



EROAD SHARE PURCHASE PLAN

8 FEBRUARY 2018

This is an important document. You should read the whole document before deciding whether to subscribe for Shares. If you have any doubts as to what you should do, please consult your broker, financial, investment or other professional advisor.



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This offer of Shares is made to Eligible Shareholders under the exclusion in clause 19 of Schedule 1 of the Financial Markets Conduct Act 2013. This document is not a product disclosure statement or prospectus and does not contain all of the information which may be required in order to make an informed investment decision about the offer or EROAD.

Capitalised terms used in this Share Purchase Plan (**SPP**) booklet have the specific meaning given to them in the Glossary at the back of this booklet or in the relevant section of this booklet.



Chairperson's Letter

8 February 2018

Dear EROAD shareholder,

EROAD SHARE PURCHASE PLAN

On behalf of the directors of EROAD Limited (**EROAD**), I am pleased to offer you the opportunity to acquire new Shares through this Share Purchase Plan (**SPP**), without incurring brokerage or other transaction costs.

EROAD announced on 12 December 2017 that it intended to raise new capital to support three key areas of EROAD's business: business processes, non-bank debt replacement and incremental growth. The first stage of the capital raising was an equity placement of approximately \$15.5 million of Shares to existing and new investors under which approximately 5 million new Shares were issued on 15 December 2017 at \$3.04 per Share. The second stage of the capital raising is this SPP, which enables each eligible EROAD shareholder to subscribe for up to \$15,000 of Shares at a discounted price. EROAD announced in December 2017 that it intended to raise at least \$4 million of ordinary shares through the SPP. Given the strong interest that investors have shown in the SPP and EROAD's desire to provide its loyal retail shareholder base with an opportunity to participate in the SPP, EROAD now intends to increase the size of the SPP to \$6 million of ordinary shares. The price EROAD shareholders will pay for each new Share under the SPP will not be more than the price paid by investors in the equity placement.

SHARE PURCHASE PLAN

The SPP is available to all EROAD shareholders whose address recorded in EROAD's share register is in New Zealand, or who EROAD is satisfied can otherwise participate in the SPP in compliance with all applicable laws, on equal terms. Each Eligible Shareholder (big or small) has the right to acquire the same dollar amount of new Shares under the SPP.

The SPP gives you the opportunity to invest up to \$15,000 in new EROAD Shares. The minimum application amount is \$1,000. If we receive applications for Shares in excess of approximately \$6 million, your application will be scaled in proportion to your shareholding at 5.00pm on the Record Date (or otherwise at EROAD's discretion) and you will receive less than the amount you applied for. The price per Share will be the **lower** of:

- a 4.7% discount to the average end of day market price of EROAD Shares on the NZX Main Board over the 5 day trading period from 21 February to 27 February 2018 (being the approximate percentage discount received by investors in the equity placement); and



- \$3.04 per Share (being the price paid by investors in the equity placement).

If you do not participate in the SPP, your shareholding in EROAD will be diluted. By way of example, a Shareholder owning 5% of the issued Shares before the SPP who does not participate in the SPP will own approximately 4.9% of the issued Shares after the SPP (assuming the SPP is fully subscribed and the Shares are issued at \$3.04 per Share). The SPP is not a pro rata offer. This means that even if you participate in the SPP, your shareholding percentage in EROAD will likely change. Whether your shareholding percentage increases or decreases will depend on how many Shares you apply for, how many Shares you hold on the Record Date and how many Shares other Eligible Shareholders apply for and are allocated under the SPP.

The SPP is fully underwritten by First NZ Capital Securities Limited. The board of EROAD recommends this offer to you. Further details about the SPP are included in this document.

The SPP is scheduled to close at 5.00pm on 27 February 2018.

To apply for your new EROAD Shares, you should complete your application online at www.shareoffer.co.nz/eroad or return the enclosed Application Form with a cheque or direct credit for the application monies in plenty of time to be received by 27 February 2018. Instructions on how to apply are set out on the Application Form that accompanies the SPP booklet.

Thank you for your support in advance.

Yours sincerely

A handwritten signature in black ink, appearing to read 'MBB' followed by a long horizontal flourish.

Michael Bushby,
Chairperson

Highlights

Equal participation	Each Eligible Shareholder, big or small, has the same right to apply for the same dollar amount of Shares.
Application amount	You can apply for a minimum of \$1,000 and up to \$15,000 of Shares.
Discounted pricing	Shares will be priced at a discount to the average market price on the NZX Main Board over the 5 trading day period from 21 February to 27 February 2018 inclusive or, if lower, at \$3.04 per Share.
When to apply	Applications must be received by 5.00pm on the Closing Date (27 February 2018, unless extended).
How to apply	Applications can be made online at www.shareoffer.co.nz/eroad Alternatively, complete and return your personalised Application Form accompanying this booklet in accordance with its instructions.
Receiving your Shares	You will receive your Shares on the Allotment Date (6 March 2018, unless extended).

NO INVESTMENT ADVICE

The information contained in this SPP booklet and Application Form does not take into account the investment objectives, financial situation, tax position or particular needs of individuals. If you are in doubt as to the course of action you should follow, you should consult your broker, financial, investment or other professional advisor before participating in the SPP.

Key Dates

DATE	EVENT	
7 February 2018	Record Date	The date on which Eligible Shareholders are determined.
8 February 2018	Opening Date	The Share Purchase Plan opens.
27 February 2018	Closing Date	The Share Purchase Plan closes. Application Forms and payment must be received by 5.00pm.
27 February 2018	Issue Price fixed	After market close, the Issue Price is fixed and announced upon market open on the following trading day.
6 March 2018	Allotment Date	Shares are allotted. Trading of the Shares is expected to commence on the NZX Main Board.
No later than 13 March 2018	Allotment statements mailed	Allotment statements are despatched to participating shareholders within 5 business days of the Allotment Date.

** Subject to the Listing Rules, EROAD reserves the right to alter the key dates.*

PRICE MOVEMENTS

The market price of Shares may rise or fall between the date of this offer, the date on which the Issue Price is fixed and the date when Shares are allotted to you. As a result, the Issue Price you pay for the Shares allotted to you pursuant to the SPP may be either higher or lower than the price of the Shares trading on the NZX Main Board on the date when those Shares are allotted to you.

FOREIGN JURISDICTIONS

The SPP is only available to shareholders of EROAD at 5.00pm on the Record Date with an address recorded in EROAD's share register in New Zealand or who EROAD is satisfied can otherwise participate in the SPP in compliance with all applicable laws.



Questions and Answers

1. WHAT IS THE SHARE PURCHASE PLAN (SPP)?

The SPP allows Eligible Shareholders to purchase additional Shares in EROAD without incurring brokerage or other transaction costs.

All Shares issued under the SPP will be of the same class as, and rank equally with, all Shares in EROAD currently on issue.

2. WHY IS EROAD OFFERING THE SPP?

EROAD announced on 12 December 2017 that it intended to raise new capital to support three key areas of EROAD's business: business processes, non-bank debt replacement and incremental growth. The first stage of the capital raising was an equity placement of approximately \$15.5 million of Shares to existing and new investors under which 5,099,247 new Shares were issued on 15 December 2017 at \$3.04 per Share.

The second stage of the capital raising is this SPP, which will raise approximately \$6 million and enables each eligible EROAD shareholder to subscribe for up to \$15,000 of Shares at a discounted price. The price EROAD shareholders will pay for each new Share under the SPP will not be more than the price paid by investors in the equity placement.

3. AM I ELIGIBLE TO PARTICIPATE?

You are eligible to participate in the SPP if you were registered as a holder of EROAD Shares at 5.00pm on 7 February 2018 (being the Record Date) and your address recorded on the share register is in New Zealand or EROAD is satisfied you can otherwise participate in the SPP in compliance with all applicable laws.

4. HOW MANY SHARES CAN I PURCHASE?

If you apply for Shares under the SPP, you will apply for a dollar amount rather than a number of Shares. Eligible Shareholders may apply for \$1,000 to \$15,000 of Shares under the SPP, in multiples of \$100. Applications which are not for one of these denominations may not be accepted by EROAD or may be rounded down to the nearest permitted denomination.

The dollar amount of Shares you receive will be less than the dollar amount you apply for if scaling is required. Please read paragraph 9 of the terms and conditions for more information.

5. WHAT IS THE ISSUE PRICE OF THE SHARES?

The price of the Shares to be issued under the SPP will be fixed after market close on 27 February 2018 as the lesser of:

- (a) a 4.7% discount to the average end of day market price of Shares on the NZX Main Board over the 5 day trading period from 21 February to 27 February 2018 (being the approximate percentage discount received by investors in the equity placement); and
- (b) \$3.04 per Share (being the price paid by investors in the equity placement).

The Issue Price will be announced to NZX upon market open on 28 February 2018.

If, subject to the Listing Rules, EROAD elects to extend the Closing Date for the SPP, the Issue Price will be calculated as the lesser of:

- (a) a 4.7% discount to the average end of day market price of Shares on the NZX Main Board over the 5 day trading period up to and including the extended Closing Date (being the approximate percentage discount received by investors in the equity placement); and
- (b) \$3.04 per Share (being the price paid by investors in the equity placement).

In this case, the Issue Price will be announced upon market open on the trading day following the extended Closing Date.

6. ARE THERE ANY CONDITIONS TO THE SPP?

No. However, if the SPP is cancelled for whatever reason, all application monies will be returned to applicants and no Shares will be allotted under the SPP. No interest will be payable on any monies returned to applicants.

7. WHAT IF I OWN SHARES THROUGH A TRUSTEE OR CUSTODIAN OR OWN SHARES IN MORE THAN ONE CAPACITY?

If you own Shares through a trustee or custodian, then, subject to certain certification requirements and other conditions, you may instruct the trustee or custodian to purchase Shares on your behalf, up to the \$15,000 limit. If you own Shares through a trustee or custodian and also own Shares in your own name, then you may either purchase Shares yourself or instruct your trustee or custodian to purchase Shares on your behalf. You may not do both.

If you receive more than one copy of this SPP booklet, or if you hold Shares in more than one capacity (e.g. because you are both a sole and joint holder of Shares), you may only purchase Shares in all capacities up to the \$15,000 limit. By applying to purchase Shares under the SPP, you certify and represent that you have not exceeded that limit.

8. IS THIS OFFER TRANSFERABLE TO ANOTHER PERSON?

No. This offer is personal to you. Participation in the SPP is entirely voluntary, but if you elect not to purchase any Shares under the SPP, you may not transfer your right to purchase Shares under the SPP to anyone else; that is, it is non-renounceable.

9. WHAT ARE THE RISKS TO INVESTING IN THE SPP?

The market price of Shares may rise or fall between the date of this offer and the date when Shares are allotted to you. As a result, the price to be paid for the Shares to be issued under the SPP may be higher or lower than the price at which Shares are trading on the NZX Main Board on the date when those Shares are allotted to you.

There is no certainty that Shares will trade at or above the Issue Price following the issue of Shares under the SPP. Therefore, you should seek your own financial advice in relation to this offer and your participation under the SPP.

Further information about EROAD, including the most recent financial statements of EROAD, can be obtained from EROAD's website: <http://www.eroad.co.nz/>. You are also recommended to monitor EROAD's market announcements through the NZX website: www.nzx.com.

10. WHAT IS THE CURRENT SHARE PRICE?

The Share price is quoted in the financial pages of most major metropolitan newspapers and on the NZX website: www.nzx.com.

11. HOW DO I APPLY FOR SHARES UNDER THE SPP?

If you wish to participate in the SPP, you can apply online at www.shareoffer.co.nz/eroad or follow the step-by-step instructions set out on the enclosed personalised Application Form. If you apply by using the enclosed personalised Application Form, send your completed Application Form with your payment by cheque made payable to "EROAD Share Purchase Plan" or direct credit, for the Shares you wish to apply for to the Share Registrar, as set out in the instructions on the Application Form. If the exact amount of money is not tendered, EROAD reserves the right not to

accept all or part of your payment. In those circumstances, EROAD will return your application and cheque or refund all or part of your payment (without interest). Online application payments can only be made by direct credit.

You will not be able to withdraw or revoke your application once you have sent it in.

12. HOW LONG IS THE SPP OPEN AND WHEN WILL I RECEIVE MY SHARES?

The SPP opens on 8 February 2018 and is expected to close at 5.00pm on 27 February 2018, unless extended. If you want to participate you should ensure your Application Form and payment (by cheque or direct credit) is received by 5.00pm on the Closing Date.

Please allow adequate time for mail deliveries. Applications received after this time may not be accepted.

You will receive Shares issued to you under the SPP on the Allotment Date, which is currently expected to be 6 March 2018. A statement confirming the number of Shares issued to you under the SPP will be sent to you no later than 5 business days after the Allotment Date.

The Allotment Date is currently expected to be 6 March 2018. EROAD may, subject to the Listing Rules, extend the Closing Date and the Allotment Date.

13. HOW MANY SHARES WILL I RECEIVE?

Subject to scaling, you will receive the number of Shares equal to the dollar amount of Shares you have applied for divided by the Issue Price. If, once divided by the Issue Price, the dollar amount of Shares you have applied for does not equal a whole number of Shares the number of Shares allotted to you will be rounded down to the nearest Share. EROAD will retain any differences due to rounding.

If EROAD receives applications for Shares in excess of approximately \$6 million, it will scale back the number of Shares to be allotted to each applicant under the SPP in proportion to the shareholding of each applicant at 5.00pm on the Record Date (or otherwise at EROAD's discretion) - (see paragraph 9 of the terms and conditions). In this case your application monies will be greater than the value of the Shares you will be allotted. The difference between the value of the Shares you are allotted and your application monies will be refunded to you either by direct credit to your bank account (if those details are held by the Share Registrar) or by cheque mailed within 5 business days of the Allotment Date. No interest will be paid on any application monies returned to you.

14. WILL THE SHARES BE QUOTED?

The Shares will be quoted on the NZX Main Board, a licensed market operated by NZX which is a licensed market operator under the Financial Markets Conduct Act 2013. However, NZX accepts no responsibility for any statement in this SPP booklet.

It is expected that you will be able to commence trading the Shares allotted to you under the SPP on the NZX Main Board on the Allotment Date.

15. WHY IS THERE A MAXIMUM APPLICATION AMOUNT?

The offer under the SPP needs to comply with the conditions imposed by Listing Rule 7.3.4(c) which caps the maximum application amount of each Eligible Shareholder at \$15,000.

16. WHAT IS EROAD'S DIVIDEND POLICY?

The payment and amount of dividends will be decided by the board of EROAD. The payment and amount of any future dividends will be at the discretion of the Board after taking into account various factors the Board deems relevant.

These factors may include EROAD's financial condition, operating results, current and anticipated cash needs, plans for expansion and debt position. Consistent with its dividend policy, EROAD does not currently expect to pay a dividend in respect of the year ending 31 March 2018.

17. WHAT IS THE DILUTIONARY EFFECT OF THE SPP?

If you do not participate in the SPP, your shareholding in EROAD will be diluted. By way of example, a Shareholder owning 5% of the issued Shares before the SPP who does not participate in the SPP will own approximately 4.9% of the issued Shares after the SPP (assuming the SPP is fully subscribed and the Shares are issued at \$3.04 per Share).

The SPP is not a pro rata offer. This means that even if you participate in the SPP, your shareholding percentage in EROAD will likely change. Whether your shareholding percentage increases or decreases will depend on how many Shares you apply for, how many Shares you hold on the Record Date and how many Shares other Eligible Shareholders apply for and are allocated under the SPP.

18. FURTHER ASSISTANCE

If you have any further questions, please contact your broker, financial, investment or other professional advisor before making your investment decision.

Terms and Conditions

IMPORTANT NOTICE

If you apply to participate in the SPP by completing and returning the Application Form you are accepting the risk that the market price of Shares may change between now and the Allotment Date. This means that it is possible that up to or after the Allotment Date, you may be able to buy Shares at a lower price than the Issue Price.

We encourage you to seek your own financial advice regarding your participation in the SPP.

1. OFFER TIMETABLE

DATE	EVENT
Record Date	Any person registered as a holder of one or more EROAD Shares at 5.00pm on 7 February 2018 with a New Zealand address recorded in the share register may participate in the SPP or who EROAD is satisfied can otherwise participate in the SPP in compliance with all applicable laws.
Opening Date	The offer opens on 8 February 2018.
Closing Date	The offer closes at 5.00pm on 27 February 2018, unless extended. Application Forms must be received by this time. Application Forms may not be processed or held to be valid if they have not been received by this time.
Issue Price fixed	After market close on 27 February 2018, unless the Closing Date is extended. This will be announced to the market upon market open on the following trading day.
Allotment Date	The Shares will be allotted on 6 March 2018, unless the Allotment Date is extended.
Commencement of trading	EROAD expects the Shares will commence trading on the NZX Main Board on the Allotment Date.
Holding statements mailed	A holding statement will be despatched to you no later than 5 business days after the Allotment Date.

Subject to the Listing Rules, EROAD has a discretion to change, at any time, the offer timetable (notwithstanding that the offer has opened, or Application Forms have been received).

2. ELIGIBLE SHAREHOLDERS

- 2.1 You may participate in the SPP if you are an Eligible Shareholder
- 2.2 Joint holders of Shares are taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder and the certification on the Application Form is taken to have been given by all of them.
- 2.3 If you are an Eligible Shareholder, your rights under this offer are personal to you and non-renounceable, so you may not transfer them.

3. ISSUE PRICE AND NUMBER OF SHARES

- 3.1 The price of the Shares to be issued under the SPP will be fixed after market close on 27 February 2018 as the lesser of:
 - (a) a 4.7% discount to the average end of day market price of Shares on the NZX Main Board over the 5 day trading period from 21 February to 27 February 2018 inclusive; and
 - (b) \$3.04 per Share.
- 3.2 The Issue Price will be announced to the NZX upon market open on 28 February 2018.
- 3.3 If, in accordance with the Listing Rules, EROAD elects to extend the Closing Date for the SPP, the Issue Price will be calculated as the lesser of:
 - (a) a 4.7% discount to the average end of day market price of Shares on the NZX Main Board over the 5 day trading period up to and including the extended Closing Date; and
 - (b) \$3.04 per Share.
- 3.4 In this case, the Issue Price will be announced upon market open on the trading day following the extended Closing Date.
- 3.5 Subject to clause 4.2, if you are an Eligible Shareholder you may apply to purchase \$1,000 to \$15,000 of Shares under the SPP, in multiples of \$100 under the SPP by selecting the applicable amount of Shares on the Application Form. Applications which are not for one of these denominations may not be accepted by EROAD or may be rounded down to the nearest permitted denomination.

- 3.6** Subject to clause 6.1(e), any application in excess of \$15,000 will be deemed to be an application for \$15,000.
- 3.7** Eligible Shareholders may only apply for a maximum of \$15,000 under the SPP and may only make one application. This applies to all Eligible Shareholders, including those who receive more than one offer under the SPP (for example, because they hold Shares in more than one capacity) and including whether the Eligible Shareholder is applying through a Custodian or on his or her own behalf.

4. CUSTODIANS

- 4.1** Any Eligible Shareholder that:
- (a) is a trustee corporation or a nominee company and holds Shares in EROAD by reason only of acting for another person in the ordinary course of business of that trustee corporation or nominee company; or
 - (b) holds Shares in EROAD by reason only of being a bare trustee of a trust to which the Shares are subject, is a custodian (**Custodian**) under the SPP.
- 4.2** Custodians may apply to purchase Shares for greater than \$15,000 but only up to the total value of Shares it is validly directed to apply for on behalf of each beneficial owner for whom the Custodian acts as a Custodian. Custodians must confirm to EROAD that they are holding Shares as a Custodian for beneficial owners by providing the written certification to EROAD described in clause 4.3 below. Each beneficial owner may only direct the Custodian to apply on behalf of that beneficial owner for one of the parcels described in clause 3.5.
- 4.3** If a Custodian applies to purchase Shares on behalf of one or more beneficial owners, the Custodian must certify to EROAD in writing by validly completing the Application Form that:
- (a) the Custodian holds Shares directly or indirectly as a Custodian for beneficial owners;
 - (b) each beneficial owner (or the beneficial owner's agent) has instructed me to apply for, and accept, under the SPP the dollar amount of Shares set out on the Application Form (or in a schedule attached to the Application Form);
 - (c) no other Custodian is submitting an application under the SPP for that beneficial owner; and
 - (d) the Custodian is not applying for Shares with an aggregate application amount which is more than \$15,000 in respect of any beneficial owner for whom the Custodian acts as a Custodian.

5. COMPLETING THE APPLICATION FORM AND PAYING FOR SHARES

If you wish to participate in the SPP, you must complete the Application Form and provide a cheque, or pay by direct credit, for the parcel of Shares you have selected in accordance with the instructions on the Application Form. Cheques must be drawn on a New Zealand bank account.

6. EROAD'S DISCRETION TO ACCEPT OR REJECT APPLICATIONS

- 6.1** EROAD has complete discretion to accept or reject your application to purchase Shares under the SPP, including (without limitation) if:
- (a) your Application Form is incorrectly completed, incomplete or otherwise determined by EROAD to be invalid;
 - (b) your cheque is dishonoured or has not been completed correctly;
 - (c) the cheque that you enclose with your Application Form is not made out in New Zealand dollars for the exact amount of the parcel that you have selected on the Application Form;
 - (d) your direct credit payment is not cleared, is reversed or is not for the exact amount of the parcel value that you have selected on the Application Form;
 - (e) it appears that you are applying to buy more than \$15,000 (in aggregate) of Shares (except if you are a Custodian applying on behalf of more than one beneficial owner in accordance with clause 4.2), including where clause 3.6 applies;
 - (f) your Application Form is received after the Closing Date. While EROAD has discretion to accept late Application Forms and cheques, there is no assurance that it will do so. Late Application Forms and cheques, if not processed, will be returned to you at your registered address within 5 business days of the Allotment Date or within 5 business days of the date of receipt in respect of any late applications received after the Allotment Date;
 - (g) EROAD believes that you are not an Eligible Shareholder or Custodian; or
 - (h) EROAD considers that your application does not otherwise comply with these terms and conditions.
- 6.2** No interest will be paid on any application monies returned to you. Any refunds for whatever reason will be paid to you either by direct credit to your bank account (if those details are held by the Share Registrar) or by cheque mailed within 5 business days of the Allotment Date.

7. SIGNIFICANCE OF SENDING IN AN APPLICATION

7.1 If you apply to purchase Shares under the SPP by completing and returning the Application Form:

- (a) your application, on these terms and conditions, will be irrevocable and unconditional (i.e. it cannot be withdrawn);
- (b) you certify to EROAD that you are an Eligible Shareholder entitled to apply for Shares under these terms and conditions;
- (c) you acknowledge that the SPP may not proceed;
- (d) you certify that your acceptance of the SPP will not be, or cause, a breach of any law in any jurisdiction;
- (e) you agree to be bound by the constitution of EROAD, which you may download for free from the Companies Office website: <https://companies-register.companiesoffice.govt.nz/>;
- (f) you certify to EROAD that you are not applying for Shares under the SPP with an aggregate application price in excess of \$15,000 (including any application made through a Custodian) even though you may have received more than one offer under the SPP or received offers in more than one capacity under the SPP;
- (g) you authorise EROAD (and its officers or agents) to correct any error in, or omission from, your Application Form and to complete the Application Form by the insertion of any missing details;
- (h) you acknowledge that EROAD may at any time irrevocably determine that your Application Form is valid, in accordance with these terms and conditions, even if the Application Form is incomplete, contains errors or is otherwise defective;
- (i) you accept the risk associated with any refund that may be despatched to you by cheque to your address shown on EROAD's share register;
- (j) you agree to indemnify EROAD for, and to pay to EROAD within 5 business days of demand, any dishonour fees or other costs EROAD may incur in presenting a cheque for payment which is dishonoured;
- (k) you acknowledge that none of EROAD, its advisors or agents has provided you with investment advice or financial product advice, and that none of them has an obligation to provide advice concerning your decision to apply for and purchase Shares under the SPP;

- (l) you acknowledge the risk that the market price for the Shares may change between the date of this offer and the Allotment Date. A change in market price during this period may affect the value of the Shares you receive under the SPP;
- (m) you acknowledge that EROAD is not liable for any exercise of its discretions referred to in these terms and conditions; and
- (n) you irrevocably and unconditionally agree to these terms and conditions and agree not to do any act or thing which would be contrary to the spirit, intention or purpose of the SPP.

7.2 If a Custodian applies to purchase Shares under the SPP for a beneficial owner pursuant to clause 4.2, the certification referred to in clause 7.1(f) will be taken to be given by the beneficial owner on whose behalf the Custodian is applying to purchase Shares.

8. ISSUE PRICE

You agree to pay the Issue Price per Share up to a maximum of the amount you have selected on the Application Form.

9. SCALING

- 9.1** If you apply for Shares under the SPP, you will apply for a dollar amount rather than a number of Shares. The number of Shares you will receive will be determined by dividing the dollar amount of Shares you have applied for by the Issue Price, unless your application has been scaled back in accordance with clause 9.2, in which case the number of Shares you receive will be determined by dividing the dollar amount of the Shares you have been allocated (following scaling) by the Issue Price. If this calculation does not equal a whole number of Shares the number of Shares allotted to you will be rounded down to the nearest Share. EROAD will retain any differences due to rounding.
- 9.2** If EROAD receives applications in excess of \$6 million (rounded down, if necessary, to the nearest multiple of the Issue Price), it will scale back all applications in proportion to the shareholding of each applicant at 5.00pm on the Record Date, unless EROAD determines otherwise in its discretion. In this case your application monies will be greater than the value of the Shares you will be allotted. The difference between the value of the Shares you are allotted as a result of scaling (as any amounts due to rounding will be retained by EROAD) and your application monies will be refunded to you either by direct credit to your bank account (if those details are held by the Share Registrar) or by cheque mailed within 5 business days of the Allotment Date. No interest will be paid on any application monies returned to you.

10. THE SHARES

10.1 Shares issued under the SPP will rank equally with, and have the same voting rights, dividend rights and other entitlements as, existing fully paid Shares in EROAD quoted on the NZX Main Board.

10.2 The Shares will be quoted on the NZX Main Board, a licensed market operated by NZX which is a licensed market operator under the Financial Markets Conduct Act 2013. However, NZX accepts no responsibility for any statement in this SPP booklet.

10.3 You cannot trade in any Shares issued to you pursuant to the SPP, either as principal or agent, until official quotation on the NZX Main Board in accordance with the Listing Rules. EROAD expects that the Shares will commence trading on the NZX Main Board on the Allotment Date.

11. FINANCIAL STATEMENTS

You may download the most recent annual report and financial statements of EROAD for free from EROAD's website: <http://www.eroadglobal.com/global/investors/>.

12. UNDERWRITING

The SPP has been fully underwritten by First NZ Capital Securities Limited. To the extent that EROAD receives, in aggregate, valid applications for less than approximately \$6 million Shares under the SPP, EROAD may allot those shortfall Shares in accordance with Listing Rule 7.3.4(d). Any such shortfall Shares acquired by First NZ Capital Securities Limited will be issued at the Issue Price. Accordingly, approximately \$6 million is expected to be raised in respect of the SPP.

13. AMENDMENTS TO THE SPP AND WAIVER OF COMPLIANCE

13.1 Notwithstanding any other term or condition of the SPP and/or the Application Form, EROAD may, at its discretion:

- (a) make non-material modifications to the SPP on such terms and conditions it thinks fit (in which event applications for Shares under the SPP will remain binding on the applicant notwithstanding such modification and irrespective of whether an Application Form was received by the Share Registrar before or after such modification is made); and/or
- (b) suspend or terminate the SPP at any time prior to the issue of the Shares under the SPP (including by amending the timetable for the SPP). If the SPP is terminated, application monies will be refunded to applicants without interest within 5 business days of termination.

13.2 Subject to the Listing Rules, EROAD reserves the right to waive compliance with any provision of these terms and conditions.

13.3 EROAD will notify NZX of any waiver, amendment, variation, suspension, withdrawal or termination of the SPP.

14. GOVERNING LAW

These terms and conditions shall be governed by and construed in accordance with the laws of New Zealand.

15. DISPUTE RESOLUTION

If any dispute arises in connection with the SPP, EROAD may settle it in any manner it thinks fit. It may do so generally or in relation to any particular shareholder, applicant, application or Share. EROAD's decision will be final and binding.

16. INCONSISTENCY

Unless otherwise determined by the directors of EROAD, in the event of any inconsistency between the Terms and Conditions of the SPP and:

- (a) the Letter from the Chairperson of EROAD and Questions and Answers, the Terms and Conditions take precedence; and
- (b) EROAD's constitution, EROAD's constitution shall prevail.

Glossary

Allotment Date	6 March 2018, unless extended.
Application Form	The personalised application form relating to the SPP that you received with this SPP booklet.
Closing Date	27 February 2018, unless extended.
Custodian	See clause 4.1 for the definition of “Custodian”.
Eligible Shareholder	A person who, at 5.00pm on the Record Date, was recorded in EROAD’s share register as being a registered holder of Shares and having an address in New Zealand recorded in the share register or who EROAD is satisfied can otherwise participate in the SPP in compliance with all applicable laws.
EROAD	EROAD Limited.
Issue Price	The lesser of: (a) a 4.7% discount to the average end of day market price of Shares on the NZX Main Board over the 5 day trading period from 21 February to 27 February 2018 inclusive; and (b) \$3.04 per Share, or if EROAD elects to extend the Closing Date the lesser of: (c) a 4.7% discount to the average end of day market price of Shares on the NZX Main Board over the 5 day trading period up to and including the extended Closing Date; and (d) \$3.04 per Share.
Listing Rules	The listing rules of NZX in relation to the NZX Main Board (or any market in substitution for that market) in force from time to time, read subject to any applicable rulings or waivers.
\$ or NZ\$	New Zealand dollars.
NZX	NZX Limited.
NZX Main Board	The main board equity security market operated by NZX.
Opening Date	8 February 2018.
Record Date	7 February 2018.
Share Registrar	Computershare Investor Services Limited.
Share	An ordinary share of EROAD.
SPP	The share purchase plan detailed in this SPP booklet.



Defect Board

Reported (1)

TRUCK 01 | FRONT
Headlights

Repairing (2)

TRUCK 02 | LEFT SIDE
Body Work

TRUCK 12 | CAB
Horns

Repaired (4)

TRAILER 01 | LEFT SIDE
Marker Light

TRAILER 02 | FRONT
Indicator

TRUCK 10 | RIGHT SIDE
Brakes

TRUCK 04 | LEFT SIDE
Exhaust

JFC353
1244 Truck

Not safe to drive 4 days ago

1 Defect Headlights

Headlights

The headlight bulb needs to be replaced.



Jimmy Mechanic | comment
It will get fixed tomor 2 days ago

Lary Niddon
Reported Defect 4 days ago

Add a comment

Repair

More...



EROAD SHARE PURCHASE PLAN

The SPP booklet accompanying this Application Form is important. If you have any questions in relation to the SPP, please consult your broker, financial, investment or other professional advisor. Please see instructions on the reverse on how to complete this Application Form and where to send it. This Application Form is irrevocable and cannot be withdrawn once lodged.

CSN / Holder number:

Shareholding as at 5pm (NZT) on 7 February 2018

1. APPLICATION FOR SHARES AND PAYMENT

You may apply for EROAD Limited (EROAD) ordinary shares (Shares) online at www.shareoffer.co.nz/eroad by following the onscreen instructions or by completing this Application Form. Your application may be up to a maximum value of NZ\$15,000, subject to a minimum of NZ\$1,000 and only in multiples of NZ\$100 (on and in accordance with the terms and conditions in the accompanying SPP booklet). Please indicate the amount of Shares you are applying for below, and either pay by direct credit to the account detailed below or attach a cheque payable to: "EROAD Share Purchase Plan". Cheques must be in New Zealand dollars and must not be post-dated.

NZ\$

Note: You may receive a refund as a result of any scaling if EROAD receives application funds in excess of approximately \$6million in the circumstances as set out in clause 9 of the terms and conditions contained in the accompanying SPP booklet (Terms and Conditions).

PAYMENT OPTIONS

OPTION 1

Pay by **DIRECT CREDIT** to: Computershare Investor Services Limited

Name of bank

ANZ Bank

Branch:

Auckland (Queen and Victoria Streets)

Account details

0 1

1 8 3 9

0 8 1 7 7 6 6

0 0 2

Bank

Branch No.

Account No.

Suffix

Payments made by direct credit (funds transfer) must quote the reference and particulars – shown below to ensure your payment is identifiable. Please advise the date of your payment in the box below.

Deposit Reference

Particulars

Date of Payment

Applicants paying by direct credit must submit their payment instructions to their bank, so the payment is received in Computershare's bank account in clear funds by no later than 5.00pm (NZT) on Tuesday 27 February 2018, being the Closing Date. Applicants must still complete this form and return it by the Closing Date where payment has been made by direct credit.

OPTION 2

Enclose a **CHEQUE** for immediate value drawn on a New Zealand bank, made payable to "EROAD Share Purchase Plan". Please do not post date your cheque. Please see the Terms and Conditions regarding payment.

APPLICATION FORM
EROAD SHARE PURCHASE PLAN

If you are a Custodian acting on behalf of one or more beneficial owners you must complete this section.

Please state the number of beneficial owners for whom you act as a Custodian.

Please either state the full name(s) of the beneficial owner(s) for whom you act in submitting this Application Form or attach a schedule of the full names of the beneficial owners for whom you act in submitting this Application Form including each beneficial owner's dollar amount of Shares applied for.

Please state the total dollar amount of Shares that you are applying for on behalf of beneficial owners under this CSN.

2. CERTIFICATION

By accepting this offer and applying for Shares under the SPP, you are agreeing to the Terms and Conditions (in particular those described in clause 7 of the SPP booklet) and you are providing the certification set out on the reverse side of this form, under the heading "Certification". Read that section carefully.

3. EXECUTION*

Holder/Director/Authorised Person

Holder/Director/Authorised Person

Holder/Authorised Person

- * If a joint holding all holders must sign.
- * If a company is signing, it must be signed on behalf of the company by a person duly authorised for that purpose.
- * If this Application Form is signed under a power of attorney, a certificate of non-revocation of power of attorney in the usual form must also be submitted with this Application Form.

4. CONTACT DETAILS

Please provide your contact details below.

Contact Name

Mobile or Daytime Telephone No

Please enter your email address below if you wish to receive, where applicable, all Shareholder communications (including notification of the availability of annual reports and interim reports, transaction statements, payment advices, meeting documents and any other company related information) by email:

Email Address

This offer closes at 5.00pm (NZT) on 27 February 2018, unless extended. Applications must be received by the Share Registrar before this time at the address provided on the reverse. Please allow adequate time for mail deliveries. Personal information provided will be held by EROAD and/or the Share Registrar. This information will be used for the purposes of managing your investment in the SPP. Under the Privacy Act 1993, you have the right to access and request correction of any personal information held about you.

APPLICATION FORM
EROAD SHARE PURCHASE PLAN

INSTRUCTIONS

How to complete this Application Form:

Read carefully the Terms and Conditions of the EROAD Share Purchase Plan (SPP) contained in the booklet accompanying this Application Form. In this Application Form, where the context requires, a reference to "I" includes a reference to "we". If you do not understand the Terms and Conditions, this Application Form or if you have any questions about what to do in relation to the SPP, please consult your broker, financial, investment or other professional advisor.

1. APPLICATION AND PAYMENT

- Applications can be made online at www.shareoffer.co.nz/eroad by following the onscreen instructions, alternatively please complete this Application Form.
- Specify the amount of Shares you wish to apply to purchase by writing the dollar amount of Shares you wish to apply for in the box on the Application Form.
- You cannot apply for Shares having a value of less than NZ\$1,000 or greater than NZ\$15,000, and other than in multiples of NZ\$100.
- Make one application only, whether personally or through a Custodian.
- You must pay in New Zealand dollars by cheque or direct credit as per the instructions in the SPP booklet and this Application Form.
- Enclose a cheque for immediate value drawn on a New Zealand bank, made payable to "EROAD Share Purchase Plan".
- Applicants paying by direct credit must submit their payment instructions to their bank, so the payment is received in Computershare's bank account in clear funds by no later than 5.00pm (NZT) on Tuesday 27 February 2018, being the Closing Date. Applicants must still complete this form and return it by the Closing Date where payment has been made by direct credit.
- Do not post date your cheque.
- Your cheque or direct credit must be for the same amount as the amount of Shares you applied for on the front of this Application Form.
- If EROAD receives application monies in excess of approximately \$6 million, it will scale acceptances which may result in you receiving a refund as described in the Terms and Conditions.

2. CERTIFICATION

I irrevocably apply for the amount of Shares indicated in this Application Form (or such greater or lesser number of Shares as may be allocated to me due to rounding or scaling), and agree that:

- By applying for Shares, I acknowledge that this Application Form was distributed with the booklet containing the Terms and Conditions dated 8 February 2018, and confirm that I have read this Application Form and the SPP booklet in their entirety. I agree to be bound by the constitution of EROAD and I irrevocably and unconditionally agree to the Terms and Conditions.
- If I am not a Custodian, I certify that:
 - my address recorded in EROAD's share register is in New Zealand or I can otherwise participate in the SPP in compliance with all applicable laws and I held Shares on the Record Date; and
 - I am not applying for Shares with an aggregate application amount which is more than NZ\$15,000 (including applications made through a Custodian) even though I may have received more than one offer under the SPP or received offers in more than one capacity under the SPP.
- If I am a Custodian, I certify that:
 - my address recorded in EROAD's share register is in New Zealand or I can otherwise participate in the SPP in compliance with all applicable laws and I hold Shares directly or indirectly as a Custodian for beneficial owners;
 - each beneficial owner (or the beneficial owner's agent) has instructed me to apply for, and accept, under the SPP the dollar amount of Shares set out on the front of this Application Form (or set out in the schedule otherwise provided to the Share Registrar);
 - no other Custodian is submitting an application under the SPP for that beneficial owner; and
 - I am not applying for Shares with an aggregate application amount which is more than NZ\$15,000 in respect of any beneficial owner for whom I act as a Custodian.

3. EXECUTION

You should sign this Application Form where indicated.

4. CONTACT DETAILS

Fill in your daytime telephone number and contact name, as we may need to contact you, for example, if you have not filled in this Application Form correctly.

If you are not applying online then post this Application Form and your cheque or direct credit so that it is **received before 5.00pm (NZT) on 27 February 2018 (unless the Closing Date is extended)**. You should allow sufficient time for delivery by the postal service. Application Forms and payment received after the Closing Date may not be processed regardless of when they are postmarked. **We have included a reply paid envelope for your convenience.**

You may also use a standard envelope, which should be posted to Computershare Investor Services Ltd, Private Bag 92119, Auckland 1142, New Zealand or hand delivered to Computershare Investor Services Ltd, Level 2, 159 Hurstmere Road, Takapuna, Auckland 0622.

Only Application Forms with payment by direct credit may be scanned and emailed to Computershare Investor Services Ltd:

Scan & email: eroad@computershare.co.nz (please put EROAD SPP in the subject line for easy identification – for applications with payment by direct credit only).



Directory

ISSUER

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260 Oteha Valley Road
Albany
Auckland 0632

Phone: +64 9 927 4700

Email: investors@eroad.com

www.eroad.co.nz

SHARE REGISTRAR

Computershare Investor Services Limited

Level 2, 159 Hurstmere Road
Takapuna, Auckland 0622
New Zealand

Phone: +64 9 488 8777

Email: enquiry@computershare.co.nz

www.investorcentre.com/nz

LEGAL ADVISORS

Chapman Tripp

Level 35, ANZ Centre
23 Albert Street
Auckland 1010

Phone: +64 9 357 9000

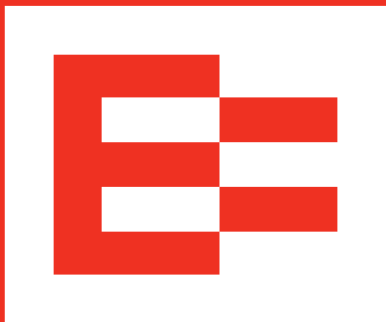
UNDERWRITER AND LEAD MANAGER

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