



Market Release

EROAD's Share Purchase Plan closes oversubscribed

6 August 2021

EROAD Limited (NZX/ASX: ERD) today announces that its NZ\$16.1 million Share Purchase Plan (SPP) closed oversubscribed, receiving strong shareholder support with applications totalling almost NZ\$43 million, approximately 267% of the amount sought.

Given the significant demand and under the terms of the SPP, EROAD has opted to accept oversubscriptions of NZ\$3.9 million, increasing the size of the SPP to NZ\$20 million. Applications will be scaled on a proportionate basis in accordance with the number of EROAD shares held by applicants on the Record Date (13 July 2021). Refunds of the surplus application amounts will be paid to applicants on 17 August 2021.

The SPP is part of EROAD's capital raising to partially fund the proposed acquisition of Coretex Limited announced on 14 July 2021 (**Acquisition**). The Special Shareholder Meeting to approve the Acquisition and the capital raise took place on 30 July 2021, with the Acquisition and the issue of shares related to the capital raise receiving 100% shareholder approval of those who voted on the resolutions.

The Acquisition is expected to complete in early H2 FY22 and is subject to certain conditions, including Commerce Commission clearance in relation to Coretex's New Zealand business and Overseas Investment Office approval.

EROAD's chair Graham Stuart says:

"We are delighted with the support we have received from shareholders since we announced the acquisition of Coretex. We have seen strong support through the many conversations we have had with shareholders, the 100% shareholder vote in favour of the transaction and the over subscribed placement and share purchase plan."

"The Board was focused on ensuring that all shareholders, where possible, received at least a pro rata allocation of shares. In order to ensure as many shareholders as possible maintained their proportionate shareholding, the Board has decided to accept a further \$3.9 million of applications."

The SPP, offered eligible EROAD shareholders with an address in New Zealand or Australia (at 5p.m. on 13 July 2021) the opportunity to apply for up to A\$30,000 / NZ\$32,000 of new shares (Shares). 3,127 EROAD shareholders applied under the SPP with an average application of approximately NZ\$13,735.

The Shares issued under the SPP will be issued at the price of NZ\$5.58 or A\$5.30, which represents the lower of the New Zealand dollar price paid by investors in the placement



(NZ\$5.58 per share) and the five day volume weighted average price of EROAD shares traded on the NZX Main Board during the five trading days up to, and including, the Closing Date of 3 August 2021. As noted in the SPP offer document, the A\$ Price has been set based on the NZD:AUD exchange rate on the Closing Date of 3 August 2021.

Settlement and allotment of the new shares is expected to occur on 13 August 2021, with NZX trading in the new shares to commence on the same day and trading on the ASX to commence on 16 August 2021.

Ends

Authorised for release to the NZX and ASX by EROAD's Board of Directors.

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About EROAD

EROAD Limited (ASX: ERD; NZX: ERD) ("EROAD") purpose is safer and more sustainable roads. EROAD develops and markets technology solutions to manage vehicle fleets, support regulatory compliance, improve driver safety and reduce the costs associated with operating a fleet of vehicles and inventory of assets. EROAD has a proven SaaS business model and is experiencing continuing growth in installed units and revenue. EROAD has operations in New Zealand, North America and Australia with customers ranging in size from small fleets through to large enterprise customers. For more information visit <https://www.eroadglobal.com/investor>