

**SECOND QUARTER AND HALF YEAR 2021 RESULTS****TomTom's Location Technology revenue grows 10%****TOMTOM'S CHIEF EXECUTIVE OFFICER, HAROLD GODDIJN**

"Looking back on the first half of 2021, our Enterprise unit showed a strong performance and while we have seen a marked improvement in Automotive, full recovery will take longer.

Our innovative technology, including ADAS features, continues to be incorporated by leading brands. We have started to see multiple carlines feature our over-the-air map updates, contributing to a better end-user experience. This success validates our decision to accelerate our online product offerings.

We are investing in opportunities to significantly improve our mapmaking platform, leading to more detailed and fresher maps to address a broader set of market segments."

**OPERATIONAL SUMMARY**

- The launch of the new [Nissan Qashqai](#) featuring TomTom maps, including ADAS features, and real-time traffic
- A new deal with [Genesis](#), one of Hyundai-Kia Motor Group's premium brands, to provide maps, including ADAS features, and real-time traffic
- A new deal providing maps and traffic data to [Loop](#), an AI-based auto insurance provider
- A new product launch, [TomTom Virtual Horizon](#), an all-in-one solution for Intelligent Speed Assistance
- The completion of our [share buyback program](#)

**FINANCIAL SUMMARY SECOND QUARTER 2021**

- Group revenue increased by 8% to €133 million (Q2 '20: €124 million)
- Location Technology revenue increased by 10% to €103 million (Q2 '20: €94 million)
- Automotive operational revenue increased by 63% to €63 million (Q2 '20: €39 million)
- Free cash flow is an outflow of €16 million (Q2 '20: outflow of €54 million)
- Net cash of €319 million (Q1 '21: €352 million)

**KEY FIGURES**

(€ in millions, unless stated otherwise)	Q2 '21	Q2 '20	y.o.y. change	H1 '21	H1 '20	y.o.y. change
Location Technology	103.2	93.8	10%	208.0	185.1	12%
Consumer	29.9	29.9	0%	56.3	69.8	-19%
<b>Revenue</b>	<b>133.1</b>	<b>123.7</b>	<b>8%</b>	<b>264.3</b>	<b>254.9</b>	<b>4%</b>
<b>Gross result</b>	<b>102.7</b>	<b>105.8</b>	<b>-3%</b>	<b>209.2</b>	<b>208.3</b>	<b>0%</b>
Gross margin	77%	86%		79%	82%	
<b>EBITDA</b>	<b>-2.3</b>	<b>7.3</b>		<b>5.0</b>	<b>1.9</b>	
EBITDA margin	-2%	6%		2%	1%	
<b>Operating result (EBIT)</b>	<b>-21.1</b>	<b>-64.2</b>		<b>-35.3</b>	<b>-141.9</b>	
Operating margin	-16%	-52%		-13%	-56%	
<b>Net result</b>	<b>-23.6</b>	<b>-62.0</b>		<b>-35.1</b>	<b>-124.8</b>	
<b>Free cash flow (FCF)</b>	<b>-15.8</b>	<b>-54.0</b>		<b>-19.7</b>	<b>-40.3</b>	
FCF as a % of revenue	-12%	-44%		-7%	-16%	

This report includes the following non-GAAP measures which are further explained at the end of this report: operational revenue; 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

"Automotive revenue increased year-on-year, although full recovery is taking longer because of industry-wide shortages in semiconductors that are needed for car production.

During the quarter, one of our Automotive customers started production of several carlines that utilize our software. This triggered the release of customer-specific costs from our balance sheet, temporarily lowering our gross margin.

Our net cash position decreased quarter-on-quarter due to the completion of our share buyback program and the seasonality of free cash flow.

We have updated our guidance and now expect to achieve Location Technology revenue of between €400 million and €430 million and free cash flow of around 5% of group revenue. This takes into account the uncertainty within the Automotive supply chain, which is expected to lead to lower Automotive (operational) revenue and lower free cash flow."

## OUTLOOK 2021

(€ in millions, unless stated otherwise)	Updated Outlook 2021	Previous Outlook 2021	Actual 2020
Revenue	500 - 530	520 - 570	528
Of which Location Technology	400 - 430	420 - 450	392
FCF as % of group revenue	Around 5%	Around 6%	-5%

## REVENUE

Revenue for the second quarter amounted to €133 million, an 8% increase compared with the same quarter last year (Q2 '20: €124 million).

## Location Technology

(€ in millions)	Q2 '21	Q2 '20	y.o.y. change	H1 '21	H1 '20	y.o.y. change
Automotive	61.0	51.6	18 %	123.6	101.4	22 %
Enterprise	42.2	42.2	0 %	84.4	83.7	1 %
<b>Location Technology revenue</b>	<b>103.2</b>	<b>93.8</b>	<b>10%</b>	<b>208.0</b>	<b>185.1</b>	<b>12%</b>
<b>Segment EBITDA</b>				<b>-3.2</b>	<b>-5.5</b>	
EBITDA margin (%)				-2%	-3%	
Segment EBIT				-42.8	-148.7	
EBIT margin (%)				-21%	-80%	

(€ in millions)	Q2 '21	Q2 '20	y.o.y. change	H1 '21	H1 '20	y.o.y. change
Automotive revenue	61.0	51.6	18 %	123.6	101.4	22 %
Movement of Automotive deferred revenue	2.1	-13.0		13.9	17.9	
<b>Automotive operational revenue</b>	<b>63.1</b>	<b>38.6</b>	<b>63%</b>	<b>137.5</b>	<b>119.3</b>	<b>15%</b>

Location Technology revenue in the quarter increased by 10% to €103 million (Q2 '20: €94 million) from increases in Automotive revenue.

Automotive generated revenue of €61 million in the quarter, representing an 18% increase year on year. Automotive operational revenue increased by 63% to €63 million (Q2 '20: €39 million). The strong year-on-year growth in Automotive operational revenue came despite the supply chain constraints in the Automotive industry, as factory closures from COVID-19 lockdown restrictions impacted last year's operational revenue.

Enterprise revenue was flat year-on-year at €42 million (Q2 '20: €42 million).

Location Technology segment EBITDA for the first half of 2021 showed a year-on-year improvement as a result of higher revenue, partly offset by increased operating expenses in our application layer.

Our Automotive business announced that the new Nissan Qashqai will feature TomTom maps and connected services. TomTom will provide the new Qashqai's NissanConnect infotainment system with

an innovative over-the-air map update solution allowing drivers to enjoy TomTom's maps for navigation as well as its array of connected services. TomTom's Advanced Driver Assistance (ADAS) features will also support the new Qashqai's upgraded ProPILOT with Navi-link driver assistance.

Global luxury brand Genesis has chosen TomTom maps and real-time traffic services for their upcoming models in Europe. In addition to maps supporting the built-in navigation, TomTom's ADAS features will support smart cruise control and other advanced automated driving functions.

TomTom Virtual Horizon launched, offering an all-in-one solution from a single supplier helping automakers meet Intelligent Speed Assistance (ISA) requirements, simplifying development and accelerating go-to-market time.

Our Enterprise business announced a new multi-year agreement with Loop, the community-driven auto insurance provider. TomTom will provide Loop with its speed profiles, traffic stats and maps to help Loop customers make safer driving choices and receive insurance rates based on fair, bias-free criteria.

Enterprise revealed a new multi-year deal providing Maps API's to GreenMile, a logistics software company specializing in last-mile transportation.

Following collaborations with Hsubject and Eco-Movement, we announced enhancements to our Electric Vehicle (EV) suite, including upgraded range and routing features and industry-leading data on charging points.

### Consumer

(€ in millions)	Q2 '21	Q2 '20	y.o.y. change	H1 '21	H1 '20	y.o.y. change
Consumer products	27.7	27.9	-1 %	51.1	63.0	-19 %
Automotive hardware	2.2	2.0	11 %	5.2	6.8	-23 %
<b>Consumer revenue</b>	<b>29.9</b>	<b>29.9</b>	<b>0%</b>	<b>56.3</b>	<b>69.8</b>	<b>-19%</b>
<b>Segment EBITDA</b>				<b>11.4</b>	<b>10.5</b>	<b>9%</b>
EBITDA margin (%)				20%	15%	
Segment EBIT				10.9	10.0	9%
EBIT margin (%)				19%	14%	

Consumer revenue for the quarter was €30 million, flat compared with the same quarter last year (Q2 '20: €30 million).

Consumer segment EBITDA improved as lower operating expenses more than offset the decline in revenue.

### GROSS MARGIN

The gross margin for the quarter was 77% compared with 86% in Q2 '20. The start of production of various software platforms in Automotive triggered the release of capitalized contract costs associated with platform customization (NRE), reducing the gross margin for the quarter. Adjusting for this, the normalized gross margin would have been 84%.

### OPERATING RESULT

Operating result (EBIT) in the quarter was a loss of €21 million (Q2 '20: loss of €64 million). Total operating expenses in the quarter were €124 million, a decrease of €46 million compared with the same quarter last year (Q2 '20: €170 million). The decrease in operating expenses and improvement in operating result is mainly from lower amortization as the Tele Atlas databases were fully amortized in 2020.

Excluding the impact of depreciation and amortization (D&A), operating expenses increased by 7% mainly from increases in Research and development (R&D) associated with our Application layer and General and administrative expenses (G&A).

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

(€ in millions)	Q2 '21	Q2 '20	Y.o.y. change	H1 '21	H1 '20	Y.o.y. change
R&D - Geographic data	44.0	44.0	0 %	85.4	90.3	-5 %
R&D - Application layer	33.6	29.9	12 %	65.8	58.3	13 %
Sales and marketing	11.3	11.3	0 %	21.5	26.2	-18 %
General and administrative	16.2	13.3	21 %	31.5	31.7	0 %
<b>Operating expenses excluding D&amp;A</b>	<b>105.0</b>	<b>98.5</b>	<b>7%</b>	<b>204.3</b>	<b>206.5</b>	<b>-1%</b>
Depreciation and amortization	18.8	71.5	-74 %	40.3	143.8	-72 %
<b>Operating expenses</b>	<b>123.8</b>	<b>170.0</b>	<b>-27%</b>	<b>244.5</b>	<b>350.3</b>	<b>-30%</b>

## FINANCIAL INCOME, EXPENSES AND INCOME TAX

Total financial result, for the quarter was an expense of €1.8 million (Q2 '20: expense of €2.5 million), consisting primarily of foreign exchange losses from the revaluation of monetary balance sheet items.

The income tax expense for the quarter was €1 million compared with a gain of €5 million in Q2 '20. The Q2 '20 tax gain was mainly from a release of deferred tax liability related to the amortization of acquisition-related intangible assets, which were fully amortized at the end of 2020.

## BALANCE SHEET

Other intangible assets decreased to €92 million from €117 million at the end of 2020 primarily due to the amortization of map databases. Cash balances, including fixed-term deposits, decreased by €54 million to €319 million (Q4 '20: €372 million) from share repurchases under the share buyback program and negative cash flow from operating activities.

At the end of the quarter, inventory was €24 million, a €3 million decrease from the end of last year. Trade receivables were €65 million at the end of Q2 '21 compared with €80 million at the end of 2020, explained by lower operational revenue in the second quarter versus the the last quarter of 2020.

Current liabilities, excluding deferred revenue, were relatively flat versus the end of 2020 (Q2 '21: €112 million, Q4 '20: €116 million).

## DEFERRED REVENUE

Deferred revenue is €377 million at the end of quarter built up of a gross deferral of €407 million and an unbilled netting adjustment of €30 million. The decrease in deferred revenue from Q4 '20 is driven by the release of deferred revenue in Enterprise and Consumer, partly offset by increasing deferrals in Automotive.

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

(€ in millions)	30 June 2021	31 December 2020
Automotive	365.6	351.7
Enterprise	11.1	34.9
Consumer	30.3	39.7
<b>Gross deferred revenue</b>	<b>407.0</b>	<b>426.3</b>
Less: Netting adjustment to unbilled revenue	29.6	22.6
<b>Deferred revenue</b>	<b>377.3</b>	<b>403.7</b>

## CASH FLOW

In Q2 '21, free cash flow (FCF) was an outflow of €16 million versus an outflow of €54 million in Q2 '20. The year-on-year improvement is mainly because of higher Automotive operational revenue.

Cash flows from investing activities includes cash flows from fixed-term deposits. Some fixed-term deposits matured during the quarter, resulting in a cash inflow as fixed deposits decreased.

The cash flow from financing activities for the quarter was an outflow of €16 million mainly from the completion of our share buyback program. During the quarter we reported an outflow of €4 million relating to lease payments offset by cash inflows from option exercises. During Q2 '21 773 thousand

options relating to our long-term employee incentive programs were exercised (Q2 '20: 205 thousand options).

On 30 June 2021, the Group had no outstanding bank borrowings and reported a net cash position of €319 million (Q4' 20: net cash of €372 million).

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

(€ in millions)	Q2 '21	Q2 '20	H1 '21	H1 '20
Cash flow from operating activities	-13.1	-52.1	-13.8	-36.3
Investments in property, plant and equipment	-2.7	-1.8	-5.8	-4.0
<b>Free cash flow</b>	<b>-15.8</b>	<b>-54.0</b>	<b>-19.7</b>	<b>-40.3</b>

## SHARE BUYBACK

The share buyback program was resumed on 15 February 2021 and it concluded on 27 May 2021. During 2021, 4.3 million shares were purchased for an aggregate consideration of €33.4 million.

Since the program's initial launch in 2020, a total of 6.7 million shares were repurchased for €50 million, at an average price of €7.48 per share.

**- END -**

**TomTom NV**  
**Interim Financial Report**  
**30 June 2021**  
**(Unaudited)**

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## SEMI-ANNUAL FINANCIAL REPORT

TomTom N.V. (the 'company' and together with its subsidiaries referred to as 'the group') is a leading independent location technology specialist, shaping mobility with highly accurate maps, navigation software, real-time traffic information and services. TomTom has around 4,500 employees (FTE) working across all continents.

The commercial activities of the group are carried out through two segments - Location Technology and Consumer. Location Technology provides maps, traffic services and navigation software to business customers in two different sales channels. Automotive serves automotive customers (mainly OEMs and Tier1 head unit vendors), while Enterprise serves a wide range of technology customers. Consumer generates revenue mainly from the sale of consumer electronics devices such as Portable Navigation Devices (PNDs).

Within our Location Technology business, we aim to grow through technology leadership in mapmaking, traffic, and navigation software. We are ideally positioned to capitalize on opportunities in connected navigation, automated driving (ADAS and HD maps), and Maps APIs.

Our Consumer business aims to maximize cash flows from the sale of PNDs.

### MARKET AND TOMTOM OUTLOOK 2021

Industry-wide shortages in semi-conductors, a critical component for car production, have impacted the Automotive supply chain. Taking this into account, we expect the recovery of Automotive revenue will take longer than initially planned. We now expect to achieve Group revenue of between €500 million and €530 million and Location Technology revenue of between €400 million and €430 million. Free cash flow is expected to be around 5% of group revenue.

Our outlook takes into account the uncertainty within the Automotive supply chain, which is expected to lead to lower Automotive (operational) revenue and lower free cash flow. We consumed cash in H1 '21 due to completion of our share buyback program and seasonality of our free cash flow. In the second half of the year we expect to generate positive free cash flow. We expect to maintain our investment level in research and development.

### FINANCIAL REVIEW FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021

The group generated revenue of €264 million in H1 '21, €9 million higher compared with €255 million in the same period of 2020.

Gross margin for H1 '21 was 79% (H1 '20: 82%). Our operating result for H1 '21 was a loss of €35 million compared with a loss of €142 million in the same period last year.

#### REVENUE

Group revenue in H1 '21 improved compared with H1 '20, which was negatively impacted by factory and retail closures due to COVID-19 lockdown measures.

Location Technology generated revenue of €208 million in H1 '21, an increase of 12% compared with €185 million in H1 '20. Within Location Technology, Automotive revenue increased by 22% to €124 million (H1 '20: €101 million) while Enterprise revenue was €84 million, flat compared with the same period last year (H1 '20: €84 million). Despite the year-on-year increase in revenue, our Automotive revenue was below our expectations as global shortages of semi-conductors impacted the car production volumes of our customers.

Consumer revenue for H1 '21 declined year-on-year by 19% to €56 million.

#### GROSS RESULT

The gross profit for H1 '21 was €209 million, a marginal increase compared with €208 million in the same period last year. The gross margin in H1 '21 was 79%, a decrease compared with 82% in H1 '20. While the proportion of higher margin software and content revenue in our sales mix increased, the gross margin in H1 '21 was negatively impacted by the start of production of certain Automotive customer platforms. The start of production triggers the release of capitalized contract costs associated with the customization (NRE) of those platforms, which reduces gross margin.

#### OPERATING RESULT

Operating expenses in H1 '21 decreased by €106 million year-on-year to €245 million (H1 '20: €350 million and the operating result for H1 '21 was a loss of €35 million (H1 '20: loss of €142 million).

The decrease in operating expenses is mainly from lower acquisition-related amortization as in 2020 the map databases from the Tele Atlas acquisition were fully amortized.

Excluding depreciation and amortization (D&A), operating expenses were €204 million, relatively flat when compared to the same period last year (H1 '20: €206 million).

## **FINANCIAL RESULT**

The financial result for H1 '21 was an income of €3 million (H1 '20: income of €3 million).

## **INCOME TAXES**

In H1 '21, the group recorded an income tax expense of €2 million versus a gain of €15 million in the same period last year. The tax gain in H1 '20 was mainly the result of a release of deferred tax liability in line with the amortization of acquisition-related intangible assets, which were fully amortized at the end of 2020.

## **CASH FLOW**

The cash flow from operating activities was an outflow of €14 million, an improvement of €22 million compared with the same period last year (H1 '20: outflow of €36 million). This improvement mainly came from higher Automotive operational revenue.

The cash flow from investing activities during H1 '21 includes an inflow of €83 million as some fixed-term deposits matured.

The cash flow from financing activities in H1 '21 was an outflow of €36 million. This is mainly due to the execution of the share buyback program resulting in a cash outflow of €33 million. In addition, the cash flow from financing activities during H1 '21 includes a cash inflow of €4.5 million from the exercise of 880 thousand options related to our long-term employee incentive program.

## **RELATED PARTY TRANSACTIONS**

For related party transactions please refer to note 8 of our interim financial report.

## **PRINCIPAL RISKS AND UNCERTAINTIES H1 '21**

The group risks mentioned in the group risk profile section of TomTom's 2020 Annual Report are still relevant and deemed incorporated and repeated in this report by reference.

Our H1 '21 revenue performance reflects some year-on year recovery when compared with H1 '20, which was impacted by the COVID-19 pandemic. While governments in different countries rolled out their vaccination programs and have lifted some measures, the scale and duration of the pandemic remains uncertain. In addition, we noted that the global shortage of semi-conductor chips adversely impacted our Automotive customers and our Consumer business's supply chain. Should such shortages persist, it may negatively impact our future Automotive revenue (i.e. due to lower car production volumes) and may result in supply chain constraints for our Consumer businesses.

## **RESPONSIBILITY STATEMENT**

With reference to the statement within the meaning of article 5:25d (2c) of the Financial Supervision Act, the Management Board hereby declares that, to the best of their knowledge:

- the interim financial statements prepared in accordance with IAS 34, "Interim Financial Reporting", give a true and fair view of the assets, liabilities, financial position, profit or loss of the company and the undertakings included in the consolidation taken as a whole; and
- the interim Management Board report gives a fair review of the information required pursuant to section 5:25d(8)/(9) of the Financial Supervision Act.

Amsterdam, July 15, 2021

## **The Management Board**

Harold Goddijn / Chief Executive Officer

Taco Titulaer / Chief Financial Officer

Alain De Taeye / Member

**CONSOLIDATED CONDENSED STATEMENT OF INCOME**

	<b>Q2 '21</b>	<b>Q2 '20</b>	<b>H1 '21</b>	<b>H1 '20</b>
(€ in thousands)	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>
Revenue	133,102	123,703	264,293	254,899
Cost of sales	30,367	17,921	55,048	46,552
<b>Gross profit</b>	<b>102,735</b>	<b>105,782</b>	<b>209,245</b>	<b>208,347</b>
Research and development expenses - Geographic data	55,261	105,828	108,528	214,616
Research and development expenses - Application layer	35,839	33,541	70,670	65,688
Sales and marketing expenses	11,312	12,427	21,542	28,588
General and administrative expenses	21,383	18,184	43,806	41,400
<b>Total operating expenses</b>	<b>123,795</b>	<b>169,980</b>	<b>244,546</b>	<b>350,292</b>
<b>Operating result</b>	<b>-21,060</b>	<b>-64,198</b>	<b>-35,301</b>	<b>-141,945</b>
Financial result	-1,764	-2,457	2,638	2,622
<b>Result before tax</b>	<b>-22,824</b>	<b>-66,655</b>	<b>-32,663</b>	<b>-139,323</b>
Income tax (expense)/gain	-791	4,640	-2,432	14,556
<b>Net result<sup>1</sup></b>	<b>-23,615</b>	<b>-62,015</b>	<b>-35,095</b>	<b>-124,767</b>
<b>Earnings per share (in €):</b>				
Basic	-0.19	-0.48	-0.27	-0.95
Diluted	-0.19	-0.48	-0.27	-0.95

<sup>1</sup> Fully attributable to the equity holders of the parent

**CONSOLIDATED CONDENSED STATEMENT OF COMPREHENSIVE INCOME**

(€ in thousands)	<b>Q2 '21</b>	<b>Q2 '20</b>	<b>H1 '21</b>	<b>H1 '20</b>
	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>
Net result	-23,615	-62,015	-35,095	-124,767
<b>Other comprehensive income<sup>1</sup></b>				
<i>Items that will not be reclassified to profit or loss</i>				
Fair value remeasurement of financial instruments	2,768	775	4,403	-2,755
<i>Items that may be subsequently reclassified to profit or loss</i>				
Currency translation differences	-318	1,320	2,003	-3,995
Remeasurement/non-recognition of deferred tax in equity	0	-297	0	-6,683
<b>Other comprehensive income for the period</b>	<b>2,450</b>	<b>1,798</b>	<b>6,406</b>	<b>-13,433</b>
<b>Total comprehensive income for the period<sup>2</sup></b>	<b>-21,165</b>	<b>-60,217</b>	<b>-28,689</b>	<b>-138,200</b>

<sup>1</sup> The items of other comprehensive income are presented net of tax (if applicable).

<sup>2</sup> Fully attributable to the equity holders of the parent.

## CONSOLIDATED CONDENSED BALANCE SHEET

(€ in thousands)	<b>30 June 2021</b>	<b>31 December 2020</b>
	<b>Unaudited</b>	<b>Audited</b>
Goodwill	192,294	192,294
Other intangible assets	91,933	117,475
Property, plant and equipment	23,186	22,220
Lease assets	37,488	43,609
Other contract-related assets	17,124	19,130
Other investments	14,602	8,733
Deferred tax assets	4,287	4,273
<b>Total non-current assets</b>	<b>380,914</b>	<b>407,734</b>
Inventories	23,554	26,146
Trade receivables	65,378	79,661
Unbilled receivables	67,809	58,313
Other contract-related assets	3,115	6,950
Other receivables and prepayments	27,295	26,765
Fixed-term deposits	60,000	140,930
Cash and cash equivalents	258,908	231,520
<b>Total current assets</b>	<b>506,059</b>	<b>570,285</b>
<b>Total assets</b>	<b>886,973</b>	<b>978,019</b>
<b>Total equity</b>	<b>333,008</b>	<b>387,616</b>
Lease liabilities	25,273	28,801
Deferred tax liability	1,464	1,344
Provisions	37,698	41,014
Deferred revenue	219,265	238,793
<b>Total non-current liabilities</b>	<b>283,700</b>	<b>309,952</b>
Trade payables	21,799	21,998
Lease liabilities	14,211	14,872
Provisions	6,181	7,918
Deferred revenue	158,067	164,913
Other contract-related liabilities	18,393	19,084
Income taxes	2,427	1,893
Accruals and other liabilities	49,187	49,773
<b>Total current liabilities</b>	<b>270,265</b>	<b>280,451</b>
<b>Total equity and liabilities</b>	<b>886,973</b>	<b>978,019</b>

## CONSOLIDATED CONDENSED STATEMENT OF CASH FLOWS

(€ in thousands)	Q2 '21 Unaudited	Q2 '20 Unaudited	H1 '21 Unaudited	H1 '20 Unaudited
Operating result	-21,060	-64,198	-35,301	-141,945
Financial gains/(losses)	-970	-1,059	2,114	-914
Depreciation and amortization	18,756	71,511	40,276	143,816
Change in provisions	-4,277	-2,811	-3,518	-3,224
Equity-settled stock compensation expenses	1,457	1,660	3,053	2,873
Other non-cash movement	-154	0	-154	0
Changes in working capital:				
Change in inventories	1,019	-8,995	4,236	-7,470
Change in receivables and prepayments	12,692	7,221	9,245	28,605
Change in liabilities (excluding provisions) <sup>1</sup>	-19,241	-51,315	-30,376	-51,628
<b>Cash flow from operations</b>	<b>-11,778</b>	<b>-47,986</b>	<b>-10,425</b>	<b>-29,887</b>
Interest received	267	585	306	680
Interest paid	-469	-798	-906	-1,184
Corporate income taxes paid	-1,078	-3,932	-2,814	-5,936
<b>Cash flow from operating activities</b>	<b>-13,058</b>	<b>-52,131</b>	<b>-13,839</b>	<b>-36,327</b>
Investments in property, plant and equipment	-2,732	-1,849	-5,849	-3,960
Dividends received	0	0	0	162
Decrease in fixed-term deposits	61,465	34,065	82,930	34,065
<b>Cash flow from investing activities</b>	<b>58,733</b>	<b>32,216</b>	<b>77,081</b>	<b>30,267</b>
Payment of lease liabilities	-3,552	-3,669	-7,366	-7,281
Proceeds on issue of ordinary shares	3,891	698	4,468	2,246
Purchase of treasury shares	-16,137	0	-33,431	-16,569
<b>Cash flow from financing activities</b>	<b>-15,798</b>	<b>-2,971</b>	<b>-36,329</b>	<b>-21,604</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>29,877</b>	<b>-22,886</b>	<b>26,913</b>	<b>-27,664</b>
Cash and cash equivalents at the beginning of period	230,657	209,040	231,520	213,941
Exchange rate changes on foreign cash balances	-1,626	-96	475	-219
<b>Total cash and cash equivalents at the end of the period<sup>2</sup></b>	<b>258,908</b>	<b>186,058</b>	<b>258,908</b>	<b>186,058</b>
Cash held in short-term fixed deposits	60,000	187,311	60,000	187,311
<b>Net cash at the end of the period</b>	<b>318,908</b>	<b>373,369</b>	<b>318,908</b>	<b>373,369</b>

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

**Consolidated condensed statement of changes in equity**

(€ in thousands)	Share capital	Share premium	Treasury shares	Other reserves <sup>1</sup>	Retained earnings	Total shareholders' equity
<b>Balance as at 1 January 2020</b>	<b>26,473</b>	<b>338,124</b>	<b>-7,438</b>	<b>188,507</b>	<b>120,265</b>	<b>665,931</b>
<b>Comprehensive income</b>						
Result for the period	0	0	0	0	-124,767	-124,767
<b>Other comprehensive income<sup>2</sup></b>						
Currency translation differences	0	0	0	-3,995	0	-3,995
Fair value remeasurement of financial instruments	0	0	0	-2,755	0	-2,755
Remeasurement of deferred tax in equity	0	0	0	0	-6,683	-6,683
<b>Total other comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-6,750</b>	<b>-6,683</b>	<b>-13,433</b>
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-6,750</b>	<b>-131,450</b>	<b>-138,200</b>
<b>Transactions with owners</b>						
Stock compensation related movements	0	0	9,217	-1,795	-2,303	5,119
Repurchase of shares	0	0	-16,569	0	0	-16,569
<b>Other movements</b>						
Transfers between reserves	0	0	0	-31,488	31,488	0
<b>Balance as at 30 June 2020</b>	<b>26,473</b>	<b>338,124</b>	<b>-14,790</b>	<b>148,474</b>	<b>18,000</b>	<b>516,281</b>
<b>Balance as at 1 January 2021</b>	<b>26,473</b>	<b>338,124</b>	<b>-14,312</b>	<b>127,598</b>	<b>-90,267</b>	<b>387,616</b>
<b>Comprehensive income</b>						
Result for the period	0	0	0	0	-35,095	-35,095
<b>Other comprehensive income<sup>2</sup></b>						
Currency translation differences	0	0	0	2,003	0	2,003
Fair value remeasurement of financial instruments	0	0	0	4,403	0	4,403
<b>Total other comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,406</b>	<b>0</b>	<b>6,406</b>
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,406</b>	<b>-35,095</b>	<b>-28,689</b>
<b>Transactions with owners</b>						
Stock compensation related movements	0	0	6,767	73	672	7,512
Repurchase of shares	0	0	-33,431	0	0	-33,431
<b>Other movements</b>						
Transfers between reserves	0	0	0	-23,526	23,526	0
<b>Balance as at 30 June 2021</b>	<b>26,473</b>	<b>338,124</b>	<b>-40,976</b>	<b>110,551</b>	<b>-101,164</b>	<b>333,008</b>

<sup>1</sup> Other reserves include the Legal reserve, the Stock compensation reserve, and the Revaluation reserve.

<sup>2</sup> The items of other comprehensive income are presented net of tax (if applicable).

## NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

### 1. GENERAL

TomTom N.V. ('the company') has its statutory seat and headquarters in Amsterdam, the Netherlands. The consolidated interim financial statements comprise the financial information of the company and its subsidiaries (together referred to as 'the group') and have been prepared by the Management Board and authorized for issue on 15 July 2021.

The consolidated interim financial statements have neither been reviewed nor audited.

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies and methods of computation applied in these consolidated interim financial statements are consistent with those applied in the annual financial statements for the year ended 31 December 2020. These policies have been consistently applied to all the periods presented, unless otherwise stated.

#### Basis of preparation

The consolidated interim financial statements for the six-months ended 30 June 2021 have been prepared in accordance with IAS 34 'Interim Financial Reporting' as endorsed by the European Union (EU). As permitted by IAS 34, the consolidated interim financial statements do not include all of the information required for full annual financial statements and the notes to these consolidated interim financial statements are presented in a condensed format. Accordingly, the condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2020, which have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRIC interpretations as adopted by the EU. The presentation currency of the group is the Euro (€).

#### New accounting standards and interpretations

To the extent relevant, all IFRS standards and interpretations including amendments that were in issue and effective from 1 January 2021, have been adopted by the group from 1 January 2021. These standards and interpretations had no material impact for the group.

All IFRS standards and interpretations that were in issue but not yet effective for reporting periods beginning on 1 January 2021 have not yet been adopted.

#### Use of estimates

The preparation of these interim financial statements requires management to make certain assumptions, estimates and judgments that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities as of the date of the interim financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and the future periods if the revision affects both current and future periods. For areas involving a higher degree of judgment or areas where assumptions and estimates are significant to the (interim) financial statements, reference is made to note 3 of the Consolidated financial statements in the 2020 Annual Report.

### 3 SEGMENT REPORTING

The operating segments are identified and reported on the basis of internal reports about components of the group that are regularly reviewed by the Management Board to assess the performance of the segments.

The group's internal management reporting is structured primarily based on the nature of the business of each segment. Location Technology is engaged in developing and selling location based application components such as maps, services (e.g. traffic) and navigation software to customers in different market segments. Consumer generates revenue mainly from the sale of consumer electronic devices such as PNDs.

Management assesses the performance of segments based on the measures of revenue, operating result (EBIT) and EBITDA, whereby EBIT and EBITDA measures include allocations of expenses from supporting functions within the group. Such allocations have been determined based on relevant measures that reflect the level of benefits of these functions to each of the operating segments. The

effects of non-recurring items are excluded from management's measurement basis. Interest income and expenses and tax are not allocated to the segments.

There is no measure of segment (non-current) assets and/or liabilities provided to the Management Board.

(€ in millions)	<b>H1 '21 Unaudited</b>	<b>H1 '20 Unaudited</b>
<b>Revenue</b>	<b>264.3</b>	<b>254.9</b>
Location Technology	213.4	191.1
<i>External customers</i>	208.0	185.1
<i>Inter-segment</i>	5.4	6.0
Consumer	56.3	69.8
Eliminations	-5.4	-6.0
<b>Revenue by nature</b>	<b>264.3</b>	<b>254.9</b>
License revenue	140.5	134.8
Service revenue	86.2	76.2
Sale of goods revenue	37.6	44.0
<b>Revenue by timing of revenue recognition</b>	<b>264.3</b>	<b>254.9</b>
Goods and services transferred at a point in time	56.7	60.0
Goods and services transferred over time	207.6	194.9
<b>EBIT</b>	<b>-31.9</b>	<b>-138.7</b>
Location Technology	-42.8	-148.7
Consumer	10.9	10.0
<b>EBITDA</b>	<b>8.2</b>	<b>5.0</b>
Location Technology	-3.2	-5.5
Consumer	11.4	10.5

A reconciliation of the segments' performance measure (EBIT) to the group's result before tax is presented below.

(in € millions)	<b>H1 '21 Unaudited</b>	<b>H1 '20 Unaudited</b>
Total segment EBIT	-31.9	-138.7
Unallocated expenses	-3.4	-3.2
Financial income	2.6	2.6
<b>Result before tax</b>	<b>-32.7</b>	<b>-139.3</b>

The effects of non-recurring items are excluded from management's measurement basis. Interest income and expenses, and tax are not allocated to segments.

#### 4. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share is based on the following:

	<b>H1 '21 Unaudited</b>	<b>H1 '20 Unaudited</b>
<b>Earnings</b> (€ in thousands)		
<b>Net result attributable to equity holders of the parent</b>	<b>-35,095</b>	<b>-124,767</b>
<b>Number of shares</b> (in thousands)		
Weighted average number of ordinary shares for basic EPS	128,519	130,898
<b>Effect of dilutive potential ordinary shares</b> (in thousands)		
Share options and restricted stock units	1,407	2,043
Weighted average number of ordinary shares for diluted EPS	129,926	132,941

## 5. GOODWILL

The group performs its goodwill impairment test at least annually in December and when circumstances indicate the carrying value may be impaired. The methodology, key assumptions used to determine the recoverable amount for the different operating segments, as well as the amount of goodwill, were disclosed in the annual consolidated financial statements for the year ended 31 December 2020.

Given the global shortage of semi-conductors impacting our Automotive business in H1 '21, we assessed its implication on our revenues. Though we do expect a short term impact, we do not expect that the later years of our forecasted period are impacted. We have considerable headroom which is reflected in the sensitivity test we have disclosed in our 2020 Annual Report.

As such we do not see a triggering event that could potentially lead to an impairment. No impairment charge was recorded in H1 '21 or H1 '20.

## 6. SHAREHOLDER'S EQUITY

The authorized and issued share capital is as follows:

	<b>30 Jun 2021</b> <b>Unaudited</b> Number	<b>30 Jun 2021</b> <b>Unaudited</b> € in thousands	<b>31 Dec 2020</b> <b>Audited</b> Number	<b>31 Dec 2020</b> <b>Audited</b> € in thousands
<b>Authorised:</b>				
Ordinary shares	300,000,000	60,000	300,000,000	60,000
Preferred shares	150,000,000	30,000	150,000,000	30,000
<b>Total authorized</b>	<b>450,000,000</b>	<b>90,000</b>	<b>450,000,000</b>	<b>90,000</b>
<b>Issued and fully paid:</b>				
Ordinary shares	132,366,672	26,473	132,366,672	26,473
Of which held in Treasury	5,454,219		2,103,853	

All shares have a par value of €0.20 per share. Under the share buyback program a total of 4.3 million treasury shares were purchased during H1 '21, for an average price of €7.72 per share (H1 '20: 2.4 million treasury shares at an average price of €7.04 per share).

In H1 '21 1.0 million treasury shares were issued following the vesting of 0.1 million restricted stock units ('RSU') and the exercise of 0.9 million share options by employees (H1 '20: 1.0 million treasury shares issued for the vesting of 0.4 million RSU's and the exercise of 0.6 million share options).

## 7. STOCK COMPENSATION

Stock compensation expenses amounted to €3.8 million in H1 '21 versus an expense of €2.8 million in the same period last year.

During H1 '21, the group granted 1.3 million restricted stock units under the equity compensation plans, of which 194 thousand restricted stock units were granted to Management Board members. The restricted stock unit plan is accounted for as equity-settled. A three-year service period is the only vesting condition.

The purpose of stock compensation is to attract and retain management and employees. It aligns the interests of management and eligible employees with those of shareholders, by providing additional incentives to improve the group's performance on a long-term basis. For further information on our stock compensation, reference is made to note 9 of our 2020 Annual Report.

## 8. RELATED PARTY TRANSACTIONS

Refer to note 7 for details of restricted stock units granted to the members of the Management Board during H1 '21.

## 9. SEASONALITY

In recent years revenue for both Location Technology and Consumer is not materially impacted by seasonality.

## 10. COMMITMENTS AND CONTINGENT LIABILITIES

There were no material changes to the group's commitments and contingent liabilities in the first half of 2021 from those disclosed in note 32 of our 2020 Annual Report.

**11. FAIR VALUE AND FAIR VALUE ESTIMATION**

The fair values of our monetary assets and liabilities as at 30 June 2021 are estimated to approximate their carrying value. There has been no changes in techniques for fair value estimation nor the hierarchy of the inputs used to measure financial assets and liabilities carried at fair value through profit or loss compared with the methods and hierarchy disclosed in our 2020 Annual Report.

**12. SUBSEQUENT EVENTS**

There has been no subsequent event from 30 June 2021 to the date of issue that affects the consolidated interim financial statements.

**- END -**

## ACCOUNTING POLICIES

The condensed consolidated financial information for the three- and six- month period ended 30 June 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 2020.

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 minus the nominal value of our outstanding bank borrowings

**Gross deferred revenue** is deferred revenue<sup>1</sup> before the netting of unbilled receivables

<sup>1</sup> Deferred revenue reflects amounts not yet recognized as revenue as services still need to be delivered. Unbilled revenue 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**

TomTom Investor Relations

Email: [ir@tomtom.com](mailto:ir@tomtom.com)

+31 20 757 5194

**AUDIO WEBCAST SECOND QUARTER 2021 RESULTS**

The information for our audio webcast is as follows:

Date and time: July 15, 2021 at 14:00 CET

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

TomTom is listed at NYSE Euronext Amsterdam in the Netherlands

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**ABOUT TOMTOM**

At TomTom we're mapmakers, providing location 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 in 30 countries, TomTom's technologies are trusted by hundreds of millions of drivers, businesses and governments worldwide.

For further information, please visit [www.tomtom.com](http://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.*