



# Investor presentation

June 2023





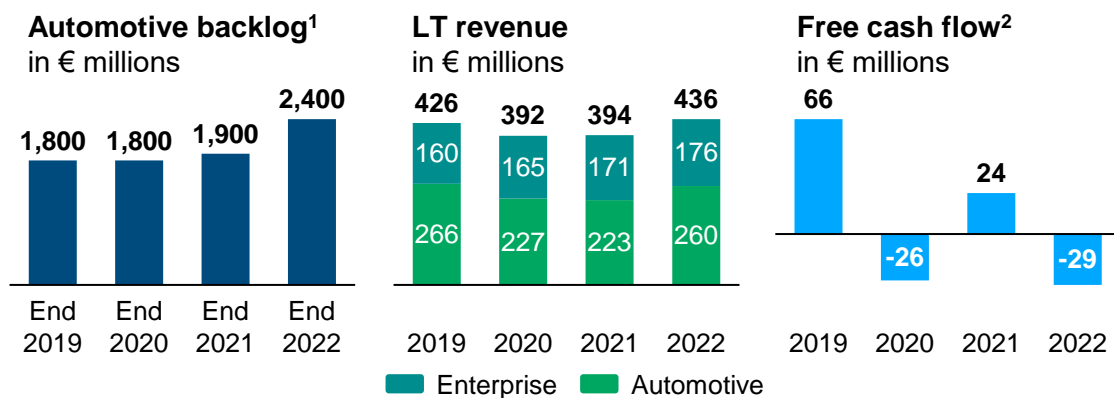
# TomTom at a glance

Building the smartest maps to help people and businesses find their way in the world

## Business overview

- TomTom is an independent location technology software company
- Two customer segments, Location Technology (LT) and Consumer. Two sales channels in LT, Automotive and Enterprise
- Key customers include Stellantis, Volkswagen Group, Microsoft, and Uber
- Headquartered in Amsterdam. 3,800 employees globally. Main locations: Netherlands, India, Poland, Germany, USA, Belgium

## Financial overview



## Assets

- Vast amounts of location-related data
  - >70m kms of roads, >500m addresses, >150m POIs o/w ~500k EV chargers
  - Real-time traffic data for 79 countries
  - 600m connected devices contributing data
- Automated TomTom Maps Platform and advanced location technology applications



## Product portfolio

- Geographic data and an application layer
- Our geographic data offering consists of a global base map, and proprietary multi-level value add map data
- The application layer contains Services (APIs) and SDKs. APIs and SDKs are the tools developers can use to integrate and make sense of our data

### Application layer

SDKs

Services

### Value-added data

Base map

### Geographic data

# The new TomTom Maps Platform

We pool all relevant sources, creating smarter maps

## Unique assets

### 'Super' sources

- TomTom data, vehicle sensor data
- Open data, including OSM, **Overture Maps Foundation**

### Highly-automated mapmaking engine

- Automatically **validating and standardizing** inputs
- Creating a consistent base map and **value-added data**

## Strong value proposition

### Broader geographical coverage

- **Global** coverage, also in non-core areas

### Richer features and data types

- New data, such as pedestrian and two-wheeler attributes

### Faster update cycles

- Improved functionality of real-time applications
- Faster integration of new data

### Stronger collaboration

- Co-founding of **Overture** with AWS, Meta, Microsoft
- Support customers to **contribute data**

### Better innovation

- Creation and integration of a **global map standard**
- Easy integration of **custom layers**

# Overture Maps Foundation

Co-founded the Overture Maps Foundation to build a global map standard



## Crucial data

- Accurate location data is crucial for many companies
- Expectations for maps are rising, in terms of features, coverage, quality, and freshness, yet meeting these expectations is time and resource intensive

## Collaborative approach

- Overture Maps Foundation seeks to create an **interoperable base map**, based on shared data that is standardized according to a **global standard**
- Overture publishes **datasets** from which a map can be built

## Unique opportunity

- TomTom helped create Overture's data standard
- Overture data is **easily ingested** by our platform, improving our maps
- Anyone looking to use Overture data can do so through our platform, which also provides an opportunity to leverage our proprietary **value-add layers** and **add own data**



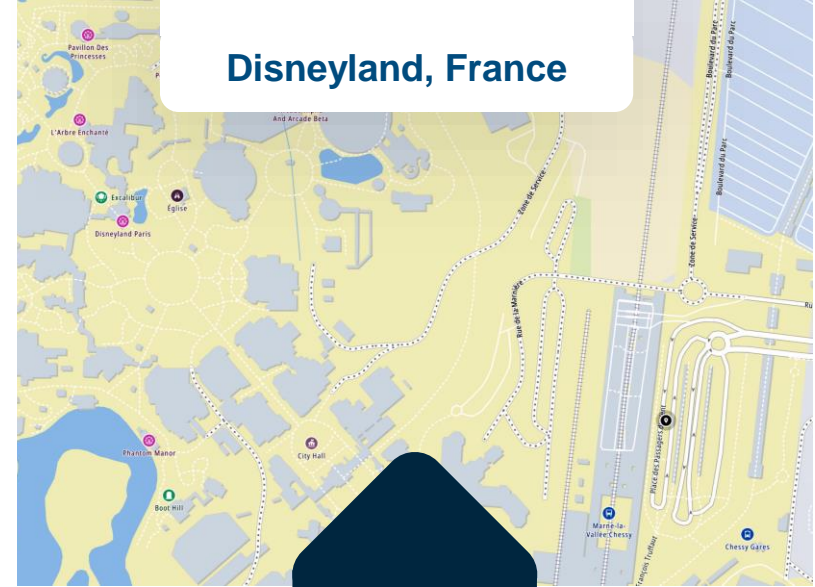
Lawrence (KS), USA



Makassar, Indonesia



Disneyland, France

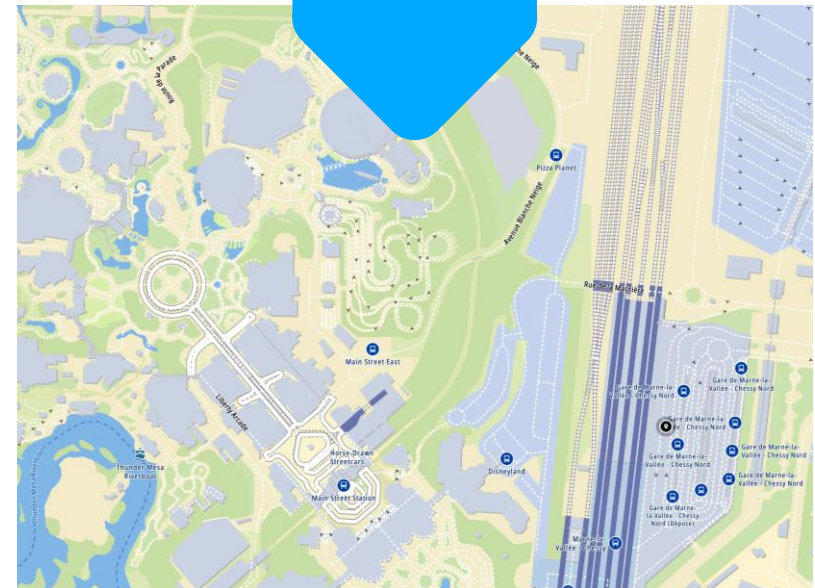
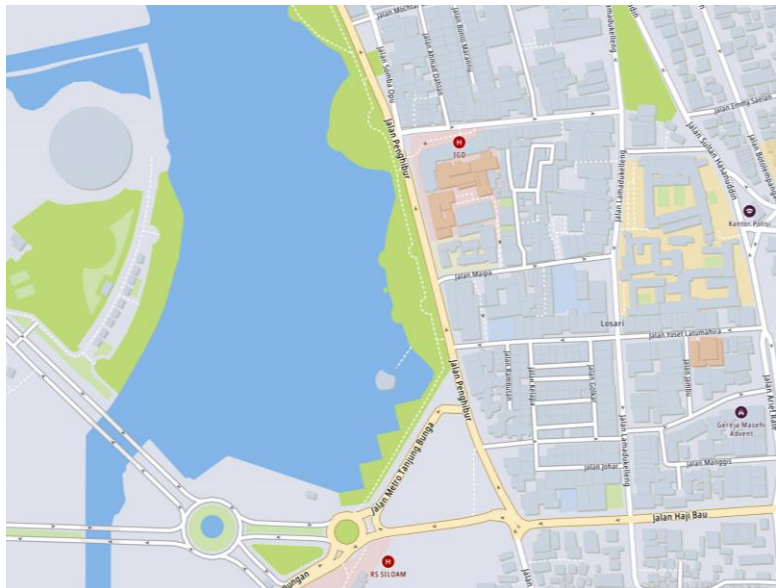
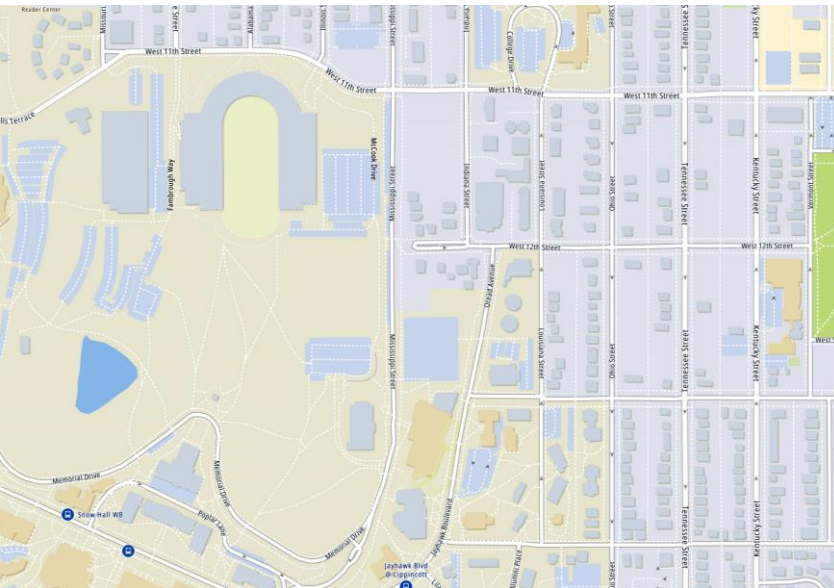


Current

# Improving our maps

The TomTom Maps Platform is leading to significant improvements in our geographic data

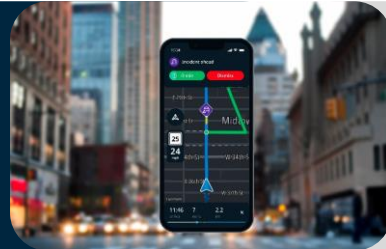
New



# Our product portfolio

Our geographic data and application layers serve all developers, from leading technology players to individuals

## Software



- ‘Building blocks’ for application developers to bring in world-class experiences with minimal investment
- Highest-value product tying together full portfolio

## APIs



- APIs for Routing, Search, Display, Traffic, etc.
- Less friction for companies not able of developing these services themselves

## Value-added data



- Richer features, key to application developers
- Speed limits, one-ways, lanes, traffic, addresses, etc.
- Serving larger companies that integrate themselves

## Base map



- Basic features
- Roads, cities, countries, lakes, mountains, etc.



# Significant market growth

Location technology is important to many businesses

## Growth in our segments

### Automotive



Recovery of car production volumes

Take rate increases due to key automotive industry trends like electrification

### Enterprise

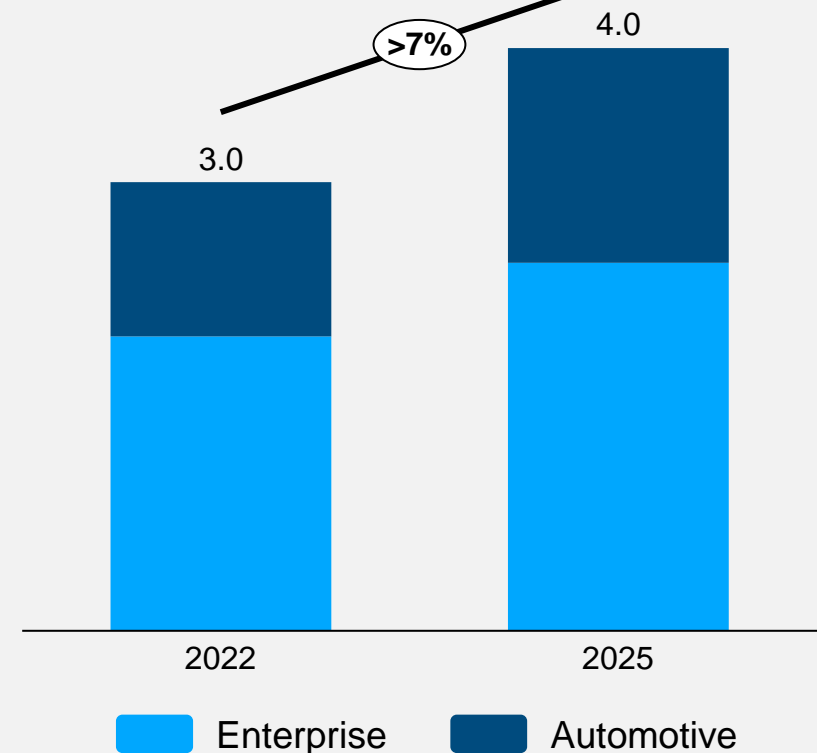


Increasing adoption of location technology

New Maps Platform allows us to address a broader set of use cases

## Large and growing market

### Location technology market (in € billions)



# Automotive market growth

Production and take rates are rising, driving growth in our addressable market

## Key trends driving growth

### Car production increase

Expected recovery after covid and supply chain shortages

### Take rate increase

#### Electrification

>40% of cars produced are expected to be EVs by 2030, up from 7% today

#### Automation

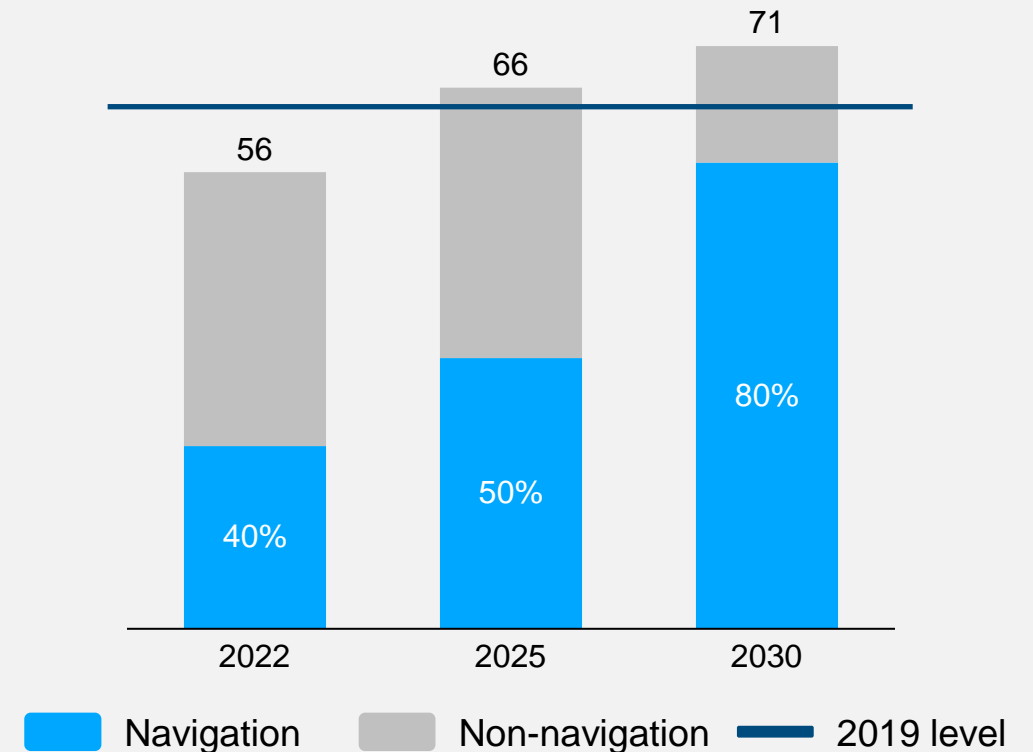
Increased interest in efficiency, driver comfort, and safety leads to more automation

#### Software-defined vehicle

Future differentiation will come from software, leading OEMs to prioritize it

## Growing addressable market

Annual light vehicle production and navigation take rate  
(in millions of vehicles produced, global excl. China)

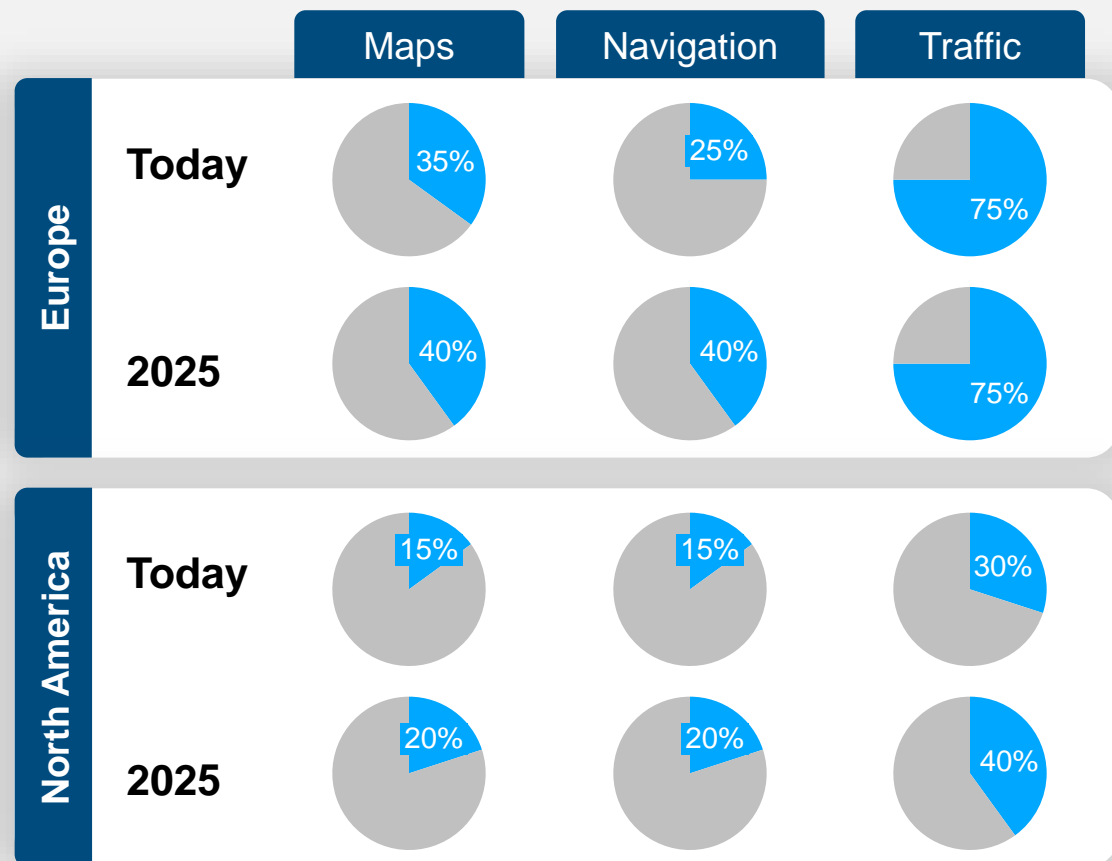




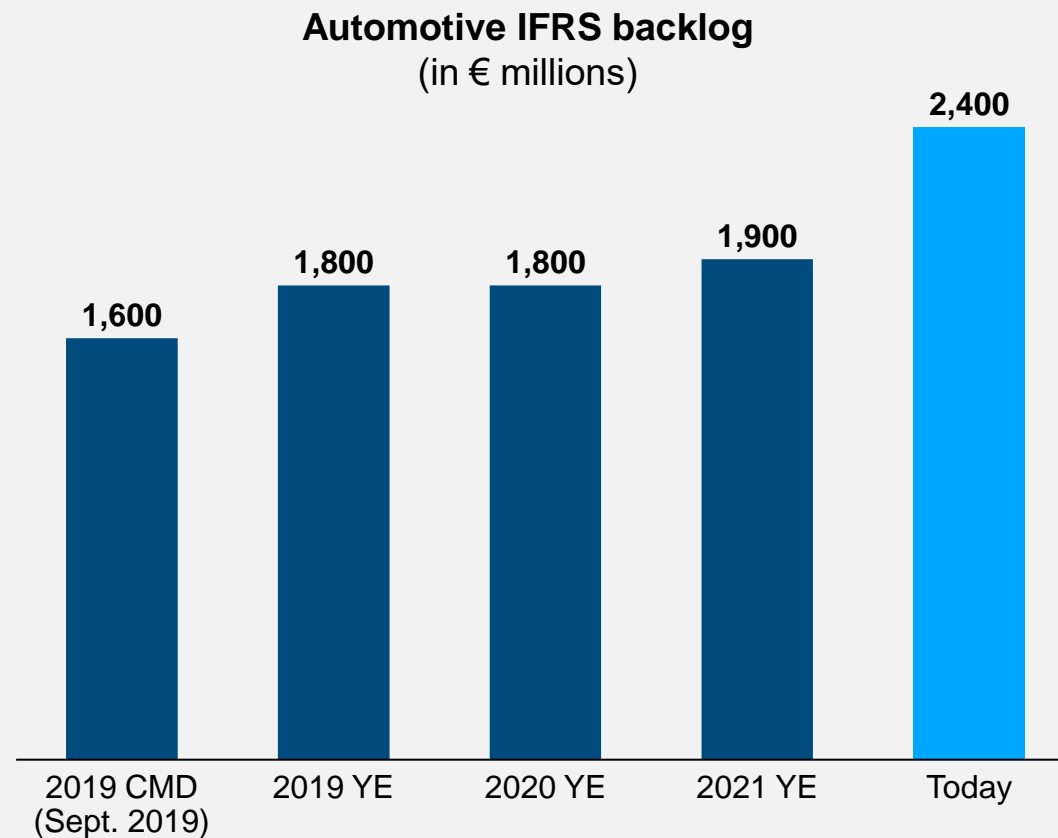
# Strength in Automotive

Our growing market share and strong Automotive backlog demonstrate the competitiveness of our offerings

## Growing market share in core markets



## Strong Automotive backlog



# Opportunities in Enterprise

Location technology can make firms more competitive, driving adoption and strong market growth  
The TomTom Maps Platform enables us to add value to a significantly larger part of the market

## Increasing market demands

### Operational excellence



Location technology can play a pivotal role in streamlining operations

Food delivery, ride hailing, fleet & logistics industries

### Product enhancement

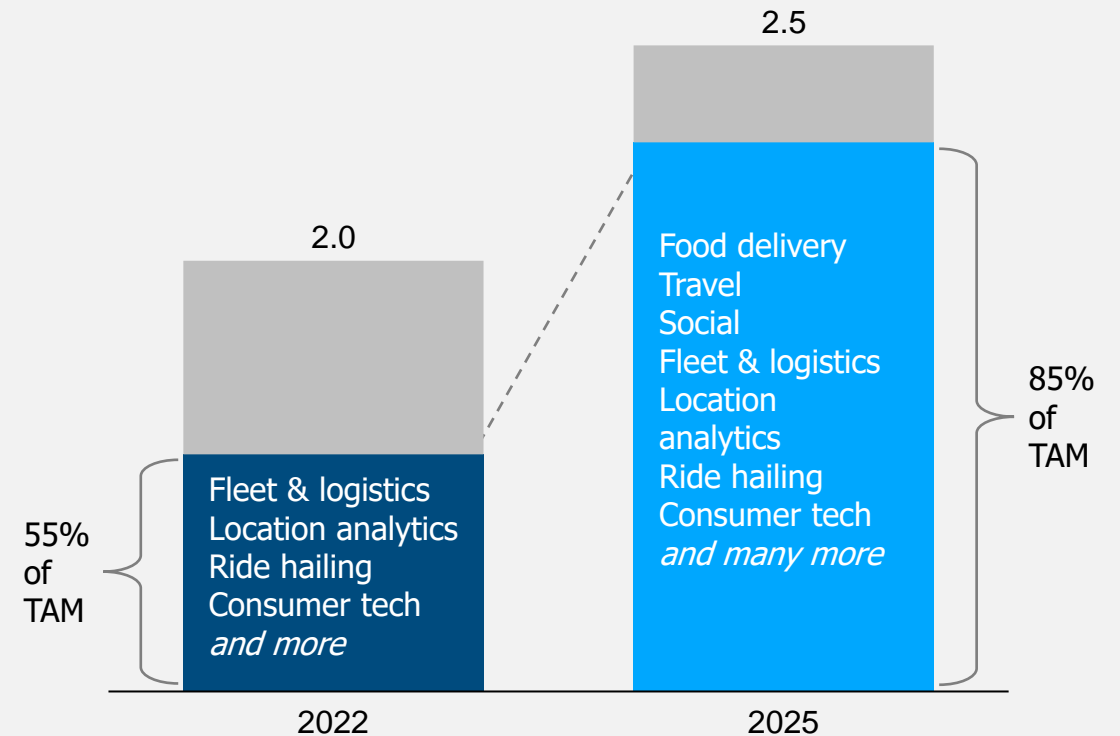


Location technology can be utilized to enrich firms' products and services

Travel and social media industries

## Addressing a larger part of the market

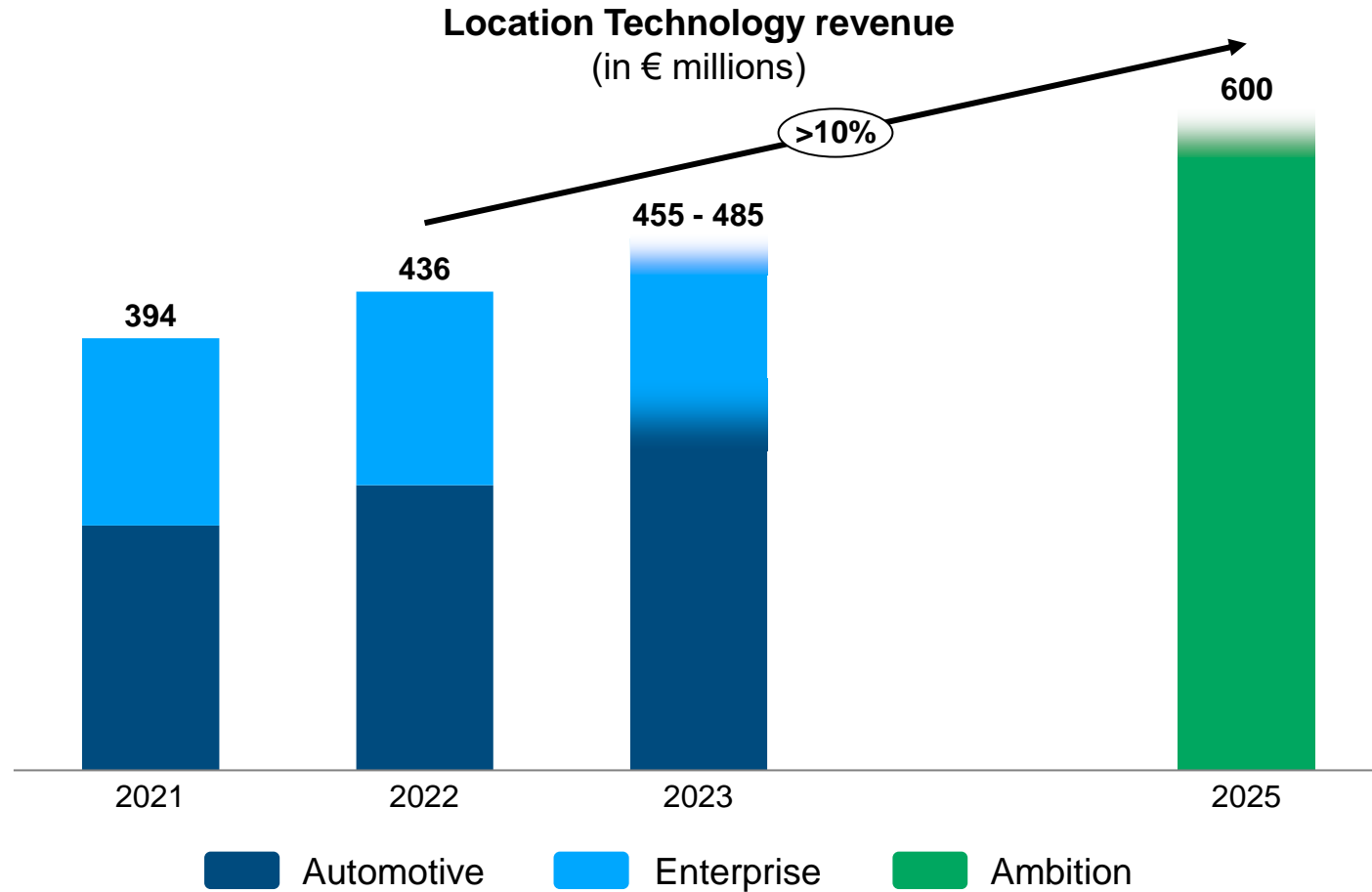
Location technology market size excluding Automotive (in € billions)





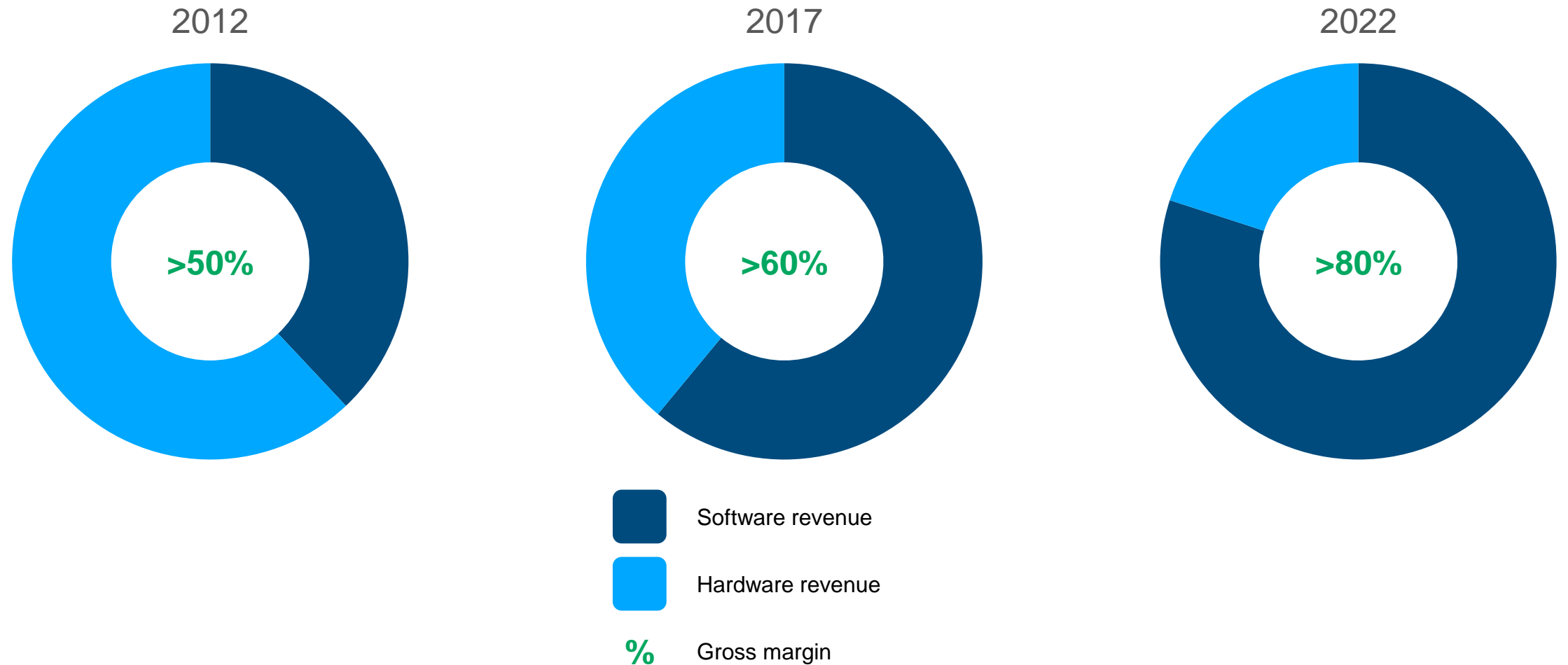
# Revenue ambition

Ambition of €600 million of Location Technology revenue in 2025, supported by our new Maps Platform and strong Automotive backlog



# Increasing gross margins

Successful transition to a software company over the past decade, improving gross margins

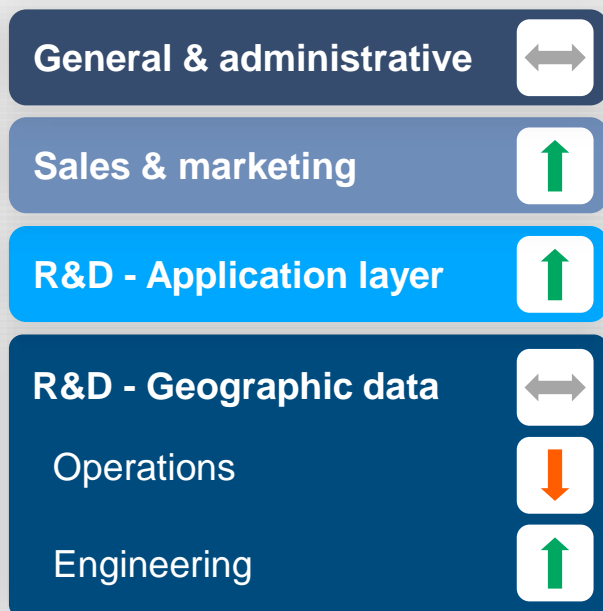




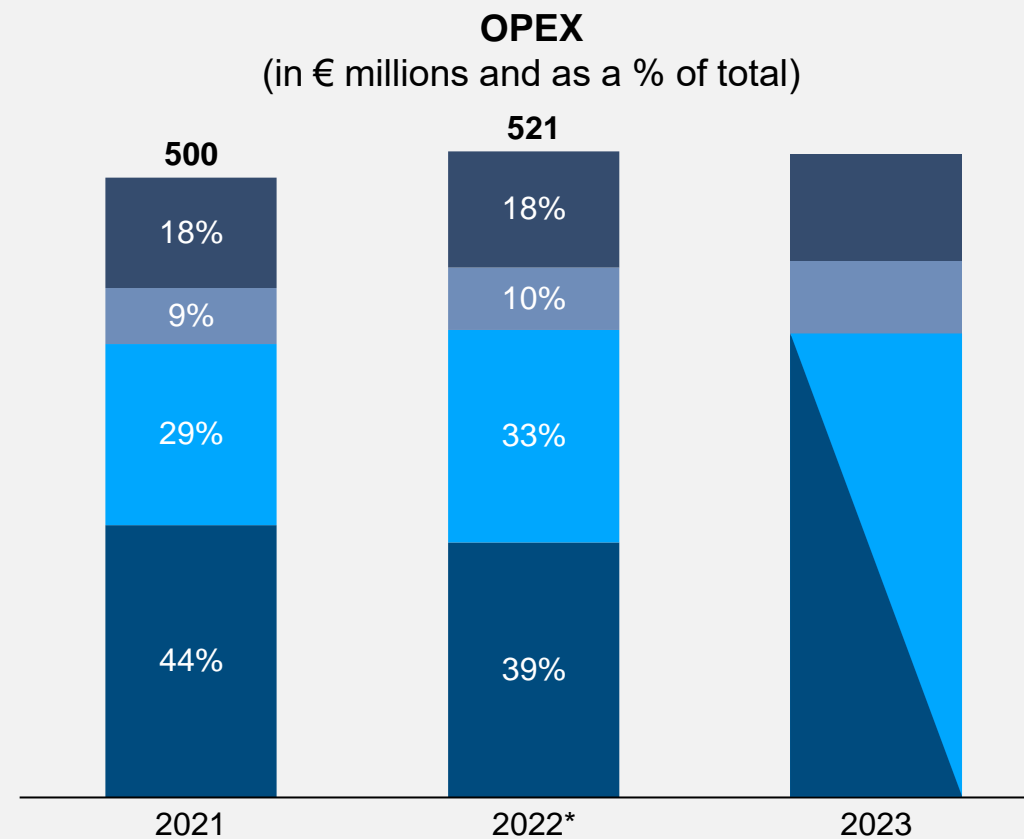
# Investments in technology

Increased investments in value-add map layers, applications, and sales activities

## Trends in spending



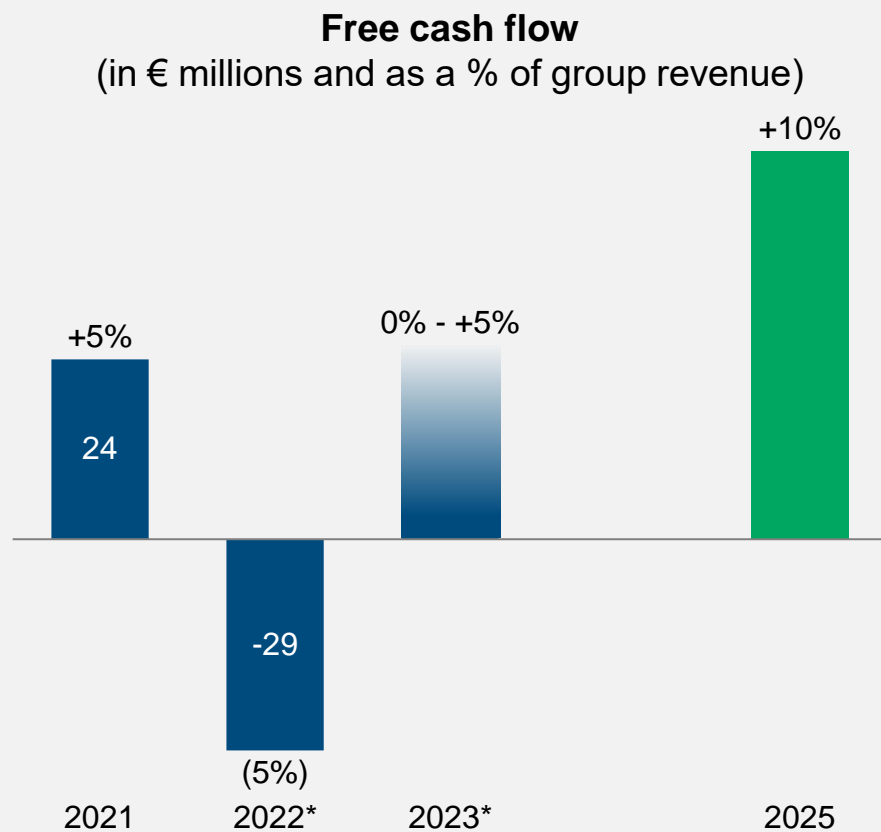
## Spending overview



# Increasing free cash flow

Mid-term target of free cash flow generation of 10% of group revenue

## Profitable growth



## Capital allocation

- Profitable growth leads to a strengthening of our balance sheet
- Once we stably generate positive free cash flows, we will reassess our options for capital redistribution
- Over the last years, we have engaged in share buybacks to cover the dilutive effects of share-based compensation



# Doing business responsibly

Identified key ESG themes with a broad group of stakeholders and set KPIs and targets

Theme	KPI	Target
Technologies that reduce emissions and improve road safety	Potential CO <sub>2</sub> emission savings enabled by our products	Target to be set this year
Employer of choice	Employee Engagement Score	Top-in-class employer with 4 <sup>th</sup> quartile benchmark score by 2025
Diversity and inclusion	Gender diversity ratio	30% female representation at company level and 20% for senior management by 2025
Security and data privacy	Percentage of engineers certifiably trained on security	75% of engineers trained on security by 2025
CO <sub>2</sub> emissions	Carbon footprint	Carbon neutral on Scope 1 and 2 by 2030

# Why TomTom?



## High-quality maps and location technology applications

- Rich, fresh, and versatile maps created using highly-automated Maps Platform
- Broad set of services and SDKs



## Global and independent player in the location technology ecosystem

- Strong partnerships, including Overture Maps Foundation
- Offering customers neutrality and freedom to innovate



## Well-positioned to benefit from major market opportunities

- Automotive: Electrification, automation, and software-defined vehicle
- Enterprise: New maps address a broader set of use cases



## Strong financial profile

- €2.4bn Automotive backlog, supporting €600m Location Technology revenue growth ambition and FCF generation target of 10% of group revenue by 2025
- Solid balance sheet with net cash of €321 million (Q1 2023) and no debt

# Appendix



# Shareholder structure and outstanding shares

## Major shareholder structure

	Shares	% of total
Founder - Harold Goddijn	15,411,239	11.6%
Founder - Corinne Vigreux	14,977,416	11.3%
Founder - Peter-Frans Pauwels	14,702,531	11.1%
Founder - Pieter Geelen	14,140,030	10.7%
<b>Founders</b>	<b>59,231,216</b>	<b>44.7%</b>
<b>Free float</b>	<b>69,391,534</b>	<b>52.4%</b>
<b>Treasury shares<sup>1</sup></b>	<b>3,743,922</b>	<b>2.8%</b>
<b>Total shares</b>	<b>132,366,672</b>	<b>100.0%</b>

Date as of 30 April 2023

<sup>1</sup> Treasury shares are related to TomTom's [share buyback program](#)

## 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
<b>Average shares in issue during the period<sup>1</sup></b>	<b>128,449,707 [A]</b>
<b>Average shares outstanding from dilution of options<sup>2</sup></b>	<b>- [B]</b>
<b>Average shares outstanding from dilution of restricted stock units</b>	<b>2,448,449 [C]</b>
<b>Average fully diluted shares outstanding during Q1 '22<sup>3</sup></b>	<b>130,898,156 [A+B+C]</b>

Date as of 31 March 2023

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

<sup>2</sup> Weighted average diluted options based on the period outstanding

<sup>3</sup> The average share price for the quarter was €7.02



# 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
<b>Location Technology</b>	<b>90,566</b>	<b>105,244</b>	<b>105,295</b>	<b>108,340</b>	<b>117,523</b>	<b>118,025</b>
Consumer	24,598	23,205	27,283	27,963	21,490	22,693
<b>Revenue</b>	<b>115,164</b>	<b>128,449</b>	<b>132,578</b>	<b>136,303</b>	<b>139,013</b>	<b>140,718</b>
Cost of sales	20,931	19,313	22,825	26,381	18,100	20,025
<b>Gross profit</b>	<b>94,233</b>	<b>109,136</b>	<b>109,753</b>	<b>109,922</b>	<b>120,913</b>	<b>120,693</b>
<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
<b>Total operating expenses</b>	<b>129,580</b>	<b>128,969</b>	<b>165,219</b>	<b>127,707</b>	<b>125,442</b>	<b>118,046</b>
<b>Operating result (EBIT)</b>	<b>-35,347</b>	<b>-19,833</b>	<b>-55,466</b>	<b>-17,785</b>	<b>-4,529</b>	<b>2,647</b>
<i>EBIT margin</i>	-31%	-15%	-42%	-13%	-3%	2%
Financial result	1,480	-279	2,160	1,826	-889	1,598
<b>Result before tax</b>	<b>-33,867</b>	<b>-20,112</b>	<b>-53,306</b>	<b>-15,959</b>	<b>-5,418</b>	<b>4,245</b>
Income tax (expense)/gain	-4,907	-1,378	-1,670	-1,525	-3,367	-1,272
<b>Net result<sup>1</sup></b>	<b>-38,774</b>	<b>-21,490</b>	<b>-54,976</b>	<b>-17,484</b>	<b>-8,785</b>	<b>2,973</b>

<sup>1</sup> 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
<b>TOTAL ASSETS</b>	<b>890,740</b>	<b>866,173</b>	<b>845,758</b>	<b>835,904</b>	<b>807,503</b>	<b>803,142</b>
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
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>890,740</b>	<b>866,173</b>	<b>845,758</b>	<b>835,904</b>	<b>807,503</b>	<b>803,142</b>

# 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
<b>Cash flow from operations</b>	<b>65,550</b>	<b>-15,466</b>	<b>1,786</b>	<b>5,489</b>	<b>-17,340</b>	<b>9,286</b>
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
<b>Cash flow from operating activities</b>	<b>61,518</b>	<b>-16,933</b>	<b>1,198</b>	<b>3,875</b>	<b>-19,548</b>	<b>7,808</b>
<b>Cash flow from investing activities</b>	<b>-94,675</b>	<b>-6,311</b>	<b>13,202</b>	<b>-81,257</b>	<b>43,592</b>	<b>-47,159</b>
<b>Cash flow from financing activities</b>	<b>-3,585</b>	<b>-2,122</b>	<b>-1,949</b>	<b>-2,698</b>	<b>-3,549</b>	<b>-3,456</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>-36,742</b>	<b>-25,366</b>	<b>12,451</b>	<b>-80,080</b>	<b>20,495</b>	<b>-42,807</b>

## 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
<b>Free cash flow</b>	<b>56,705</b>	<b>-23,244</b>	<b>176</b>	<b>2,618</b>	<b>-21,124</b>	<b>6,437</b>
% of revenue	49%	-18%	0%	2%	-15%	5%
Restructuring-related cash flow <sup>1</sup>				5,849	6,539	4,043
<b>Free cash flow excluding restructuring</b>	<b>56,705</b>	<b>-23,244</b>	<b>176</b>	<b>8,467</b>	<b>-14,585</b>	<b>10,480</b>
% of revenue	49%	-18%	0%	6%	-10%	7%

<sup>1</sup> Restructuring-related cash flows are related to the Maps realignment announced in June 2022

# 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.

**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 minus capital expenditure (investments in intangible assets and property, plant and equipment)

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





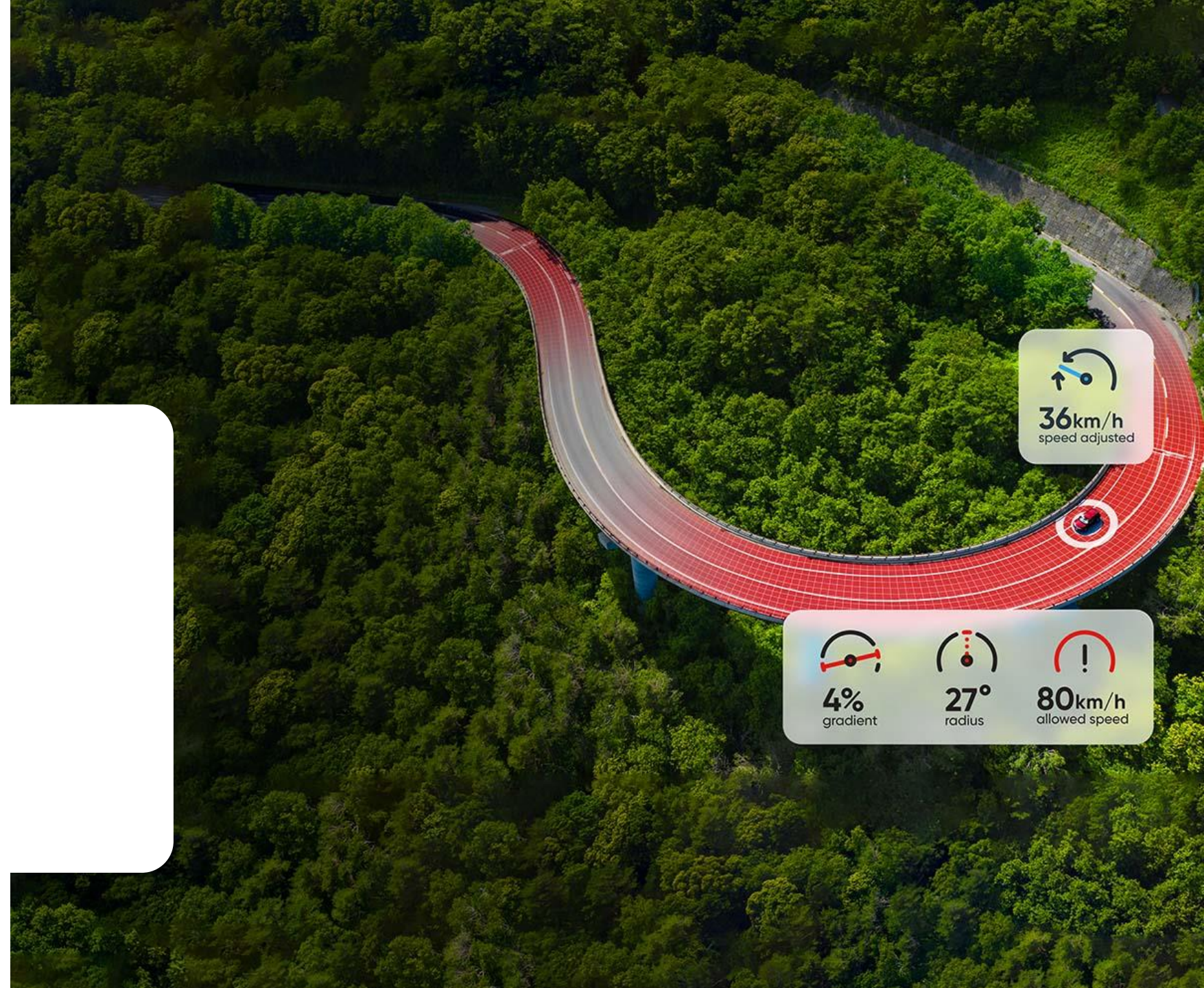
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[www.tomtom.com/investors](http://www.tomtom.com/investors)



**36km/h**  
speed adjusted

**4%**  
gradient

**27°**  
radius

**80km/h**  
allowed speed