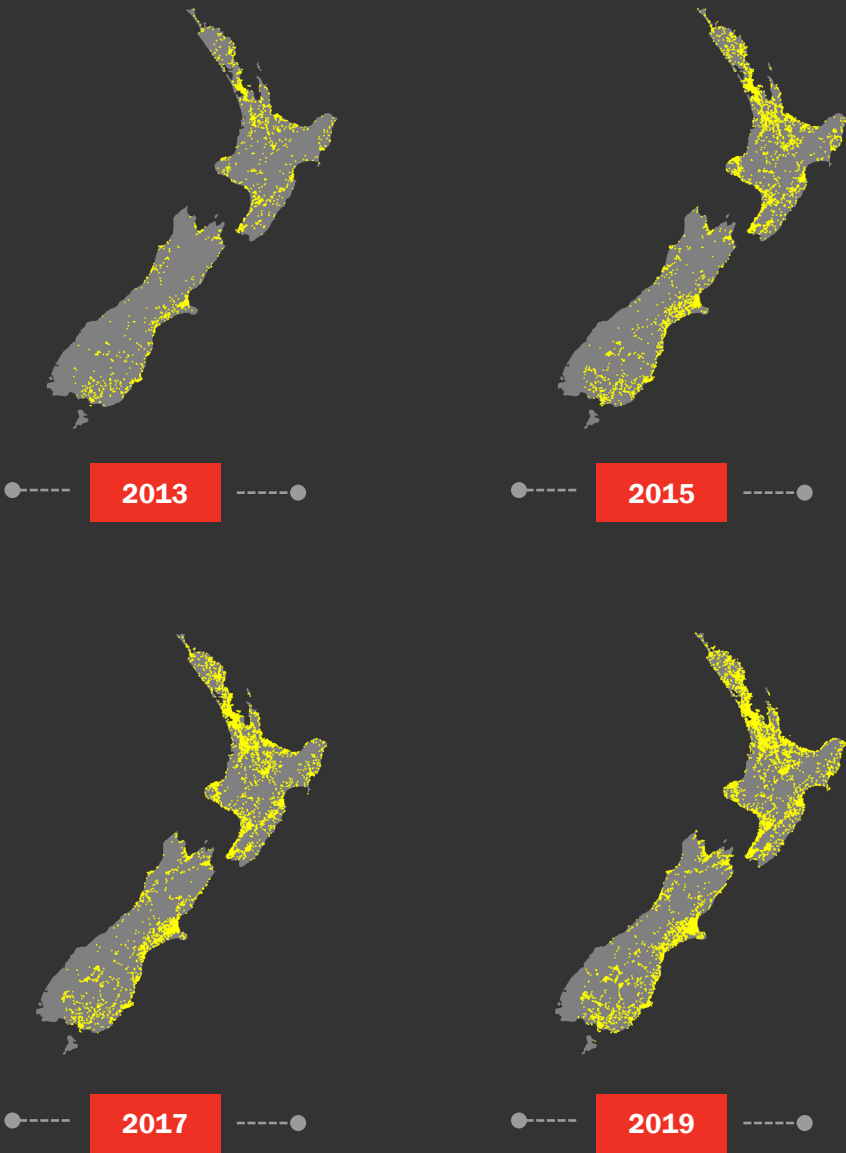
GROWING EARNINGS

32%

NZ EBITDA growth in FY19

* As at 30 June 2019 for ANZ

** As defined in the Glossary



Market Dynamics

The New Zealand telematics market is maturing, which is increasing demands on our product offering. Price competition is becoming common, and robust solutions including TMS integration, asset tracking, and cameras are becoming a 'must have' at the complex end of the market. Even smaller fleets are demanding more robust solutions, as they mature from basic tracking.

COMPETITIVE MARKET

- 4 eRUC providers.
- Threats from Tablet & TMS focused telematics however these are limited by the platform they operate on (therefore a risk for H&S compliance).
- Some 'non-interactive' telematic players and increasing Trans-Tasman providers.
- Light vehicles are maturing and demanding more than 'just track my vehicles', specifically wanting driver facing solutions for H&S / Driver Identification.

COMPETITIVE ADVANTAGES

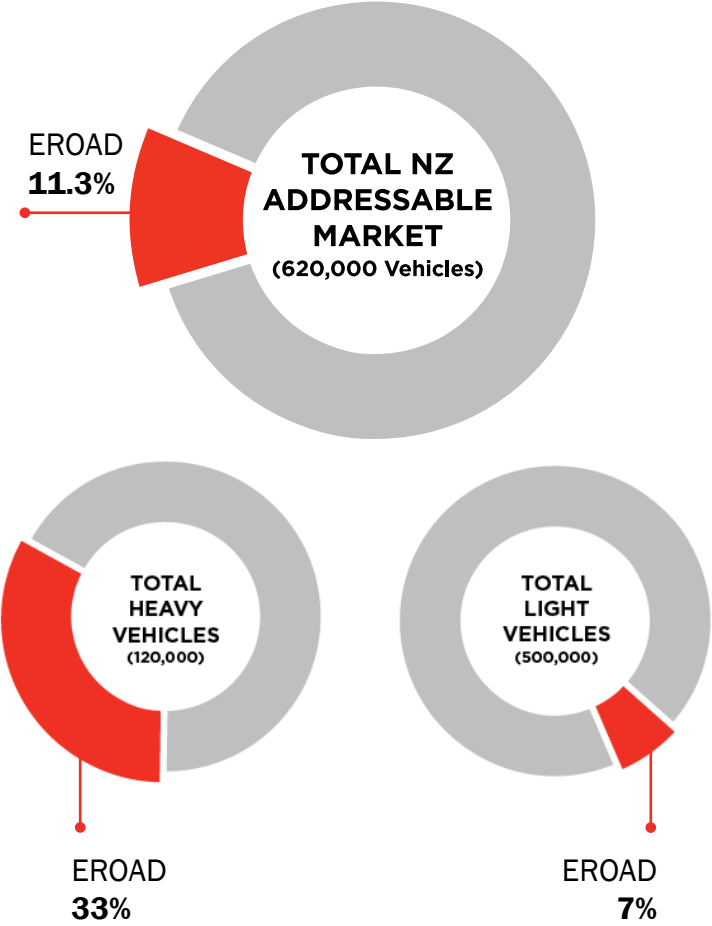
- EROAD's reliable accuracy remains critical - people are experiencing the pitfalls of low-cost telematics and OBD2 devices.
- Simplicity of platform – delivers value from day one.
- Trusted brand.
- Customer Service – ability to drive outcomes and change within a customer's business.
- Evidential ROI through Ehubo 1, heightened through Ehubo 2.
- R&D – we are a long-term business partner for our customers.
- Service Module and delivering value from the ecosystem around our customers.

CHALLENGES

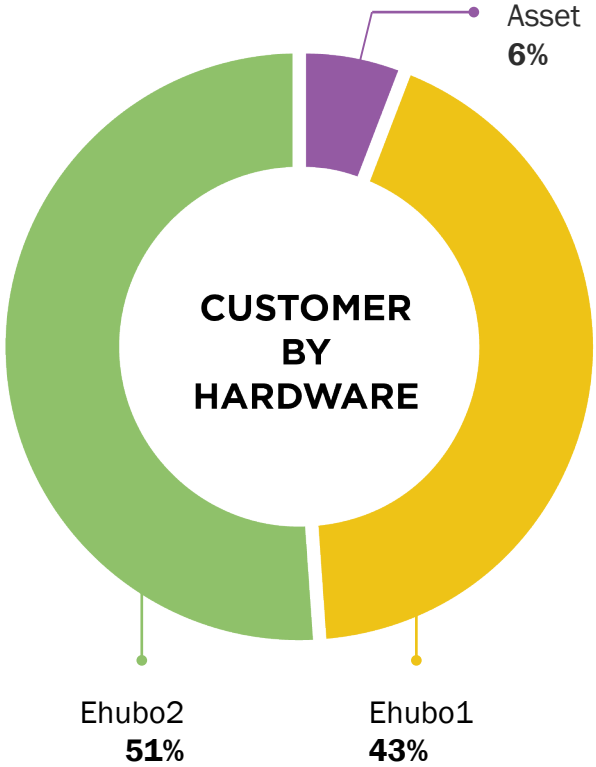
- Specialised providers carving off niche parts of large fleets.
- More analytics and insight capability is required to show ROI with a growing interest in benchmarking.
- Scale to support our customers across a wide range of industries and segments.
- Our customers want a 'one stop shop' for all their needs.

Still room for significant growth

IN NEW CUSTOMERS



CUSTOMERS UPGRADING HARDWARE



SELLING MORE SAAS PRODUCTS

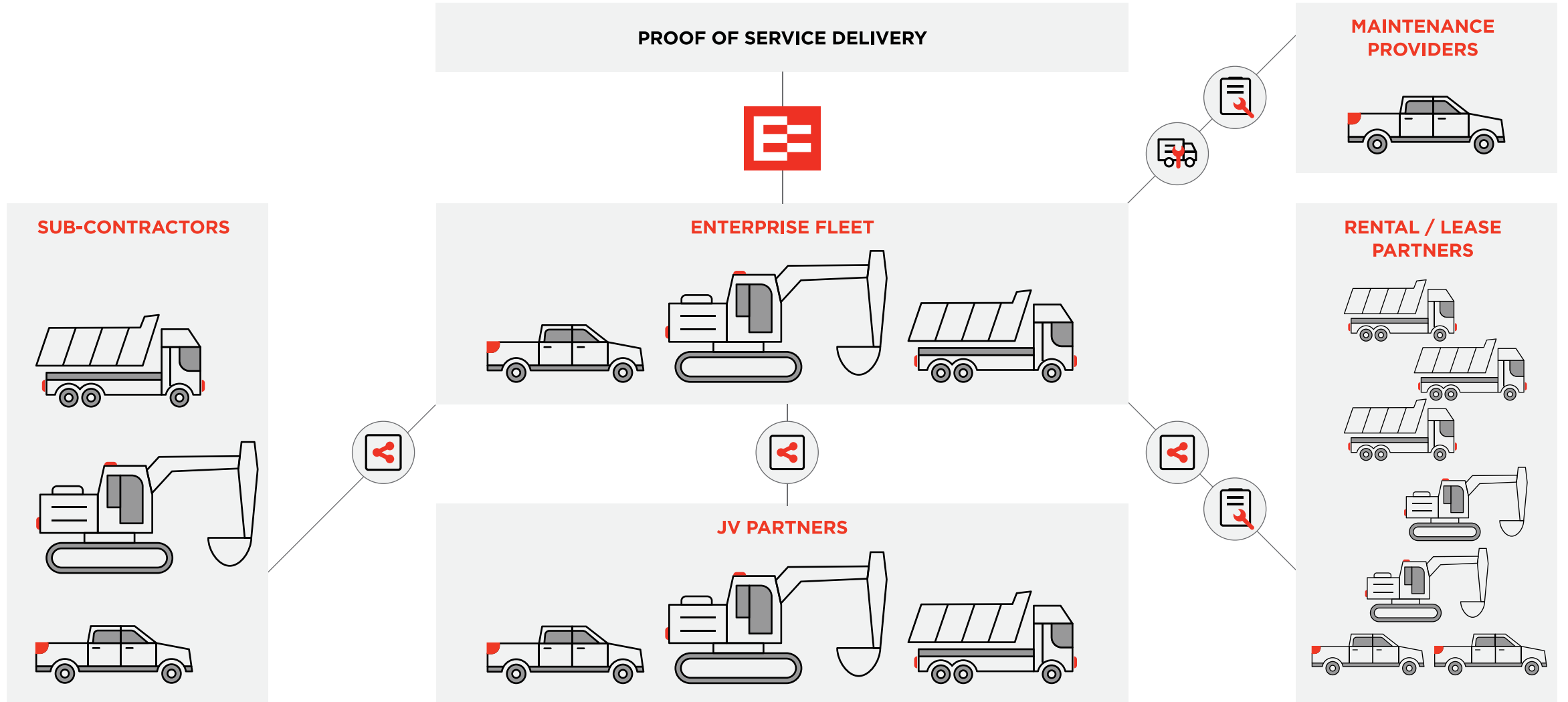


EROAD Share



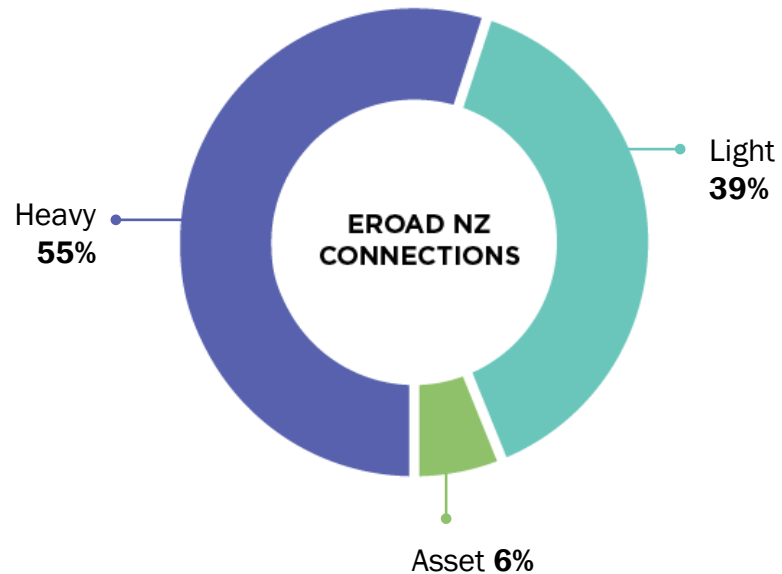
EROAD Inspect

Eco System



Continue expanding into safety conscious market

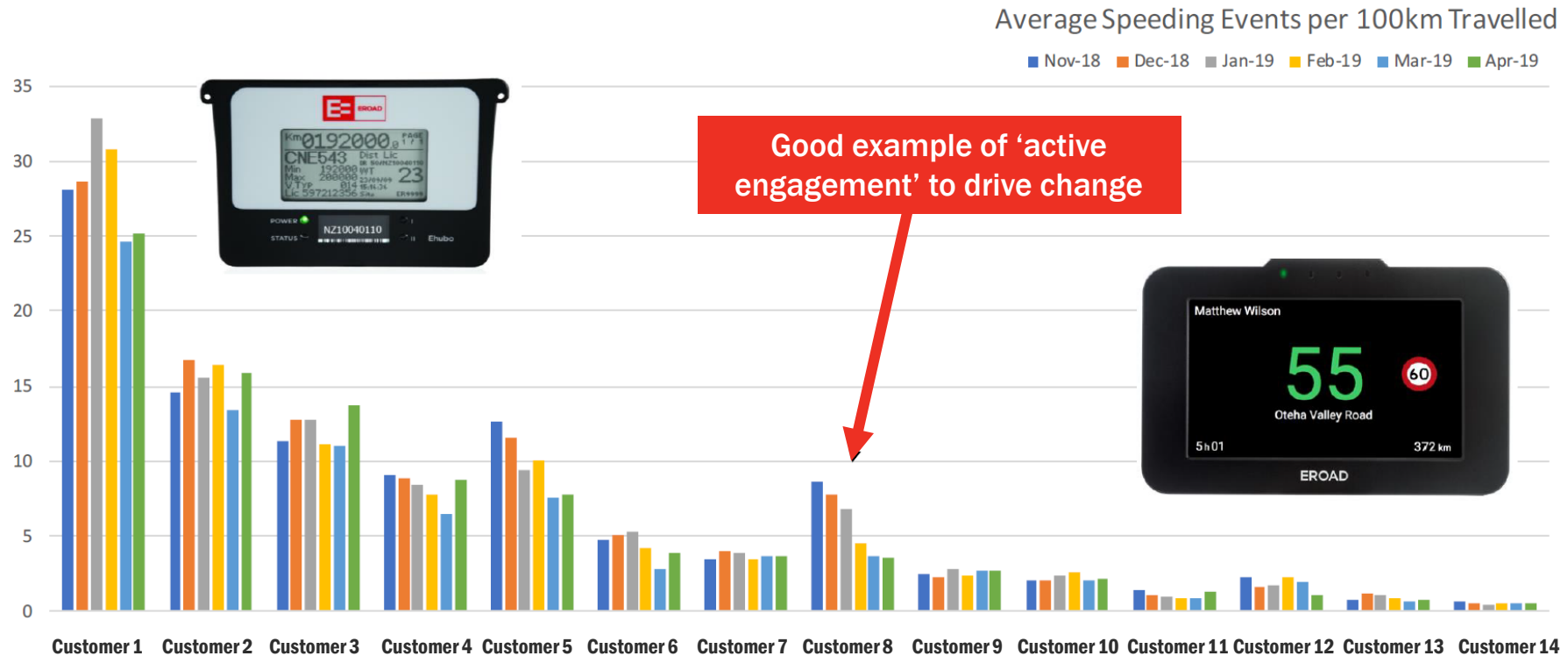
- Growth in light vehicles-and pool vehicle fleets where driver coaching in-cab, driver identification, and inspections are critical to fleet safety.
- Growth of light vehicles and assets in existing customers as they move from addressing H&S risk in heavy vehicles, to importance of driver coaching and tighter service & maintenance across all vehicles.
- Expect assets (powered/non-powered) to be key growth area, following adoption of service and maintenance module and need for one single view.



Hardware upgrades provide a noticeable impact

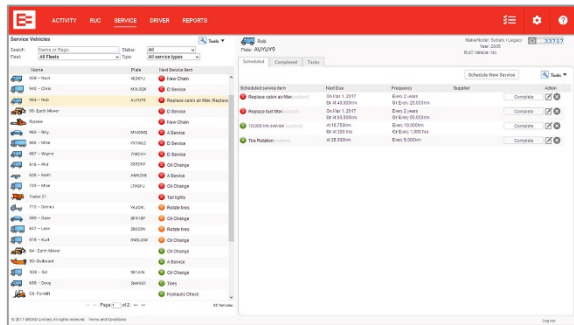
Benchmarking – Ave Speed Events per 100km

Ehubo2 in-vehicle unit on the Safe Driver Plan is outperforming the 1st Generation Technology

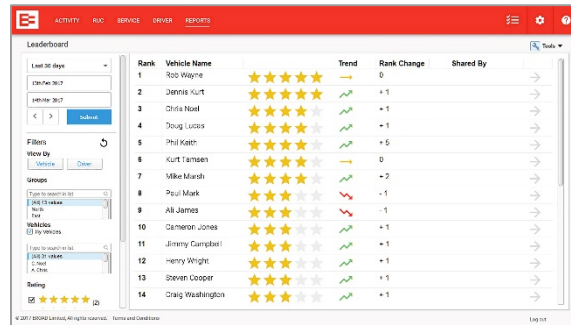


Leverage network into new opportunities

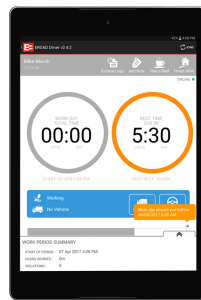
Maintenance module
2009



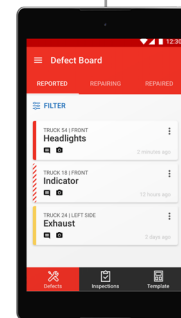
Leaderboard
2015



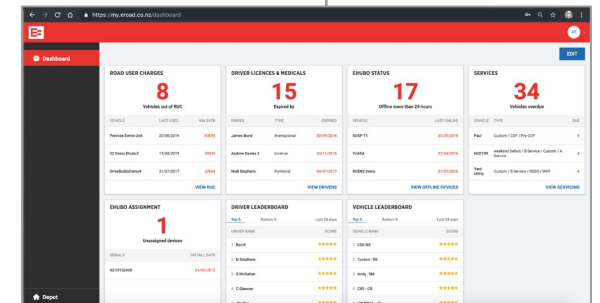
Ehubo2
2017



Electronic Logbook
2014

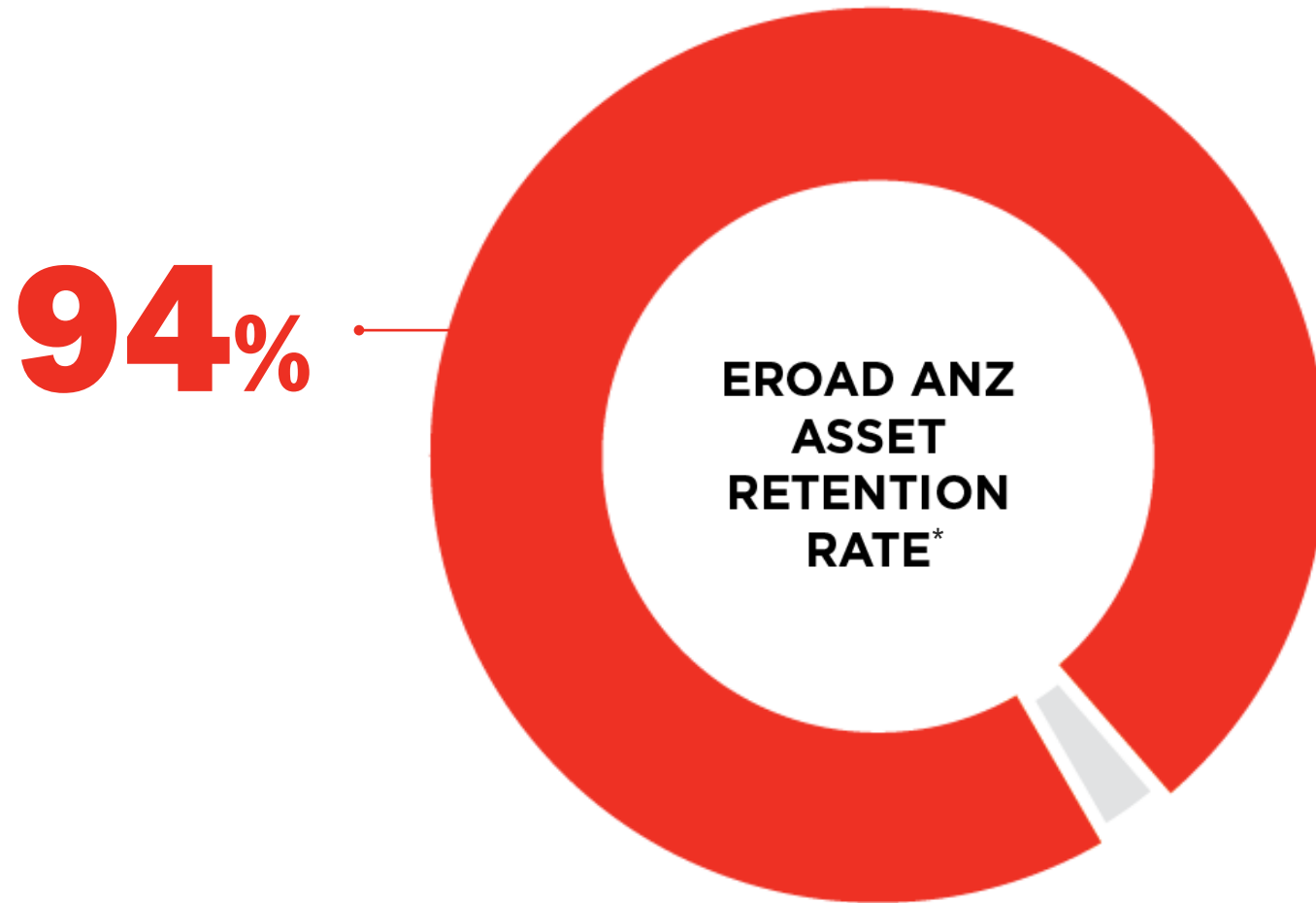


Inspect
2017

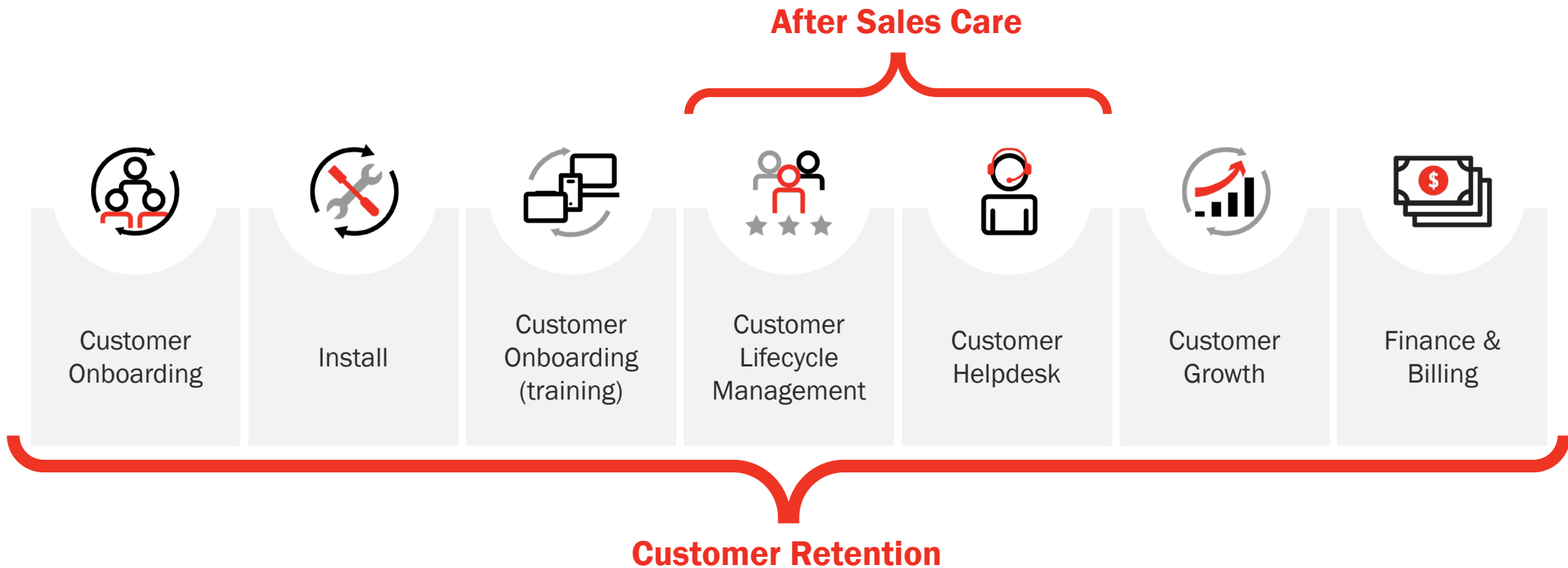


MyEROAD
2019

Retention is key



After Sales Care or Retention?



- A key differentiator is our after-sales-service levels and customer support team.
- Ehubo 2 offering and additional SaaS services (e.g. Inspect and Logbook) came at the right time for large fleet renewals over the last 12 months, as the regulatory environment demanded a health and safety focus. Over 40% of all renewals are upgrading to Ehubo 2.
- Our customers' needs are growing, in line with required regulatory and commercial outcomes.

How EROAD helped PCC monitor its fleet during a major weather event

- Widespread flooding to the Porirua district that overwhelmed stormwater systems, causing slips and road closures in 2015.
- Porirua City Council used:
 - **EROAD's GPS Tracking System** to track Council staff and vehicles, make the most efficient dispatch decisions and avoid traffic congestion.
 - **EROAD's activity screen** to view the area and location of council vehicles.

“

We were able to distribute people and vehicles around hot spots and see how they were tracking, see where the traffic jams were, and keep the radio waves clear. It's just a brilliant tool.

Chris Herbert

Manager, Advanced Maintenance Management
Works Operations, Porirua City Council



St. John Ambulance Services

- One box that does it all.
- Enabling the emergency service to be as efficient and effective as possible through:
 - GPS solution
 - Health & Safety (duty of care)
 - Service & maintenance of fleet
 - Proof of driver/vehicle location and at what time
 - Improving cost management by reducing RUC on screen

Freeing up more St John's resource to be spent on their core business of helping people.



New Zealand Summary

Significant room for growth



GROWTH

Continued significant unit growth and market penetration.

As our customers businesses expand, additional growth is unlocked for EROAD.



TEAM

Experts that partner with our customers to make safer and more productive roads.



MARKET

Customers are using technology to improve their businesses and deliver better outcomes.



PRODUCT

EROAD's technology continues to grow and evolve with our customer's needs.

The **sizeable** addressable **market** and our proven **winning recipe** will continue to deliver **significant growth** in New Zealand.



EROAD

Australia

leveraging off New Zealand's success

Tony Warwood
Executive General Manager
Australia & New Zealand



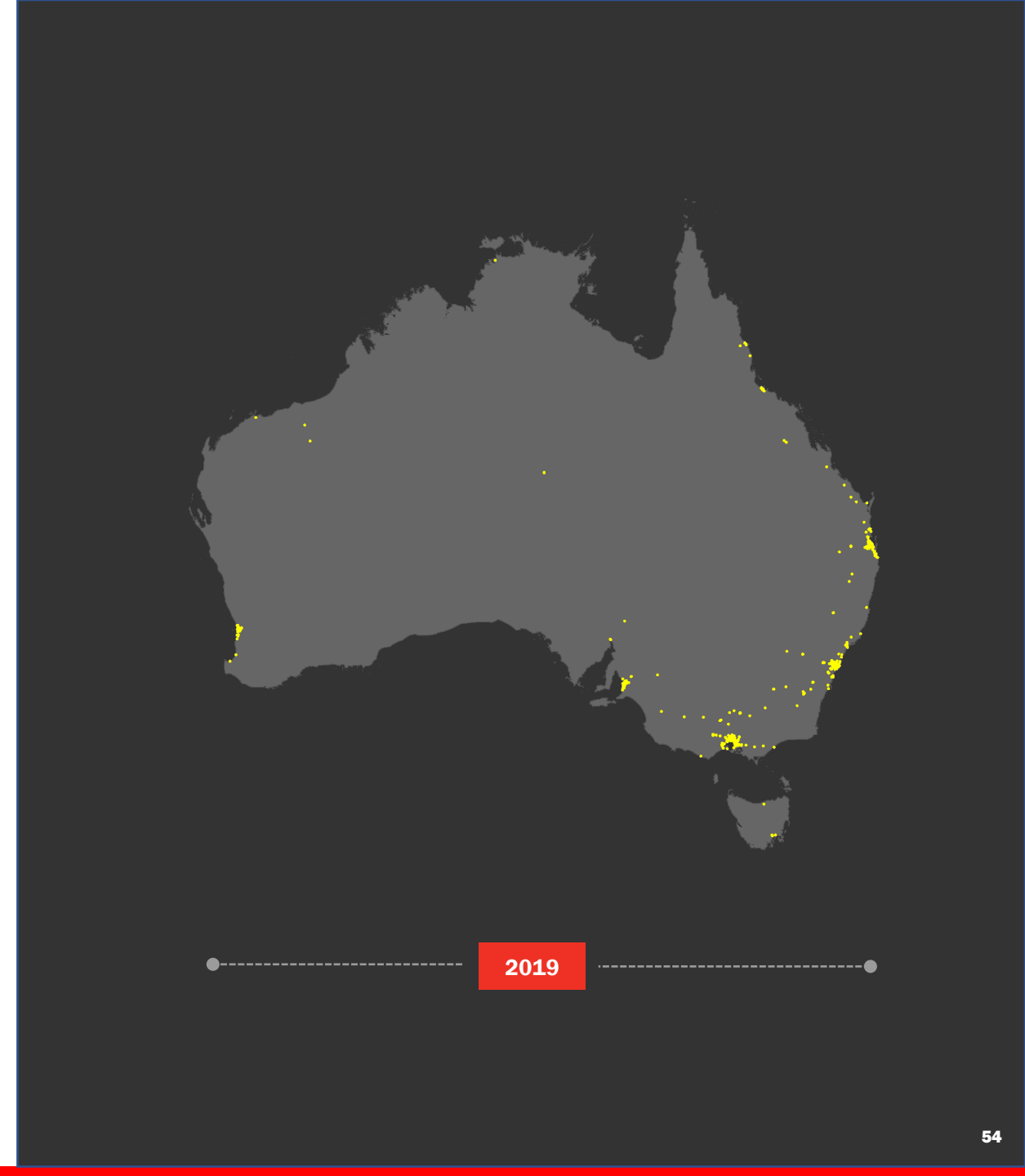
Launching into Australia

Building brand in Australia on back of recent regulatory reform which provides a significant low-cost growth option.

Total contracted units
as at 30 June 2019

1,379

Sales team set
up in late FY19



Market Dynamics

Market characterised by multiple competitors and first-time telematics customers making urgent 'box ticking' purchase decisions. Now seeing a flight to quality, from previous first-time buyers and as heavy transport operators become aware of COR and H&S obligations.

Competitive Market

- Heavy fleets understand COR responsibility and have implemented solutions or are looking for telematics providers with a complete suite of fatigue, mass and TMS.
- Many competitor customers receiving minimal value as only using for tracking. Opportunity to deliver a more robust H&S solution to these customers with Ehubo2.
- Light vehicle market is similar with NZ five years ago. Customers don't understand how to value H&S benefits and looking for 'dot on a map' solutions from competitors with low cost, plug and play product.
- Larger telematics players have extensive suite of services, that on the surface 'tick all the boxes' for more complex customers.
- Players from the United States not national players.

Value Proposition

- H&S and single in-cab device resonates for customers recognising this need, especially with the majority of our competitors installing telematics under the dashboard.
- Accuracy and reliability a key differentiator for customers with existing sub-standard telematics.
- Whole-of-fleet solutions covering trucks to assets is key.
- ATO approval of FBT and Fuel Tax Credit products positive for EROAD, as customers awareness is raised on what they can claim.
- New Zealand reputation for service and delivery outcomes, is recognised by Trans-Tasman fleets.

Competitive advantages

- Reliable product with accurate data.
- Experience with New Zealand regulation journey.
- Established player in New Zealand market, enables us to capitalise on Trans-Tasman fleet opportunities.

Challenges

- Newcomer to market, building brand awareness and establishing credibility.
- Access to large and effective marketing database.
- Educating the market on the value of reliable and accurate telematics rather than just a dot on a map solution.
- Targeting heavy fleet customers that don't require a more comprehensive COR offering.

Market Driver

Improving worker and public safety

4th Apr 2015
New Zealand
Health & Safety At Work Act



2.5 years

1 Oct 2018
Australian
Chain of Responsibility laws in effect

“Any sensible regulator would be in favour of mandatory safety telematics... EWD is just an administrative saving, the real benefits come with safe driving support”

“Self regulation doesn’t work in a fragmented industry like road freight. It is the role of the Government and regulator to step in to ensure we have safer roads”

NSW Police Inspector for Road Safety

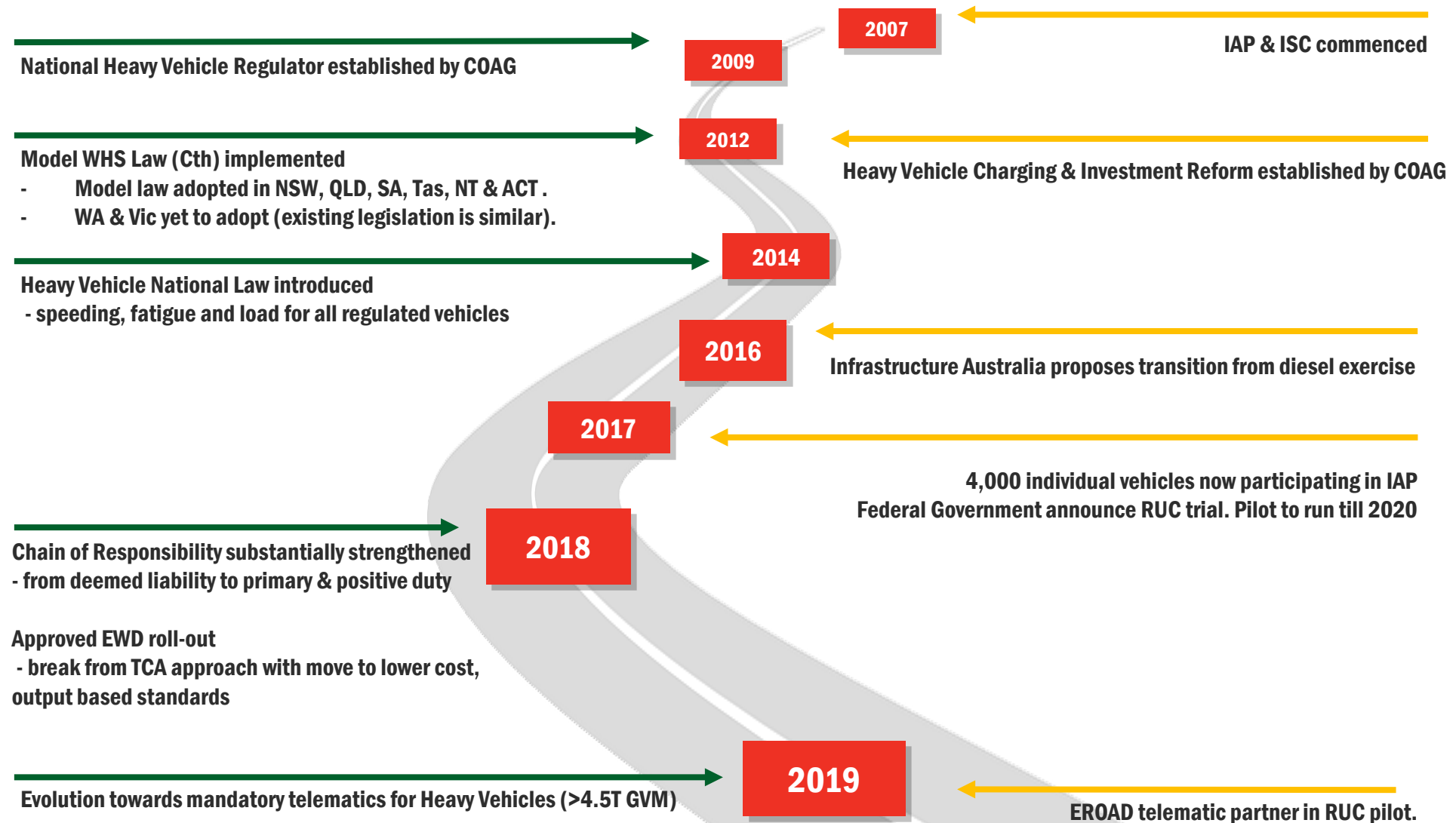
“ALC believes that heavy vehicles should carry telematics to discharge identified statutory requirements identified by an Australian law. Such obligations could include (in the safety context) measuring speed and vehicle movements or work diary information, as well as information outside of the safety context that can be used for road charging purposes.”

Australian Logistics Council
(Toll, Linfox, Woolworths, Coles, QUBE, DGL, LINX, Pacific National etc.)

“What Linfox are doing with the EWD trial with NSW police will likely become mandatory”

Enterprise Road Freight Transport Operator

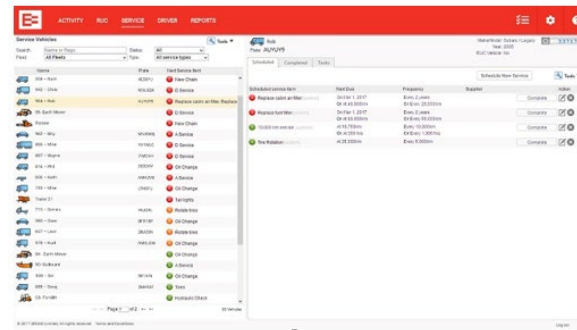
Market Driver Health and Safety led regulatory change



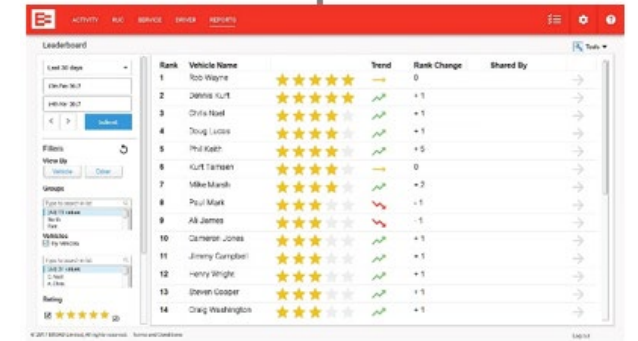
Delivering solutions for our Australian customers

EROAD has a strong and attractive product offering for Australia, irrespective of any road funding initiatives.

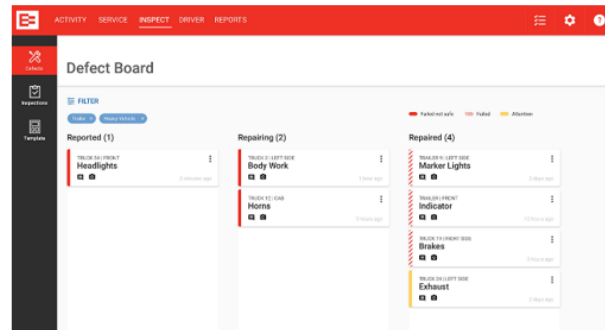
Maintenance module



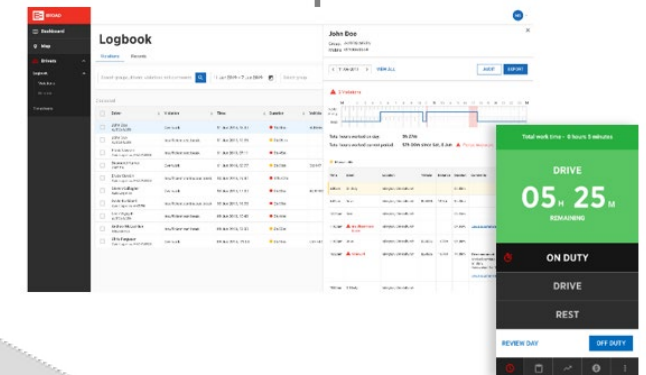
Leaderboard



Inspect



Fatigue Management



“Road user charges are probably inevitable at some point”

Enterprise Road Freight Transport Operator



“

IAP does not work.

Too clunky, too expensive and the regulations it is trying to enforce are wrong anyway. Need to rethink the whole thing and have a much better road access policy – very possibly telematics enabled.

There is enormous loss of industry productivity due to access issues.

Trucking Association Representative

Market Drivers

Heavy vehicle regulator telematics strategy

- Safety-driven regulation a strong driver of adoption in heavy fleets and choice of solution provider in medium to large light fleets.
- These drivers are likely to become more important over next 2-3 years as:
 - National Heavy Vehicle Regulator (NHVR) progresses implementation of the 2018 changes to Chain of Responsibility requirements
 - National Transport Commission (NTC) completes its review of the Heavy Vehicle National Law
 - Transport Certification Australia (TCA) continues in its role as government assurance body over the use of telematics and related intelligent technologies
- Together these three influences will drive growth in demand for telematics services from drivers, operators/motor carriers and road managers:
 - Ignorance of risks will become less acceptable as a defence for operators/directors, pushing them towards voluntary uptake of telematics
 - Technology neutral regulations will enable development/deployment of services that support compliance based on customer need, rather than waiting for government regulation to catch up.



In Market Team

Our team on the ground

- Team of 5 on the ground in Australia currently
 - 1 Business Development Manager in Brisbane + 1 Account Manager
 - 2 Business Development Managers in Sydney
 - 1 Sales Manager in Melbourne
- Mix of relevant experience, including with a trans-Tasman telematics competitor, NZ experience in trans-Tasman fleets, and with large global technology companies installing highly complex, customised solutions into Australian Government fleets.
- Key Account Manager on the East Coast looking after existing customers, ensuring new customers (particularly larger) see value from day one, and receive the same service promise we deliver in New Zealand.

Marketing and customer support provided from New Zealand

- New Australian customers serviced by onboarding, installation and support teams in New Zealand to ensure we deliver on EROAD's service promise.
- Marketing led from New Zealand. Outbound call centre generating appointments and building database.
- Working extremely well to maximise resources and impact.

Australian Summary

Growth through a supportive Trans-Tasman platform



GROWTH

Early days in a competitive market.
Building brand to execute growth achieving critical mass over next 3-4 years



TEAM

Strong and capable team, leveraging off New Zealand support, knowledge, and customer base.



MARKET

Competitive market.
Strong positioning for EROAD given the regulatory environment that is having the same impact on customers as New Zealand



PRODUCT

Localisation of our existing products delivers qualified solutions for customers.
Additional value provided with specific FTC & FBC products.

Opportunity for growth aided by **right timing** for re-entering Australian market (regulatory changes), increasing brand presence and our **gravitas in New Zealand**.



EROAD

**North America
moving to the next
growth phase**

**Norm Ellis
President North America**



North America now equals EROAD's size when it listed

North America is now a developed market, contributing strongly to EBITDA in FY20 and reaching positive EBIT by the end of FY20

2-year CAGR of units* of

114%

EBITDA** up

▲ 112%

in FY19

ENTERPRISE*** CUSTOMERS NOW

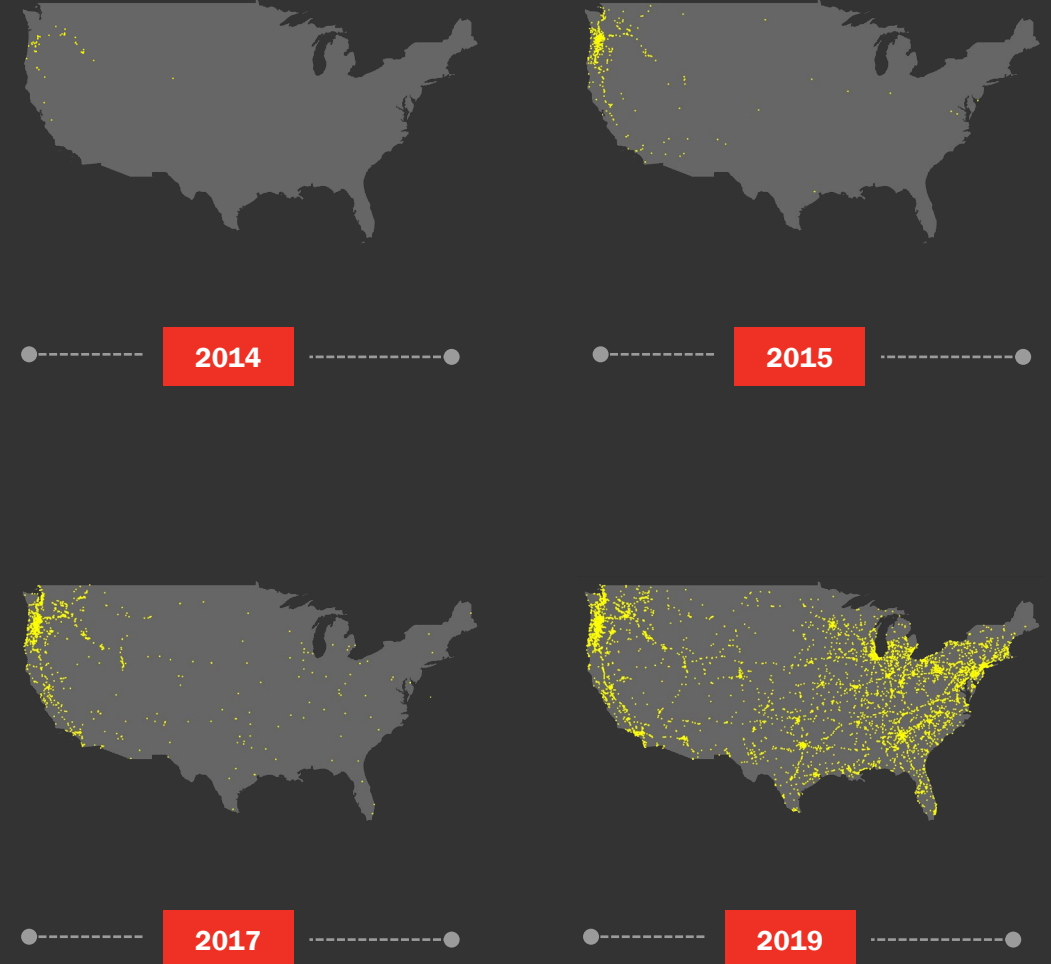
16%

of units

* As defined in Appendix

** In absolute terms

*** Defined as >500 units for North America



Market Dynamics

The North American market for transportation technology is mature, saturated and highly competitive. Price competition is common at the low end of the market, while robust solutions including TMS integration, driver workflow, asset tracking, and cameras rule the top end. Even smaller fleets are demanding more robust solutions.

Competitive Market

- 300+ ELD/fleet management solution providers
- Rapid investment to expand solutions with adjacent technologies (asset tracking, cameras, TMS integration, driver workflow apps)
- Market plagued by quality issues
 - Large, established players suffering customer service quality issues in fleets below 200
 - Some new players not equipped for scaling customer service and product support
 - Many competitors bolted on ELD functionality to existing fleet solutions, resulting in frequent and severe product problems.

Value Proposition

Make compliance easy with a verified solution that works reliably, delivers accurate data and is easy to use for drivers and staff.

Competitive advantages





- Brand built on compliance expertise and industry knowledge
- Accuracy, reliability, consistency and ease of use of our solution
- One of the few ELD's that are independently verified
- Excellent customer service and technical support

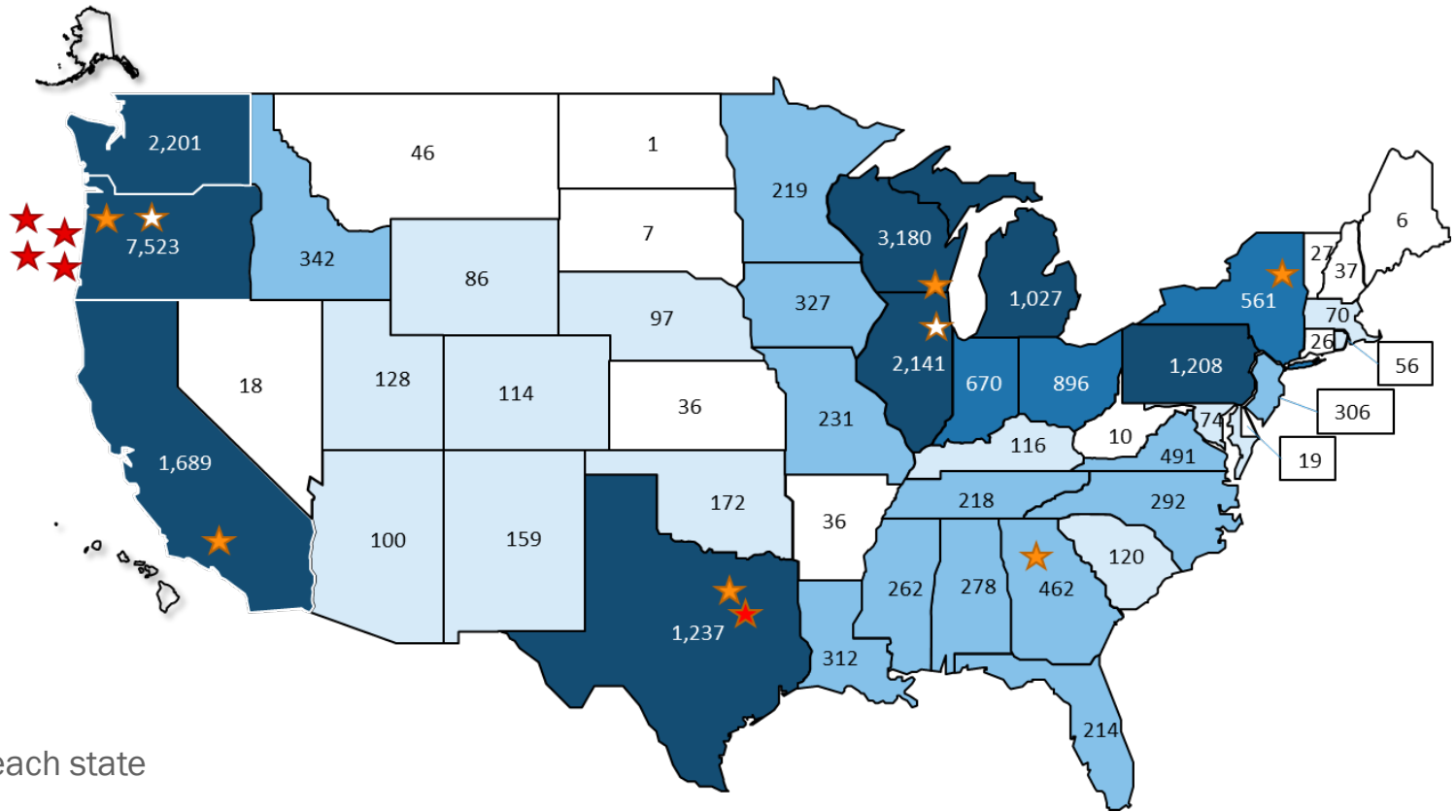
Challenges

- Relative newcomer to market, brand awareness
- Heavily outspent by competitors: sales, marketing, R&D, loss leader strategy
- Gaps in solution reflecting complexity of US regulation and customer demand for a complete solution

Targeted sales strategy maximising sales impact

Place experienced sellers in key parts of US market and support with training, expert support from sales engineers, and air cover from national and regional marketing.

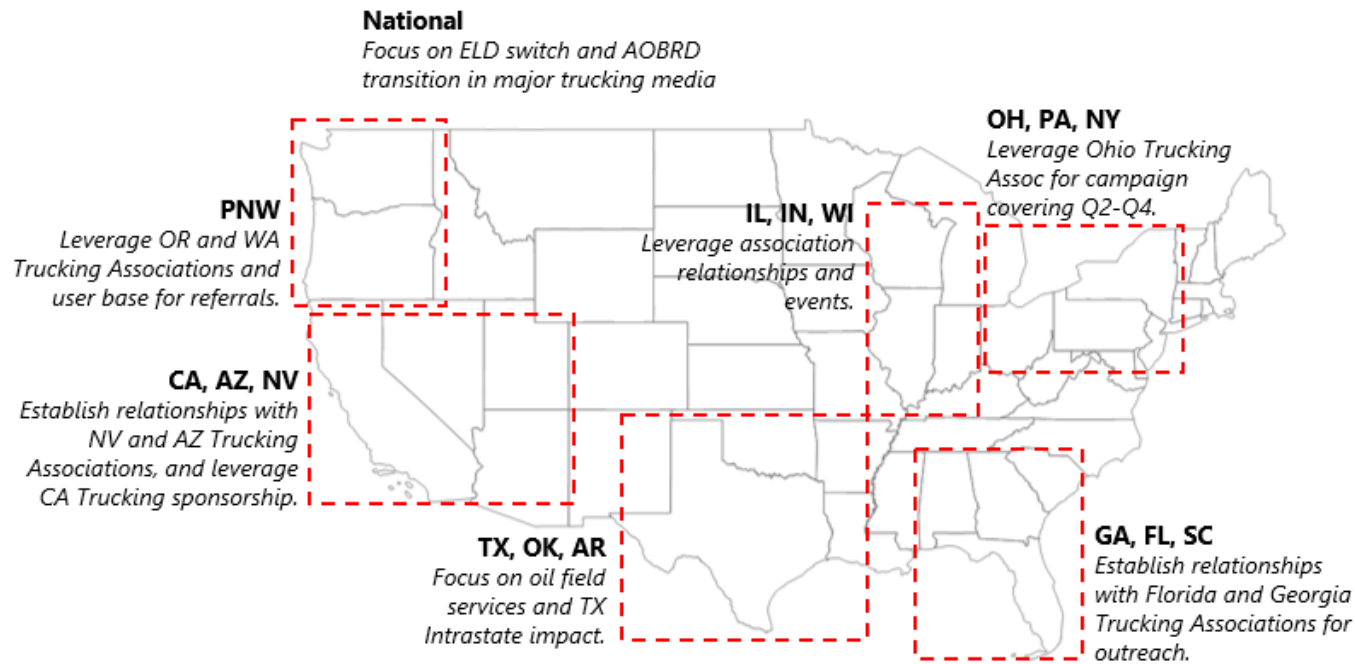
-  Territory Account Managers
-  Channel Account Manager
-  Named Account Manager
-  Inside Sales Representatives (cover entire US with regional focus)



- Numbers show active EROAD Ehubo units in each state
- Total of 27,848 units (end of Q1'20)

Growth strategy

- Invest nationally to build EROAD brand and compete in the AOB RD transition and ELD switching.
- Invest and focus resources at specific geographic markets, leveraging field presence to execute local campaigns, create and build reference networks and foster association relationships.
- Invest in digital marketing platform, target lists and skills to more effectively develop, manage and nurture leads.



National Tactics:

- Paid media campaigns—content syndication, email, direct mail, webinars, advertising
- Surveys with telemarketing follow-up
- National association events
- Search Engine Marketing/SEO

Regional Tactics:

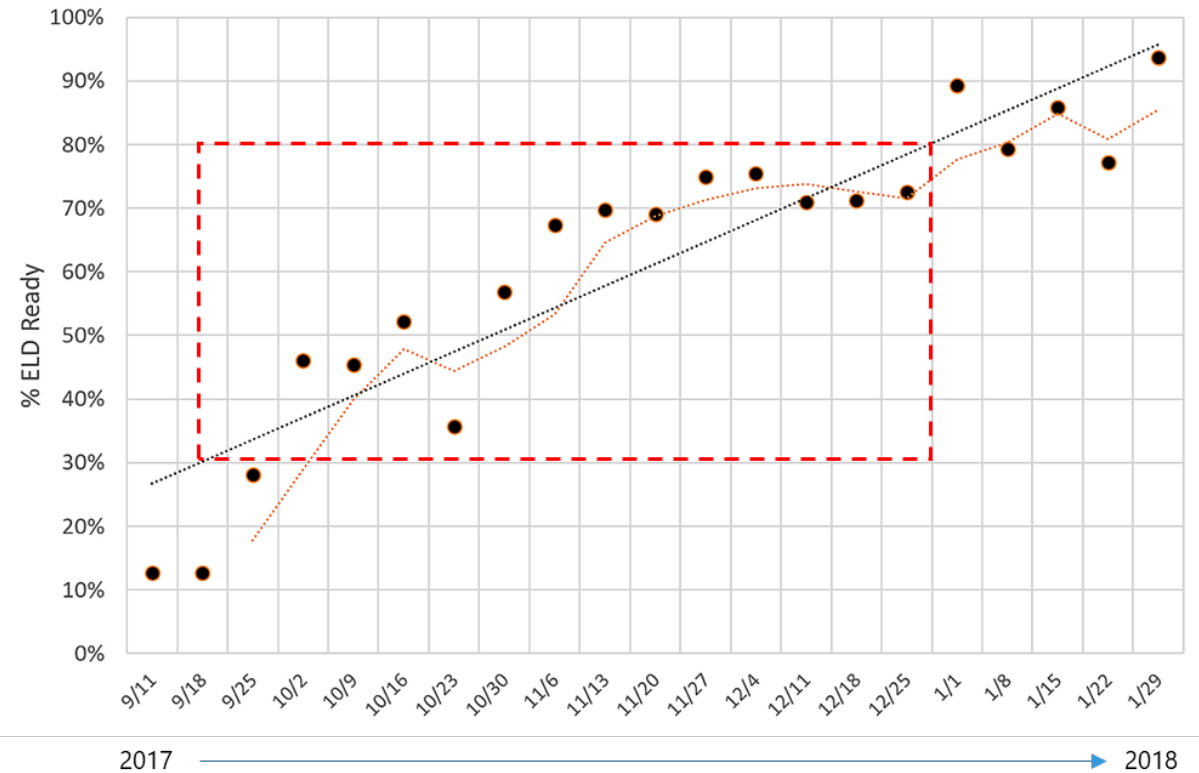
- List building for targeted campaigns
- Direct email
- Telemarketing
- Association events and media
- Outreach through associations to members
- Referral program to capture references from base

Market drivers: 2017 mandate contract roll-offs

Major ELD adoption in early-mid 2017 yields large wave of 2 and 3 year contract expirations in 2019, accelerating into 2020.

- Many fleets purchased low-cost options that are not effective for compliance or operations.
- Flight to quality has begun with fleets turning away from Bluetooth solutions and companies not keeping pace with support demands and changing HOS rulesets.
- Retaining customers at high rate through solid product quality, strong service and support, though seeing defections as customers pursue more advance product capabilities.
- 2017 ELD mandate impacted many smaller fleets with low adoption of telematics.

CarrierLists Survey of ELD-ready Carriers from 2017



Research from 2017 shows large volume of ELD purchases between Sept and Dec 2017. (Similar trend evident for AOB RD transition.)

Market drivers: AOBRD to ELD transition

Driving Demand through Dec'19

- Fleets using AOBRDs as of the December 2017 ELD mandate deadline were exempt from ELD adoption for 2 additional years (deadline: Dec 16, 2019)
- Research shows a large number of truck fleets still running AOBRDs and plan to wait as long as possible to change to ELDs (despite guidance from the FMCSA, CVSA and others in the trucking industry)
- The 2017 ELD mandate included a wave of last-minute adopters that underestimated the time to adequately prepare – a similar event (though smaller) is likely to happen in Nov 2019 – Jan 2020.

EROAD Projections of Active AOBRD Units*

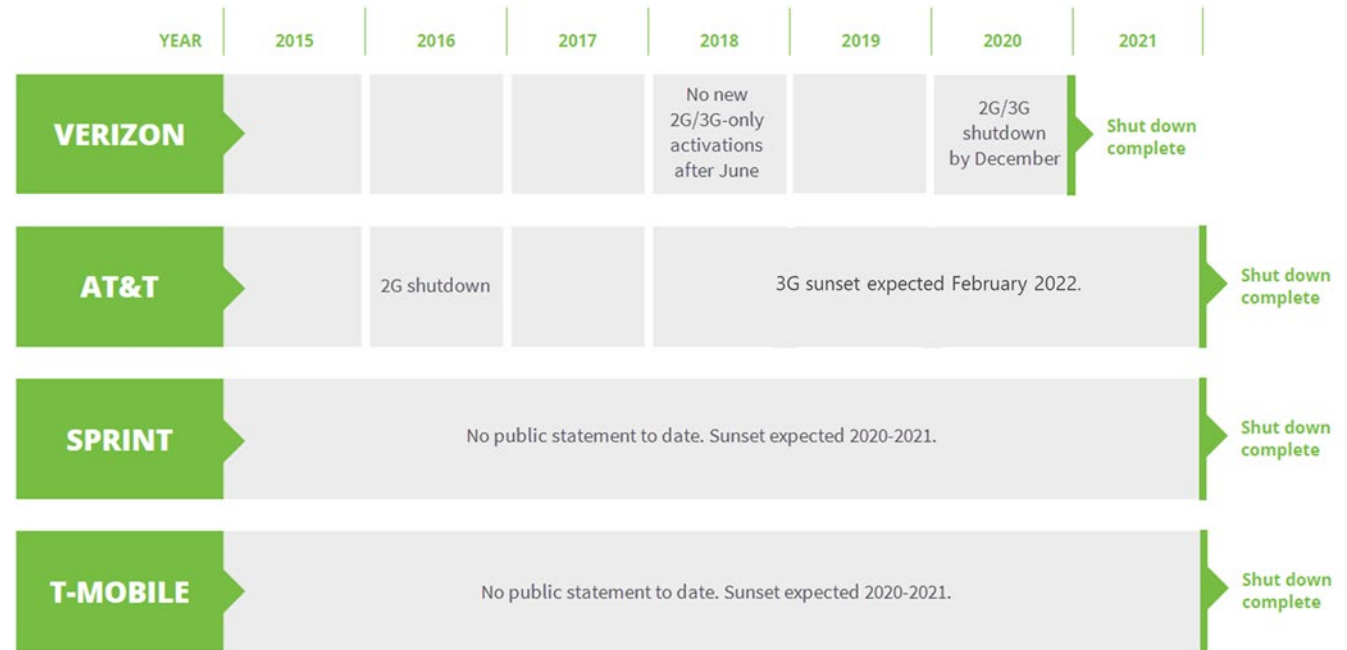
Fleet Size	# Fleets	# Trucks	# AOBRDs
1-9	328,000	892,000	44,500
10-99	58,700	1,450,000	87,000
100-499	3,900	757,000	26,500
500+	700	1,381,000	10,500
TOTAL	391,300	4,480,000	168,500

* Based on RigDig data from Aug 2019 and FreightWaves and Driscoll & Associates research from 2018 and 2019. Assume 50% of trucks not subject to ELD compliance due to short haul and other exemptions.

Market drivers: 3G sunset driving ELD switching

Driving Demand through FY'21

- Verizon will sunset 3G CDMA in December 2020
- AT&T will complete GSM 3G sunset in Feb 2022
- Estimated 7.5 million in-vehicle devices in the trucking industry (AOBRDs and ELDs) will need to be replaced
- EROAD 3G device transition project underway to replace ~21,000 3G devices with a dedicated sales resource and operations support resources



North America Summary

Sensible solutions are creating a competitive advantage



GROWTH

114% CAGR in Total Contracted Units* over 2 years

Successfully growing both SMB & enterprise



TEAM

Continued growth and performance steered from solid management team



MARKET

Switching behavior driven by 3G sunset, AOB RD transition and accelerating contract roll-outs



PRODUCT

Increased sales enabled by additional solutions being offered to NA fleets.

Continued delivery of **high-quality solutions** combined with solid service and support will continue to differentiate EROAD and **draw the market** to us.



“

With EROAD, we are saving a few thousand dollars per month in administrative time for fuel tax reporting and realizing fuel tax savings of at least \$200,000 annually.

Recoil Oilfield Services, USA



EROAD

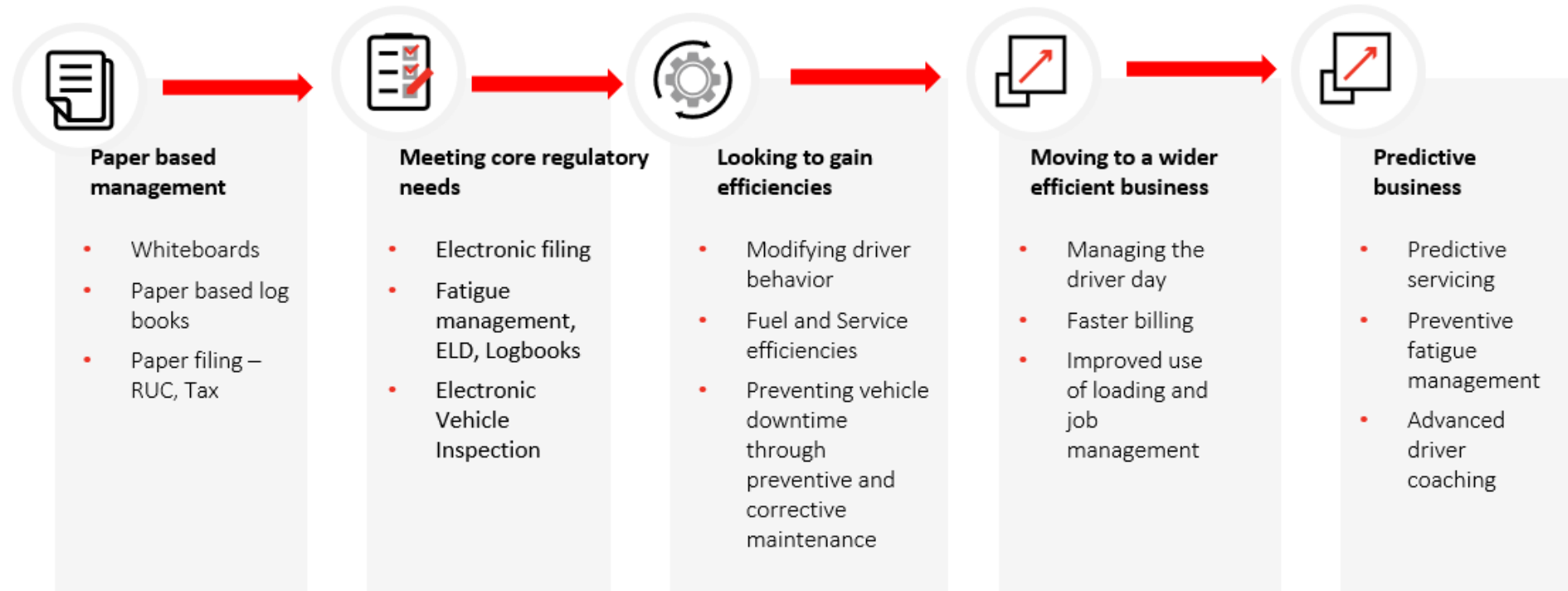
Building growth opportunities **with high quality innovation that scales**

Jarred Clayton
Chief Technology Officer



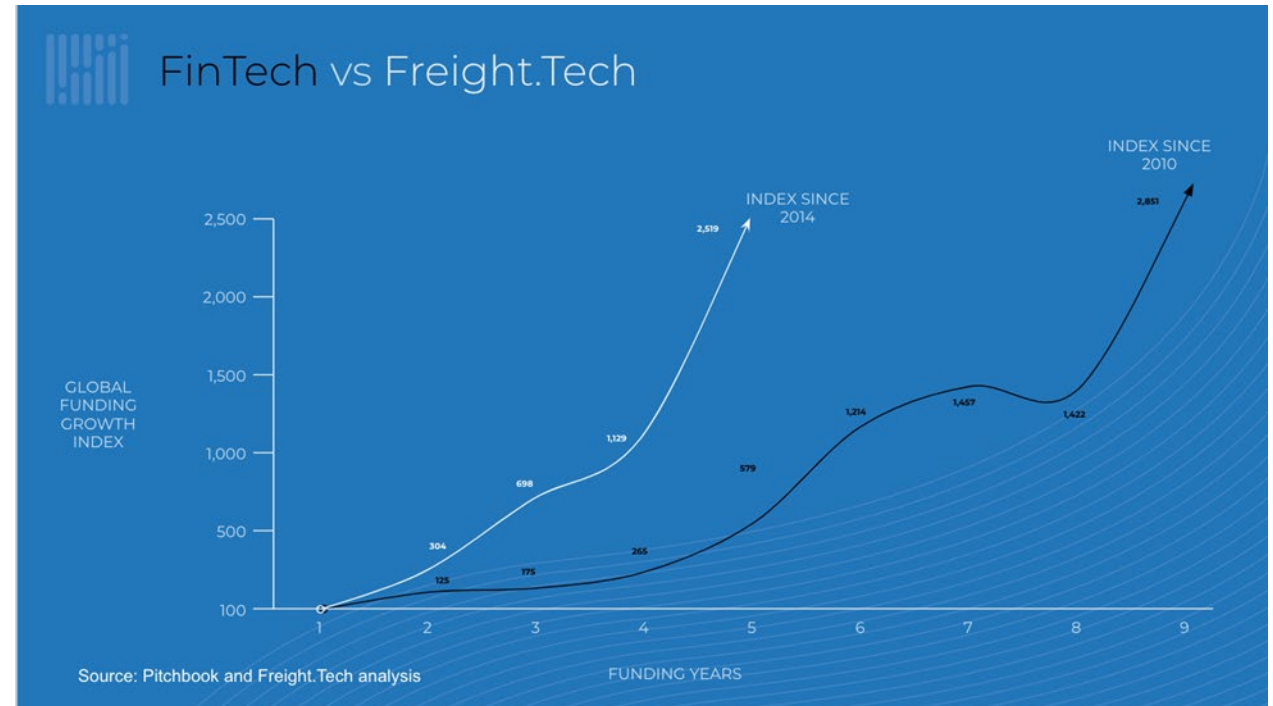
Regulation and innovation fueling growth

- Our market growth is fueled by regulatory change. Our customers start with compliance needs and go on a maturity journey which sees increasing expectations.
- Transport is a large addressable market traditionally resistant to change – regulatory pressure is changing the landscape, and the market is now leveraging technology to be more productive.



Competition

- We are not alone in this race with a large investment in FreightTech similar to what FinTech experienced.
- We are competing in major markets with Omnitracs, Verizon, Teletrac Navman, Mix Telematics, Keep Trucking and Samsara.
- They all have significantly larger R&D investment than EROAD with Omnitracs having 600 engineers spending ~\$107M NZD on R&D (18% of revenue).
- Selecting the highest impact investment for EROAD and our customers is key.



Investment bench marking

- Successful SaaS companies +/-2 years from IPO spend 23% of revenue on R&D (review of 73 publicly traded companies).
- Investment continues as companies scale, maintain, upgrade technology and enhance products.
- Technology companies need to invest to continue delighting customers, maintain ARPU and remain competitive in a constantly changing world.
- EROAD's R&D investment of between 18 - 22% of revenue is modest based on our three markets and high growth category.

Name	Revenue IPO year (\$M)	Revenue prior to IPO (\$M)	Revenue 2 years prior (\$M)	R&D IPO year	R&D prior to IPO	R&D 2 years prior	Growth in IPO year
Dropbox	\$1,106,800	\$844,800	\$603,800	34%	34%	33%	31%
Atlassian	\$319,521	\$215,109	\$148,512	44%	37%	39%	49%
Mulesoft	\$187,747	\$110,252	\$57,617	18%	22%	30%	70%
WorkDay	\$134,427	\$68,055	\$25,245	46%	58%	119%	98%
HubSpot	\$115,876	\$77,634	\$51,604	22%	19%	21%	49%
Salesforce.com	\$96,023	\$50,991	\$22,409	7%	9%	24%	88%
ServiceNow	\$92,641	\$43,329	\$19,315	8%	17%	13%	114%
Shopify	\$37,348	\$17,810	--	20%	32%	--	99%

25% average

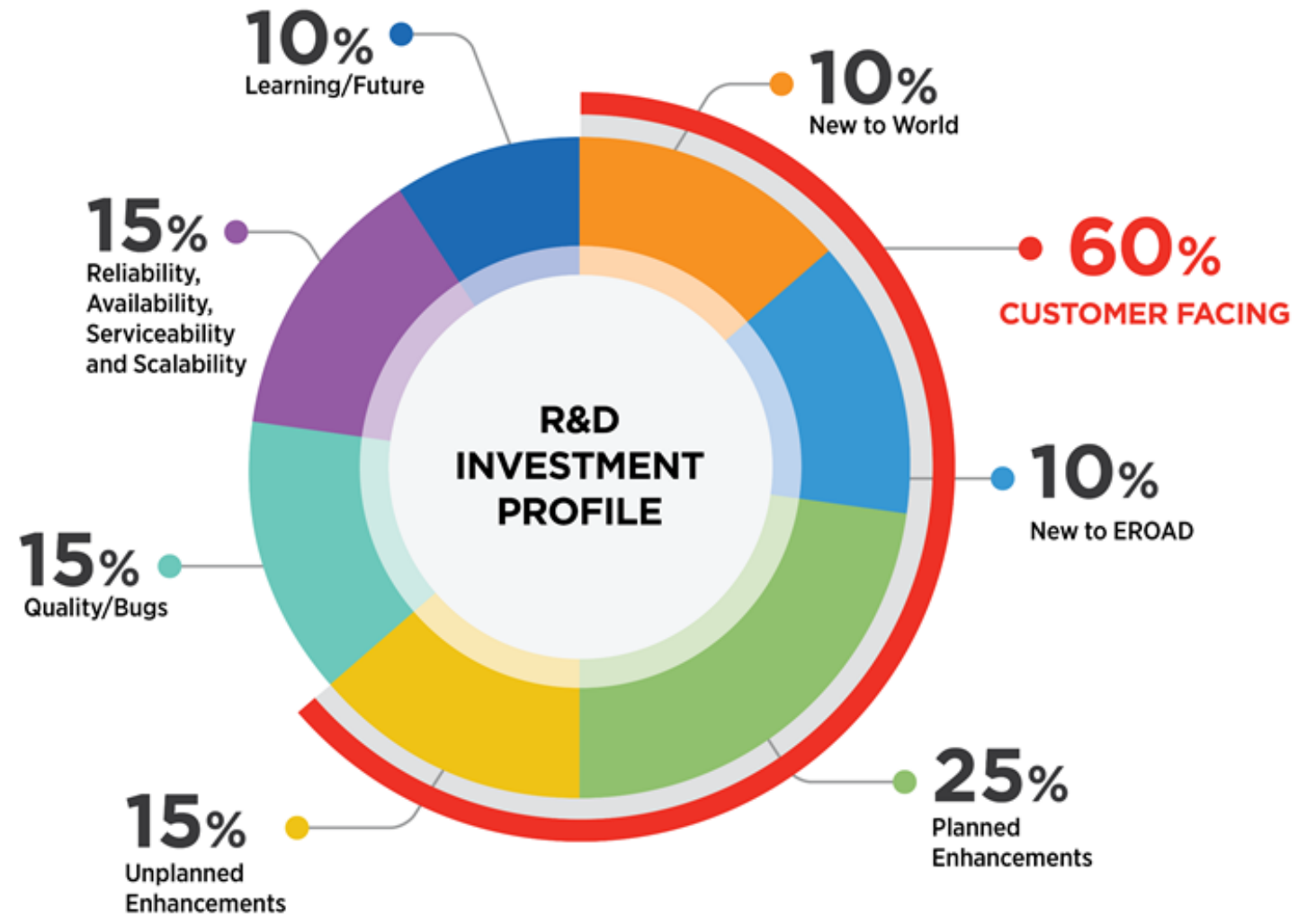
How we win

- We are known for our high quality and easy to use solutions.
- We work alongside our customers to understand their needs, developing solutions to their problems.
- We have a strong team working collaboratively on customer problems to achieve our goal of 250,000+
- We focus on speed to value for our customers – and make build, partner or buy decisions appropriately.
- Where possible we leverage existing technology and innovation from partners.



R&D Investment profile

- 18% - 22% investment in R&D
- We spend 60% on customer facing products and services



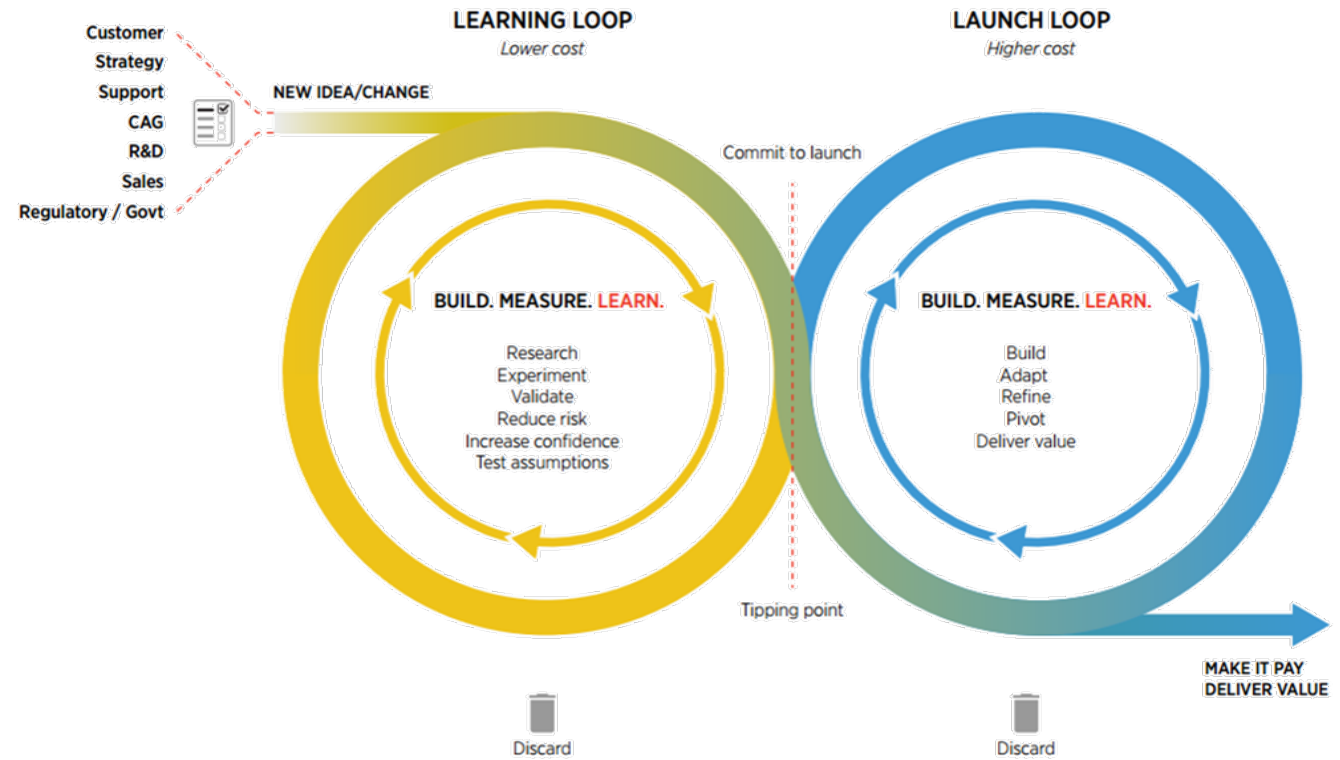
EROAD pioneered regulatory telematics.

This is why we are the experts in Easy Compliance, Improved Safety & Easy Fleet Management

CUSTOMER NEEDS	REGULATORY COMPLIANCE	FLEET MANAGEMENT	DRIVER MANAGEMENT	ROAD SAFETY
Customer Obsessed <i>Our solutions help run a safer business</i>	After-sales customer support	94.4% Asset Retention Rate*	Services that reward self-improvement (e.g. Leaderboard)	Reduce violations by >50%
One Source <i>One platform delivering intuitive, multiple services</i>	RUC, WMT, FTC, FBT, ELD, IFTA	We have around 28 product features to build up the broad value proposition.		Reduce emissions, improve infrastructure
Reliable <i>Reliable accuracy – EROAD 1st to receive independent verification (ELD, NA)</i>	Regulatory authorities accept reports generated through EROAD systems. Auditing takes less time	As the customer problems, regulation and technology evolves we are continually evaluating our portfolio mix.		Data that informs better decisions
Easy to use <i>“Better than the 30 other devices we tried”</i>	Viewable anytime, on any device	Icons, widgets and colour coding make it easy to understand	Really easy to understand at a time when you can take action	Designed for tough environments. Easy to use wearing gloves.

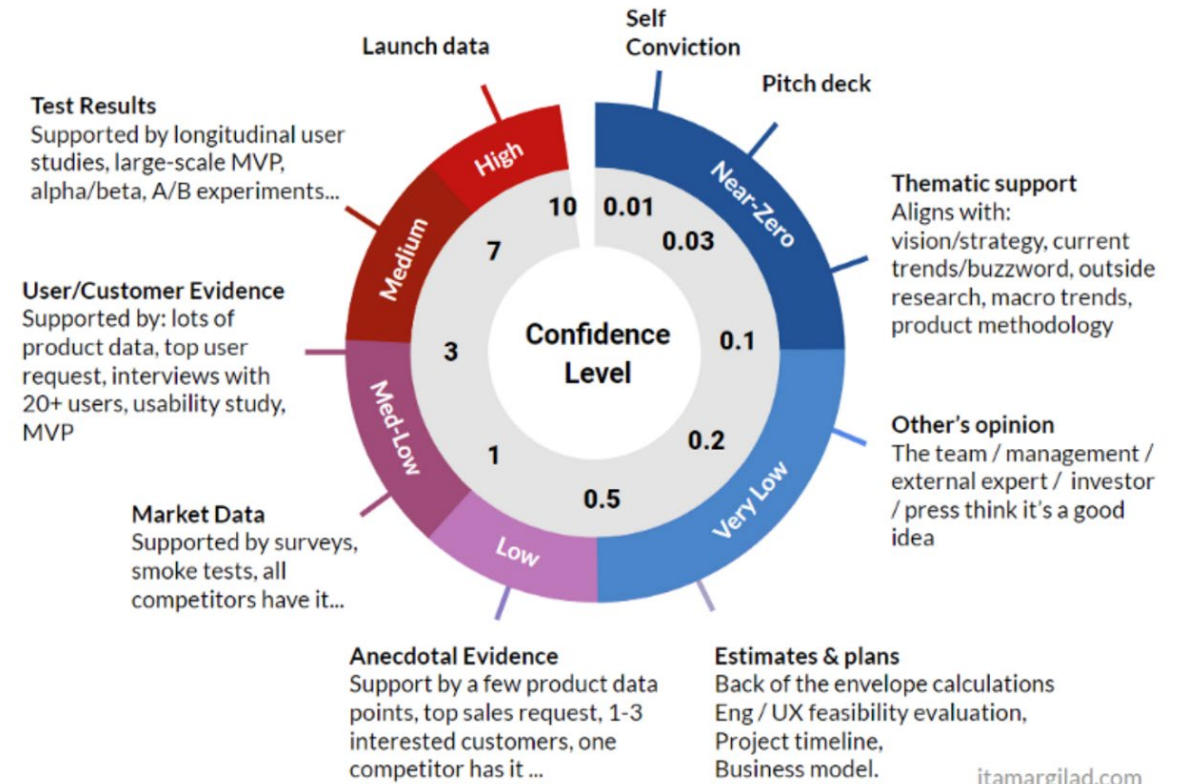
Ideas and strategic portfolio management

- We work with our customers focusing on their requirements, pains and gains.
- We are continually enhancing the value propositions we have today and adding disruptive innovation to the portfolio.
- Business cases are used to take ideas with the highest impact to explore / learn and then again to enter a build phase based on that learning.
- Buy, build, partner evaluation and decisions are made as part of the strategic portfolio management and business case.
- We focus on ideas from multiple inputs, funnelling these through a process of rapid learning, discarding most and following through on high impact ideas.
- We are continually learning and adapting to ensure the high impact ideas pay and deliver value.



How we select winning ideas

- Through an Integrated Business Planning process, we align goals to our next milestone of 250,000+.
- We practice **GIST** (Goals, Ideas, Step projects, Tasks) planning.
- We work as an integrated team (customers, sales, product managers, R&D etc) drawing ideas to deliver against our **goals**.
- **Ideas** are filtered and rated using ICE (Impact, Confidence, Ease) scoring.
- The highest rating **step projects** are then approved to go into learning, the best ideas make it into build, and **tasks** get created.



(Source: [Itamar Gilad](http://itamargilad.com))

Key questions when investigating new ideas

Value risk:

Will the customer buy this?

Usability risk:

Can the user figure out how to use it?

Feasibility risk:

Can we build it?

Business viability risk:

Does this solution work for our business?



Our structure

- Engaged team of around 85 people in the product, design and engineering team, all focused on customer problems.
- We are a diverse team, working in trusted collaboration. We have strong backgrounds coming from Atlassian, Amazon, BMW, Bosch and others.
- The people are in self contained teams focused on a value proposition for our customer – i.e. Tax, ELD etc. Each team includes relevant roles i.e. product managers, UX design, software engineers and quality assurance.
- We have a strong leadership team that supports our people to grow and succeed.

Team / Leader	Tax	ELD	Fatigue ANZ	Driver safety	Service and maintenance	Fleet Management	Core Services	In-vehicle hardware
VP Product	Product Manager	Product Manager	Product Manager	Product Manager	Product Manager	Product Manager	Product Manager	Product Manager
UX Director	UX Designer	UX Designer	UX Designer	UX Designer	UX Designer	UX Designer	UX Designer	UX Designer
Software Development Managers	Technical Lead	Technical Lead	Technical Lead	Technical Lead	Technical Lead	Technical Lead	Technical Lead	Technical Lead
	Software Engineers	Software Engineers	Software Engineers	Software Engineers	Software Engineers	Software Engineers	Software Engineers	Software Engineers
QA Leaders	Quality Assurance	Quality Assurance	Quality Assurance	Quality Assurance	Quality Assurance	Quality Assurance	Quality Assurance	Quality Assurance
Teams supported with architects, site reliability engineers and level 3 customer support								
Solutions Architects								
Site Reliability Engineers								
Level 3 Customer Support								

Winning through learning and adapting



Teams work in two week sprints on goals aligned to our next milestone of 250,000+ subscribers



Friday, at the end of the sprint, teams demonstrate and celebrate success against goals to the wider organization.



Friday afternoon is dedicated to innovation time where hackathon ideas are progressed, tooling improvements are made and new technology is experimented with.



We experiment aggressively, analyze customer feedback and monitor their interactions with the product. Feedback loops are included to ensure we adapt and evolve from rapid feedback.



“

Leaderboard gives us all the names of the drivers and how they perform through the week.

I keep a record of it so I can see how I perform and how other drivers perform – because I’m involved with their health and safety.

It’s all about driving safely and getting home safely. That’s why you should have EROAD.

***Machinery Movers,
New Zealand***

R&D Summary

Continued investment in R&D critical to delivering reliability, scalability, quality and growth

- High growth through regulatory change and customer innovation expectations as they go on a maturity journey
- Continue to invest between 18 - 22% of revenue in R&D
- There is a robust process to ensure high impact ideas we build confidence in are selected through the funnel
- Highly engaged and diverse team working on solving customer problems leveraging innovation off the shelf
- Culture of learning and adapting to ensure we stay relevant
- Continue to work incredibly closely with our customers to help them solve tomorrow's problems





EROAD



Accelerating smoothly

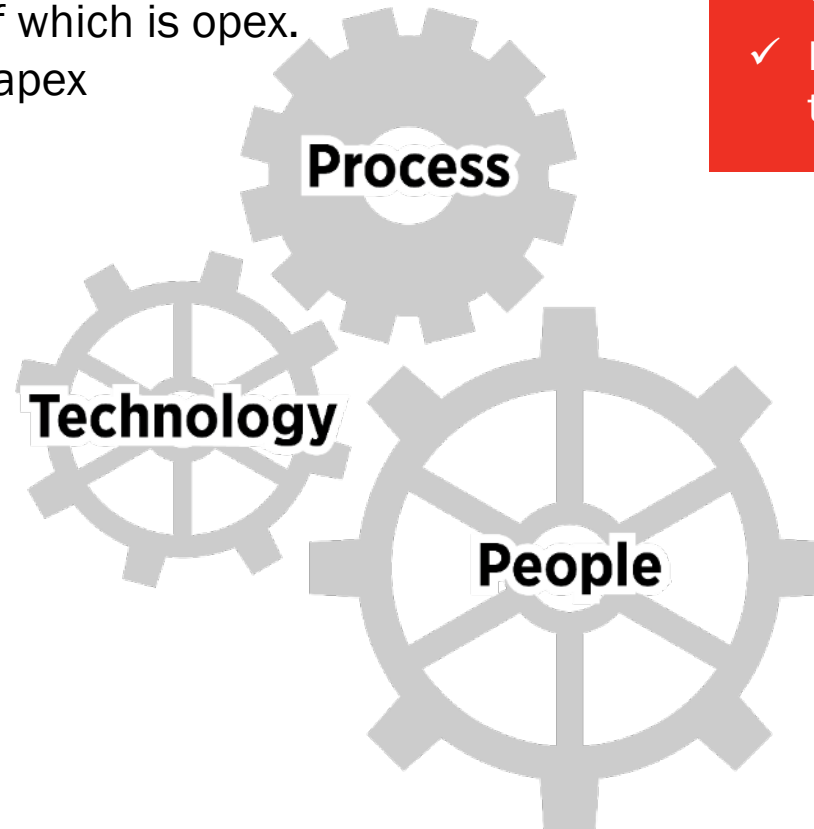
Alex Ball
Chief Financial Officer

Scaling the business

Spend on scaling the business

- FY20: approx. \$5-6m 20% of which is opex.
- FY19: \$1.0m opex, \$1.4m capex

- ✓ Transformational change in key business systems
- ✓ Automating key processes



- ✓ Integrated Business Planning
- ✓ Simplifying, standardizing, automating
- ✓ Customer Success Process
- ✓ Investment in key capabilities to keep pace with growth

- ✓ Executive team build
- ✓ Investment in people
- ✓ Capability in key teams
- ✓ Talent management
- ✓ Change management

Scaling the business – operating leverage

- Operating leverage will be significant from FY21 onwards
- This will be in form of:
 - Reduced costs from simplification, standardization and automation of manually intensive processes around:
 - Customer onboarding
 - Switching activity
 - Billing and collections
 - Avoided incremental costs as EROAD grows its customer base further
- This may not all translate directly into increased EBITDA as we will continue to invest for growth where it maximises shareholder value

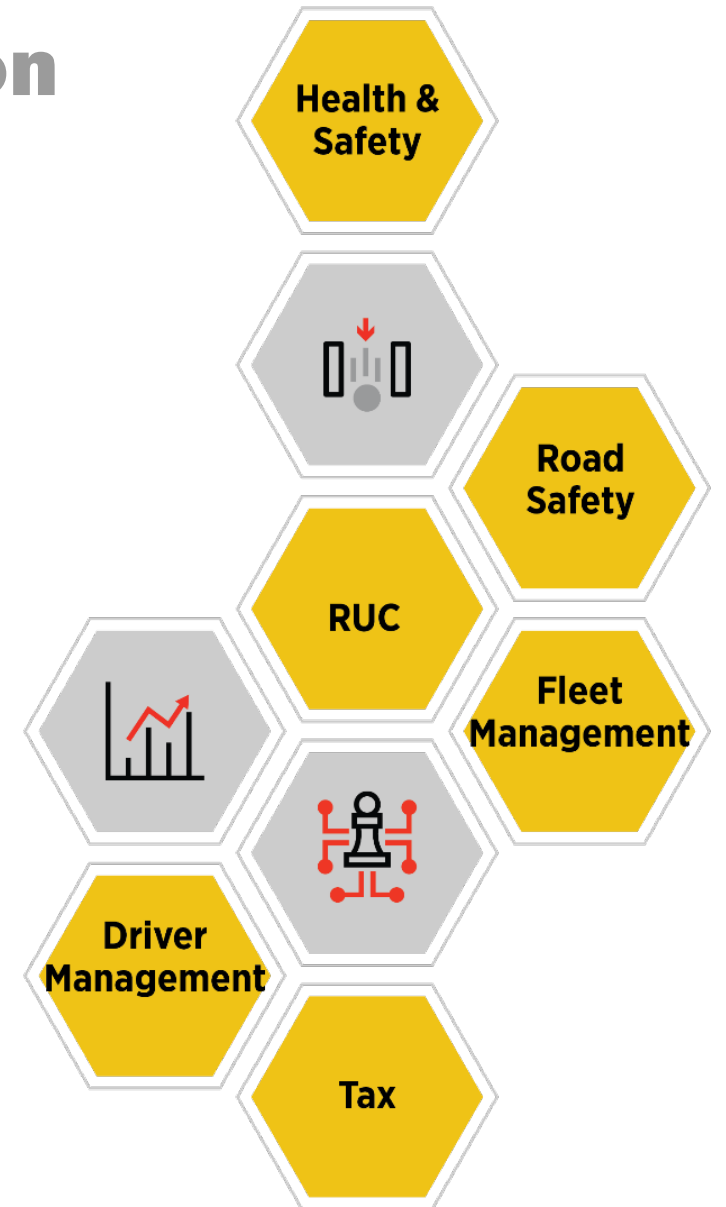
Growth through programmatic acquisition

EROAD chooses to grow

- Our growth will not solely be organic
- Inorganic opportunities will increasingly present themselves in a consolidating industry
- We need to successfully and repeatedly evaluate, execute and integrate acquisitions that fill gaps around product, subscribers and capacity

Building acquisition capability

- Developing the capability to successfully and repeatedly evaluate, execute and integrate acquisitions is necessary
- Will undertake this capability build in FY20 so we are ready to execute late FY20 or FY21 as the right opportunities are identified
- Will build a capability gap analysis, set guiding principles and refine our investment filter to identify the right opportunities
- This will include accessing external resource as necessary together with upskilling internal resource



Fueling the business

- We will review our capital structure
 - Reviewing the needs of the business over a 5-year time horizon
 - Modelling baseline and associated upside and downside scenarios for differing growth trajectories
 - With that context, we will determine a long-term sustainable capital structure for EROAD
 - From there we will draw up a transition plan to move from the current funding sources to long term structure, including the role for equity and debt financing of both organic and inorganic growth
- Where we still see that there is a better opportunity to grow shareholder value, we will invest for growth as opposed to commence dividend payments
- EROAD's current debt financing is a combination of CCAF and Term debt:
 - provides upfront funding based on a % of new sales contracted value added
 - funding upfront for hardware, installation and CAC.
 - Monthly repayment/amortisation profile aligned with the term of the customer contract
 - At each refinance date amounts drawn on CCAF facilities are converted to term debt
 - Term debt has quarterly repayment profile, on 33-month repayment/amortisation profile

Monitoring Performance: Key Metrics

- We have seven key metrics the company and the market can measure our performance by as at 31 March 2019
- We also use measures of overall lifetime value when considering the impact of new customer deals and the value of new business added in each of our markets

LEADING GROWTH INDICATOR

AMRR*
\$66.5m

FCI*
\$117.4m

R&D*
22%

ENTERPRISE VALUE FROM EXISTING CUSTOMER BASE

Monthly SAAS ARPU*
\$55.10

ARR*
94.4%

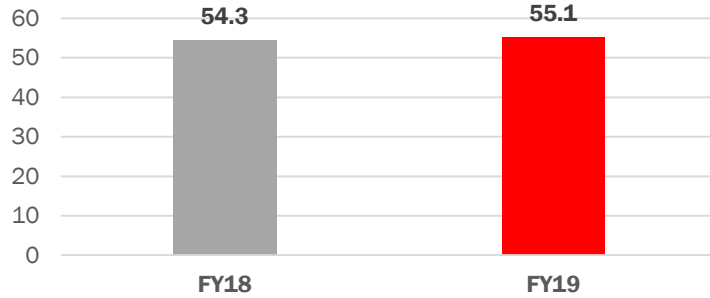
PROFITABILITY

CAC*
22%

CTS*
4.6%

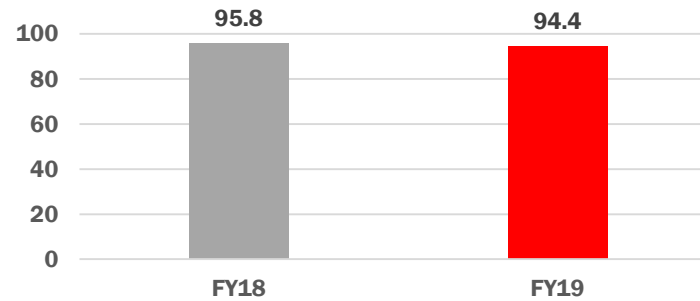
Monitoring Performance: Metric trend

Monthly SAAS* ARPU (\$)



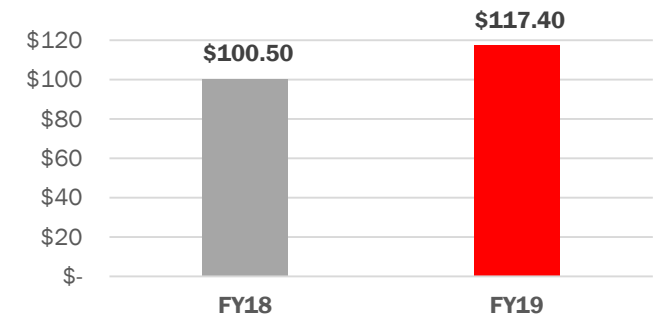
ARPU increased year on year and we are working to increase this further even as we grow

ARR* (%)



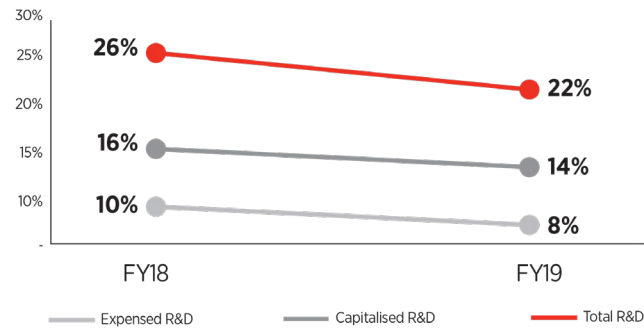
As ARR is also very important we look to maintain this very high level through renewal programmes in key markets

FCI* (\$000,000)



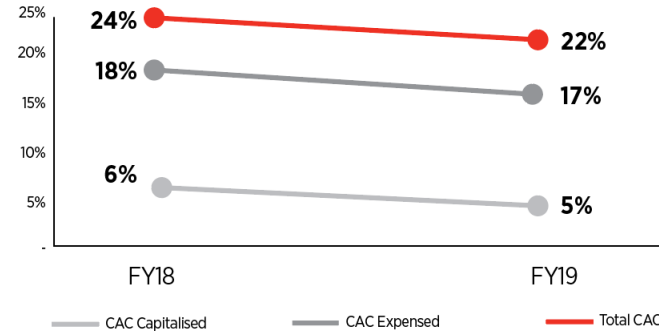
FCI will increase as we grow in FY20 as will AMRR (baseline figure included as at 31 March 2019)

R&D* as % of Revenue



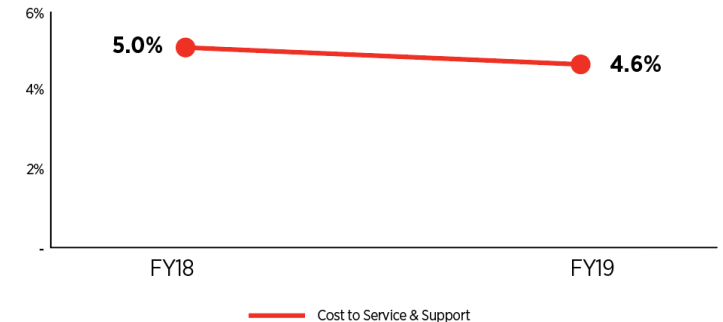
R&D%* will stabilise in 18-22% range

CAC* as % of Revenue



CAC* will remain at similar levels due to AU market entry but decrease over time

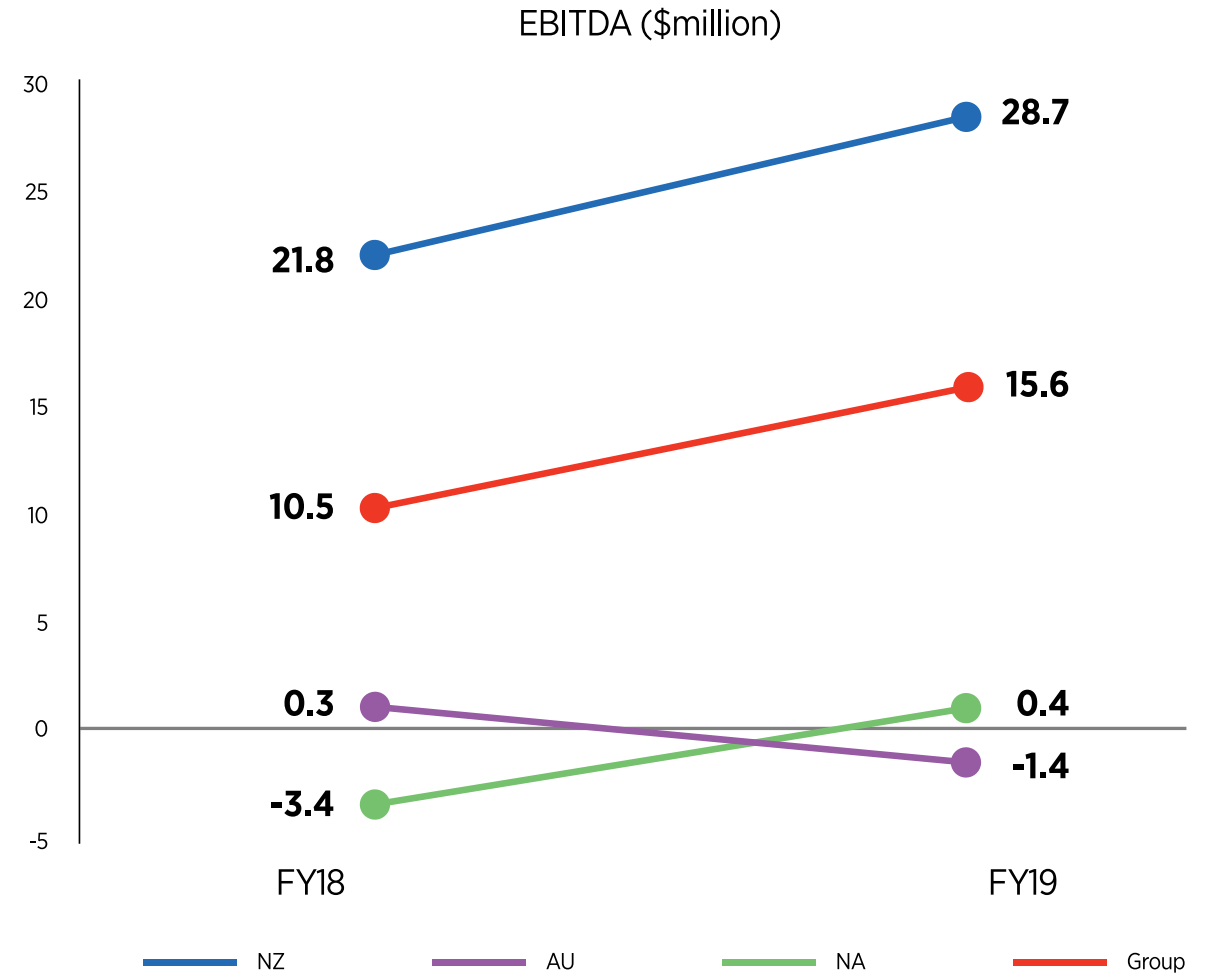
CTS* as % of Revenue



CTS will improve over time as scale and leverage increases

Path to growth

- EBIT from developed markets continues to increase rapidly
 - North America is now a developed market, contributing strongly to EBITDA in FY20 and reaching positive EBIT by the end of FY20
 - Australia expected to deliver positive EBITDA in the next 3-4 years, at lower sales levels than was required for North America reflecting its lower cost to serve
- Investment in scaling the business will deliver further operating leverage from FY21 onwards at the EBITDA level
- While we continue to see strong growth opportunities we will invest in these, including through R&D (18-22%) to maximise long-term shareholder value
- Organic growth achievable through existing cashflow and funding channels
- Look to acquire complimentary businesses. All medium and large acquisitions will be equity funded





“

Before we adopted EROAD, we prepared quarterly returns manually, and it could take two weeks to get all of the information and to recreate each trip. With EROAD it takes ten minutes.

Hat Creek Construction & Materials, USA



EROAD

Wrap up Q&A



Steven Newman

Key Takeaways



We have a unique customer value proposition that **wins, retains** and **grows** ARPU per customer



We have an **energised** and **capable** team of EROADers



We will continue to **invest** in R&D critical to delivering reliability, scalability, quality and growth



We will capitalise on a large and **growing pipeline** of organic and acquisition opportunities



We are choosing to **grow** – our next milestone is **250,000+** units



EROAD

Strong governance supporting growth aspirations












**Graham Stuart
Chair**

Board of Directors

- Committed to maintaining the highest standards of conduct and accountability
- The Board is focussed on **performance, compliance** and seeing the **big picture**
- Moving to six scheduled meetings annually, each with a deep dive into key areas of the business
- Board renewal underway
 - Gregg Dal Ponte resigned effective April 2019
 - External review undertaken by Caldwell Partners earlier this year
 - Susan Paterson appointed April 2019
 - Global search underway for North American focussed director. Appointment expected by December 2019
 - Another search anticipated in first half of 2020
- LTI scheme in place focused on our 250,000+ growth target

Governance expertise

	CEO/Exec Leadership	Finance/Risk	Technology (SaaS/Software)	Customer/Marketing	M&A	International	Industry	Listed	Innovation/Growth
Current Board									
Future Director 1			Yes	Yes		Yes (US)			Yes
Future Director 2		Yes			Yes	Yes (AU)		Yes	

Source: Caldwell Partners report, March 2019

Creating Shareholder Value



Safer and more productive roads



ESTABLISHING THE PLATFORM

- Recognised pioneer in regulatory telematics
- Unique and compelling product, driving growth and retention of customer base
- Product enhancements delivering further retention and increased ARPU
- Market leader in New Zealand, emerging in North America and launching in Australia



SCALING FOR GROWTH

- Strengthened leadership team and deepened capabilities in key areas
- Invested to strengthen systems capability to support growth aspirations
- Continued high level of innovation and investment in R&D



CHOOSING TO GROW

- Achieved critical milestone of 100,000 subscribers, now aiming for 250,000+
- Existing cashflow and debt facilities to fund organic growth
- Seeking opportunities to acquire complementary businesses
- Poised to become a global leader in vehicle telematics



Energised and capable team of EROADers



What's on the Board's agenda?

PERFORMANCE

Measuring the right things, not just financial metrics

- Delivery against plan
- Lead indicators on customer satisfaction and retention
- Quality of revenue and ARPU
- Investment in R&D
- Staff engagement and retention

COMPLIANCE

Setting the tone from the top

- Promoting an open and engaged culture, acting ethically and responsibly
- Sound risk taking culture and effective risk management
- Conscious of cyber security threats and protecting our customers' privacy

FOCUSED ON THE BIG PICTURE

Staying ahead of the business and anticipating pinch points

- Maintaining an up to date industry awareness
- Making the business model scalable
- Investing wisely in R&D
- Ensuring access to capital at the right cost
- Board renewal

Appendix





STEVEN NEWMAN

CEO / Director

Steven has led and inspired the organisation since 2007. Previously Steven co-founded Navman where his COO and CEO roles provided the opportunity for him to establish Navman as a leading international brand within the Marine Electronics, Fleet Tracking, Precision GPS Modules and Consumer Car Navigation sectors.



GENEVIEVE TEARLE

Chief Marketing Officer

Genevieve joined EROAD in October 2018 and is responsible for developing capabilities in marketing strategy, demand generation, and product marketing management. She has previously held key marketing roles in global corporates like Philips and Fisher & Paykel, working across Europe, Asia, and Americas in both B2C and B2B environments.



TONY WARWOOD

General Manager
Australia & New Zealand

Tony leads our ANZ business, delivering great customer service and business growth both sides of the Tasman. He joined EROAD with our first customers back in 2009, having previously worked in the heavy transport industry.



NORM ELLIS

President North America

Norm joined EROAD in 2017 to lead our North American business. He was previously COO at ID Systems, Inc., a producer of wireless asset management systems for the transport sector. Prior to that he led sales, services and marketing for Omnitrac in the US and Canada for nearly 17 years.



JARRED CLAYTON

Chief Technology Officer

Jarred leads product, design and engineering at EROAD and is responsible for ensuring that our technology strategy is future-focused and solves customer problems. He has held several leadership roles since joining EROAD back in 2008, bringing extensive leadership experience gained in product and consulting companies in the UK, America and Australia.



ALEX BALL

Chief Financial Officer

Alex joined EROAD in January 2019 and is responsible for delivering a competitive business that delivers shareholder value. His previous roles include CFO at some of NZ's largest companies including Transpower, TelstraClear and Vector as well as working for a leading accountancy firm here and overseas.



MARK HEINE
EVP General Counsel
and Company Secretary

As General Counsel and Company Secretary, Mark works with the team on all aspects of company and product legal compliance and data privacy. Mark joined EROAD in 2015 after a legal career working at Bell Gully in Auckland and Allens in Sydney.



MIKE SWEET
Chief People Officer

Mike joined EROAD in January 2019 to lead people and culture development. His global HR work experience includes NZ, Australia, the UK and the USA. His strong affinity for software and technology sees him providing strategic HR advice to some of NZ's leading tech growth companies. Mike's most recent role was General Manager HR at Spark.



MATT DALTON
EVP Operations

Matt joined EROAD in March 2019 to focus on delivering cohesive operational procedures across EROAD's global markets for both supply chain and business systems. Matt was previously at Yellow New Zealand.



SARAH THOMPSON
Vice President of Product

Sarah joined EROAD in March 2019 to oversee our product research and development. She brings a wealth of experience to this global role that includes creating and executing product strategy across a range software companies, delivering to health and large insurance organisations globally. Sarah joined from a similar role at Orion Health.



SUE-ELLEN CRAIG
Director of Communications

Sue-ellen joined EROAD in January 2019. Her global PR experience was gained on premium brands like Samsung, Apple and FBL Ltd, and she has led the strategic communications for NZ's leading regulatory and legal issues. Sue-ellen was previously at SweenyVesty.



SEAN CHURCH
Senior Vice President Finance

Sean was acting CFO during 2018 and leads our group financial planning. He has held senior finance roles within NZ and the UK, after his early career at KPMG. Sean joined EROAD in 2015 and has held responsibilities for financial control, managing our North American finance function and group financial planning.



GRAHAM STUART

Chairman

Graham joined the EROAD Board in January 2018 and was appointed Chairman in August of the same year. He was previously CEO of Sealord Group, CFO then Director of Strategy & Growth at Fonterra and has had extensive business experience in South East Asia, Europe, the UK and Latin America.

Member of Remuneration, Talent and Nomination Committee.



MICHAEL BUSHBY

Independent Director

Michael stepped down as Chairman in August 2018, having led the Board since 2012. Michael is based in Australia where he is a consultant at WSP Australia and previously held roles as General Manager of the Ventia Asset and Infrastructure Services division and CEO at the Roads and Traffic Authority in New South Wales.

Member of Remuneration, Talent and Nomination Committee and Finance, Risk and Audit Committee.



TONY GIBSON

Independent Director,

Tony is the Chief Executive of Ports of Auckland and one of New Zealand's most experienced transport professionals. He has worked in various senior management roles in Africa, Asia and Europe. In 2008 the Minister of Transport appointed him to the Road User Review Group. Tony joined the Board in October 2009.

Chairman of the Remuneration, Talent and Nomination Committee and Member of Finance, Risk and Audit Committee.



CANDACE KINSER

Independent Director

Candace is an experienced director, CEO and Tech entrepreneur. She was previously the CEO of the NZ Technology Industry Association and the CEO of science software company Biomatters. She is a Director of companies including Talent International, Livestock Improvement Corporation, WEL Network Limited and Ultrafast Fibre Limited. Candace joined the Board in April 2014.

Member of Remuneration, Talent and Nomination Committee and Finance, Risk and Audit Committee.



SUSAN PATERSON

Independent Director

Susan joined the Board in March 2019. She is an appointed Officer of New Zealand Order of Merit (services to governance) and currently chairs Steel and Tube Holdings and IT consultancy Theta Systems. She is a director of the boards of the Electricity Authority, Arvida Group, Goodman New Zealand, Les Mills Holdings and Sky Network Television.

Chair of the Finance, Risk and Audit Committee, Member of Remuneration, Talent and Nomination Committee.



STEVEN NEWMAN

Executive Director / CEO

Steven has been EROAD's chief executive and a member of the EROAD Board since 2007. He co-founded Navman where his COO and CEO roles provided the opportunity for him to establish Navman as a leading international brand delivering annual sales in excess of NZ \$500m.

EROAD pioneered regulatory telematics to solve problems for our customers

REGULATORY COMPLIANCE

Daily Fleet Activity

Complete record of daily vehicle activity that helps you meet agreed customer service levels.

Geofence Site Activity

Monitor time and activities at customer sites, helps improve your service levels. Supports billing and detention time concerns.

Fuel Management

Reduce fuel costs though improving your fuel efficiency across your vehicle fleet.

EROAD Share

Share vehicle and fleet information securely and easily with customers and businesses in your supply chain.

Idle Report

Improve fuel economy and reduce engine wear and tear by monitoring and reducing unnecessary idle time.

Trip Investigator

See exactly where your vehicles have traveled the previous day or week to ensure service levels, identify wasted miles and optimize routes.

U Book-It

Fleet booking system accessible from any device with real time visibility and utilization tools.

FLEET VEHICLE HEALTH

Service Record History

Record and access service records with supplier, service details, costs, invoice details and unplanned repair work. Maintain a complete service history archive for all

Outsourced Repair Service Access

Give maintenance services suppliers access to select vehicle service reports to save time and costs.

Service Scheduling and Alerts

Set up schedules for PMs and other routine services by service type, vehicle type and elapsed miles, days or hours. Pull reports and get notifications for servicing

FLEET MANAGEMENT

Daily Driver Activity

Review daily activity by driver to monitor productivity, site visits, out of route miles, and stop times.

Driver Certifications

Maintain driver certifications and licenses. Search drivers by certifications. Get alerts on upcoming renewals.

Leaderboard

Stack rank your team based on safe driving behavior. Benchmark performance against tens of thousands of other drivers.

Driver Insight

Detailed reports on individual driving behaviors, safety incidents and trends for objective data-driven coaching.

Speed Monitoring

Use posted speed limits, speed thresholds and speed zones to monitor and correct drivers' speeds and reduce risk, violations and fuel use.

Safety Event Monitoring

See harsh braking and acceleration events with trends by location and driver to help you better understand safety risks

DRIVER MANAGEMENT

AUTORUC (NZ)

Pay securely through our bank-grade system 24/7, with license sent electronically directly to the vehicle. No paper work, reduced risk of penalties, purchase amounts as you need them.

Off-Road Claims (NZ)

Automatically generate off-road reports sending them to NZTA in a few simple clicks to claim your RUCOR refunds.

IFTA Fuel Trip Records (US)

Captures distance and exempt trip details per vehicle per month as well as fuel fills entered or imported. IFTA Fleet Summary provides summaries by jurisdiction and vehicle (monthly, quarterly, and yearly) for audit purposes. Data retained and stored for at least four years.

IFTA Easy File (US)

Generate a file that can be used as your IFTA return with a click of a button in jurisdictions where available.

Electronic IRP (US)

Automatically generate the required trip data including miles driven, jurisdiction, and state line crossings to support IRP registrations.

Electronic Oregon WMT (US)

Automatically generate and submit required trip data including distance, location, weight/ axle configuration, and state line crossings to meet WMT filing requirements.

Electronic Oregon RUAF (US)

Automatically generate the required trip data including miles driven, jurisdiction, and state line crossings, routing and weight/axle configuration. Submit and pay your monthly RUAF directly to ODOT with the click of a button

Fringe Benefit Tax (AU)

Our ATO approved solution is really easy to use, giving you time to spend elsewhere.

ROAD SAFETY

Easy-to-use ELD (US)

Industry leading HOS e-logs certified by FMCSA and PIT Group (3rd party). Highly accurate data with consistent performance.

Electronic LogBook (NZ)

NZTA approved logbook that alerts drivers to prevent violations. Secure, accurate records make roadside inspections easy.

Chain of Responsibility (AU)

One platform to rule them all, delivering accurate reports in just a few simple clicks.

Speed Monitoring

Use posted speed limits, speed thresholds and speed zones to monitor and correct drivers' speeds and reduce risk, violations and fuel use.

Safety Event Monitoring

See harsh braking and acceleration events with trends by location and driver to help you better understand safety risks

Integrated DVIR workflow

Report defects and certify repairs as part of drivers' HOS logging. Dashboard for managing defects. Three-signature verification.

Our Insights and Analytics

EROAD has been chosen as the sole heavy vehicle technology provider by transport authorities across the USA as they research and investigate appropriate funding options for future transport networks.

Glossary

Automatic On Board Recording Device (AOBRD)

AOBRDs are electronic devices that can be used to automatically record drivers' hours of service.

Depot

EROAD's web-based platform that allows customers to manage (and pay) their RUC, WMT and fleet management services.

Electronic Logging Device (ELD)

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

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.

Driver Vehicle Inspection Report (DVIR)

A report created by a driver identifying defects and safety risks to a commercial vehicle.

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 WMT); or 4.5 tonnes in Australia.

International Fuel Tax Agreement (IFTA)

A cooperative agreement between all states (excluding Alaska and Hawaii) of the United States, and the Canadian provinces, designed to make it simpler for inter-jurisdictional carriers to report and pay fuel excise taxes, requiring only one fuel licence to operate across multiple jurisdictions.

International Registration Plan (IRP)

An agreement between all states (excluding Alaska, Hawaii and Washington D.C.) of the United States, and the Canadian provinces, for the registration of inter-jurisdictional vehicles. Registration fees are paid to a fleet's base jurisdiction, which then distributes them to other jurisdictions based on the miles travelled in each member jurisdiction.

Units on Depot

The number of EROAD devices installed in vehicles and subject to a service contract with a customer.

Units Pending Installation

The number of EROAD devices subject to a service contract with a customer but pending Installation.

Total Contracted Units (TCU)

Total Contracted Units represents the total Units subject to a customer contract and includes both Units on Depot and Units Pending Installation.

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. Note that this definition has changed from the previous period in order to align with the change in adoption of NZ IFRS 15 and NZ IFRS 16.

Recurring Revenue

The Software as a Service (SaaS) revenues EROAD recognises on a recurring monthly basis in accordance with the groups revenue recognition policy.

Glossary

Annualised Monthly Recurring Revenue (AMRR)

Annualised monthly recurring revenues (AMRR) represents monthly Recurring Revenue for the last month of the period (March), multiplied by 12. It provides a 12 month forward view of revenue, assuming unit numbers, pricing and foreign exchange remain unchanged during the year.

Monthly SaaS ARPU

Monthly Software as Service (SaaS) Average Revenue Per Unit is calculated by dividing the total SaaS revenue for the year divided by the total of the TCU balances at the end of each month during the year.

Costs to Acquire Customers (CAC)

Costs to Acquire Customers (CAC) are Non-GAAP measures 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.

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.

Customer Retention Rate

Asset Retention Rate excluding contraction in existing customer Total Contracted Units when customer remained with EROAD.

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.

Weight-Mile Tax (WMT)

A mileage-based tax imposed on Heavy Vehicles according to a combination of the number of axles and/or combined weight of the vehicle and the number of miles driven in Oregon, USA.

EBITDA

Is a Non-GAAP measure representing Earnings before Interest, Taxation, Depreciation and Amortisation (EBITDA).

EBITDA Margin

Is a Non-GAAP measure representing EBITDA divided by revenue.