



Investor presentation

Q2 2024



TomTom at a glance

Creating value through versatile location technology

Business

- TomTom is a leading, independent, location technology company
- We provide location technology products across all industries, from automotive to geomarketing
- Headquartered in Amsterdam, with 3,700 employees globally



Strategy

- The demand for location technology is insatiable
- We innovate to meet this demand, embracing open data and setting an industry-wide data standard
- With products that are more versatile than ever, we can support more use cases, focusing on profitable growth



Product

- Portfolio consisting of a geographic data and an application layer
- Geographic data offering, containing a global base map and proprietary value-add map layers
- Application layer, with advanced services and solutions developers can use to integrate our data

Application layer

Development Solutions

Services

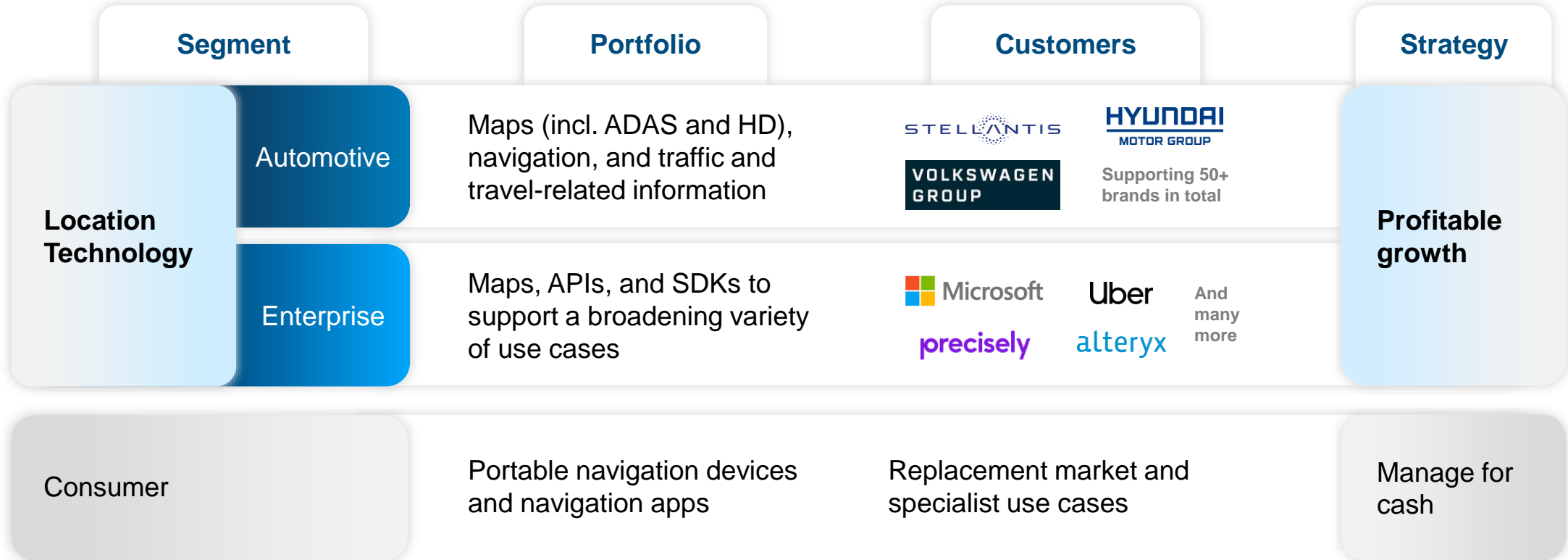
Value-add data

Base map

Geographic data

Business segments

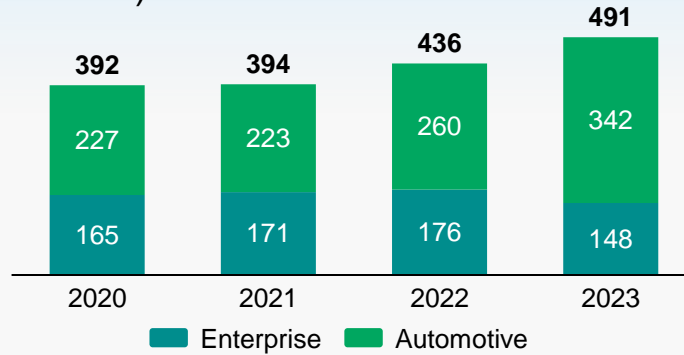
Our location technology supports customers across all industries



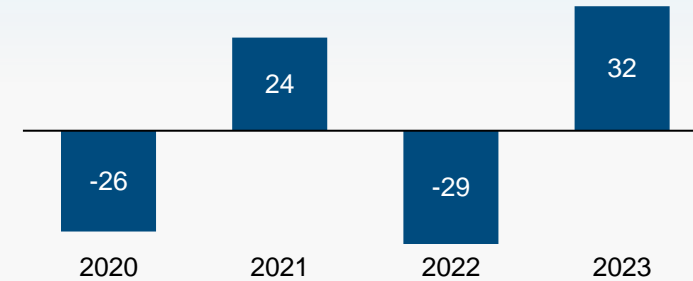
Financial profile

Improving results, a record backlog, and a strong balance sheet

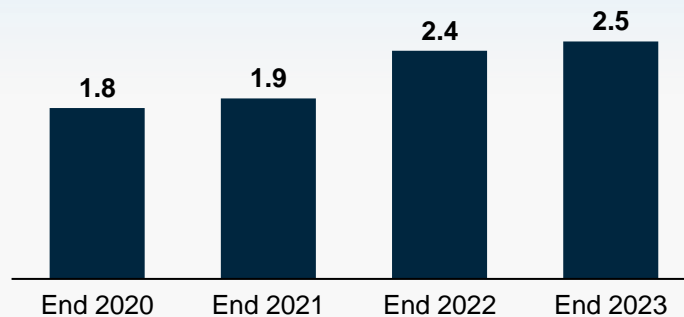
Location Technology revenue
(in € millions)



Free cash flow¹
(in € millions)



Automotive backlog²
(in € billions)

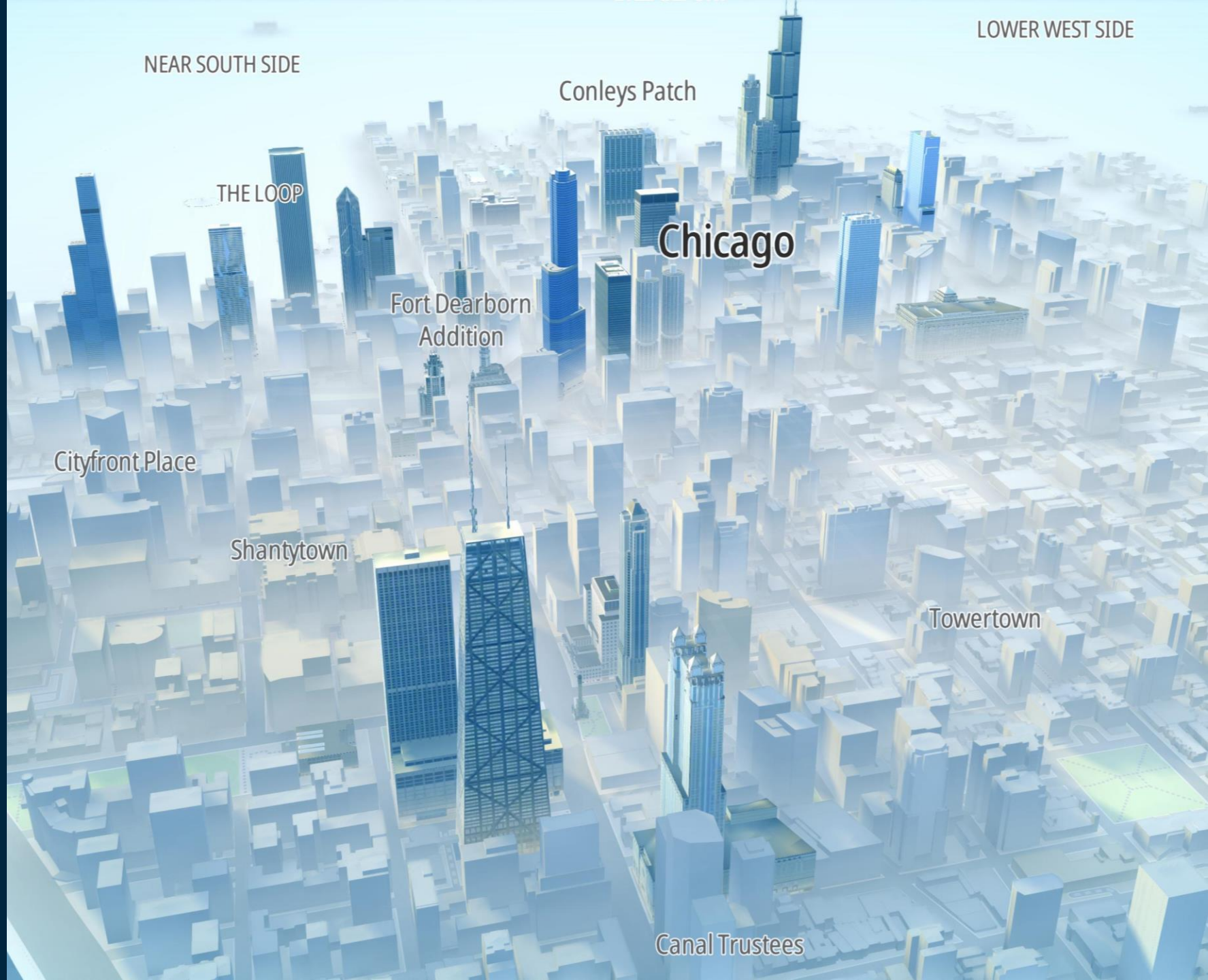


€284m

net cash at the
end of Q1 '24

No debt

Innovating to meet growing industry demands



The insatiable demand for location technology

The competitive push toward providing unique experiences, optimizing processes, and reaching new frontiers necessitates the leveraging of location technology, leading to a profound opportunity

Unique user experiences



- Dynamic and personalized in-car experiences in the **automotive** industry
- Location-based and customized recommendations in the **travel** industry
- Dynamic content delivery in the **social media** and **entertainment** industries
- Personalized shopping and dynamic pricing in the **retail** industry

Optimized business processes



- Real-time asset tracking to optimize **global supply chains**
- Route optimization in the **logistics** and **on-demand** industries
- User-based and enriched risk scoring in the **insurance** industry
- Location-informed advertising in the **marketing** industry

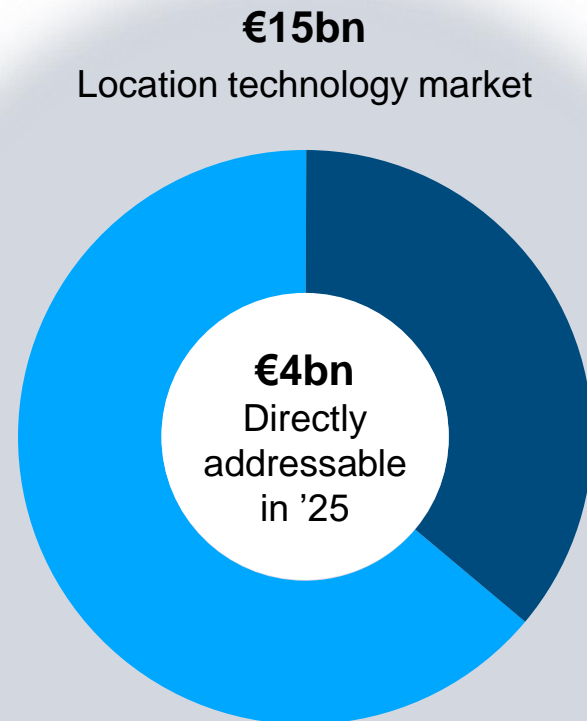
New frontiers






- Increasingly automated and eventually fully **autonomous driving**
- **Augmented and virtual reality**, relying heavily on location awareness
- **Intelligent personal assistance** with geofenced features, supported by AI
- **Advanced robotics**, supported by artificial intelligence (AI)

A significant addressable market

The deepening absorption of location technology leads to a large and growing market



 Directly addressable market*, of which:

 Enterprise  Automotive

Direct peers

Google

here

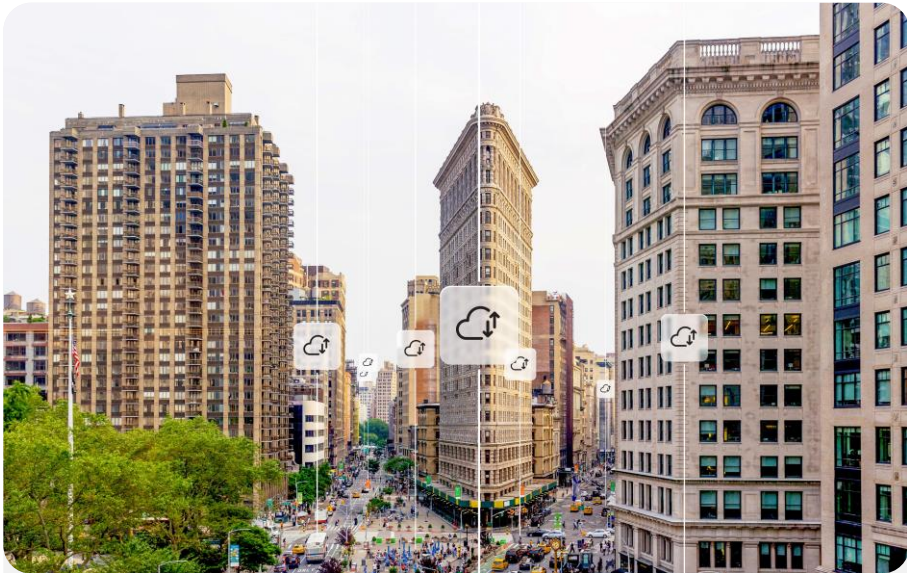
mapbox

ZENRIN

Other, local players

Our new approach to mapmaking

Data standardization and flexible data integration are key to creating smart maps that answer industry demands



- There is a **large volume of location data** produced in every instance, by phones, cars, and mapping communities such as **OpenStreetMap**
- Bringing all this data together is hard, as it is mostly **non-standardized**, and available maps are **proprietary**

Standardization



- We are promoting a **standard specification** that brings uniformity and consistency, organized through the **Overture Maps Foundation**
- AWS, Meta, and Microsoft have adopted the standard, and **adoption is spreading**

Flexibility



- Our mapmaking platform is **inherently compatible** with this standard, and automatically ingests **all relevant data**
- Open data is supplemented by our **proprietary data**, to create maps that answer all industry requirements

Interoperability



- We aim to provide a **canvas** for customers and partners to build on and add content to
- Our platform integrates all datasets, publishes them as a consistent map, and exposes the map to applications

How we create TomTom Orbis Maps

Our mapmaking approach and advanced mapmaking platform allow us to create great customer value

Leveraging rich sources ...

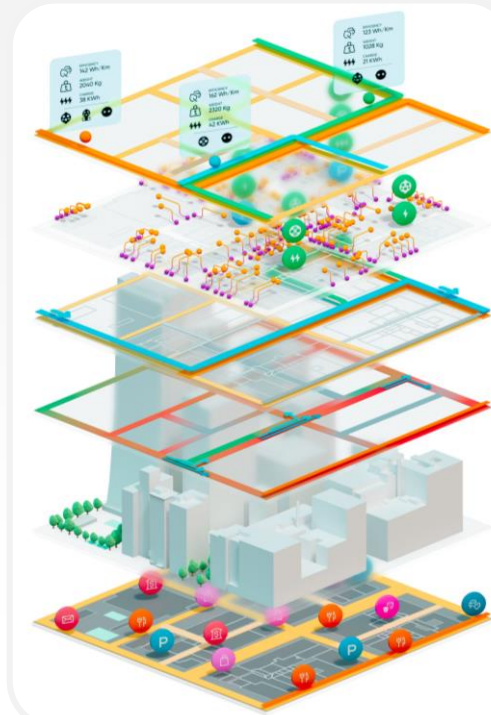
Custom (bring your own) data
Customers' data that they want to integrate into the maps they use

TomTom data
Probe data
Sensor-derived observations
Survey vehicle data
Partner data
Acquired data

Open data
Data from AWS,
Meta, Microsoft,
OpenStreetMap



... to create smarter maps ...



Custom layers
Bring-your-own-data,
e.g. pickup points or
HD map content

TomTom value-add layers
Traffic and hazards
Turn restrictions
ADAS features
Pedestrian features
Two-wheeler features
Premium display

Base map

... and great customer value



Stronger collaboration and superior innovation
Based on standardization



Richer features
Including two-wheeler and pedestrian features

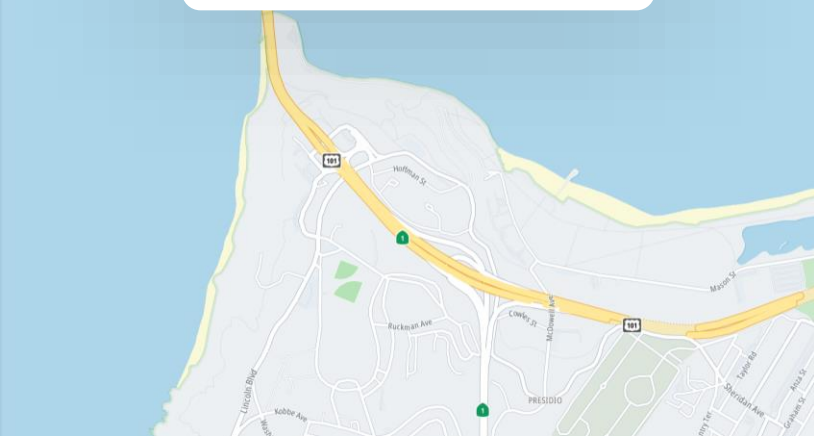


Broader coverage
Global coverage, including in non-core areas



Faster update cycles
Better support for real-time applications

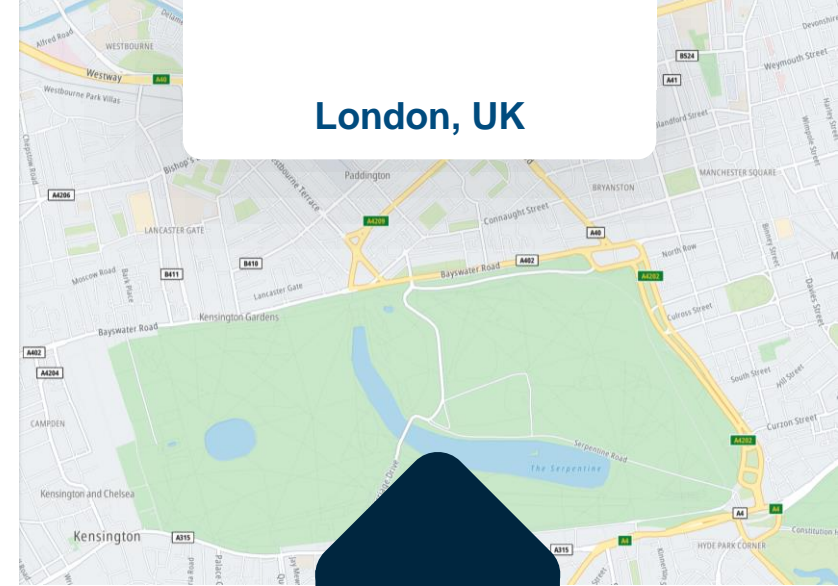
San Francisco (CA), USA



Makassar, Indonesia



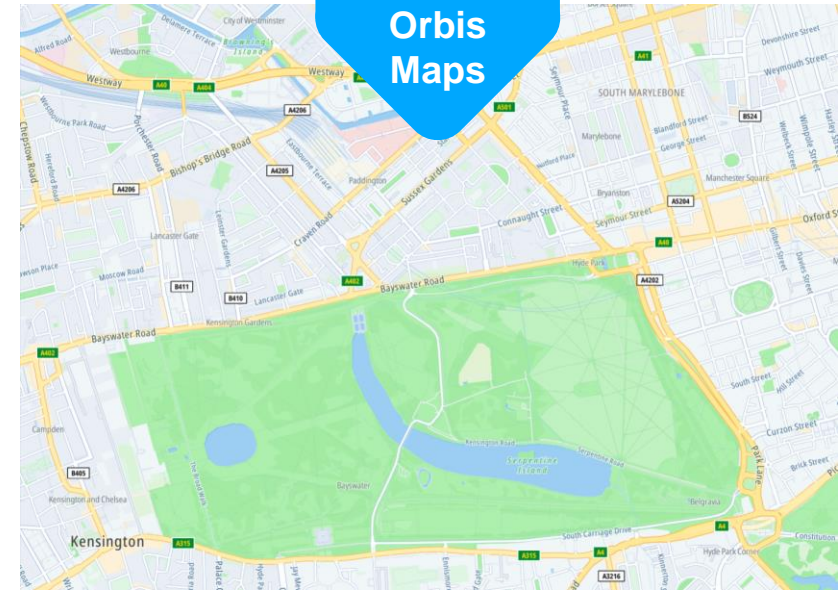
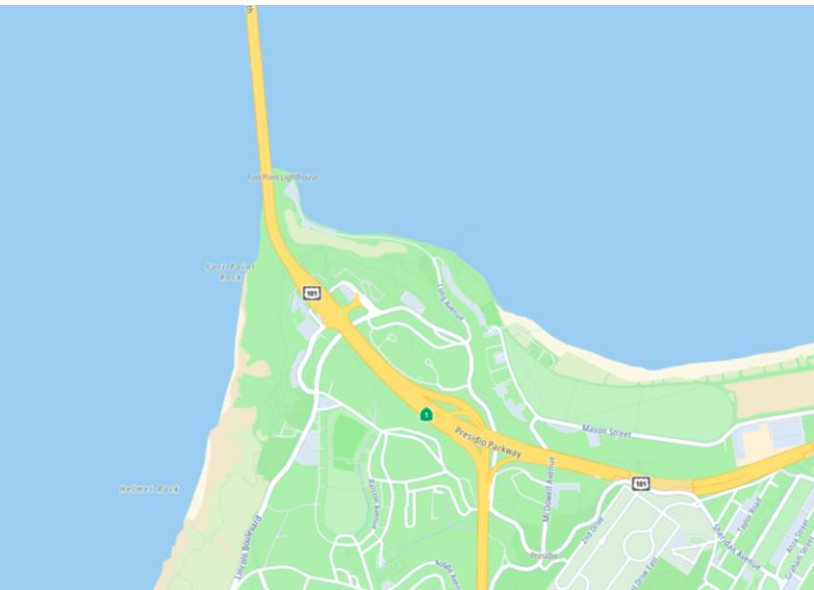
London, UK



Existing

A step change in quality

We have improved our maps across all geographies, metrics, and features



TomTom
Orbis
Maps

Commercial traction in our core segments



Automotive market growth

Take rates are rising on the back of key industry trends, driving growth in our addressable market

Key trends driving growth



Software-defined vehicle

Differentiation will be driven by software, leading OEMs to focus on it

Automation and safety

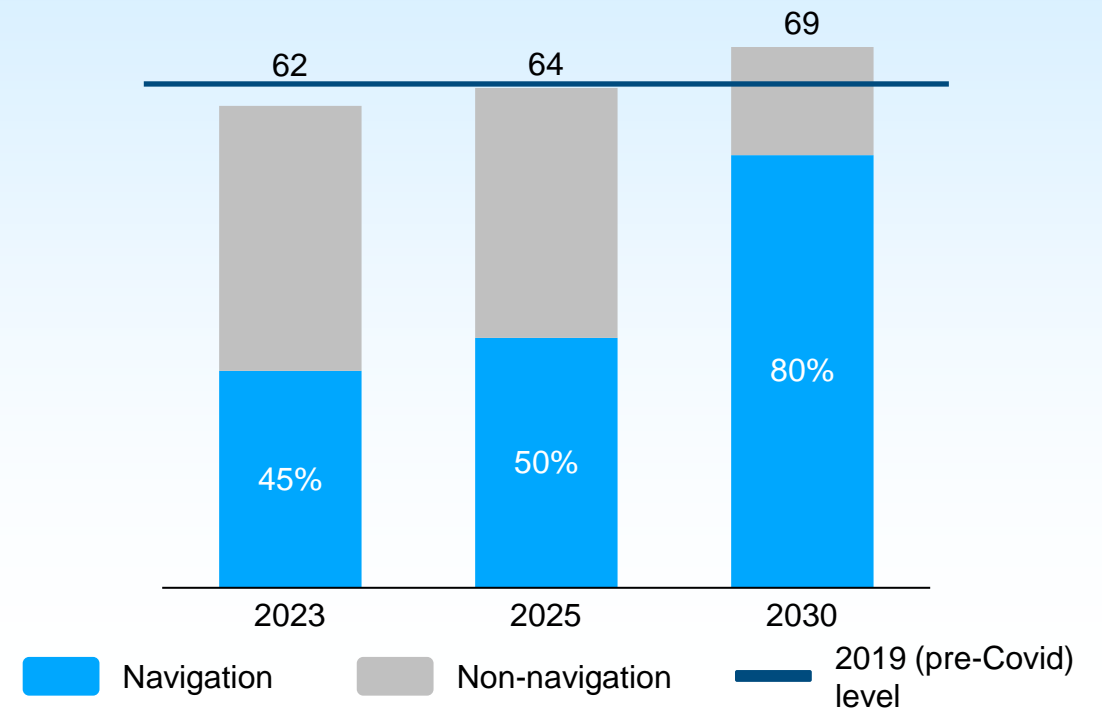
Increased interest and regulation w.r.t. efficiency, driver comfort, safety

Electrified mobility

>45% of cars produced are expected to be EVs by 2030, up from 16% today

Increasing addressable market

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



The right Automotive product portfolio

Products that play into powerful market trends



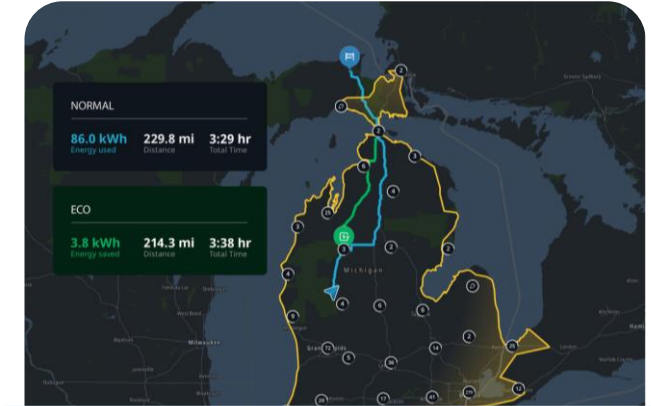
Software-defined vehicle

- Our maps, traffic, and software enable a differentiating in-car experience, as exemplified by TomTom Digital Cockpit
- We continue to innovate, recently introducing Generative AI-powered voice assistant together with Microsoft



Automation and safety

- Our ADAS and HD maps support the automated driving features of more than 10 million vehicles on the road today
- Our technologies also support OEMs in compliance with safety-related regulatory requirements, such as ISA



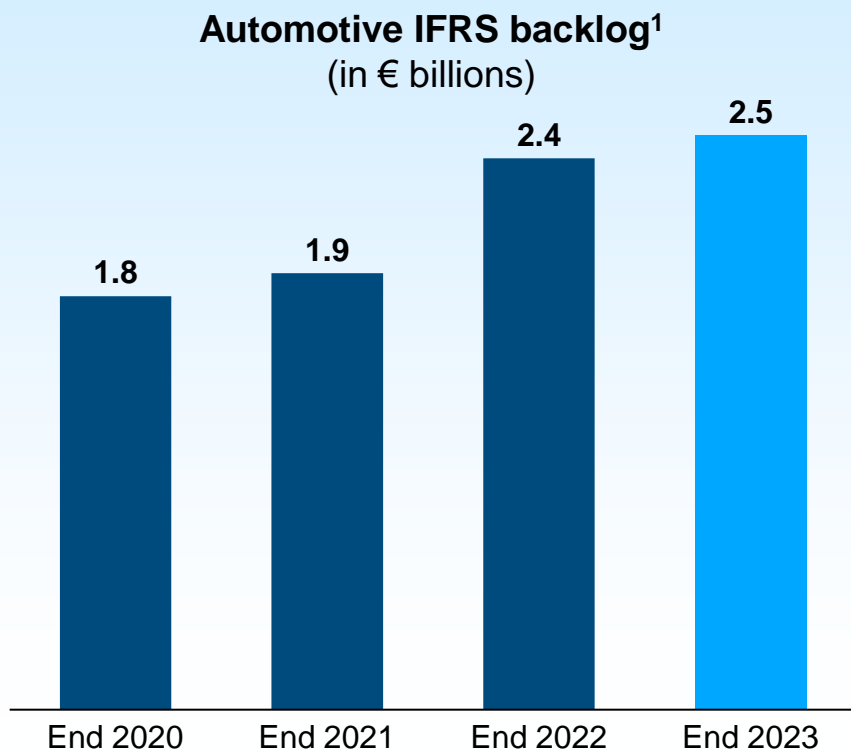
Electrified mobility

- TomTom EV Routing and Range provides drivers with the information needed to avoid range anxiety
- Information including state of charge and dynamic charging point availability is automatically factored into routing

Strength in Automotive

Our Automotive backlog demonstrates the competitiveness of our offerings

Strong Automotive backlog



Announced deals with leading OEMs

STELLANTIS

Maps, navigation software, and connected services such as real-time traffic for all Stellantis brands

HYUNDAI
MOTOR GROUP

Maps and real-time traffic for the entire Hyundai Motor Group vehicle lineup in Europe, with a 100% take rate

VOLKSWAGEN
GROUP

Navigation software and real-time traffic for all Volkswagen Group brands

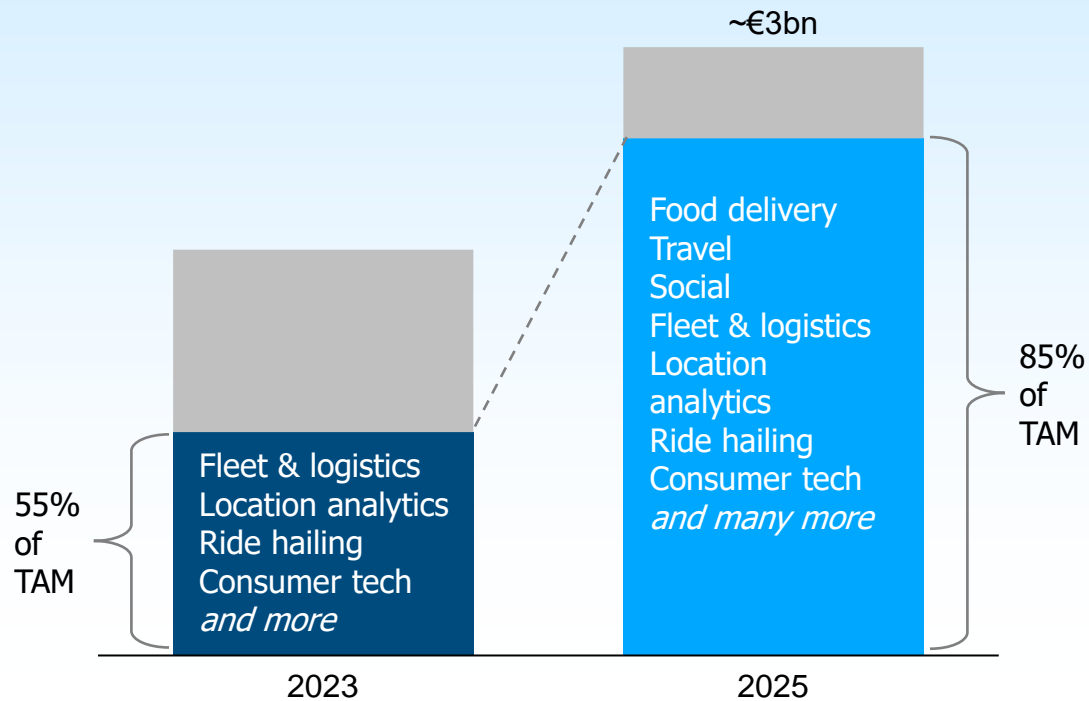
Opportunities in Enterprise

Location technology makes firms more competitive, driving adoption

With our new maps, we are now able to address more use cases and tap deeper into this market

Addressing a larger part of the market

Location technology market (excl. Automotive)



Recent commercial success

Qualcomm

New asset tracking platform

NREL
Transforming ENERGY

Renewable energy research

[CSX]

Railroad logistics optimization

MOBILYZE

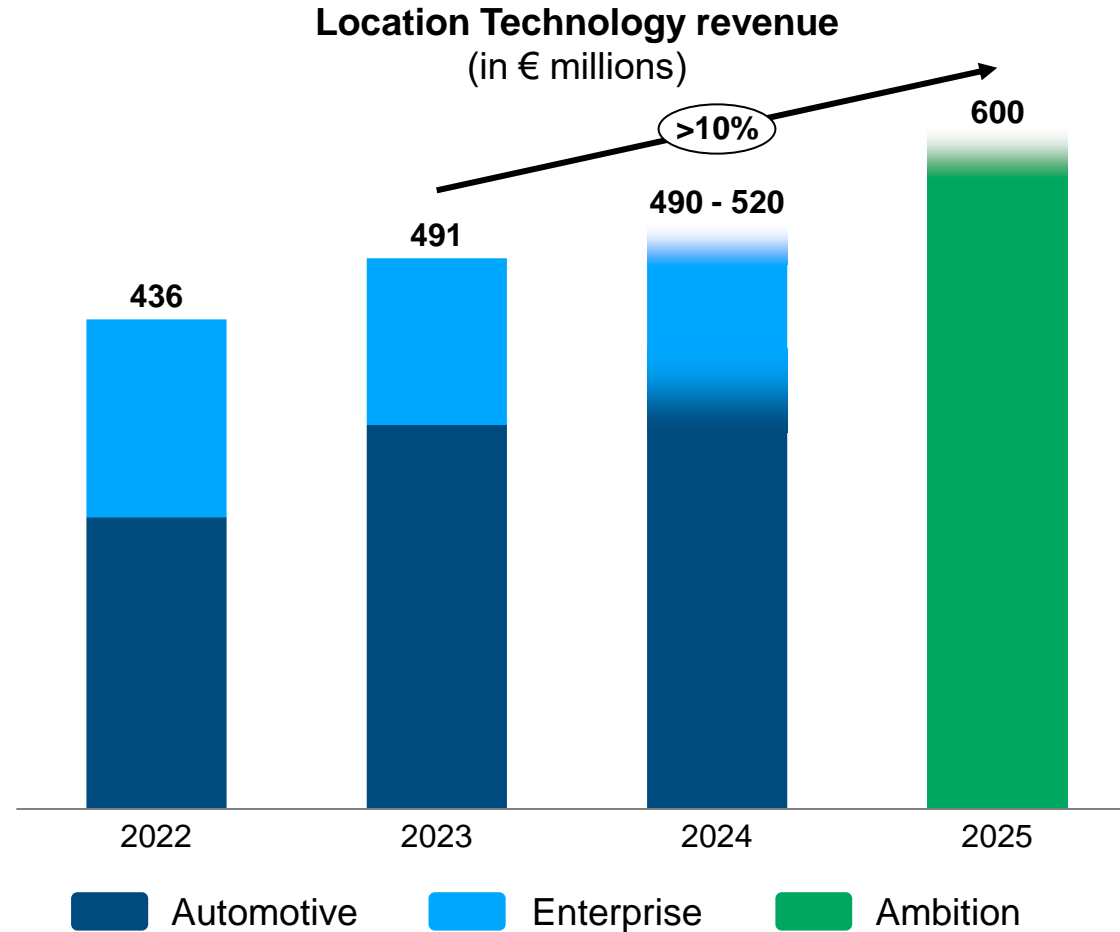
EV charging network optimization

Realizing profitable growth



Revenue ambition

Ambition of €600 million of Location Technology revenue, supported by our new approach to mapmaking and strong Automotive backlog

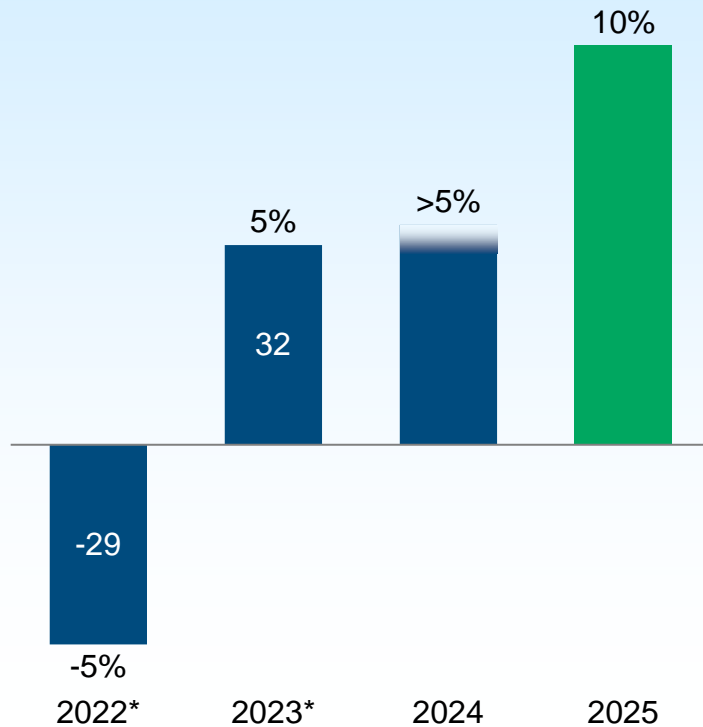


Increasing free cash flow

Growing revenues and a stable cost base enable us to achieve operating leverage, this leads to an improving free cash flow, with a mid-term target of 10% of group revenue

Profitable growth

Free cash flow
(in € millions and as a % of group revenue)



Capital allocation

- Profitable growth leads to a strengthening of our balance sheet
- Supported by our strong cash generation capabilities, we announced a €50m buyback program in October of 2023 with the aim of reducing our share capital, which we expect to complete by the end of June 2024

Doing business responsibly

By identifying material themes and KPIs, and setting ambitious targets, we aim to bolster sustainability

Theme	KPI	Target
Employer of choice	Employee Engagement Score	Employee Engagement Score equal to or higher than the benchmark score by 2025
People development	Percentage of employees utilizing development leaves	No specific target set yet
Diversity and inclusion	Gender diversity ratio and Belonging score	30% female representation at company level and 20% for senior management by 2025
Climate change actions	CO ₂ emissions and renewable electricity usage	Various targets, including carbon neutrality on Scope 1 and 2 by 2030
Data security and privacy	Percentage of engineers certifiably trained on security	75% of engineers trained on security by 2025
Data sourcing and partnerships	No specific KPI yet	No specific target yet
Responsible AI and automation	No specific KPI yet	No specific target yet

Why TomTom?



Global and independent player in the location technology ecosystem

- Championing standardization, supported by a growing number of companies
- Offering customers neutrality and freedom to innovate



High-quality maps and location technology applications

- Rich, fresh, and versatile maps created using highly-automated mapmaking platform
- Broad set of APIs and SDKs



Well-positioned to benefit from major market opportunities

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



Strong financial profile

- €2.5bn Automotive backlog (YE '23), 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 €284 million (Q1 '24) and no debt

Appendix



Shareholder structure and outstanding shares

Major shareholder structure

	Shares	% of total
Founder - Harold Goddijn	15,540,868	11.7%
Founder - Corinne Vigreux	15,001,371	11.3%
Founder - Peter-Frans Pauwels	14,652,530	11.1%
Founder - Pieter Geelen	14,140,030	10.7%
Founders	59,334,799	44.8%
Free float	64,780,882	48.9%
Treasury shares¹	8,250,991	6.2%
Total shares	132,366,672	100%

Date as of 30 April 2024

Note 1: Treasury shares are related to TomTom's [share buyback program](#). Shares purchased as part of the 2023 program are intended to be canceled, subject to shareholder approval

Outstanding shares

	Q1 '24
Common shares outstanding at the end of the period	132,366,672
Shares in issue at the beginning of the period	127,649,310
Shares in issue at the end of the period	124,930,566
Average shares in issue during the period¹	126,357,489 [A]
Average shares outstanding from dilution of restricted stock units	3,229,308 [B]
Average fully diluted shares outstanding during the period²	129,586,797 [A+B]

Date as of 31 March 2024

Note 1: Shares held in treasury of 7,436,106 are taken into account when calculating the weighted average shares outstanding

Note 2: The average share price for the quarter was €6.96

P&L

(€ in thousands)	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24
Automotive	77,070	81,120	90,898	82,476	87,806	83,257
Enterprise	40,453	36,905	37,296	36,760	37,403	35,345
Location Technology	117,523	118,025	128,194	119,236	125,209	118,602
Consumer	21,490	22,693	28,355	24,878	18,170	20,683
Revenue	139,013	140,718	156,549	144,114	143,379	139,285
Cost of sales	18,100	20,025	27,281	25,175	16,511	18,954
Gross profit	120,913	120,693	129,268	118,939	126,868	120,331
<i>Gross margin</i>	87%	86%	83%	83%	88%	86%
Research and development expenses - Geographic data	43,736	42,180	45,798	43,661	42,957	43,018
Research and development expenses - Application layer	42,713	42,461	49,410	47,263	45,485	45,908
Sales and marketing expenses	14,202	12,982	14,158	14,180	15,760	13,642
General and administrative expenses	24,791	20,423	23,459	22,573	33,026	22,677
Total operating expenses	125,442	118,046	132,825	127,677	137,228	125,245
Operating result (EBIT)	-4,529	2,647	-3,557	-8,738	-10,360	-4,914
<i>EBIT margin</i>	-3%	2%	-2%	-6%	-7%	-4%
Financial result	-889	1,598	699	3,371	332	2,843
Result before tax	-5,418	4,245	-2,858	-5,367	-10,028	-2,071
Income tax (expense)/gain	-3,367	-1,272	-1,597	-2,523	-1,608	-2,797
Net result¹	-8,785	2,973	-4,455	-7,890	-11,636	-4,868

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

Balance sheet

(€ in thousands)	31-Dec-22	31-Mar-23	30-Jun-23	30-Sep-23	31-Dec-23	31-Mar-24
Goodwill	192,294	192,294	192,294	192,294	192,294	192,294
Intangible assets	42,917	36,534	30,427	25,170	20,275	15,828
Other contract related assets	30,627	32,806	34,632	33,478	35,019	36,811
Lease assets, PP&E and other assets	72,432	53,579	70,557	71,268	70,143	69,111
Inventories	14,660	14,002	12,550	14,140	14,823	15,105
Trade receivables	65,743	69,192	76,470	77,096	69,156	73,473
Unbilled receivables	48,298	46,177	51,589	47,458	42,778	43,768
Prepayments and other receivables	36,803	37,309	33,260	26,117	36,209	40,783
Cash and cash equivalents and fixed-term deposits	303,729	321,249	316,059	325,427	315,194	283,857
TOTAL ASSETS	807,503	803,142	817,838	812,448	795,891	771,030
Total equity	199,606	206,815	208,014	202,829	181,588	159,654
Deferred tax liability	2,404	1,281	692	427	1,040	1,403
Lease liability	37,725	33,897	50,166	48,139	46,713	47,079
Provisions	29,257	25,022	24,628	25,051	25,720	22,342
Trade payables	6,102	10,981	16,575	10,471	21,168	17,794
Deferred revenue	438,650	441,802	437,947	439,908	433,230	442,175
Other contract related liabilities	18,921	18,644	20,100	19,715	17,078	15,731
Income taxes	3,133	2,986	2,406	3,012	1,594	1,812
Accruals and other liabilities	71,705	61,714	57,310	62,896	67,760	63,040
TOTAL EQUITY AND LIABILITIES	807,503	803,142	817,838	812,448	795,891	771,030

Cash flow

(€ in thousands)	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24
Operating result	-4,529	2,647	-3,557	-8,738	-10,360	-4,914
Foreign exchange adjustments	-3,933	38	-1,027	1,118	-1,343	883
Depreciation and amortization	13,339	12,508	11,180	9,837	10,091	8,905
Change in provisions	-4,953	-455	-697	308	-1,754	-371
Other	2,905	2,401	3,810	2,627	3,622	2,786
Changes in working capital:	-20,169	-7,853	-7,886	11,104	7,960	-15,813
Cash flow from operations	-17,340	9,286	1,823	16,256	8,216	-8,524
Interest (paid) / received	47	1,109	2,005	2,257	2,574	2,393
Corporate income taxes paid	-2,255	-2,587	-3,620	-2,197	-2,427	-2,434
Cash flow from operating activities	-19,548	7,808	208	16,316	8,363	-8,565
Cash flow from investing activities	43,592	-47,159	101,140	-112,446	4,911	2,586
Cash flow from financing activities	-3,549	-3,456	-2,745	-2,918	-14,339	-22,032
Net increase/(decrease) in cash and cash equivalents	20,495	-42,807	98,603	-99,048	-1,065	-28,011

Additional information:

Free cash flow

Cash flow from operating activities	-19,548	7,808	208	16,316	8,363	-8,565
Investments in intangible assets	-78	0	0	0	0	0
Investments in property, plant and equipment	-1,498	-1,371	-2,868	-4,337	-3,281	-851
Free cash flow	-21,124	6,437	-2,660	11,979	5,082	-9,416
% of revenue	-15%	5%	-2%	8%	4%	-7%
Restructuring-related cash flow ¹	6,539	4,043	5,792	944	399	0
Free cash flow excluding restructuring	-14,585	10,480	3,132	12,923	5,481	-9,416
% of revenue	-10%	7%	2%	9%	4%	-7%

¹ 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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