

FOURTH QUARTER AND FULL YEAR 2021 RESULTS**Significant Automotive contract wins power future growth****TOMTOM'S CHIEF EXECUTIVE OFFICER, HAROLD GODDIJN**

"We recorded our best Automotive order intake in years, including a partnership with Volkswagen Group to deliver an EV-centric navigation service. The Automotive backlog increased to €1.9 billion. Our Enterprise business improved year on year.

In Automotive, we expect ongoing supply chain constraints during 2022, which will ease in 2023. We expect that our investments during 2022 will result in operational efficiencies. These, combined with revenue growth, are expected to lead to positive free cash flows in 2023 and onwards.

We will give an update on our strategy at our Capital Markets Day in the second half of this year."

OPERATIONAL SUMMARY

- TomTom and CARIAD will partner to deliver a navigation solution for all Volkswagen Group brands worldwide, excluding China
- We launched TomTom IndiGO and secured an inaugural customer for the world's first open digital cockpit software platform for carmakers
- Our ADAS Maps with advanced features for automated driving now power over 5 million vehicles sold in Europe and North America, outpacing industry volumes

FINANCIAL SUMMARY FOURTH QUARTER 2021

- Group revenue decreased by 8% to €115 million (Q4 '20: €125 million)
- Location Technology revenue decreased by 11% (Q4 '20: €101 million)
- Automotive operational revenue decreased by 17% to €71 million (Q4 '20: €85 million)
- Free cash flow is an inflow of €57 million (Q4 '20: inflow of €34 million)

FINANCIAL SUMMARY FULL YEAR 2021

- Group revenue of €507 million (FY '20: €528 million)
- Location Technology revenue increased slightly to €394 million (FY '20 €392 million)
- Automotive operational revenue decreased by 3% to €266 million (FY '20: €274 million)
- Free cash flow is an inflow of €24 million (FY '20: outflow of €26 million)
- Net cash of €356 million (FY '20: €372 million)

KEY FIGURES

| (€ in millions) | Q4 '21 | Q4 '20 | y.o.y. change | FY '21 | FY '20 | y.o.y. change |
|--------------------------------|--------------|--------------|---------------|--------------|---------------|---------------|
| Location Technology | 90.6 | 101.5 | -11 % | 394.0 | 392.2 | 0 % |
| Consumer | 24.6 | 23.9 | 3 % | 112.9 | 136.0 | -17 % |
| Revenue | 115.2 | 125.4 | -8% | 506.9 | 528.2 | -4% |
| Gross result | 94.2 | 103.1 | -9% | 407.1 | 423.4 | -4% |
| Gross margin | 82% | 82% | | 80% | 80% | |
| EBITDA | -19.2 | -7.8 | | -19.5 | -2.1 | |
| EBITDA margin | -17% | -6% | | -4% | 0% | |
| Operating result (EBIT) | -35.3 | -78.2 | | -93.2 | -287.7 | |
| Operating margin | -31% | -62% | | -18% | -54% | |
| Net result | -38.8 | -65.9 | | -94.7 | -257.6 | |
| Free cash flow (FCF) | 56.7 | 33.8 | | 23.5 | -26.5 | |
| FCF as a % of revenue | 49% | 27% | | 5% | -5% | |

This report includes the following non-GAAP measures which are further explained at the end of this report: operational revenue; Automotive backlog, gross margin; EBITDA (margin); EBIT (margin); free cash flow; net cash and gross deferred revenue.

FINANCIAL AND BUSINESS REVIEW

TOMTOM'S CHIEF FINANCIAL OFFICER, TACO TITULAER

"Our Automotive operational revenue was in line with expectations, however, reported revenue was negatively impacted by total contract value adjustments. Consequently, our Location Technology revenue ended just below our guidance for 2021. As the before-mentioned adjustments are non-cash based, full year free cash flow was strong at 5% of group revenue, which is partly explained by faster-than-anticipated cash collection and prudent cost management.

Last year, we were confronted with lower car production volumes resulting from supply chain shortages affecting our Automotive revenue. For this year, 2022, we have assumed that these supply chain shortages will persist throughout the year. Nevertheless, we expect a significant increase in our Automotive operational revenue. The effect on our reported revenue will be partly moderated, as our Automotive products increasingly shift towards a software-as-a-service model. Therefore, the recognition of corresponding reported revenue is phased over a longer period of time.

In the Enterprise business, we renewed various customer contracts. Some of these renewals reflect lower usage, translating into a reduced contract value. This will affect our Enterprise revenue as of the fourth quarter of 2022 and beyond."

OUTLOOK

| (€ in millions, unless stated otherwise) | Actual 2021 | Outlook 2022 | Outlook 2023 |
|--|----------------|-----------------|-----------------|
| Revenue | 507 | 470 - 510 | 500 - 550 |
| Of which Location Technology | 394 | 380 - 420 | 425 - 475 |
| FCF as % of group revenue | +5% | Around -5% | At least +5% |

In 2022, our Location Technology revenue is expected to be relatively flat compared with 2021. Our free cash flow will be negative as we will increase investments in further automation of our mapmaking platform and our application layer.

For 2023, we expect continued increases in Automotive operational revenue. Combined with cost-efficiency gains this is expected to lead to strong positive free cash flow in 2023 and onwards.

Our outlook is supported by an Automotive backlog¹ of around €1.9 billion at the end of 2021, up from €1.8 billion at the end of 2020. This increase is the result of the strongest order intake in years, which more than offsets the impact of revenue recognized during 2021 and some customers' revisions of near-term car production volumes.

We will provide a strategic update during our Capital Markets Day in the second half of 2022.

¹ Automotive backlog is the cumulative expected IFRS revenue from all awarded Automotive deals.

REVENUE

Revenue for the fourth quarter amounted to €115 million, a decrease of 8% year on year (Q4 '20: €125 million).

Location Technology

| (€ in millions) | Q4 '21 | Q4 '20 | y.o.y. change | FY '21 | FY '20 | y.o.y. change |
|-----------------------|-------------|--------------|---------------|--------------|--------------|---------------|
| Automotive | 47.1 | 59.8 | -21 % | 223.1 | 227.2 | -2 % |
| Enterprise | 43.5 | 41.7 | 4 % | 170.9 | 165.0 | 4 % |
| Revenue | 90.6 | 101.5 | -11% | 394.0 | 392.2 | 0% |
| Segment EBITDA | | | | -32.6 | -15.0 | 117% |
| EBITDA margin (%) | | | | -8% | -4% | |
| Segment EBIT | | | | -105.2 | -299.4 | -65% |
| EBIT margin (%) | | | | -27% | -76% | |

Location Technology revenue was €91 million, a decrease of 11% year on year (Q4 '20: €101 million), resulting from a decrease in Automotive revenue.

Automotive generated revenue of €47 million in the quarter, a decrease of 21% compared with the same quarter last year (Q4 '20: €60 million). Q4 '21 Automotive revenue was impacted by total contract value adjustments reflecting the impact of the supply chain constraints on car production volumes. Automotive operational revenue was €71 million in the quarter, a year-on-year decrease of 17% (Q4 '20: €85 million) slightly better than the development of car production volumes in Europe and North America.

Automotive operational revenue is calculated as follows:

| (€ in millions) | Q4 '21 | Q4 '20 | y.o.y. change | FY '21 | FY '20 | y.o.y. change |
|---|-------------|-------------|---------------|--------------|--------------|---------------|
| Automotive revenue | 47.1 | 59.8 | -21 % | 223.1 | 227.2 | -2 % |
| Movement of Automotive deferred revenue | 23.6 | 25.2 | | 43.2 | 47.1 | |
| Automotive operational revenue | 70.7 | 85.0 | -17% | 266.3 | 274.3 | -3% |

Enterprise revenue increased to €44 million in Q4 '21, 4% higher than the same quarter last year (Q4 '20: €42 million) resulting mainly from higher revenue from existing customers.

Full year Location Technology segment EBITDA declined year on year reflecting a marginal revenue increase, offset with continued investments in our product roadmap and mapmaking platform.

Within our Automotive business, we announced our partnership with Volkswagen Group to deliver a next-generation navigation solution. The combination of our navigation and traffic services will be integrated into the digital cockpit of various Volkswagen brands ranging from volume to premium carlines, across all markets excluding China. It is a clear example that we are shifting from a traditional customer-supplier relationship towards longer-term partnerships – to the benefit of the customer experience.

Another important milestone in the fourth quarter was the launch of our TomTom IndiGO digital cockpit, the world's first open software platform of its kind. As the digital experience increasingly becomes a factor in the consumer decision-making process, TomTom IndiGO enables OEMs to integrate a common user interface in the car. The platform is supported by a host of industry-leading Tier-1 suppliers and technology companies to bring further functionality and content.

Consumer

| (€ in millions) | Q4 '21 | Q4 '20 | y.o.y. change | FY '21 | FY '20 | y.o.y. change |
|-------------------------|-------------|-------------|------------------|--------------|--------------|------------------|
| Consumer products | 23.3 | 20.5 | 13 % | 105.0 | 122.0 | -14 % |
| Automotive hardware | 1.3 | 3.4 | -62 % | 7.9 | 14.0 | -43 % |
| Consumer revenue | 24.6 | 23.9 | 3% | 112.9 | 136.0 | -17% |
| Segment EBITDA | | | | 18.7 | 19.1 | -2% |
| EBITDA margin (%) | | | | 17% | 14% | |
| Segment EBIT | | | | 17.7 | 17.9 | -1% |
| EBIT margin (%) | | | | 16% | 13% | |

Consumer reported revenue of €25 million for the quarter, an increase of 3% compared with the same quarter last year (Q4 '20: €24 million).

Full year revenue decreased by 17%, while segment EBITDA was relatively flat as the revenue decline was compensated by our continuous efforts to run our Consumer business in the most efficient way.

GROSS MARGIN

The gross margin for the quarter remained stable at 82% compared with Q4 '20.

OPERATING RESULT

Operating result (EBIT) in the quarter was a loss of €35 million (Q4 '20: loss of €78 million). Total operating expenses in the quarter were €130 million, a decrease of €52 million compared with the same quarter last year (Q4 '20: €181 million). The year-on-year decrease in total operating expenses, reflected in Research and development (R&D) associated with our geographic data, results mainly from lower Depreciation and amortization (D&A) as the Tele Atlas databases were fully amortized during 2020.

Excluding the impact of D&A, operating expenses increased by 2% mainly from increases in R&D associated with our Application layer, offset by a decline in Sales and marketing expenses.

A reconciliation of operating expenses excluding D&A is presented below:

| (€ in millions) | Q4 '21 | Q4 '20 | y.o.y. change | FY '21 | FY '20 | y.o.y. change |
|---|--------------|--------------|------------------|--------------|--------------|------------------|
| R&D - Geographic data | 45.5 | 44.7 | 2 % | 176.2 | 182.6 | -4 % |
| R&D - Application layer | 37.3 | 33.2 | 12 % | 138.7 | 122.7 | 13 % |
| Sales and marketing | 12.6 | 14.3 | -12 % | 45.1 | 53.0 | -15 % |
| General and administrative | 17.9 | 18.7 | -4 % | 66.6 | 67.2 | -1 % |
| Operating expenses excluding D&A | 113.4 | 110.9 | 2% | 426.6 | 425.5 | 0% |
| Depreciation and amortization | 16.2 | 70.3 | -77 % | 73.7 | 285.6 | -74 % |
| Operating expenses | 129.6 | 181.2 | -28% | 500.3 | 711.1 | -30% |

FINANCIAL RESULT AND INCOME TAX

Total financial result for the quarter was a gain of €1 million (Q4 '20: loss of €6 million), which consisted primarily of foreign exchange gains from the revaluation of monetary balance sheet items.

The income tax expense for the quarter was €5 million compared with a gain of €18 million in Q4 '20. The tax expense in Q4 '21 includes an impact of reassessment of deferred tax assets on capitalized losses due to a new tax loss utilization rule in the Netherlands. The tax gain in Q4 '20 included a provision release relating to prior years.

BALANCE SHEET

Other intangible assets decreased to €70 million from €117 million at the end of 2020 mainly due to amortization of our map database. Cash balances, including fixed-term deposits were €356 million at the end of the quarter (Q4 '20: €372 million). The decrease during the year reflects an outflow for the share buyback program and investment in property, plant and equipment, which was partly offset by the cash inflow from operating activities.

At the end of the quarter, inventory was €20 million, a €7 million decrease from the end of last year. Trade receivables were €56 million at the end of Q4 '21 compared with €80 million at the end of 2020. The decrease is due to lower operational revenue this quarter and faster-than-anticipated cash collection.

Current liabilities, excluding deferred revenue, were €110 million, compared with €116 million at the end of 2020. The decrease is mainly due to decreases in trade payables.

DEFERRED REVENUE

Deferred revenue increased to €441 million from €404 million at the end of 2020 mainly driven by payments received from Automotive customers which are required to be deferred.

The following table presents the deferred revenue including the effect of netting:

| (€ in millions) | 31 December 2021 | 31 December 2020 |
|--|------------------|------------------|
| Automotive | 395.0 | 351.7 |
| Enterprise | 41.5 | 34.9 |
| Consumer | 25.5 | 39.7 |
| Gross deferred revenue | 461.9 | 426.3 |
| Less: Netting adjustment to unbilled revenue | 21.2 | 22.6 |
| Deferred revenue | 440.7 | 403.7 |

CASH FLOW

In Q4 '21, free cash flow was an inflow of €57 million versus an inflow of €34 million in the same quarter last year. The improved free cash flow, is mainly the result of timing of invoicing and cash collection.

The cash flow from financing activities for the quarter was an outflow of €4 million and relates to the payment of lease liabilities. During the quarter 12 thousand options relating to our long-term employee incentive programs were exercised (Q4 '20: 36 thousand).

On 31 December 2021, the Group had no outstanding bank borrowings and reported a net cash position of €356 million (Q4 '20: net cash of €372 million).

Free cash flow is reconciled to the cash flow statement as follows:

| (€ in millions) | Q4 '21 | Q4 '20 | FY '21 | FY '20 |
|--|-------------|-------------|-------------|--------------|
| Cash flow from operating activities | 61.5 | 35.1 | 36.8 | -20.2 |
| Investments in property, plant and equipment | -4.8 | -1.3 | -13.3 | -6.3 |
| Free cash flow | 56.7 | 33.8 | 23.5 | -26.5 |

- END -

CONSOLIDATED CONDENSED STATEMENT OF INCOME

| (€ in thousands) | Q4 '21 | Q4 '20 | FY '21 | FY '20 |
|---|------------------|------------------|------------------|-----------------|
| | Unaudited | Unaudited | Unaudited | Audited |
| Revenue | 115,164 | 125,434 | 506,926 | 528,185 |
| Cost of sales | 20,931 | 22,381 | 99,821 | 104,794 |
| Gross profit | 94,233 | 103,053 | 407,105 | 423,391 |
| Research and development expenses - Geographic data | 55,457 | 106,017 | 219,808 | 429,810 |
| Research and development expenses - Application layer | 38,499 | 36,621 | 146,209 | 137,580 |
| Sales and marketing expenses | 12,645 | 15,432 | 45,181 | 57,556 |
| General and administrative expenses | 22,979 | 23,138 | 89,098 | 86,155 |
| Total operating expenses | 129,580 | 181,208 | 500,296 | 711,101 |
| Operating result | -35,347 | -78,155 | -93,191 | -287,710 |
| Financial result | 1,480 | -6,213 | 6,329 | -7,307 |
| Result before tax | -33,867 | -84,368 | -86,862 | -295,017 |
| Income tax (expense)/gain | -4,907 | 18,465 | -7,791 | 37,378 |
| Net result¹ | -38,774 | -65,903 | -94,653 | -257,639 |
| Earnings per share (in €): | | | | |
| Basic | -0.31 | -0.51 | -0.74 | -1.97 |
| Diluted ² | -0.31 | -0.51 | -0.74 | -1.97 |

¹ Fully attributable to the equity holders of the parent.

² When the net result is a loss, no additional shares from assumed conversion are taken into account as the effect would be anti-dilutive.

CONSOLIDATED CONDENSED BALANCE SHEET

| (€ in thousands) | 31 December 2021 | 31 December 2020 |
|--------------------------------------|-------------------------|-------------------------|
| | Unaudited | Audited |
| Goodwill | 192,294 | 192,294 |
| Other intangible assets | 70,478 | 117,475 |
| Property, plant and equipment | 26,241 | 22,220 |
| Lease assets | 31,488 | 43,609 |
| Other contract-related assets | 18,769 | 19,130 |
| Other investments | 17,982 | 8,733 |
| Deferred tax assets | 4,115 | 4,273 |
| Total non-current assets | 361,367 | 407,734 |
| Inventories | 19,585 | 26,146 |
| Trade receivables | 56,179 | 79,661 |
| Unbilled receivables | 67,311 | 58,313 |
| Other contract-related assets | 5,049 | 6,950 |
| Other receivables and prepayments | 25,429 | 26,765 |
| Fixed-term deposits | 150,000 | 140,930 |
| Cash and cash equivalents | 205,820 | 231,520 |
| Total current assets | 529,373 | 570,285 |
| Total assets | 890,740 | 978,019 |
| Total equity | 282,723 | 387,616 |
| Lease liabilities | 20,004 | 28,801 |
| Deferred tax liability | 3,934 | 1,344 |
| Provisions | 33,484 | 41,014 |
| Deferred revenue | 259,628 | 238,793 |
| Total non-current liabilities | 317,050 | 309,952 |
| Trade payables | 14,022 | 21,998 |
| Lease liabilities | 13,335 | 14,872 |
| Provisions | 6,537 | 7,918 |
| Deferred revenue | 181,099 | 164,913 |
| Other contract-related liabilities | 19,782 | 19,084 |
| Income taxes | 1,273 | 1,893 |
| Accruals and other liabilities | 54,919 | 49,773 |
| Total current liabilities | 290,967 | 280,451 |
| Total equity and liabilities | 890,740 | 978,019 |

CONSOLIDATED CONDENSED STATEMENT OF CASH FLOWS

| (€ in thousands) | Q4 '21 Unaudited | Q4 '20 Unaudited | FY '21 Unaudited | FY '20 Audited |
|---|---------------------|---------------------|---------------------|-------------------|
| Operating result | -35,347 | -78,155 | -93,191 | -287,710 |
| Financial gains/(losses) | 3,037 | -1,724 | 7,904 | -4,887 |
| Depreciation and amortization | 16,185 | 70,328 | 73,671 | 285,609 |
| Change in provisions | -1,790 | 498 | -7,474 | -4,336 |
| Equity-settled stock compensation expenses | 1,926 | 1,876 | 5,934 | 6,437 |
| Other non-cash movement | 106 | 0 | -46 | 0 |
| Changes in working capital: | | | | |
| Change in inventories | -433 | 756 | 8,772 | -2,932 |
| Change in receivables and prepayments | 69,978 | 38,061 | 17,883 | 13,741 |
| Change in liabilities (excluding provisions) ¹ | 11,888 | 4,455 | 32,289 | -17,215 |
| Cash flow from operations | 65,550 | 36,095 | 45,742 | -11,293 |
| Interest received | 6 | 136 | 326 | 1,082 |
| Interest paid | -392 | -419 | -1,716 | -1,956 |
| Corporate income taxes paid | -3,646 | -678 | -7,569 | -8,013 |
| Cash flow from operating activities | 61,518 | 35,134 | 36,783 | -20,180 |
| Investments in property, plant and equipment | -4,813 | -1,311 | -13,274 | -6,298 |
| Dividends received | 138 | 0 | 366 | 162 |
| (Increase) / Decrease in fixed-term deposits | -90,000 | 8,218 | -7,070 | 79,650 |
| Cash flow from investing activities | -94,675 | 6,907 | -19,978 | 73,514 |
| Payment of lease liabilities | -3,678 | -4,227 | -14,785 | -15,595 |
| Proceeds on issue of ordinary shares | 93 | 147 | 4,561 | 2,484 |
| Purchase of treasury shares | 0 | 0 | -33,431 | -16,569 |
| Cash flow from financing activities | -3,585 | -4,080 | -43,655 | -29,680 |
| Net (decrease)/increase in cash and cash equivalents | -36,742 | 37,961 | -26,850 | 23,654 |
| Cash and cash equivalents at the beginning of period | 242,187 | 196,463 | 231,520 | 213,941 |
| Exchange rate changes on foreign cash balances | 375 | -2,904 | 1,150 | -6,075 |
| Total cash and cash equivalents at the end of the period | 205,820 | 231,520 | 205,820 | 231,520 |
| Cash held in short term fixed deposits | 150,000 | 140,930 | 150,000 | 140,930 |
| Net cash at the end of the period | 355,820 | 372,450 | 355,820 | 372,450 |

¹ Includes movements in the non-current portion of deferred revenue presented under non-current liabilities.

ACCOUNTING POLICIES

The condensed consolidated financial information for the three- and twelve- month period ended 31 December 2021 and the related comparative information has been prepared using accounting policies and methods of computation which are based on International Financial Reporting Standards (IFRS) as disclosed in the Financial Statements for the year ended 31 December 2021.

Unless otherwise indicated, the quarterly condensed consolidated information in this press release is neither audited nor reviewed. Due to rounding, amounts may not add up precisely to totals. All change percentages are calculated before rounding.

NON-GAAP MEASURES

The financial information in this report includes measures which are not defined by generally accepted accounting principles (GAAP) such as IFRS. We believe this information, along with comparable GAAP measurements, gives insight to investors as it provides a basis for evaluating our operational performance. Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information presented in compliance with GAAP. Wherever appropriate and practical, we provide reconciliations to relevant GAAP measures.

Operational revenue is IFRS revenue adjusted for the movement of gross deferred revenue

Gross margin is calculated as gross profit divided by revenue

EBIT is equal to our operating result

EBITDA is equal to our operating result plus depreciation and amortization charges

EBITDA margin is calculated as operating result plus depreciation and amortization charges divided by revenue

Free cash flow is cash from operating activities minus capital expenditure (investments in intangible assets and property, plant and equipment)

Net cash is cash and cash equivalents, plus cash held in fixed term deposits

Gross deferred revenue is deferred revenue¹ before the netting of unbilled receivables

Automotive backlog is the cumulative expected IFRS revenue from all awarded Automotive deals.

¹ Deferred revenue reflects amounts not yet recognized as revenue as services still need to be delivered. Unbilled receivables represents amounts accrued for when a contractual right to invoice exists. When a single contract has both an accrual, based on contractual invoicing terms, and a deferral, because the underlying services are not yet fully delivered, the unbilled and the deferred positions are netted for presentation on the balance sheet.

FOR MORE INFORMATION

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AUDIO WEBCAST FOURTH QUARTER 2021 RESULTS

The information for our audio webcast is as follows:

Date and time: 4 February 2022 at 13:00 CET

<https://corporate.tomtom.com/investors/financial-publications/quarterly-results>

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ABOUT TOMTOM

At TomTom we're mapmakers, providing geolocation technology for drivers, carmakers, enterprises and developers.

Our highly accurate maps, navigation software, real-time traffic information and APIs enable smart mobility on a global scale, making the roads safer, the drive easier and the air cleaner.

Headquartered in Amsterdam with offices worldwide, TomTom's technologies are trusted by hundreds of millions of drivers, businesses and governments worldwide.

For further information, please visit www.tomtom.com.

FORWARD-LOOKING STATEMENTS / IMPORTANT NOTICE

This document contains certain forward-looking statements with respect to the financial position and results of TomTom's activities. We have based these forward-looking statements on our current expectations and projections about future events, including numerous assumptions regarding our present and future business strategies, operations and the environment in which we will operate in the future. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements, and you should not place undue reliance on them. Many of these risks and uncertainties relate to factors that are beyond TomTom's ability to control or estimate precisely, such as levels of customer spending in major economies, changes in consumer preferences, the performance of the financial markets, the levels of marketing and promotional expenditures by TomTom and its competitors, costs of raw materials, employee costs, exchange-rate and interest-rate fluctuations, changes in tax rates, changes in law, acquisitions or disposals, the rate of technological changes, political developments in countries where the company operates and the risk of a downturn in the market. Statements regarding market share, including the company's competitive position, contained in this document are based on outside sources such as specialized research institutes, industry and dealer panels in combination with management estimates.

The forward-looking statements contained herein speak only as of the date they are made. We do not assume any obligation to update any public information or forward-looking statement in this document to reflect events or circumstances after the date of this document, except as may be required by applicable laws.

This document contains inside information as meant in clause 7 of the Market Abuse Regulation.