



Q4 2022 Results

Harold Goddijn – CEO

Taco Titulaer – CFO

3 February 2023



Strategic overview

Strong foundation for growth

- Record Automotive backlog
- Capitalizing on trends shaping the Automotive industry
- Significant opportunities in the location technology market

Innovative technologies

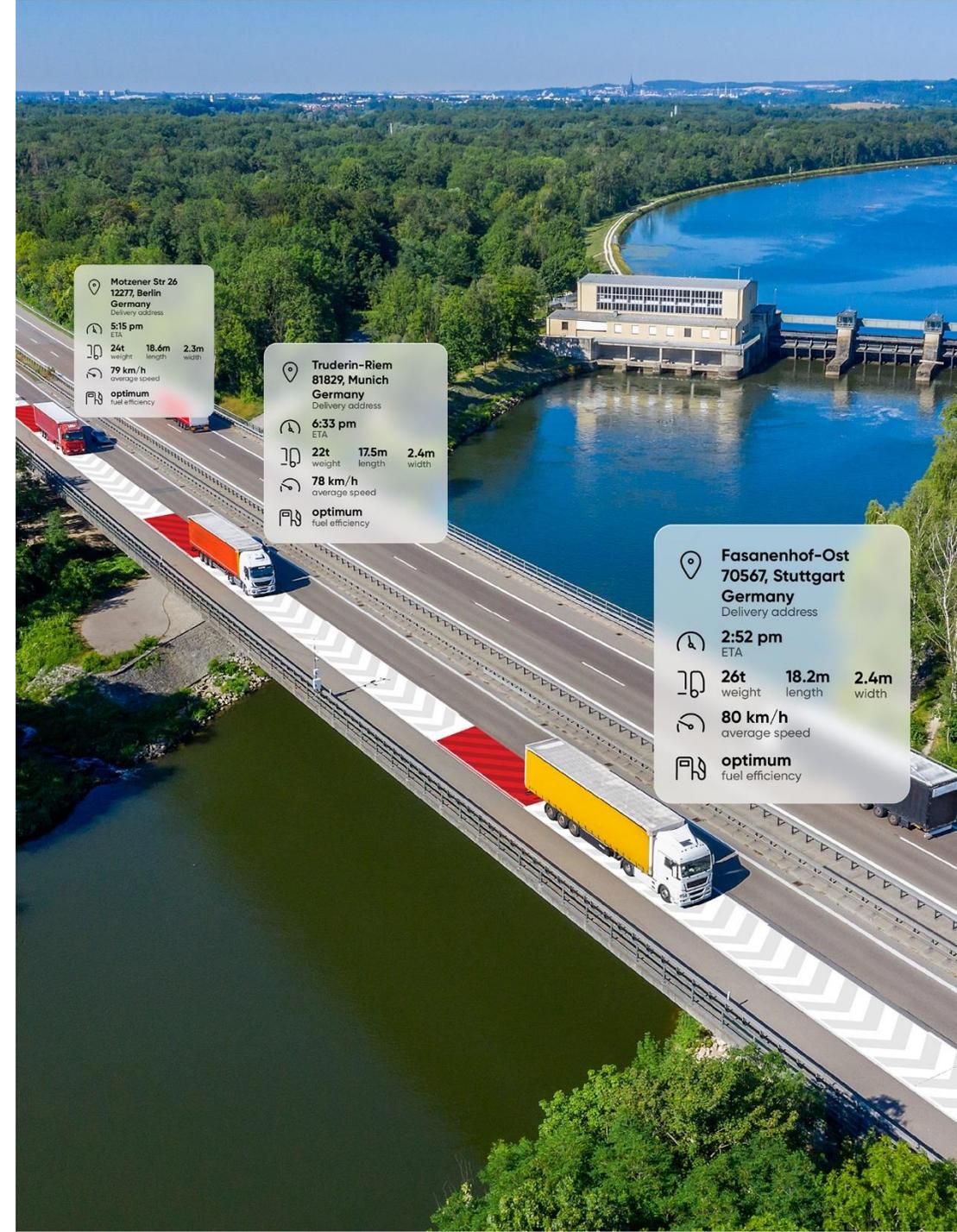
- Improved maps built on new platform
- Supporting more use cases for our customers
- Collaborating on a global map standard

Profitable growth

- Continuing top-line growth
- Realizing operating leverage
- Generating cash

Financial highlights for the quarter

- Group revenue of €139m (Q4 '21: €115m)
- Location Technology revenue of €118m (Q4 '21: €91m)
- Automotive operational revenue of €82m (Q4 '21: €71m)



Motzener Str 26
12277, Berlin
Germany
Delivery address

5:15 pm
ETA

24t **18.6m** **2.3m**
weight length width

79 km/h
average speed

optimum
fuel efficiency

Truderin-Riem
81829, Munich
Germany
Delivery address

6:33 pm
ETA

22t **17.5m** **2.4m**
weight length width

78 km/h
average speed

optimum
fuel efficiency

Fasanenhop-Ost
70567, Stuttgart
Germany
Delivery address

2:52 pm
ETA

26t **18.2m** **2.4m**
weight length width

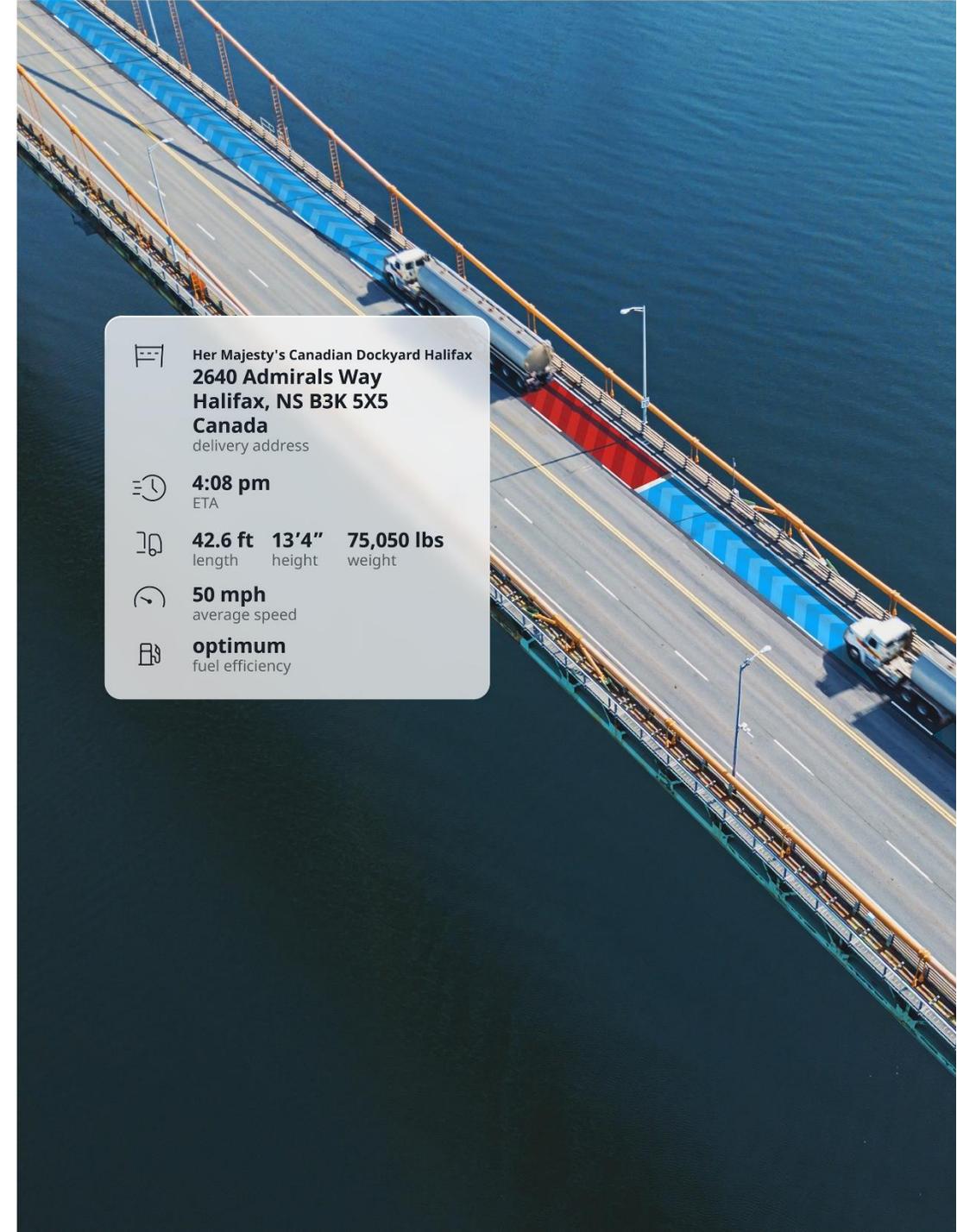
80 km/h
average speed

optimum
fuel efficiency

Financial highlights for the year

- Group revenue of €536m (FY '21: €507m)
- Location Technology revenue of €436m (FY '21: €394m)
- Automotive operational revenue of €296m (FY '21: €266m)
- Free cash flow¹ of -€29m (FY '21: €24m)
- Net cash of €304m (FY '21: €356m)

¹ Free cash flow excludes restructuring charges related to the Maps realignment announced in June 2022



Her Majesty's Canadian Dockyard Halifax
2640 Admirals Way
Halifax, NS B3K 5X5
Canada
delivery address



4:08 pm
ETA



42.6 ft 13'4" 75,050 lbs
length height weight

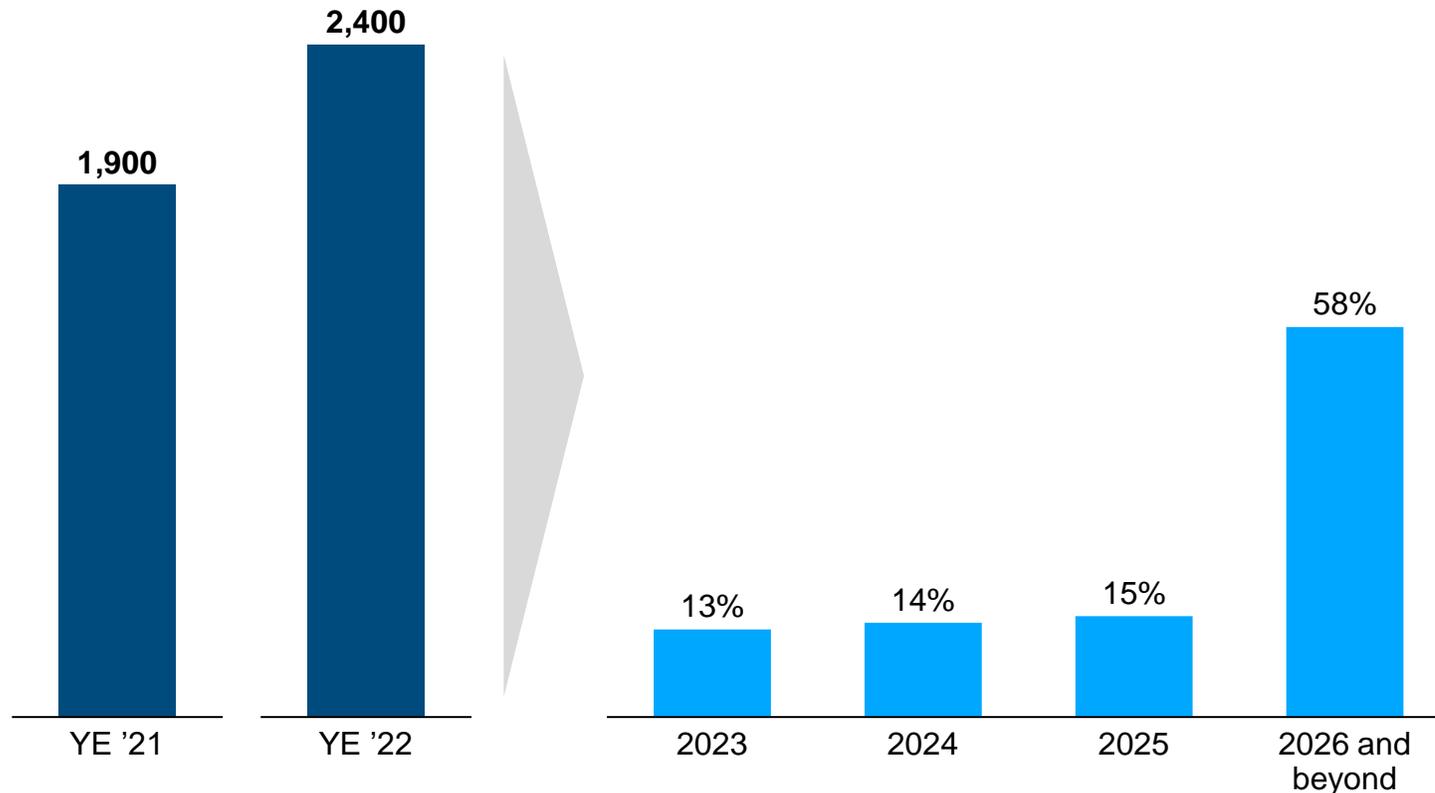


50 mph
average speed



optimum
fuel efficiency

Automotive backlog



Automotive backlog and phasing of revenues

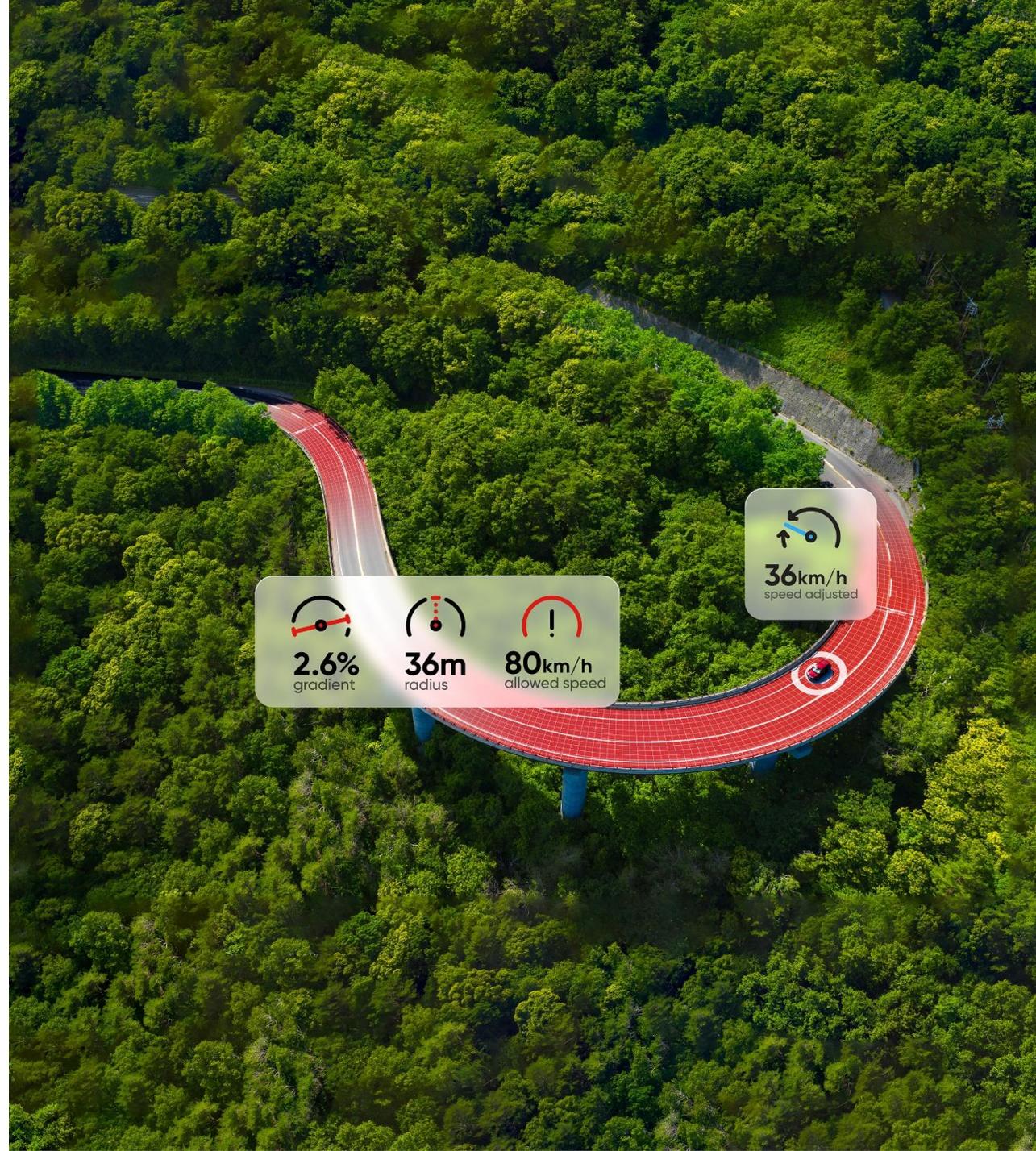
in € million, phasing of revenues in %

- Automotive backlog is defined as the cumulative expected IFRS revenue from all awarded Automotive deals
- Automotive awards do not include minimum volume or purchase commitments. Volumes are based on estimates of car sales and take rates
- Year-on-year change of the backlog is the result of the following:
 - Revenue recognition during the year
 - Estimate of cumulative value of all awarded contracts during the year
 - Changes in our customers' car production forecasts for previously awarded deals

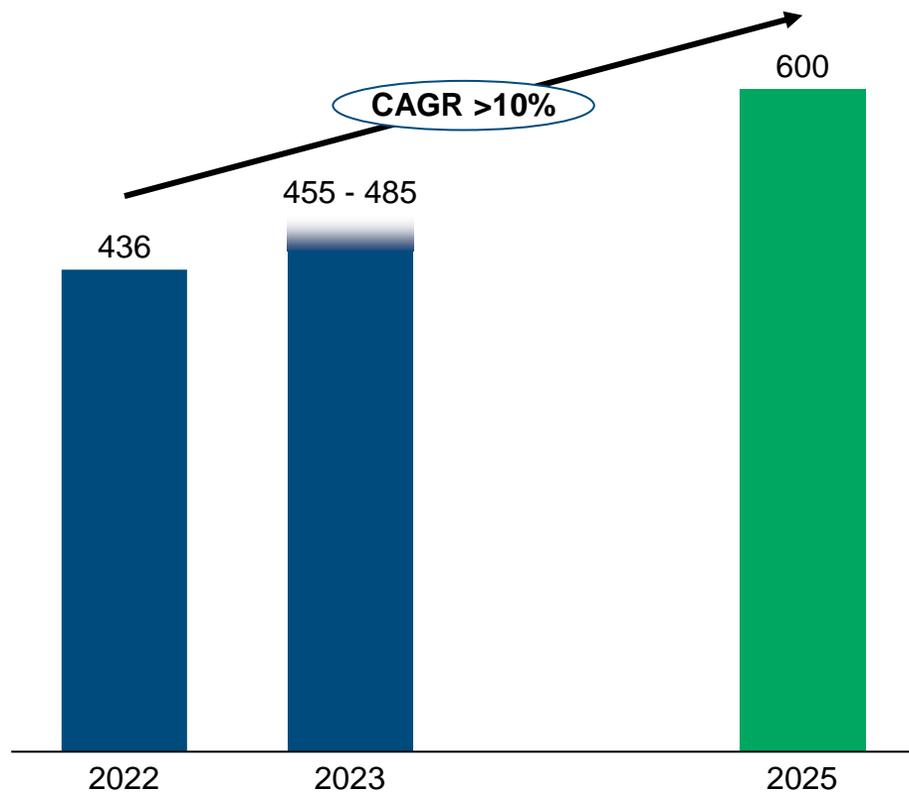
Outlook 2023

in € million	Outlook 2023	Actual 2022
Group revenue	540 - 580	536
Location Technology revenue	455 - 485	436
FCF as % of Group revenue ¹	0% - +5%	-5%

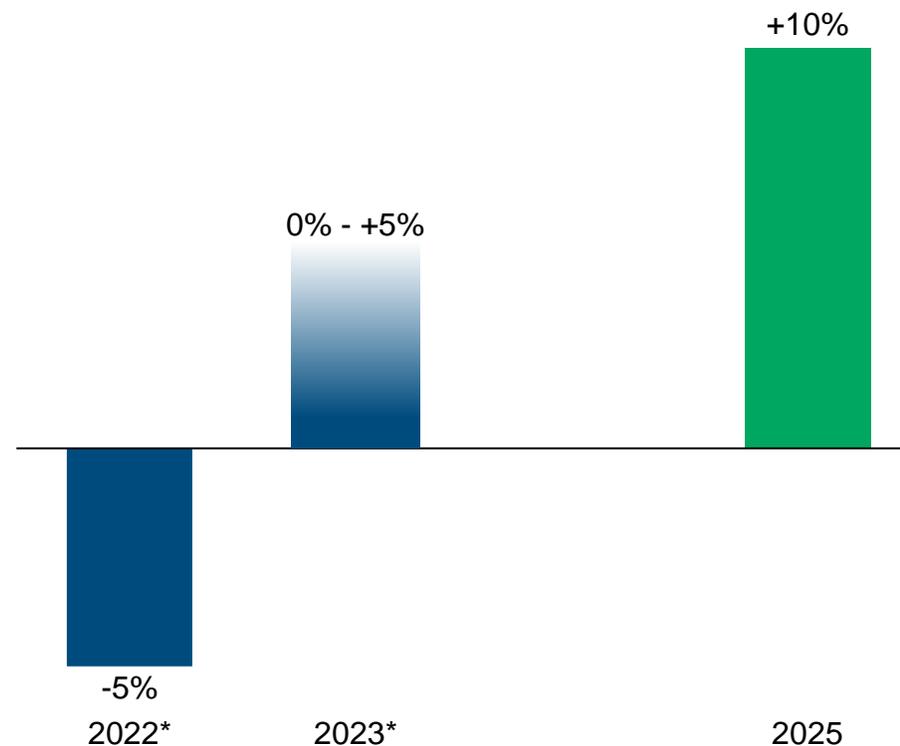
¹ Free cash flow excludes restructuring charges related to the Maps realignment announced in June 2022



Ambition 2025



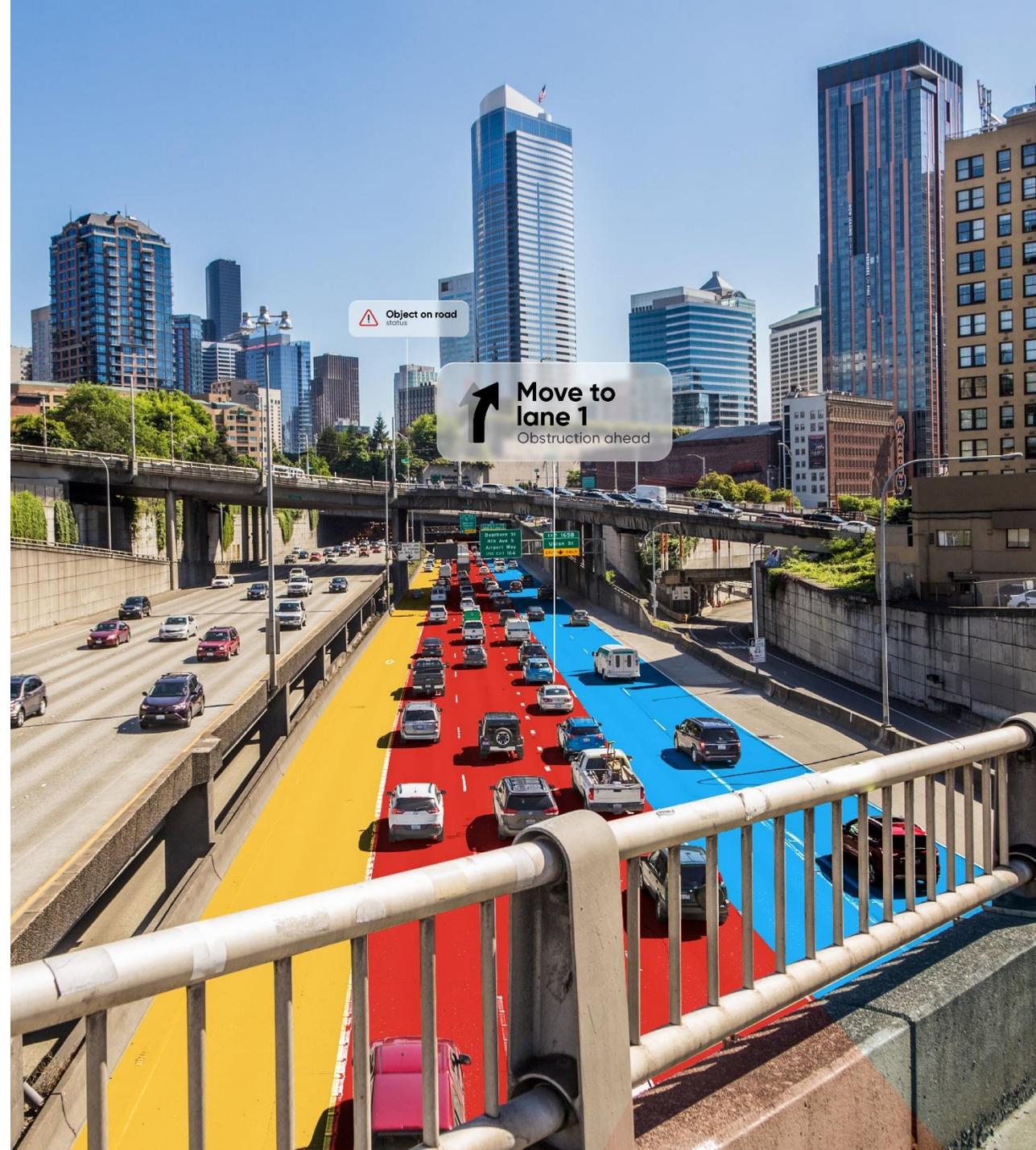
Location Technology revenue
in € million



Free cash flow
in % of group revenue

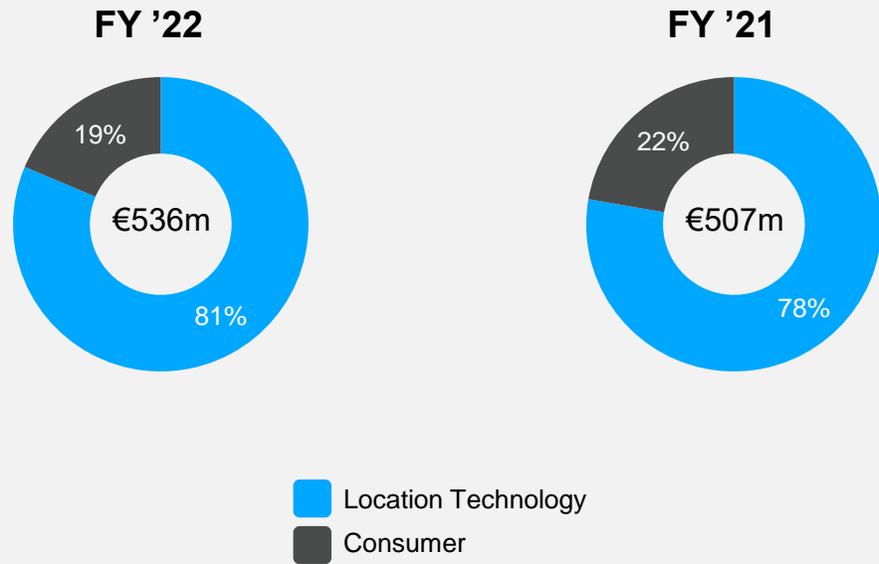
*Note: Free cash flow excludes restructuring charges related to the Maps realignment announced in June 2022

Thank you
Any questions?

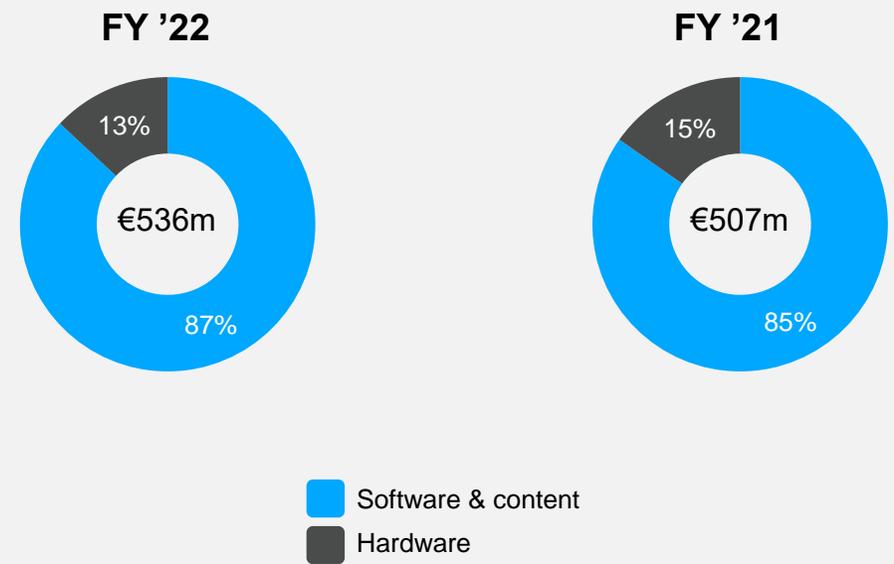


Revenue breakdown

By segment



By type



P&L

(€ in thousands)	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	FY '22	FY '21
Automotive	52,368	47,051	60,511	59,951	62,446	77,070	259,978	223,056
Enterprise	42,994	43,513	44,733	45,344	45,894	40,453	176,424	170,916
Location Technology	95,361	90,564	105,244	105,295	108,340	117,523	436,402	393,972
Consumer	32,108	24,598	23,205	27,283	27,963	21,490	99,941	112,954
Revenue	127,469	115,162	128,449	132,578	136,303	139,013	536,343	506,926
Cost of sales	23,842	20,931	19,313	22,825	26,381	18,100	86,619	99,821
Gross profit	103,627	94,233	109,136	109,753	109,922	120,913	449,724	407,105
<i>Gross margin</i>	<i>81%</i>	<i>82%</i>	<i>85%</i>	<i>83%</i>	<i>81%</i>	<i>87%</i>	<i>84%</i>	<i>80%</i>
Research and development expenses - Geographic data	55,822	55,457	56,531	54,945	50,548	43,736	205,760	219,808
Research and development expenses - Application layer	37,040	38,499	39,365	43,658	45,768	42,713	171,504	146,209
Sales and marketing expenses	10,994	12,645	10,506	12,077	13,568	14,202	50,353	45,181
General and administrative expenses	22,315	22,979	22,567	54,539	17,823	24,791	119,720	89,098
Total operating expenses	126,171	129,580	128,969	165,219	127,707	125,442	547,337	500,296
Operating result (EBIT)	-22,544	-35,347	-19,833	-55,466	-17,785	-4,529	-97,613	-93,191
<i>EBIT margin</i>	<i>-18%</i>	<i>-31%</i>	<i>-15%</i>	<i>-42%</i>	<i>-13%</i>	<i>-3%</i>	<i>-18%</i>	<i>-18%</i>
Financial result	2,213	1,480	-279	2,160	1,826	-889	2,818	6,329
Result before tax	-20,331	-33,867	-20,112	-53,306	-15,959	-5,418	-94,795	-86,862
Income tax (expense)/gain	-452	-4,907	-1,378	-1,670	-1,525	-3,367	-7,940	-7,791
Net result¹	-20,783	-38,774	-21,490	-54,976	-17,484	-8,785	-102,735	-94,653

¹ Net result is fully attributable to equity holders of the parent.

Balance sheet

(€ in thousands)	30-Sep-21	31-Dec-21	31-Mar-22	30-Jun-22	30-Sep-22	31-Dec-22
Goodwill	192,294	192,294	192,294	192,294	192,294	192,294
Intangible assets	80,771	70,478	66,521	58,010	50,147	42,917
Other contract related assets	22,257	23,818	25,782	28,634	28,329	30,627
Other non-current assets	79,766	79,826	73,954	68,616	67,474	72,432
Inventories	18,815	19,585	18,872	14,975	13,653	14,660
Trade receivables	130,234	56,179	65,575	66,134	75,813	65,743
Unbilled receivables	65,925	67,311	64,472	63,537	57,572	48,298
Other receivables and prepayments	23,330	25,429	28,051	24,194	20,814	36,803
Cash and cash equivalents and fixed-term deposits	302,187	355,820	330,652	329,364	329,808	303,729
TOTAL ASSETS	915,579	890,740	866,173	845,758	835,904	807,503
Total equity	317,477	282,723	265,960	218,174	208,491	199,606
Deferred tax liability	1,342	3,934	3,561	2,907	2,665	2,404
Lease liability	35,175	33,339	29,911	28,974	27,403	37,725
Provisions	41,380	40,021	40,391	65,083	37,643	29,257
Trade payables	15,374	14,022	12,677	12,676	11,820	6,102
Deferred revenue	433,228	440,727	439,795	434,212	444,609	438,650
Other contract related liabilities	18,506	19,782	19,695	23,926	22,169	18,921
Income taxes	2,676	1,273	2,511	3,072	2,180	3,133
Accruals and other liabilities	50,421	54,919	51,672	56,734	78,924	71,705
TOTAL EQUITY AND LIABILITIES	915,579	890,740	866,173	845,758	835,904	807,503

Cash flow

(€ in thousands)	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	FY '22	FY '21
Operating result	-22,544	-35,347	-19,833	-55,466	-17,785	-4,529	-97,613	-93,191
Financial gains/ (losses)	2,753	3,037	1,392	4,574	4,340	-3,933	6,373	7,904
Depreciation and amortization	17,210	16,185	15,244	14,369	13,720	13,339	56,672	73,671
Change in provisions	-2,166	-1,790	-590	29,745	-26,674	-4,953	-2,472	-7,474
Other	957	2,032	1,774	2,671	3,113	2,905	10,463	5,888
Changes in working capital:	-5,594	81,433	-13,453	5,893	28,775	-20,169	1,046	58,944
Cash flow from operations	-9,384	65,550	-15,466	1,786	5,489	-17,340	-25,531	45,742
Interest (paid)/received	-404	-386	-360	-243	-238	47	-794	-1,390
Corporate income taxes paid	-1,109	-3,646	-1,107	-345	-1,376	-2,255	-5,083	-7,569
Cash flow from operating activities	-10,897	61,518	-16,933	1,198	3,875	-19,548	-31,408	36,783
Cash flow from investing activities	-2,384	-94,675	-6,311	13,202	-81,257	43,592	-30,774	-19,978
Cash flow from financing activities	-3,741	-3,585	-2,122	-1,949	-2,698	-3,549	-10,318	-43,655
Net increase/(decrease) in cash and cash equivalents	-17,022	-36,742	-25,366	12,451	-80,080	20,495	-72,500	-26,850

Additional information:

Free cash flow

Cash flow from operating activities	-10,897	61,518	-16,933	1,198	3,875	-19,548	-31,408	36,783
Investments in intangible assets			-5,053	-24	-116	-78	-5,271	
Investments in property, plant and equipment	-2,612	-4,813	-1,258	-998	-1,141	-1,498	-4,895	-13,274
Free cash flow	-13,509	56,705	-23,244	176	2,618	-21,124	-41,574	23,509
Restructuring-related cash flow					5,849	6,539	12,388	
Free cash flow excluding restructuring	-13,509	56,705	-23,244	176	8,467	-14,585	-29,186	23,509
% of revenue	-11%	49%	-18%	0%	6%	-10%	-5%	5%

Outstanding shares

	Q4 '22	YTD '22
Common shares outstanding at the end of the period	132,366,672	132,366,672
Shares in issue at the beginning of the period	128,282,635	126,949,550
Shares in issue at the end of the period	128,392,291	128,392,291
Average shares in issue during the period¹	128,369,562	127,849,477 [A]
Average in the money share options at the beginning of the period	376,964	459,174
Average in the money share options at the end of the period	-	370,384
Average potential dilutive share options outstanding during the period²	22,730	738,694
Average non-dilutive share options during the period	-	358,970
Average shares outstanding from dilution of options³	22,730	379,724 [B]
Average shares outstanding from dilution of restricted stock units	1,921,517	1,888,369 [C]
Average fully diluted shares outstanding during the period⁴	130,313,809	130,117,570 [A+B+C]

¹ Shares held in treasury of 3,974,381 are taken into account when calculating the weighted average shares outstanding

² In-the-money options based on average share price for the period

³ Weighted average diluted options based on the period outstanding

⁴ The average share price for the quarter was €7.44 and the average share price for the year was €7.81

Important notice

Disclaimer

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 TomTom operates and the risk of a downturn in the market. Statements regarding market share, including TomTom'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.

You will be solely responsible for your own assessment of the market and the market position of TomTom and you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of TomTom's business. This document does not constitute or form part of, and should not be constructed as, an offer or invitation to subscribe for or purchase any TomTom securities.

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 because 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 IFRS revenue

EBIT is equal to the operating result

EBIT margin is calculated as operating result divided by IFRS revenue

Net cash is defined as our cash and cash equivalents minus the nominal value of our outstanding bank borrowings

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

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

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



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