



Q1 2023 Results

Harold Goddijn – CEO

Taco Titulaer – CFO

14 April 2023



Operational highlights for the quarter

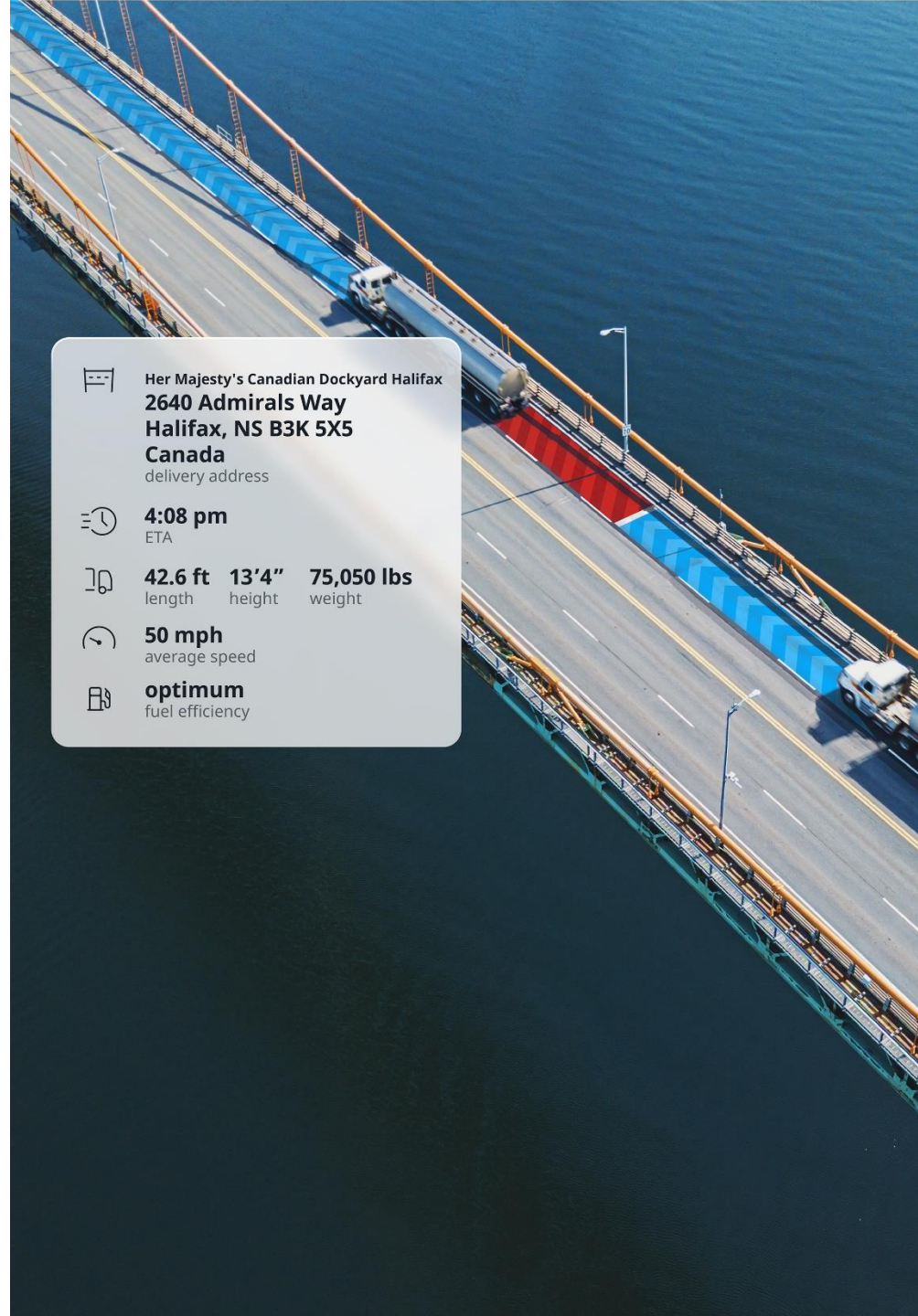
- Momentum in our Location Technology business, with a deepened partnership with SAP and our Navigation SDK gaining traction in Enterprise markets
- Robust growth of the installed base for our automated driving solutions, which doubled in a year and outperformed the market
- On track for a phased launch of the TomTom Maps Platform, which will bring new maps and significant value to customers and partners



Financial highlights for the quarter

- Group revenue of €141m (up from €128m in Q1 '22)
- Location Technology revenue of €118m (up from €105m in Q1 '22)
- Automotive operational revenue of €84m (up from €68m in Q1 '22)
- Free cash flow¹ of €10m (improved from an outflow of €23m in Q1 '22)
- Net cash of €321m (up from €304m at the end of Q4 '22)

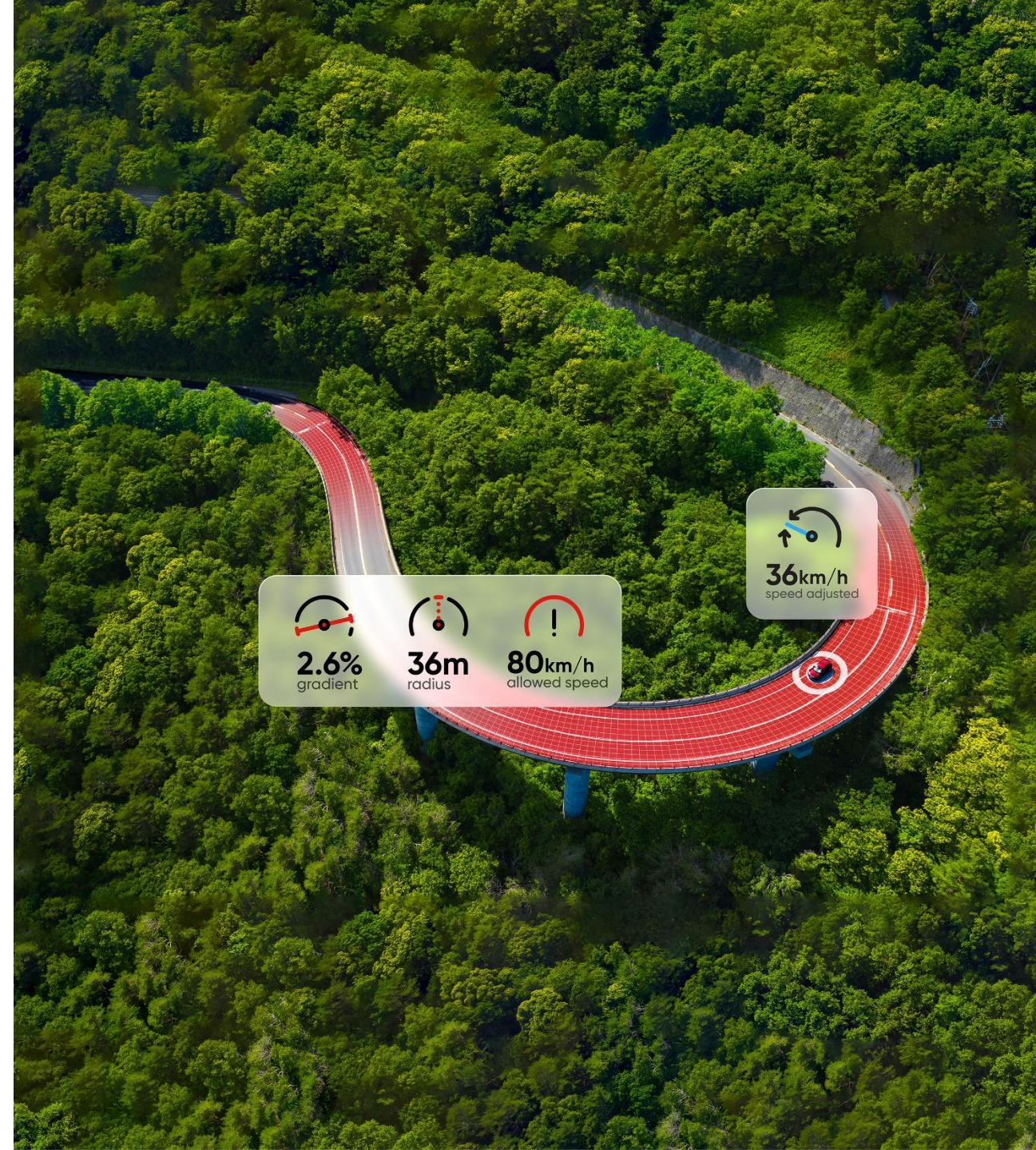
¹ Free cash flow excludes restructuring charges related to the Maps realignment announced in June 2022



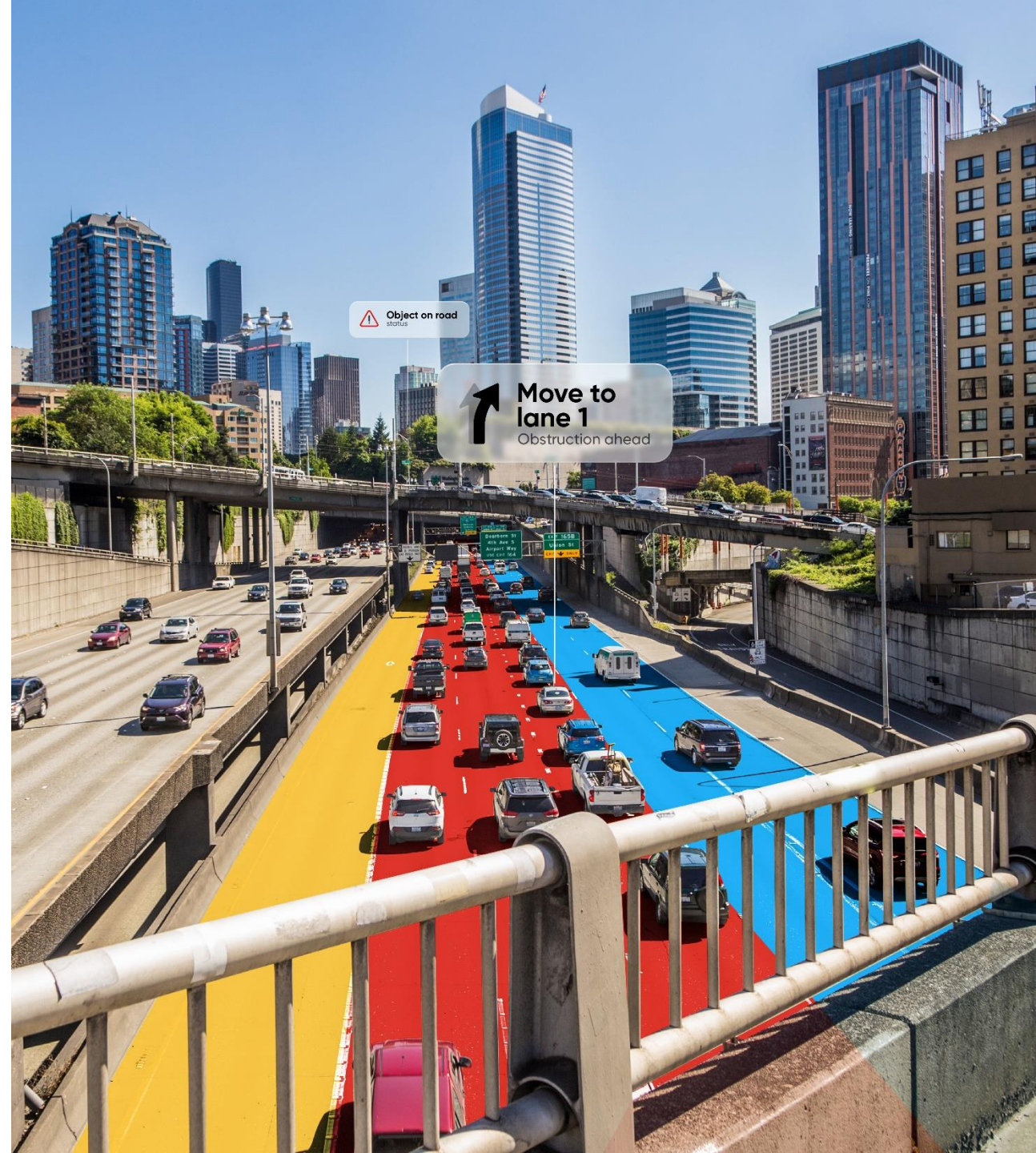
Outlook 2023

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

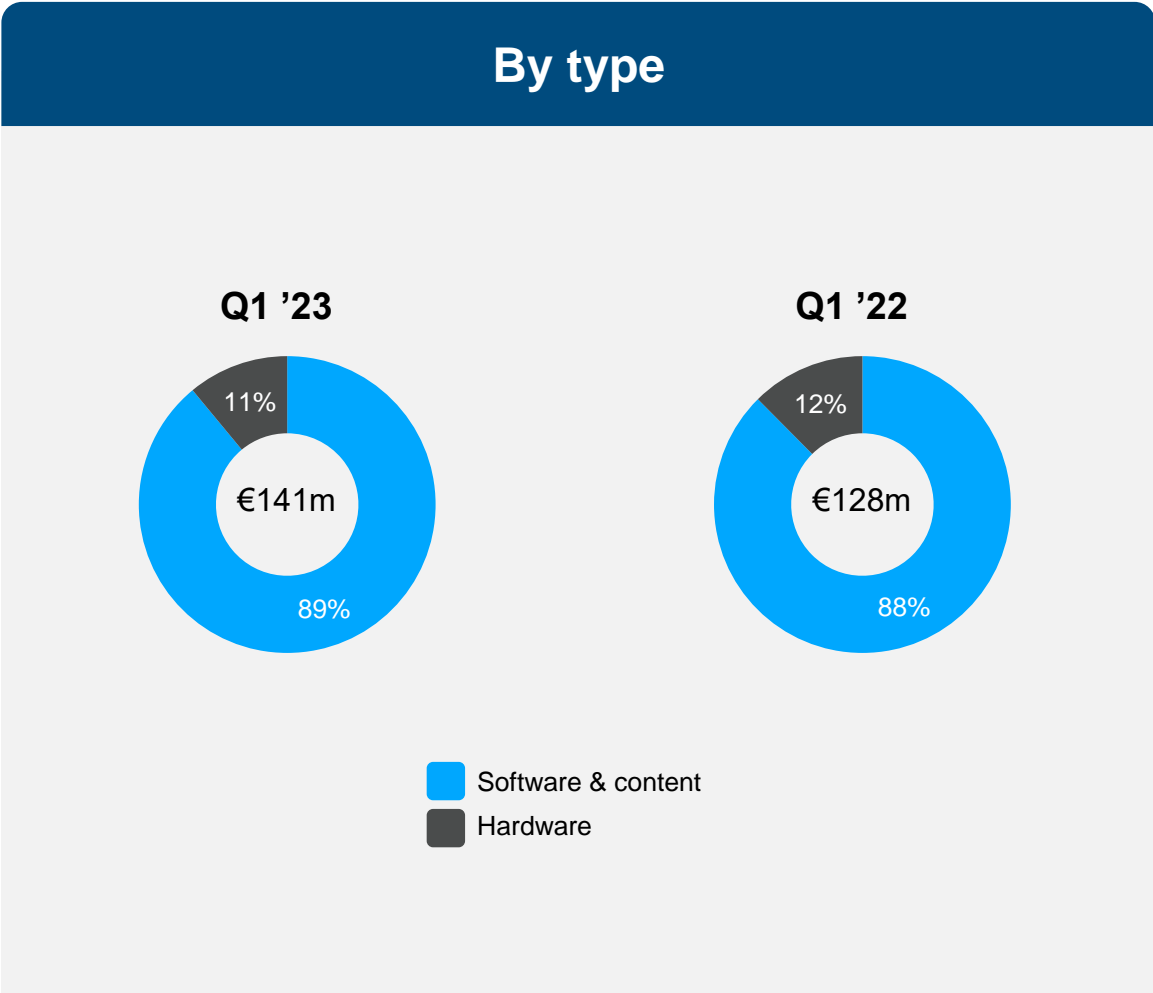
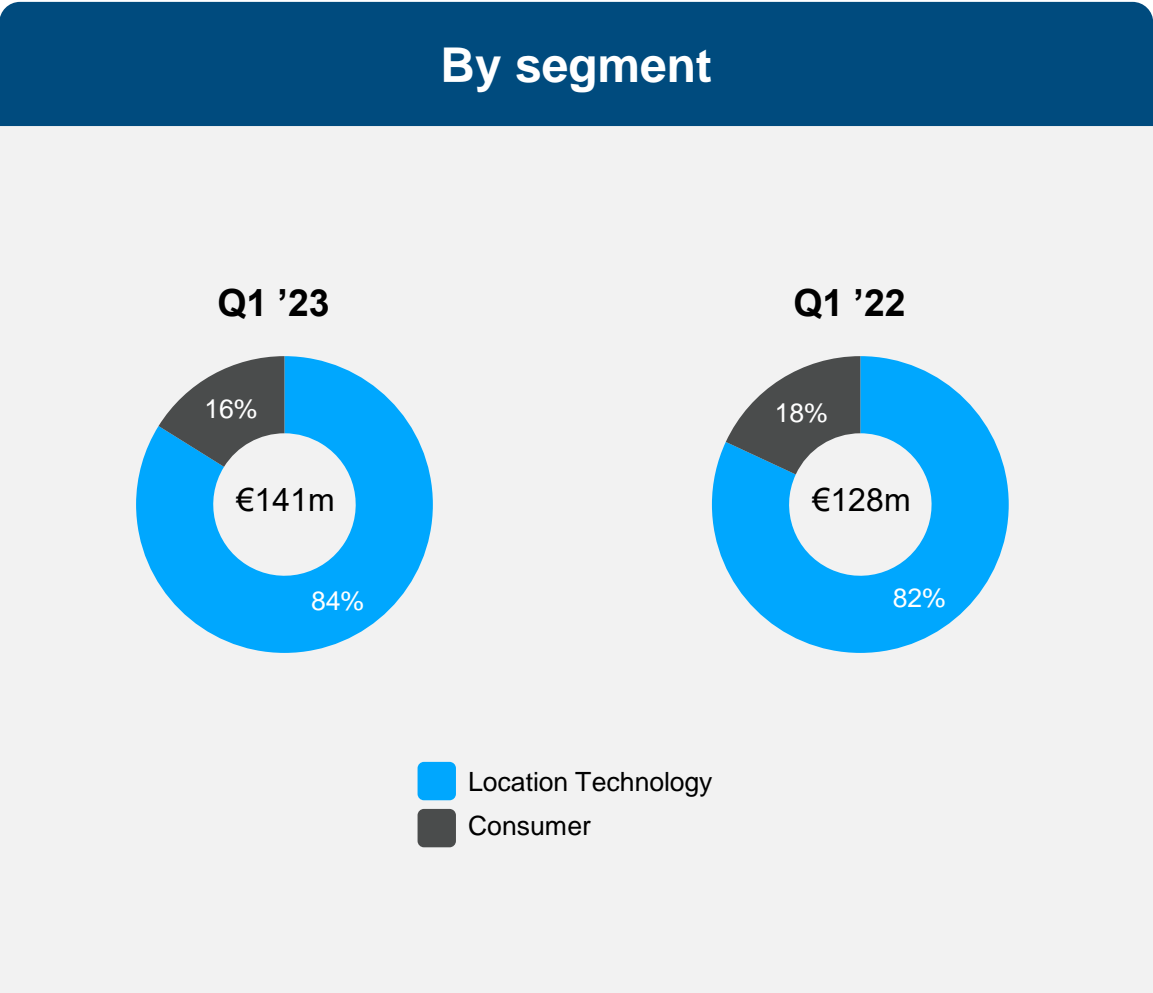
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Thank you
Any questions?



Revenue breakdown



P&L

(€ in thousands)	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Automotive	47,063	60,511	59,951	62,446	77,070	81,120
Enterprise	43,503	44,733	45,344	45,894	40,453	36,905
Location Technology	90,566	105,244	105,295	108,340	117,523	118,025
Consumer	24,598	23,205	27,283	27,963	21,490	22,693
Revenue	115,164	128,449	132,578	136,303	139,013	140,718
Cost of sales	20,931	19,313	22,825	26,381	18,100	20,025
Gross profit	94,233	109,136	109,753	109,922	120,913	120,693
<i>Gross margin</i>	82%	85%	83%	81%	87%	86%
Research and development expenses - Geographic data	55,457	56,531	54,945	50,548	43,736	42,180
Research and development expenses - Application layer	38,499	39,365	43,658	45,768	42,713	42,461
Sales and marketing expenses	12,645	10,506	12,077	13,568	14,202	12,982
General and administrative expenses	22,979	22,567	54,539	17,823	24,791	20,423
Total operating expenses	129,580	128,969	165,219	127,707	125,442	118,046
Operating result (EBIT)	-35,347	-19,833	-55,466	-17,785	-4,529	2,647
<i>EBIT margin</i>	-31%	-15%	-42%	-13%	-3%	2%
Financial result	1,480	-279	2,160	1,826	-889	1,598
Result before tax	-33,867	-20,112	-53,306	-15,959	-5,418	4,245
Income tax (expense)/gain	-4,907	-1,378	-1,670	-1,525	-3,367	-1,272
Net result¹	-38,774	-21,490	-54,976	-17,484	-8,785	2,973

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

Balance sheet

(€ in thousands)	31-Dec-21	31-Mar-22	30-Jun-22	30-Sep-22	31-Dec-22	31-Mar-23
Goodwill	192,294	192,294	192,294	192,294	192,294	192,294
Intangible assets	70,478	66,521	58,010	50,147	42,917	36,534
Other contract related assets	23,818	25,782	28,634	28,329	30,627	32,806
Other non-current assets	79,826	73,954	68,616	67,474	72,432	53,579
Inventories	19,585	18,872	14,975	13,653	14,660	14,002
Trade receivables	56,179	65,575	66,134	75,813	65,743	69,192
Unbilled receivables	67,311	64,472	63,537	57,572	48,298	46,177
Other receivables and prepayments	25,429	28,051	24,194	20,814	36,803	37,309
Cash and cash equivalents and fixed-term deposits	355,820	330,652	329,364	329,808	303,729	321,249
TOTAL ASSETS	890,740	866,173	845,758	835,904	807,503	803,142
Total equity	282,723	265,960	218,174	208,491	199,606	206,815
Deferred tax liability	3,934	3,561	2,907	2,665	2,404	1,281
Lease liability	33,339	29,911	28,974	27,403	37,725	33,897
Provisions	40,021	40,391	65,083	37,643	29,257	25,022
Trade payables	14,022	12,677	12,676	11,820	6,102	10,981
Deferred revenue	440,727	439,795	434,212	444,609	438,650	441,802
Other contract related liabilities	19,782	19,695	23,926	22,169	18,921	18,644
Income taxes	1,273	2,511	3,072	2,180	3,133	2,986
Accruals and other liabilities	54,919	51,672	56,734	78,924	71,705	61,714
TOTAL EQUITY AND LIABILITIES	890,740	866,173	845,758	835,904	807,503	803,142

Cash flow

(€ in thousands)	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23
Operating result	-35,347	-19,833	-55,466	-17,785	-4,529	2,647
Foreign exchange adjustments	3,037	1,392	4,574	4,340	-3,933	38
Depreciation and amortization	16,185	15,244	14,369	13,720	13,339	12,508
Change in provisions	-1,790	-590	29,745	-26,674	-4,953	-455
Other	2,032	1,774	2,671	3,113	2,905	2,401
Changes in working capital	81,433	-13,453	5,893	28,775	-20,169	-7,853
Cash flow from operations	65,550	-15,466	1,786	5,489	-17,340	9,286
Interest (paid)/received	-386	-360	-243	-238	47	1,109
Corporate income taxes paid	-3,646	-1,107	-345	-1,376	-2,255	-2,587
Cash flow from operating activities	61,518	-16,933	1,198	3,875	-19,548	7,808
Cash flow from investing activities	-94,675	-6,311	13,202	-81,257	43,592	-47,159
Cash flow from financing activities	-3,585	-2,122	-1,949	-2,698	-3,549	-3,456
Net increase/(decrease) in cash and cash equivalents	-36,742	-25,366	12,451	-80,080	20,495	-42,807

Additional information:

Free cash flow

Cash flow from operating activities	61,518	-16,933	1,198	3,875	-19,548	7,808
Investments in intangible assets		-5,053	-24	-116	-78	
Investments in property, plant and equipment	-4,813	-1,258	-998	-1,141	-1,498	-1,371
Free cash flow	56,705	-23,244	176	2,618	-21,124	6,437
% of revenue	49%	-18%	0%	2%	-15%	5%
Restructuring-related cash flow ¹				5,849	6,539	4,043
Free cash flow excluding restructuring	56,705	-23,244	176	8,467	-14,585	10,480
% of revenue	49%	-18%	0%	6%	-10%	7%

¹ Restructuring-related cash flows are related to the Maps realignment announced in June 2022.

Outstanding shares

	Q1 '23	
Common shares outstanding at the end of the period	132,366,672	
Shares in issue at the beginning of the period	128,392,291	
Shares in issue at the end of the period	128,488,325	
Average shares in issue during the period¹	128,449,707	[A]
Average shares outstanding from dilution of options²	-	[B]
Average shares outstanding from dilution of restricted stock units	2,448,449	[C]
Average fully diluted shares outstanding during the period³	130,898,156	[A+B+C]

¹ Shares held in treasury of 3,878,347 are taken into account when calculating the weighted average shares outstanding.

² Weighted average diluted options based on the period outstanding.

³ The average share price for the quarter was €7.02.

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 investments in intangible assets and property, plant and equipment

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



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