

A photograph of a young man with dark hair and a light beard, wearing a blue button-down shirt. He is smiling and looking down at a smartphone held in his hands. The background is a blurred cityscape at night, with numerous out-of-focus lights creating a bokeh effect in shades of yellow, orange, and white. The overall mood is positive and modern.

*truecaller*

Annual and Sustainability Report 2022



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The annual Report encompasses pages 7–8, 45–46 and 61–100 and is published in Swedish and English. The Swedish version is the original and has been audited by Truecaller AB's (publ) auditor. In the event of any discrepancies, the Swedish version shall govern.


**“Truecaller is making  
tomorrows communication  
smarter, safer and  
more efficient”**







# Our history


Truecaller was started with the simple idea of helping you identify who tried to contact you, regardless of where in the world the call came from. Previous solutions for phone book directories or call-back services were hyper-local, unreliable and not efficient enough to keep up in an accelerating digital and mobile world. Smarter, real-time and scalable solutions were needed – the basis of co-founders Alan Mamedi and Nami Zarringhalam’s ambitions to develop Truecaller.

**2009**  Truecaller is founded in Sweden by Alan Mamedi and Nami Zarringhalam. The app gets 10,000 installs in the first week after launch.


**2011**  Word of mouth makes Truecaller one of the top three apps in Jordan and Lebanon.


**2013**  Truecaller reaches 10 million Monthly Active Users (MAU's) globally. Sequoia Capital (an early investor in Apple, Zoom and WhatsApp) invests in the company.


**2016**  Launch of the advertising platform, which enabled revenue generation from the product for the first time.


**2017**  Truecaller reaches 100 million MAU's all over the world. Truecaller opens a subsidiary in India as a base for growing the local organisation.

**2018**  The subscription service is launched as a second source of revenue generation.

**2019**  Truecaller reached 200 million MAU's globally, including 150 million in India and Truecaller became one of the top three downloaded apps in India

**2020**  Truecaller for Business is launched, the companies first B2B product and a third source of revenue generation.

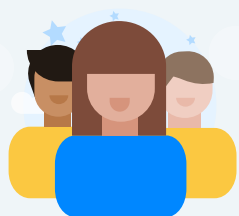
**2021**  Truecaller is listed on Nasdaq Stockholm and reaches the milestone of 300 million MAU's.

**2022**  Number of Daily Active Users (DAU's) exceeds 250 million, Truecaller starts to deliver business messages in partnership with Tanla and launches its first product from the cloud-telephony platform, Truecaller Assistant. Truecaller for Business expands rapidly and has 1,900 enterprise customers in 35 countries. Truecaller launches a new iPhone-app which increases DAU on iPhone with >80%.

# This is Truecaller

Truecaller is the leading global platform for verification of contacts and blocking unwanted communication. We enable safe and relevant person-to-person conversations and efficient business-to-consumer calls. Scams and unwanted communications are par for the course in digital economies, and making trustworthy communication happen is our job. Truecaller is a natural element of daily communication for more than 338 million active users. The app identified and blocked almost 46 billion unwanted calls in 2022. Headquartered in Stockholm since 2009, we are an entrepreneurial business led by the co-founders and a highly experienced management team.

## Truecaller in numbers



**395 employees**

as of 31 dec 2022



**~ 50 billion**

identified spam calls in 2022



**> 1 billion**

downloads of the app since start (source: Google Play)

**> 755 billion**

identified unknown calls & sms in 2022

**> 35 nationalities**

working in the company

**338 million**

monthly active users on average in Q4 2022

# What Truecaller offers

## Truecaller for consumers:

### One app for all communication needs

More than 338 million people all over the world use Truecaller every month to manage their calls and texts.

#### A few of Truecaller's call services:

- **Caller ID** – ID absolutely anyone in real-time when they call
- **Spam Blocking** – Filter and block annoying spam/scam calls
- **VoIP Calling** – Seamless switching between mobile and VoIP calls when the network is shaky
- **Call Me Back** – Ask the recipient to call back if they are busy or have no signal
- **Availability** – Check if the person you are trying to call is busy or phone on silent
- **Call reason** – Tell them why you are calling
- **Call alert** – The magic of getting alerted before your phone rings.
- **Truecaller Assistant** – An AI-powered digital assistant, which helps users filter out fraud and scam calls

#### A few of Truecaller's messaging services:

- **Smart SMS** – AI organises important messages, transactions and spam into different folders
- **SMS and Chat Messages** – Seamless messages using chat or SMS-function
- **Smart Notifications** – Highlight important information and suggested actions
- **Schedule SMS** – Schedule SMS/messages to be sent later
- **Privacy First** – Messages that auto-delete as soon as they have been read or displayed
- **Flash Message** – Send urgent messages that are shown to the recipient in full screen mode

→ [Read more about Truecaller for consumers on page 20](#)

## Truecaller for Business:

### Helping businesses reach their customers

Truecaller for Business was launched at the end of 2020 based on a clear need for companies to be able to reach consumers with important and sometimes critical messages.

By verifying a call or message using Truecaller, the consumer can feel confident that the information is genuine, which creates trust. At the end of 2022, Truecaller reached a milestone when the number of active customers almost doubled to ~1,900 from 1,000 at the end of 2021. Truecaller's business customers have grown significantly today business customers are present across 35 countries.

In 2022 5bn Verified Business calls were made vs 1.5 bn Verified Business Calls in 2021. By end of 2022, our business call reason service (launched in 2021) were activated by ~60% of our active customer base.

#### A few Truecaller for business services:

- **Verified Business Caller** – Truecaller for Business customers are given a verified ID on Truecaller so that their ID is presented as a trusted green profile with call reason. New key additional features in 2022 was **Video Caller Id**, for enabling businesses to add visual context to business calls and differentiate them from normal calls, and **Call me Back**, for user's to be able to respond to missed and rejected business calls.
- **Truecaller Chat** – Truecaller offers the Truecaller Chat messaging service to businesses to create a safe, cost-effective and reliable solution for their messaging needs.
- **Partner Authentication** – Truecaller offers a free software development kit (SDK) for app developers and extended use cases beyond login and signup were rolled out across commerce checkout workflows for businesses.

→ [Read more about Truecaller for Business on page 23](#)

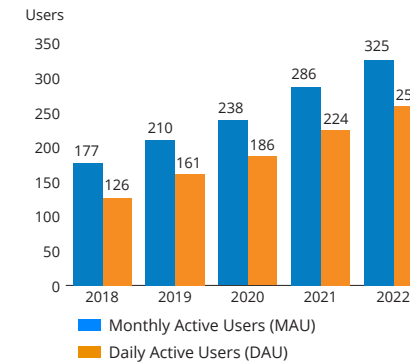
# The year in brief

During 2022 Truecaller continued on the path of strong growth and growing profits. At Truecaller, we are making communication smarter, safer and more efficient today and tomorrow by offering a communications platform that helps businesses and consumers the world over identify who is calling them, verify contacts and block unwanted communications.

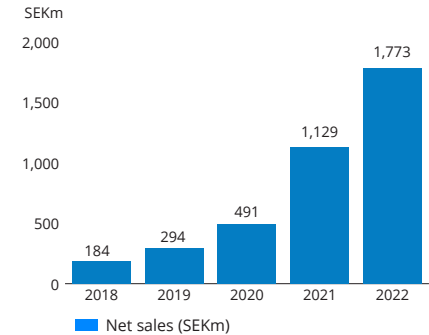
## KEY FINANCIAL DATA, GROUP

	2022	2021	2020	2019	2018
Net sales	1,773	1,129	491	294	184
Gross profit	1,355	856	322	171	125
Gross margin (%)	76.4%	75.8%	65.5%	57.9%	67.8%
Adjusted EBITDA	717	473	105	-34	-53
Adjusted EBITDA margin (%)	40%	42%	21%	-11%	-29%
EBIT (operating profit)	688	328	-31	-98	-64
EBIT margin (%)	39%	29%	-6%	-34%	-35%
Adjusted EBIT	688	456	-14	-47	-64
Adjusted EBIT margin (%)	39%	40%	-3%	-16%	-35%
Profit or loss after net financial income or expense	688	300	-54	-97	-65
Equity	1,804	1,411	146	151	76
Total assets	2,344	1,693	436	275	144
Equity to assets ratio (%)	77%	83%	34%	55%	53%
Employees at the end of the period	395	306	241	210	172
Monthly Active Users (MAU), average	325	286	238	210	177
Daily Active Users (DAU), average	259	224	186	161	126

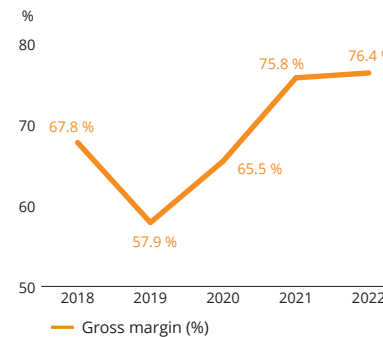
### Active users



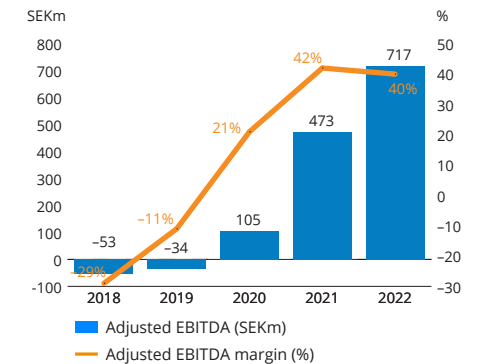
### Net sales



### Gross margin (%)



### Adjusted EBITDA



# Significant events in 2022

## Q1

**COMMUNITY INPUT CAPABILITIES** in the app was enhanced through more engagement points for users through a dynamic feedback system. The introduction of comments in 2021 was expanded empowering more users to report on their own experience while further enhancing the overall spam detection capabilities. Advanced machine learning models that automate spam SMS detection based on user feedback was rolled out globally.

**PARTNERSHIPS WITH WORLD LEADING** Android phone manufacturers was initiated to pre-install the Truecaller app on smartphones in key markets including India, Malaysia, and Latin America. The goal is to cover more than 100 million new Android phones over the next two years.

**TRUECALLER ANNOUNCED** the acquisition of CallHero to enhance the product for the US market. CallHero has developed a unique technical solution for Android and iPhone that automatically answers and analyzes inbound calls using a digital assistant.

**TRUECALLER LAUNCHED A PARTNERSHIP** with Tanla to deliver a groundbreaking digital experience for business messaging. The volume of instant messages delivered is expected to reach 1 billion in the first year. The partnership is intended to help businesses reach Truecaller's more than 338 million active users with relevant content.

## Q2

**IMPROVEMENTS TO THE COMMUNICATIONS** experience and messaging features. Truecaller continues to develop its core features to provide users with a smarter, safer and more efficient communications experience. The latest version of the app facilitates more opportunities for users to leave feedback on unknown numbers. By means of AI-based models, the feedback can provide more context surrounding an unknown number.

**FURTHER GROWTH AND DEVELOPMENT** of Truecaller for business. Demand for secure and effective B2C communication remains high. Agreements were closed with companies like Google, DHL, American Express and Discovery Bank. The partnership with Tanla regarding B2C messaging was commercially launched.

**TRUECALLER WAS ONE OF** the 20 most downloaded apps globally for the second consecutive quarter in a row, according to statistics from Sensor Tower.

**THE ANNUAL GENERAL MEETING** was held where the entire Board of Directors was reelected, the meeting resolved to establish a new long-term incentive program, LTIPP 2022, and the Board was authorized to decide to buy back a maximum of 5 percent of total shares outstanding as of the date of the AGM.

## Q3

**VASTLY IMPROVED** Truecaller experience on iPhone. A new version of the iOS app was launched globally. Since the launch, Truecaller has seen significant improvements in metrics including retention, daily installs, and average DAU on iPhone which increased by more than 80% at year-end. The app was rewritten from the ground up to offer a fundamentally better user experience. The new app, offer significantly better caller ID and identification of spam, scam calls and business calls compared to the earlier iOS app.

**LAUNCH OF AI-POWERED ASSISTANT** to filter out scam calls. After the acquisition of CallHero, Truecaller launched, an AI-powered digital assistant and spam detector as the first product from our cloud-telephony platform. The service is part of Truecaller's Premium offering with US as the first market. Truecaller Assistant uses machine learning to answer calls, screen calls, filter spam and show the user who is calling and why.

**A BUYBACK PROGRAM** for Class B-shares was initiated in accordance with the authorization granted by the AGM in Q2 (See Q2).

## Q4

**TRUECALLER WAS THE WORLD'S** fourteenth most downloaded app. Truecaller is one of India's most loved apps. In 2022 it was the second most used app in India in the 18–24 age group and the third most used app among men. Truecaller reached an all-time high in its Net Promoter Score (NPS) in India, ending the quarter at an NPS of 52 (48).

**TRUECALLER'S AD PLATFORM** was made even more efficient, which enabled a large increase in the number of ad impressions, creating greater revenue potential for the future. Truecaller's independent proprietary ad platform, recorded all-time high revenues which has more than tripled during 2022.

**TRUECALLER FOR BUSINESS** offering continued to evolve at a rapid pace. The number of customers has almost doubled (to almost 1,900) and income grew even faster, compared to the previous year. Approximately 80 percent of new customers sign contracts with at least 3 months contract duration. Truecaller for Business now has customers in 35 markets globally.

**A NEW FEATURE,** Government Directory Service was launched to support authorities in India to make it easier for authorities and citizens to contact each other in a secure way.

**TRUECALLER WAS AWARDED** Google's official security badge after a 3rd party authorised by Google reviewed the security of the Truecaller app.

# Truecaller, a global market leader solving a growing problem

The investments we have made to improve the user experience and the offering for customers and advertising partners paid off during the year in the form of very strong and profitable growth. At the same time, we continue to create unique services and a reliable communication platform for the millions of consumers and companies that use Truecaller on a daily basis. Despite the impact of the global economic slowdown in the second half of 2022, Truecaller grew net sales by 57 percent to SEK 1,773m, combined with an adjusted EBITDA margin of 40.5 percent. In total, the number of monthly active users increased during the year by around 38 million to 338 million in the fourth quarter.

Truecaller's mission is to create a secure communication channel with no risk of scams or unwanted calls and texts. We are working every day to create an environment where consumers and businesses can build relationships and interact in a safe and reliable way. Receiving sales-, spam-, or other types of unwanted calls and texts is as common as it is a nuisance.

## An evolving product

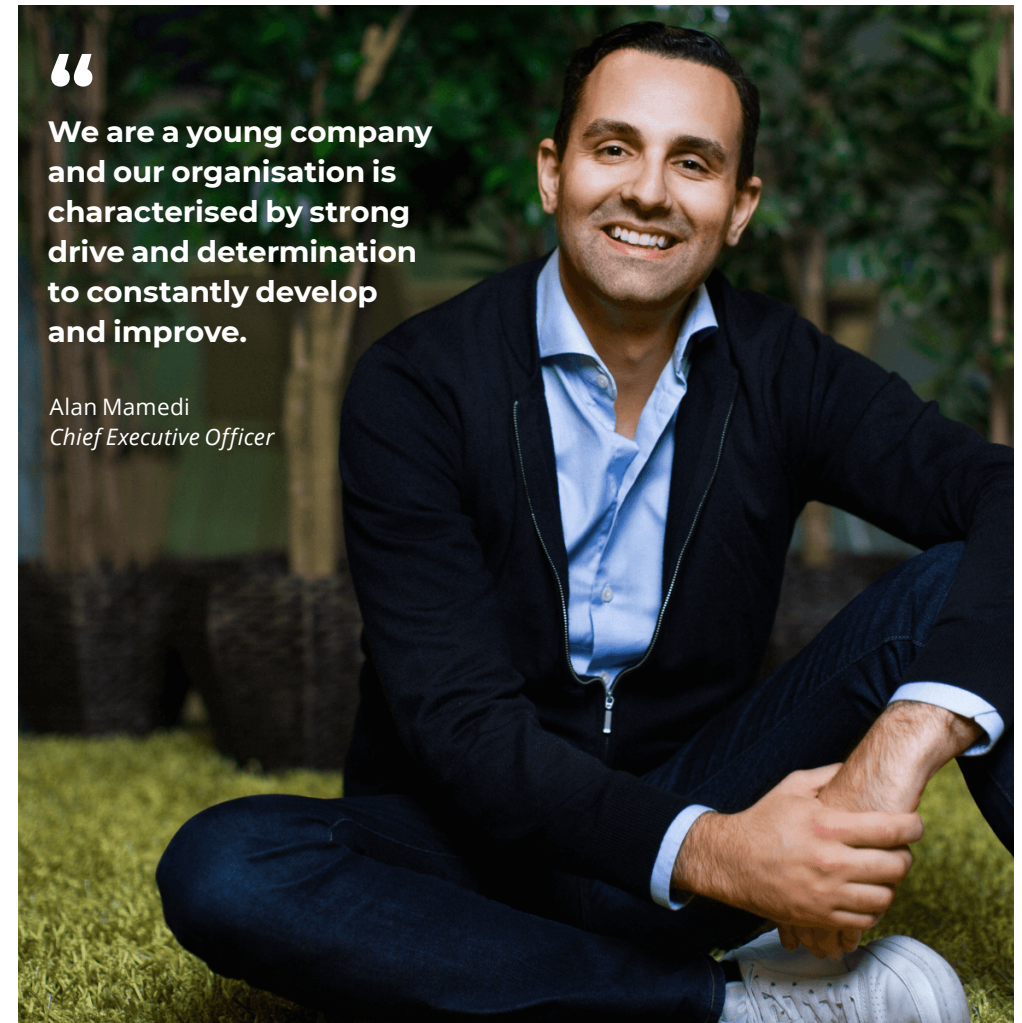
For us at Truecaller it is important to keep our focus on the user and the problem we are solving for them. By deploying this strategy, we have successfully grown to become one of the world's most used apps. We are

still a young company and our organization is characterized by a strong drive and determination to constantly improve our offering, which drives growth. In 2022, we introduced a series of new features to enhance the user experience and make Truecaller an even more important channel to communicate safely and securely.

Developing our AI- and machine learning models remains a high priority for us. By continually improving our ability to analyze call patterns and enabling our users to directly provide various types of input on incoming calls, we become even better at filtering out which calls and texts our users want to receive and which ones they don't.

The majority of Truecaller's users use Android, and an important focus area for us is to create just as strong a user experience for iPhone users. At the end of August 2022, we launched our new iPhone app with similar basic functionality as for Android when it comes to identifying and blocking unknown callers. In the first four months following launch, the number of daily active iPhone users grew by more than 80 percent. We will gradually launch more and more advanced functionality on iOS, and with the update we have made we can significantly grow the user base in more iPhone-dominant markets.

In early 2022, we acquired CallHero, an Israeli company that with the help of its



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**We are a young company and our organisation is characterised by strong drive and determination to constantly develop and improve.**

Alan Mamedi  
*Chief Executive Officer*



cloud telephony platform has developed a unique technical solution to help users verify and answer calls using a digital assistant. During the year, we integrated the service, which we call Truecaller Assistant, as part of our premium subscription in US, and in 2023 the service will be launched in our major markets such as India.

Our business offering was improved in 2023 through the addition of many new value-adding functions, and during the year we entered into a partnership with the CPAAS company Tanla to deliver business messages through our platform. By using our platform, it is cheaper for companies to reach out to consumers, and do so with a much more attractive user interface. Our business offering has grown quickly, but we have only scratched the surface of the future potential that comes with having the large user base we have.

### **A business model setting the stage for continued growth**

Truecaller today generates revenue through advertising, subscriptions and business services. Continuously developing these revenue streams is a high priority. Ad revenues, which account for approximately 84 percent of Truecaller's net sales, grew by 57 percent in 2022, largely thanks to investments in increased capacity and further development of the adtech platform. Eighty percent of our users use our services on a daily basis, which translates into great value in using Truecaller as an advertising platform and thereby reaching hundreds of millions of users in a short time.

For users who want access to extra functions and an ad-free experience in the app, we offer Truecaller Premium. In 2022, the service accounted for approximately 10 percent of our net sales. We see good potential to further grow the subscription business as the willingness to pay for subscriptions rises and as we add more useful functionality such as Truecaller Assistant.

Our business offering, Truecaller for Business (TfB), is designed for large companies that want to reach their customers through calls or texts. Since the launch late in 2020, we have seen great interest from companies, and at the end of 2022 we had around 1,900 active customers in 35 countries who use popular services such as Verified Business, Call Reason and Call me back. These services create greater efficiency and maintain secure communication for companies and their customers, who are also our users. In relative terms, TfB is our fastest growing revenue stream and in 2022 accounted for 6 percent of net sales.

### **Our sustainability agenda**

We are proud to be an important part of the lives of millions of people all over the world. Helping people communicate safely, securely and efficiently is our mission, but as a global enterprise we also have a responsibility that stretches beyond our product. We strive to be a force for good in society by creating a secure environment for transactions and communications in the digital world. We are proud of the impact we have not only through our product but through our initiatives on important issues such as women's safety, cybersecurity, employer excellence, ethical business practices and reducing our carbon footprint.

[→ Learn more in our sustainability report on pages 24–43.](#)

### **Continued growth, profitability and cash flow in focus**

Truecaller is today a global market leader helping more than 338 million people and companies the world over to communicate securely and efficiently. We solve a growing global problem, and with increased awareness of our services and greater smartphone penetration around the world we will continue to grow the user base, which is the foundation for further long-term sales growth. During 2023 we will focus our growth efforts on a number of chosen regions where we see very good long-term opportunities for user growth and increased income.

From a revenue growth perspective, 2023 will be a more challenging year due to the macroeconomic uncertainty, which is impacting demand for digital advertising. We expect demand, at least in the first half of the year, to be weaker. As a result, we will in addition to further developing our revenue streams also be delivering efficiencies across our operations. This will ensure that cash flow and margins remain strong even in tougher times without necessarily affecting the major future growth potential we see for our offerings.

I am proud and pleased of what we accomplished together in 2022. I want to express my innermost gratitude to all our employees, customers, partners and owners for an eventful and strong year.

Alan Mamedi  
*CEO and co-founder*

A young woman with long, curly brown hair is sitting on a ledge. She is wearing white over-ear headphones, glasses, a tan jacket over a light-colored top, and dark pants. She is looking down at a black smartphone in her hands. The background is a blurred cityscape with buildings and a railing.

# Strategy

# Vision and strategy

Truecaller is the leading global platform for identifying contacts and blocking unwanted communication. In this way, we are creating a safe channel for businesses to interact with consumers. We were founded with a purpose: ID incoming calls from unknown numbers. And as the problem with scams and unwanted communication grows, we grow too.

Smartphone use is accelerating rapidly, driven by large increases in the number of users in emerging markets. Better connectivity has made it easier to reach smartphone users, which is exploited by e.g. scammers and telemarketers, which in turn leads to negative and potentially harmful experiences for mobile users all over the world.

Our vision is to make communication smarter, safer and more efficient, today and tomorrow. We give users the opportunity to take control over their mobile experience by helping them communicate with the people and the businesses they want to interact with.

Truecaller is a key part of day-to-day communications for more than 338 million active users, with more than a billion downloads since launch and almost 46 billion unwanted calls ID'd and blocked in a single year.

## Three strategic focus areas for continued growth

Truecaller does business in a market with substantial long-term growth potential. To achieve our financial targets, the opportunities arising from global growth in smartphone usage have helped us formulate an ambitious growth strategy centred around three focus areas:

- 1 We will maintain our market leadership in trustworthy communication for consumers and businesses through continued investments in our core product and by strengthening Truecaller as an all-in-one app for trustworthy communication.
- 2 We will build further on our existing revenue streams by continuing to invest in our ad platform and our premium offering.
- 3 We will grasp new growth opportunities by, for example, continue to scale up Truecaller for Business, B2C-messaging and accelerating our growth in new and existing markets.

“

**We are a young company and our organisation is characterised by strong drive and determination to constantly develop and improve.**



## 1 Maintain market leadership in trustworthy communication

Truecaller has established the company as the market leader in creating opportunities for consumers and businesses to interact in a trustworthy way.

We have proven our capacity to create trust in communication through all the innovative products and features that have been implemented in the platform and that improves the user experience. Going forward, we will continuously strengthen our core offering to increase user commitment, remain the dominant alternative when it comes to protection from unwanted communications. We shall make core in-app products such as dialer, messaging and the use of cloud telephony as important to our users as caller ID and spam detection. Through our investments in AI-identity and machine learning and the use of data science we shall improve our service further and become less dependent on phone book names.

We will continue to grow our footprint on iOS with the ambition to become the leading caller-ID and spam blocking app on iOS as well. Through the work done with the new app for iOS in 2022 we have built the foundation to deliver on that ambition.

Through demonstrating clarity on data minimization, privacy and transparency will make us a even more trusted product and brand by our users, customers and other stakeholders.

## 2 Build further on existing revenue streams

Truecaller has two thoroughly proven revenue streams: ads and premium subscriptions for consumers.

### Sustained growth in advertising

To enable sustained growth in advertising, we will continue further developing our ad platform. This will be done by further building out demand, improve our own ad-tech and innovate on the inventory side. The results will include a higher ad load. Freeing up additional ad space and increasing user engagement with the app to increase opportunities to display ads is a key part of the strategy.

Additionally, there is substantial potential to improve revenues per ad displayed (CPM, Cost Per Mille) through the development of ad formats, such as ads in other formats and video display ads. The expansion into markets where CPMs are higher is another way to achieve this.

The majority of Truecaller's ad revenues are generated via Google Open Bidding and Facebook although the number of other demand partners have increased. Future collaboration with other global and regional partners is an opportunity to increase demand and improve CPM.

We are also working with ad display frequency at Truecaller (the number of ad displays that Truecaller successfully delivers to users out of the total number of ad displays from programmatic ad partners like Google and Facebook), which has great potential to improve when users upgrade from 2G to 3G/ 4G/5G. In addition to the infrastructure improvements, Truecaller intends to continue improving display frequency through technology optimization and product enhancements to reduce the time required to load ads, an area where Truecaller made large improvements in 2022.



Demand from advertising customers to work directly with Truecaller for customized ads is another avenue for growth. Such campaigns are attractive to buyers due to Truecaller's capacity to reach a target group of millions of users in short timeframes of one to two days and its ability to target specific groups.

### Build further on a successful premium subscription model for consumers

More Truecaller users are choosing to pay for a Premium subscription. Despite the continued increase in subscriber numbers, Premium users account for less than 1 percent of MAU, which gives us several ways to increase revenues from Premium subscribers going forward.

- Increase the customer benefit of Premium subscriptions by e.g. making cloud telephony solutions like Truecaller Assistant a core part of our subscription offering
- Increase conversion and loyalty among Premium users
- Introduce new attractive premium plans like Ad-free plan and Family offer
- Through growth among users on iOS and in markets with higher subscriber conversion

### 3 Grasp new growth opportunities

#### Accelerate growth in new and existing markets

One of Truecaller's growth drivers will be to increase user numbers in current markets where we see good opportunities for growth which increases opportunities for higher ad revenues and subscriptions. These markets, such as Malaysia, South Africa, Nigeria, and South America, are usually characterised by relatively large populations and significant smartphone penetration. The growth will continue to be mainly organically driven (by user virality and SEO-work) but also through focused user acquisition efforts and expanded pre-load deals and pursue other strategic partnerships.

#### Existing markets

Truecaller is already one of the largest communication platforms for consumers in many emerging markets, India above all. But India is still in its infancy as regards ad maturity, exemplified by relatively low CPM (revenue per displayed ad) compared to more mature advertising markets like the US, where CPM rates can be as much as 5-10 times higher. Regardless, India remains an important market for us and we will maintain our strenuous efforts to build a trustworthy brand that is loved by Indian consumers. Truecaller will also continue growing organically in countries where we have achieved good market penetration, such as Egypt, Nigeria, Ghana, Algeria, Israel, Jordan, South Africa and Kenya.

#### New markets

In 2023 and beyond we intend to grow in markets where awareness of Truecaller is currently limited but where we see strong potential based on market size and how well the Truecaller offering fits the market. These include the US, Indonesia, Malaysia, Bangladesh, and selected markets in Latin America.

#### Scale up Truecaller for Business and B2C-messaging

A significant portion of daily calls made all over the world do not come from a number in the recipient's contacts. All told, they add up to about 850 million calls from unknown callers globally – ever single day. We estimate that as much as 70 percent of these calls are missed or rejected because the recipient assumes that they are unwanted spam calls rather than legitimate business calls. As a result, services that can help businesses achieve a higher call acceptance rate become very attractive. Truecaller for Business offers call, messaging and authentication products to businesses.

We will be developing and growing Truecaller for Business by further developing the product range, including with attractive features designed to increase the pick-up rates and improve the communication between business and their customers. Although Truecaller for Business has grown rapidly there is still a huge opportunity to increase the number of verified customers and calls on our platform.

In 2023, we will maintain efforts to expand Truecaller for Business to new markets as well as increasing the penetration within our current 35 markets – countries where we see potential to increase revenue over the medium and long terms.

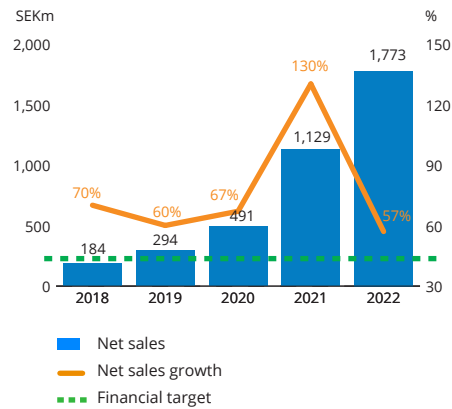
During 2022 Truecaller launched an exclusive partnership with Tanla deliver a groundbreaking digital experience for business messaging. During 2022 investments has been done to be able to increase the volume of B2C messages at large scale with an attractive user interface. Truecaller have so far only scratched the surface in this fast-growing niche.



# Financial targets

The Board of Directors of Truecaller AB (publ) adopted financial targets, in conjunction to the IPO in October 2021, aimed at increasing understanding of the company’s growth strategy and long-term development potential. In 2022 all the financial targets where exceeded.

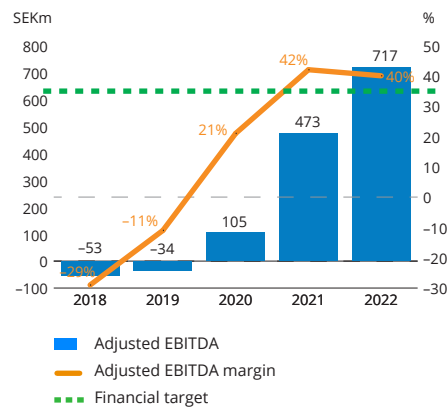
**Target Net sales**



**Net sales**

Truecaller will achieve sales growth above 45 percent annually between 2021 and 2024.

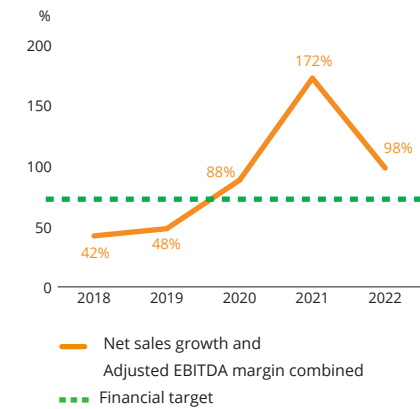
**Target Profitability**



**Profitability**

Truecaller will have an EBITDA margin above 35 percent after 2024. EBITDA in 2020 and 2021 was adjusted for costs related to the IPO in October 2021 and the synthetic options arising from the acquisition of Backwater Technologies.

**Target Net sales and profitability combined**



**Net sales and profitability combined**

Combined net sales growth (expressed as a percentage) and EBITDA margin will exceed 70 percent between 2021 and 2024.

**Dividend policy**

The board of directors does not intend to propose dividends over the medium term.



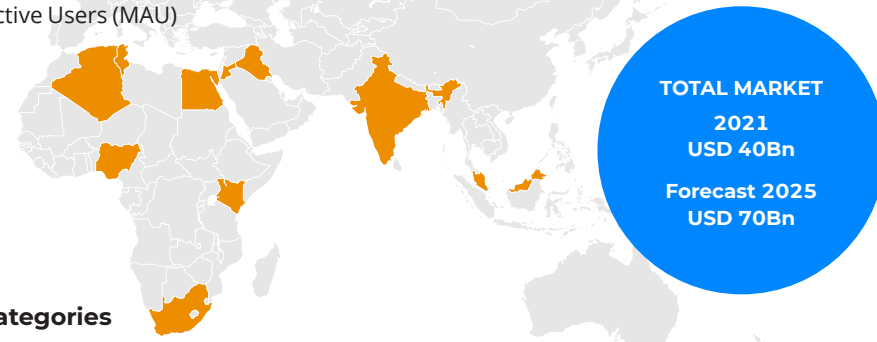
# Operations

# A market with many attractive opportunities

The digital economy is creating unique challenges, especially in emerging markets, where scams and spam are more common than in other markets. Truecaller publishes the Truecaller Insights U.S. Spam & Scam Report<sup>1)</sup> annually. The 2022 report shows that an estimated ~USD 40 billion was lost to online scams in the US in 2021 alone, a figure that is expected to grow in upcoming years.

## Truecaller's 10 largest markets

India, Egypt, Nigeria, Algeria, South Africa, Malaysia, Iraq, Kenya, Colombia and Jordania – based on Monthly Active Users (MAU)



## The market is divided into three sub-categories



Smartphones are currently the main route into the digital economy. Smartphone usage is expected to rise as connectivity improves and mobile telephony and data rates become more affordable. The number of smartphones in use has grown strongly over the last couple of years and is expected to continue to grow in the years ahead.

Truecaller does business in the market for voice calls, messaging, caller ID and spam blocking. The total market was worth an estimated USD 40 billion in 2021 and is expected to grow to about USD 70 billion by 2025<sup>2)</sup>. The market can be divided into three sub-categories: the ad market, consumer subscriptions market and the business verification market.

## The spam and scam problem

The spam and scam problem is widespread across the entire world. Consumers and businesses alike suffer the negative effects of unwanted communication, including wasted time, annoyance, harassment and scams. In addition, businesses suffer a loss of trust, which makes it more difficult for them to reach their customers and work efficiently. Truecaller's data show that as much as 70 percent of all business calls are rejected or missed because recipients choose not to answer when they do not recognise the number.

1) The study was conducted in partnership with Harris Poll, Truecaller Insights 2022 U.S. Spam & Scam report.

2) According to a market study conducted by Boston Consulting Group in 2021.

### Key market drivers and trends

Growth in the Caller ID market and the communications app market in a wider sense is governed by four key trends:

- Growth in the population and average lifespan
- Growth in smartphone usage
- Increased spam volumes
- Greater awareness of Caller ID apps

### Growth in the population and average lifespan

Steady population growth is a factor in many emerging markets that is contributing to an increased need for safe and secure communication. The population has grown by about 1 percent a year in Truecaller's biggest markets over the past years and the trend is expected to continue for the next five years. Higher expected lifespan is one of the most important underlying drivers.

### Growth in smartphone usage

The number of smartphone users is expected to rise substantially in the coming years.

There are three main drivers behind global growth in smartphone usage – rising incomes, falling smartphone costs and lower data costs.

Rising incomes lead to higher purchasing power and more people have been able to afford and are expected to be able to afford to buy/prioritise buying a smartphone.

Smartphone costs as a percentage of income are falling globally. The greater affordability of smartphones has been enabled by technological advances that have led to lower prices for phone components and devices, as well as new local and global players in the smartphone market. As a result, a larger share of the population is able to afford a smartphone.

Data costs are also dropping as a percentage of income in most markets. Greater affordability reduces the cost of using a smartphone.

### Increased spam volumes

The technology behind robocalls – calls that use a computerised autodialer to deliver a pre-recorded message – has made remarkable progress in recent years.

Certain robocalls use personal audio messages to simulate an actual personal phone call. The phenomenon further improves opportunities for spam and scam calls. This is happening in a time when telephone systems worldwide have not been drastically improved and when legislation is not sufficiently consistent to fight the spammers' "success" and access to technical tools. This rising tide of unwanted calls and messages is increasing the user value of having a Caller ID app like Truecaller.

### Greater awareness of Caller ID apps

The main reason that consumers do not use an app is a lack of awareness among people who are affected by spam but currently do not use a third-party Caller ID app.

Greater awareness of Caller ID is expected to increase the spread of spam-blocking communications platforms. Online posts about number presentation and spam/spam blocking apps are increasing which indicates rising consumer awareness.

### Truecaller's competitors

The Caller ID and spam blocking market is fragmented. To easily clarify which market players compete with Truecaller, they have been divided into four main categories:

- Smartphone manufacturers
- Telecom operators
- Suppliers of smartphone operating systems
- Third-party apps

Hiya "Smart Call", Jio Security, Phone by Google, Call App and Eyecon are examples of competitors in these categories.

As Truecaller was very early to develop its offering, there is a limited threat from new players in the Caller ID market because privacy-focused policies for mobile operating systems are preventing competitors from rapidly developing the necessary ID database. Truecaller's database includes more than 5.9 billion identified consumer and business phone numbers. It was built through the Truecaller community and machine learning technology in all parts of the world where the app has been used Truecaller began doing business. The Truecaller database identifies more than 95 percent of all calls globally in 2022.

**Spam, scams and unknown identities are huge concerns for users**

**50–69%**

**of users are worried about unknown callers**

**52–67%**

**of users are worried about spam calls/texts**

**63–79%**

**of users are worried about scams via calls or texts**

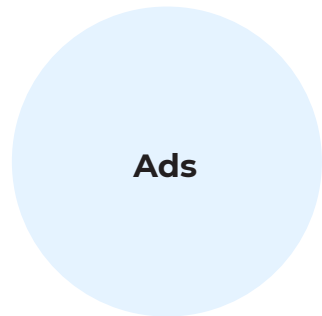
**Researched countries: India, USA, UK, South Africa, Malaysia**

Source: Market study done by BCG in 2021, The figures above represents % of respondents being "very worried" or "somewhat worried"

# Business model

Truecaller has a robust and diversified revenue model with three revenue streams.

## 1 Free subscription with ad revenues



**ADVERTISING REVENUE 2022:**

**SEK 1 489m**

### Free products with ad-based revenue generation

A large majority of users choose Truecaller's free services, which are supported by ads. In 2022, ad revenues accounted for 84 percent of total revenues and the revenue growth was 57 percent. User interactions with Truecaller via the app generate a plethora of opportunities to display ads during some of these interactions, which creates opportunities for businesses to reach out to current and potential customers with the help of Truecaller. Our advertisers include Volkswagen, Nestlé, Swiggy, Zomato, Tata Motors, Tata Play, Dream 11, Xiaomi, Oneplus and Jiomart to mention a few.

## 2 Paying premium subscribers



**SUBSCRIPTION REVENUE 2022:**

**SEK 171 m**

### Premium paying subscribers

A large majority of users choose Truecaller's Truecaller has a growing share of loyal users who pay monthly or annually for Truecaller's premium features. Consumer subscriptions accounted for 10 percent of revenues in 2022 and the revenue growth was 23 percent. There is good potential for further growth, as fewer than 1 percent of Truecaller's MAU are subscribers.

## 3 Subscriptions with services for businesses (Truecaller for Business)



**OTHER INCOME 2022:**

**SEK 114 m<sup>1)</sup>**

### Business subscription with added value

Truecaller for Business was launched initially in Q4 2020 and publicly in April 2021. As of 31 December 2022, Truecaller for Business had almost than 1,900 active business customers in 35 different countries. Seven of the 10 most valuable brands in India are customers and customers include brand names like Uber, HDFC and ICICI Bank, Flipkart, Google, IKEA and Coca Cola.

The service has demonstrated strong pull since the launch and has received good customer feedback. Truecaller sees strong potential to increase the growth of this revenue stream. Other revenues, which mostly relates to Truecaller for Business, accounted for 6 percent of revenues in 2022 and the revenue growth was 178 percent.

1) Other income include revenues from Truecaller for Business and partner revenues

# Products

The problem of spam and scam calls in people’s everyday lives is growing in pace with the increasing dominance of mobile devices as a means of communication. Truecaller does business in markets where scams and fraud in various forms are a widespread problem caused by unwanted calls and texts from unknown sources. In addition, important communications are often missed, which causes problems for both consumers and businesses.

Truecaller offers **consumers** a communications tool that provides all features in a single app. For **businesses**, Truecaller offers verified ID and authentication APIs that increase the call answer rate.

## Truecaller for consumers

### Calls

Truecaller processes about 8 billion unique calls (outgoing and incoming) every day – about 5.5 million calls a minute. The Caller ID service is the main reason new users opt to download Truecaller. Our users receive numerous calls every week from people not found in their saved contacts and our Caller ID feature helps identify who is calling.

Truecaller’s Caller ID is driven by a steadily growing database, which is reinforced by machine learning algorithms and the vast Truecaller community that provides constant feedback, which helps the algorithms improve their accuracy.

Android is the dominant platform in most Truecaller markets. Truecaller identifies the call in real time on Android devices the instant it is initiated. Truecaller’s Caller ID shows all available information: caller name, profile picture, company name, professional title, city and telephone operator. The Caller ID service includes additional features such as Call Alert and Call Reason (the option to state why the caller is calling). In 2022, Truecaller launched a new iOS app which was rewritten from the ground up to offer a fundamentally better user experience. The new app, offer significantly better caller ID and identification of spam-, scam- and business calls compared to



the earlier iOS-app. Since the launch, Truecaller has seen significant improvements in metrics including retention, daily installs, and average DAU on iPhone which increased with more than 80 per cent at year-end compared to before the launch in end of August 2022.

Protecting users from scams is another key focus area for the call product. Truecaller alerts users that the caller is not trustworthy, along with giving the name of the spammer, the type of spam (sales, scam, robocall) and the number of people who have reported the number as a spammer to Truecaller. Through introduction of more engagement point to make it easy for our users to add comments on who was calling and through machine learning models Truecaller can also display contextual data like “likely a spam call” etc which makes it easier for the user to choose whether to pick up the call or not.

Truecaller helps users boost productivity and communicate efficiently by using smart tools that modernise the user call experience, such as by letting them see whether the person they are trying to call is busy with another call or has their phone on silent, as well as a Call Me Back feature that lets users immediately ask the recipient to return the call.

In addition to smarter mobile calls, the Truecaller product also enables seamless switching between mobile calls and Truecaller Voice (IP-based). This is particularly useful in countries where network coverage is unreliable, which is the case in many emerging markets.

## Messaging

Truecaller messaging features are used by approximately 185 million users every month. Communicating by text (SMS) is becoming increasingly common, both person-to-person and B2C. Businesses use SMS to communicate important events to their customers in most countries where Truecaller operates including one-time codes to verify bank transactions, bank and credit card messages, train/bus/plane tickets, online shopping deliveries and other services. There is risk, however, that all of these important messages will get lost in the tsunami of unwanted texts – and make it impossible to find important messages later. Truecaller makes the user's SMS “smart” by using artificial intelligence to conveniently sort different types of texts into different folders.



Truecaller handled billions of text messages in 2022, including almost 9 billion SMS and instant messages sent by Truecaller users. For example, consumers can easily find all transactions using a specific credit card or bank account, or have a ticket sent by SMS at their fingertips on the date of travel, thanks to the sorting into folders.

Truecaller also provides smart notifications that retrieve the most relevant information and summarises it for the user. This gives the user a neatly formatted notification that contains only the most important information and conveniently suggests appropriate actions, instead of having to try and figure out a long text message. Truecaller does this locally on the phone, without endangering the user's privacy.

Truecaller also modernises text messages by providing tools such as scheduling texts to be sent later and flash messages for texts that need to be communicated to someone fast.

## Truecaller Premium

In addition to Basic Access, Truecaller offers a paid Premium level that provides an ad-free experience and unlocks added features. The Premium level is designed to attract users who regularly use the free product. The advantages vary from e.g. unlimited usage of advanced spam blocking, and the user will get an experience without ads.

### Truecaller Premium:

Advanced features for Power Users

#### NO ADS

Use Truecaller with no ads

#### WHO VIEWED MY PROFILE

Notification when someone looks at your profile

#### PREMIUM ICON

Look super-professional when you call

#### PREMIUM SUPPORT

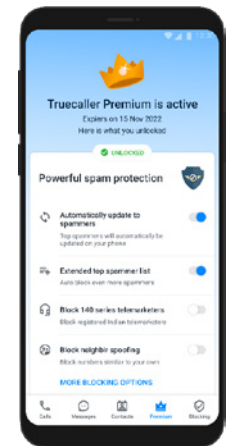
Quicker response to your queries

#### UNLIMITED CONTACT REQUESTS

Send requests to ask for phone numbers and other contact details

#### TRUECALLER ASSISTANT

Truecaller Smart Assistant answers, screens and blocks spams, records calls and does many more tasks for you





# Truecaller packages

## BASIC

- ✓ **Caller ID**
- ✓ **Spam Blocking**
  - Advanced Spam Blocking
  - No Ads
  - Who Viewed My Profile
  - Who searched for me
  - Family sharing
  - Premium Icon
  - More Contact Requests
  - Incognito Mode
  - Ghost call
  - Announce call
  - Whats App Caller ID
  - Truecaller Assistant\*
  - Live Chat Support
  - Gold Caller ID

**FREE DOWNLOAD**

## PREMIUM

- ✓ **Caller ID**
- ✓ **Spam Blocking**
- ✓ **Advanced Spam Blocking**
- ✓ **No Ads**
- ✓ **Who Viewed My Profile**
- ✓ **Who searched for me<sup>1)</sup>**
- ✓ **Family sharing<sup>1)</sup>**
- ✓ **Premium Icon**
- ✓ **More Contact Requests<sup>1)</sup>**
- ✓ **Incognito Mode**
- ✓ **Ghost call<sup>1)</sup>**
- ✓ **Announce call<sup>1)</sup>**
- ✓ **Whats App Caller ID<sup>1)</sup>**
- ✓ **Truecaller Assistant<sup>2)</sup>**
- ✓ **Live Chat Support**
- Gold Caller ID

**PAID IN ADVANCE  
AUTO RENEWAL**

## GOLD

- ✓ **Caller ID**
- ✓ **Spam Blocking**
- ✓ **Advanced Spam Blocking**
- ✓ **No Ads**
- ✓ **Who Viewed My Profile<sup>1)</sup>**
- ✓ **Who searched for me<sup>1)</sup>**
- ✓ **Family sharing<sup>1)</sup>**
- ✓ **Premium Icon**
- ✓ **More Contact Requests<sup>1)</sup>**
- ✓ **Incognito Mode**
- ✓ **Ghost call<sup>1)</sup>**
- ✓ **Announce call<sup>1)</sup>**
- ✓ **Whats App Caller ID<sup>1)</sup>**
- ✓ **Truecaller Assistant<sup>2)</sup>**
- ✓ **Live Chat Support**
- ✓ **Gold Caller ID**

**PAID IN ADVANCE  
AUTO RENEWAL**

1) At Year-end not available on iOS

2) At Year-end available in US but will be rolled out in new markets during 2023

## Truecaller for Business

Truecaller for Business is a volume-based subscription product supplied in an SaaS (Software-as-a-Service) model. The product was launched in Q4 2020 to give businesses a tool for efficient interaction with their customers.

### Business calls

Truecaller for Business customers are given a verified ID on Truecaller so that their ID is presented as a trusted green profile. The Verified ID is displayed to users when the business calls them, which accurately identifies the business and assures the consumer that it really is the business calling and not an imitator out to fool them.

Verified Business ID has quickly gained the appreciation of Truecaller's customers and is now widely used among Truecallers approximately 1,900 enterprise customers around the world. Customers like the significant increase in the pick-up rate as well as the protection against scams that the product offers.

Businesses can also request a prioritised number status in addition to Verified Business ID. This is useful when they call customers about time-sensitive activities, such as grocery deliveries, online shopping deliveries, translation verification, shipping orders or similar services.

### Business messages

Truecaller offers the Truecaller Chat messaging service to businesses to create a safe, cost-effective and reliable solution for their messaging needs. This business messaging solution provides valuable multimedia features as well as interactive communication, which traditional media like SMS cannot offer.

In partnership with the Indian CPAAS company Tanla Truecaller launched a partnership in 2022 to help businesses reach out to more than 338 million active users of Truecaller with relevant messages that include rich media and engaging content. Business messages can include images, video, location pins and even documents while at the same time offering benefits for businesses like lower costs, faster deliveries and better analytics unlike traditional SMS services. The rich user interface offers both one and two-way communication capabilities with a diverse set of functionalities including phone numbers, hyperlinks and delivery & read receipts. Advanced media features like images, video, location, and document sharing functionalities have been incorporated to make it a best-in-class user experience to result in increased conversion and higher ROI for brands. In addition, the solution is a plug-and-play cloud model which ensures easy scalability.

### Partner authentication

Truecaller offers a free software development kit (SDK) for app developers. The tool has an interface for programming authentication tests that can verify a customer ID with a single click. This reduces the need for app developers to verify names and phone numbers, which thus also reduces the number of customers who leave the service before buying.

Truecaller's authentication SDK is used by more than 700 leading brand apps globally catering to 30,000+ apps/mini apps, including Sharechat/Dailyhunt, Bigbasket, 1mg and Meeshoo. Thus far, more than 830 million logins have been made with Truecaller and about 15–20 percent of Truecaller for Business customers have been generated from existing SDK partners.





# Sustainability

# 2022 sustainability highlights



## #ItsNotOk

A campaign around women's safety against harassment, 153 million people educated about helpline numbers to call if being harassed; reached 1.8 billion people across digital platforms.

Pinning the emergency helpline numbers on TC's quick dial option led to a 100% increase in women reaching out to report crimes in a short period of time.



## ~ 50 Bn

Identified spam calls in 2022.

## > 7 million

downloads of the Guardians – an app for personal safety that was launched in 2021.



## > 3 million

people accessed the COVID-19 Healthcare Directory on the Truecaller app within one month at the height of the second wave in India.



# Sustainability at Truecaller

The mission of Truecaller is to build trust in communication. By this we mean that people and businesses should be able to connect and communicate without risk of fraud or spam that in turn create nuisance, mistrust and hinders economic activity.


A continuous and transparent dialogue with our stakeholders is important to understand where our sustainability work is most beneficial, and prepares the organization to deal with external factors that may affect the business. With the aim of developing our sustainability work, we carried out a materiality analysis in 2021 that takes into account different sustainability perspectives. We had a dialogue with our various stakeholder groups, including our users, corporate customers, employees, owners and suppliers who have all contributed with their approach to Truecaller from a sustainability perspective. We have also implemented several policies and our Code of Conduct that dictates how both we and our suppliers should work with each other.


## To maximize a positive impact


This year's sustainability report, which is Truecaller's second, lays the foundation for continued work in the coming years. The report summarizes how Truecaller works to maximize a positive impact on society, our employees, governance and climate – which are Truecallers four main focus areas for sustainable impact.

## Four focus areas for sustainable impact

After the dialogue with our different key stakeholders we choose four focus areas where we as a company want and can make a difference given our business model. With our daily actions and commitment we also want to inspire our users, our employees, our cooperation partners and other stakeholders to contribute.

**#Society**  Sustainable development lies at the core of Truecaller's business. We strive to be a good force in society by creating a safe environment in a digital world. In everything we do, we work towards our goal of making tomorrow's communication safer, smarter and more efficient.

**#Our people**  We want to create an inclusive environment where everyone feels welcome, safe, and supported to express their opinions. We strive to be the best employer for all, regardless of nationality, gender, sexual orientation, location and religion.

**#Governance**  Winning is not just about results. It's also about how you get there. Ethics and compliance are a fundamental part of every successful company's performance. At Truecaller, we are committed to high standards of ethical business conduct.

**#Climate**  As a digital platform and service provider, Truecaller has a limited direct impact on the environment from our operations. Nevertheless, we do our best to contribute to a zero-carbon world. All companies have an important role to play in the climate transition.

The report contains four sustainability targets, one for each focus area and in the future we will further develop our sustainability strategy and investigate what measurable targets that best serve the purpose of Truecaller.

## We strive for transparency and clarity

We strive for transparency and clarity in our sustainability work and our impact. To foster comparability and our own accountability we have chosen to apply the recognised Global Reporting Initiative (GRI) standard. We have been a publicly listed company since October 2021. Accordingly, we have expanded our responsibility to encompass new stakeholders – our new shareholders who, like all of our existing stakeholders, expect and deserve clear, comparable and reliable reporting on sustainability. This report is an important part of our continuous dialogue with all our stakeholders, which we see as an essential part of Truecaller's on-going short term and long-term effort to generate value.



## Four focus areas for a sustainable impact

# Society



Sustainable development lies at the core of Truecaller’s business. We strive to be a good force in society by creating a safe environment in a digital world. In everything we do, we work towards our goal of making tomorrow’s communication safer, smarter and more efficient.

Fraud and unwanted communication are endemic to digital economies, especially in emerging markets but also increasingly so in a global context. It has accompanied digital progress, creating mistrust and hindering economic activity. We contribute to local communities around the world by increasing safety and trust for our users, and thereby for society at large. We enable safe conversations for more than 338 million active users globally. Moreover, our wide reach gives us a unique capacity to help communities and individuals in urgent circumstances.

### Sustainability target

Our goal is to drive safety and positive change in local communities

## How Truecaller impacts

### Data & Privacy

Information security and customer safety is the foundation of our work and our license to operate. We strive to be at the forefront of data security by constantly evolving our processes for managing data in a secure manner through our agile organization.

As a leading global platform for verifying contacts and blocking unwanted calls, we have access to data related to our users. Our service is built on trust, and we are committed to securing all user data that we have been authorized to process.

We always seek to make sure that Truecaller’s users understand which permissions and data our solution requires for the app to work as efficiently as possible. Users have the power to control how their personal information is displayed on the app, and they can edit or deactivate their profile at any time. When a new user registers, their profile details are private by default. Users can also easily have their personal information deleted from Truecaller.

We do not sell user information to third parties. To ensure that Truecaller’s services are free to use, we do however share user data on an anonymized and aggregated level with our trusted partners for advertising purposes. Partners who we have given the permission to process our data are listed in the app. Only analytical insights on an anonymized and aggregate level are shared.

### Public policy

Protecting the personal information of our customers and ensuring that we follow the highest standards of privacy and data protection, as well as any other obligations, as required by the law of the land remains a top priority.

We stay committed to working with governments to support their digital transformation efforts in countries where we operate. We engage regularly with our key policy stakeholders on important policy issues like privacy, safety and security to create a safer digital experience for our users.

For more details about our work with data and privacy and public policy see pages 39–40.

### Creating awareness about women’s safety

Sexual harassment of women and girls through calls and texts is a growing problem. To spread awareness about the issue, which has previously been insufficiently researched, we leverage our unique insight into unwanted communication to publish recurrent reports about the topic, including several editions of “Truecaller Insights: Understanding Impact of Harassment, Spam Calls and SMS for Women”.

In addition, Truecaller has been leading the #ItsNotOk campaign since 2017 to fight against harassment of women and increase safety in the world of digital communications; and as a result in the real world. In 2022, we partnered with News18 Network with an aim to encourage women to not just block harassers but take a step further #CallItOut and report incidents of harassment to the relevant authorities. The campaign has helped create awareness across the country with

policymakers, government stakeholders, law enforcement authorities, women's rights activists, experts and influencers emphasizing solutions and the need for collective action to put an end to harassment.

Driving awareness through action, we traversed the length and breadth of India with innovative ways of interaction and engagement through town halls in New Delhi and other cities in India to catalyze nuanced conversations. Leading the conversation on safety through #ItsNotOk campaign, we have reached over 1.8 billion people bolstering the conversation while highlighting the need for collective action. The campaign has also been successful in educating over 153 million citizens about existing resources, and helpline numbers thereby equipping them with the right tools and knowledge to report harassment.

The six-month-long initiative in 2022, culminated with the unveiling of the #CallItOut Wall and a Run to EmpowHER in partnership with the Delhi Police with the promise of a safer future for women in the digital and physical world. Our partnership with the Delhi Police and the response and participation from citizens is a testament to the campaign's collective efforts in creating a conducive environment for women to report harassment.

### Enhancing safety through the Guardians app

People sometimes feel unsafe when walking home alone, exploring new places, or meeting with strangers. Smartphone usage means that phones can be a last line of defense in uncomfortable or dangerous situations. We contribute to making the daily lives of our users safer through a certain security feature in our app.

After building an app that safeguards people in their digital lives, we made a commitment to safety in the physical world. In March 2021, we launched our new personal safety app, Guardians, as a concrete development from the women's safety campaigns we have invested in over the years. More than seven million people have downloaded the Guardians

app which has a rating of 4.6 on Google Play Store. This initiative was further developed with the establishment of volunteer communities, giving users the ability to signal for help in real time to volunteer users nearby.

## Impact on local communities

### CyberSafety

Truecaller, in partnership with the CyberPeace Foundation, conducted a nationwide cyber safety awareness and training programme called #TrueCyberSafe. As a part of this campaign, cyber safety trainings were conducted across India for 1.6 million citizens and a cyber safety curriculum handout has been made available as a self-learning tool. The initiative is aimed at building the capacity of citizens to stay protected from online abuse, fraud, spam, and scams. Since February 2022, the

#TrueCyberSafe sessions have been held in different regions across the country with the support of premier educational institutions, key government officials and law enforcement agencies.

### CyberWise

Truecaller has partnered with the Assam Police to provide cyber safety trainings across all districts in Assam. As part of this partnership, Truecaller has conducted CyberWise sessions for training college students in all districts of Assam, with the assistance of the Assam Police. The college students have been trained through a module focussed on building awareness and training them to better tackle cyber fraud, with the goal of creating a safer online experience for the internet users in the state.



## Four focus areas for a sustainable impact

# Our people

#Our people

At Truecaller, we want to create an inclusive environment where everyone feels welcome, safe, and supported to express their opinions. We strive to be the best employer for all, regardless of nationality, gender, sexual orientation, location and religion. Across our six office, our almost 400 employees represent more than 35 different nationalities.

We take pride in our pursuit of being a fair employer. Diversity and inclusion are not only important values for us. Our ability to ensure that all our employees feel involved and satisfied with their work is also important to our ability to recruit talent who can continue to develop our services.

### Sustainability target

Our goal is to create the most inclusive environment and workplace for everyone, regardless of, ethnicity, religion, gender, age or location.

## How Truecaller impacts

### Diverse and inclusive workspace

Our approach to diversity, equity, belongingness and inclusion is defined in our dedicated Equal Opportunities policy. We strive to be an equal employer in all aspects of our business, including recruitment, pay, promotion, benefits, training, and parental leave. We take our duty not to discriminate because of gender, age, sexual orientation or any other personal characteristic very seriously.

At Truecaller, it is our aim to ensure that our people are given promotion opportunities solely on the basis of their ability and performance. All qualified employees normally have the opportunity to apply for promoted posts. We strive to offer our people the opportunity to continuously take on new challenges and develop in their careers.

We value the competence and experience that each individual employee brings to Truecaller and as we keep on growing, one of our opportunities is to continue attracting new talent that contributes to further diversity and our collective know-how.

Our People programs are designed in a way to attract and develop talent, like the referral system which gives our employees the opportunity to refer people who they think would thrive with us and contribute to Truecaller's development. The system is designed to increase the proportion of women in tech-related roles in the company and thereby supporting a better balance in the various teams. We also have a TrueBuddy program that is tactically designed for our new joiner's comfort and to help accelerate the onboarding to the team, our product and our culture.

### Health and Safety

Truecaller complies with all applicable legislation and regulation concerning fair, safe and healthy working conditions outlined clearly in our work environment policy.

We continuously work to improve the health and safety of our workplace. We also provide support for our employees to maintain a good balance between work and personal life. Truecaller's employees are not bound by collective agreements. Ensuring that all employees have fair and generous employment terms is a priority, where market salaries and generous benefits in the form of private health insurance, health care allowance and no qualifying day are included. The benefits include full-time employees as well as short-term employees or part-time employees.

At Truecaller, all employees are required to participate in health and safety training that cover topics such as risk exposure and safe evacuation. The health and safety of our people must never be compromised.

The launch of TrueCare Wellness Framework in 2022 is a token of Truecaller's commitment towards our people's well-being stemming from one of our core values, 'help each other'. This program has been designed to expand the scope of holistic well-being, catering to being more flexible, inclusive, and personalized. The framework encourages employees to make meaningful decisions towards their physical and mental well-being.

### Employee Engagement

Our investment in employee engagement platform like Winningtemp helps us to listen to our employee voices and understand how our employees really feel using frequent



## #Our people

Pulse surveys. This offers us up-to-date insights and gain a better view of what's happening in the organization and providing opportunities to work on real time feedback.

### Recognition Program

We take pride in our recognition program – Truecaller Global Best of Culture Awards, which we developed from only annual to quarterly recognition awards to further build on a culture of acknowledging and celebrations.

### Learning and Development

Expanding and improving our learning offer in 2022, we introduced the People Growth Team, which helped focus on leader and employee growth and development. We implemented a new cutting edge learning platform, available to all, through which we can provide training opportunities and customized learning paths aligning with teams and business ambitions. In addition we can create and roll out any internal training and knowledge sharing. This is an appreciated add on to the already existing training benefits and we are very proud of providing all these opportunities.

Some notable training made available globally in 2022 includes Personal Growth, Individual Goal setting, Performance and Development conversation, Time Application, introduction to anti-bribery and corruption, Compliance training, Security Awareness, Expenses Reporting etc. In addition we have also offered local modules for leaders like India POSH (prevention of Sexual Harassment) training and local Swedish modules on Work environment and Labour law.

## Our values

At Truecaller, the main aspects of a strong work ethic are professionalism, integrity, respect for the work and our colleagues, delivering as agreed and on time and discipline. Our core values are a strong driver of the work ethic. To guide us in our efforts, we worked together to identify a number of core values, which are essential tools for

developing in the same direction as a company, fulfilling our vision and achieving our goals. The values are the foundation for building and upholding a strong company culture that works as a compass at all levels, from the individual to our various teams to top management.

### Be fearless

We are committed to creating a safe and secure environment where individuals are encouraged to take risks and try new ideas without fear of failure. Constant change is in our DNA and an asset in our work.

### Get sh\*t done

Acting fast and decisively is important to us. We want to meet our goals and are not afraid to roll up our sleeves and get it done.

### Never give up

We should be patient and respectful towards each other while aiming to constantly better ourselves, learn from our mistakes and from how other people do things when we need to. We motivate each other and support each other even when times are tough.

### Help each other

We build trust, develop relationships and get to know each other. We respect each other's differences and are enriched by our diversity. We are not afraid to give or receive feedback and we think it is important to celebrate victories.



#Our people 

Our people-roadmap emphasizes on three areas – Leadership , Growth and Culture to fuel Truecaller’s success.

## Leadership

### Sharpen skills

#### Purpose to ensure efficiency and set leaders up for success

Leadership is highly essential as it directly impacts engagement, performance and tenure. In order to best support Truecaller’s success we want to make sure that our leaders are equipped with a toolbox that helps them to successfully develop happy and high performing teams.

#### We cater to focussed programs like:

- The True leadership program with 6 modules
- First time managers program
- Executive program for management team
- Leadership forum

#### Mindset

Truecaller’s leaders will drive engagement and build high performing teams by role modeling values, creating clarity, giving feedback to improve performance and coaching for development.

## Growth

### Developing skills

#### Purpose to turn strategic aspirations in to HR actions

With personal and professional growth being one of the key drivers behind employee satisfaction and long tenure, we want to make sure that growth opportunities with Truecaller are both long- and short term.

Not only will professional growth make employees feel more satisfied but as employees grow, Truecaller grows.

#### Mindset

We continue investing in development and will be adding further opportunities for both professional and personal development. Leaders will offer these opportunities when discussing development plans that all employees must have. Employees can and will grow their skills over time with Truecaller.

## Culture

### Passion

#### Purpose to enable culture as a business driver

We aspire to provide our employees with a great experience and our culture is the foundation for this.

We want to make sure to keep our identity and drive really strong culture.

Our focus will hence be on activities based on our purpose and uniqueness.

#### Mindset

Our aim is to ensure employees feel they work for a company with great traction and where there are exciting opportunities and challenges. This will be done by an increased and varied communication connecting employees with Truecaller and bringing employees even closer to management. This will contribute to maintaining a strong culture and drive high engagement.

*Diversity, equity, inclusion, and belonging (DEIB) are very important values for us. Our ability to ensure that all our people feel included , safe and satisfied with their work is equally vital for our capacity to attract and retain talent who can continue to develop our services.*

## Truecaller Academy

#Our people 

Truecaller Academy is our internal platform for knowledge sharing to drive the organization's learning culture. Employees are encouraged to participate as learners and trainers and take charge of their personal development.

### On the same lines of creating a learning culture are our Lab Days

This is a dedicated time for employees to explore and showcase passion, a three-day event six times a year!

Employees teamup and focus on various activities like tech talks, geek lunches, and mini-hackathons.

### Gender pay equality analysis

Truecaller believes in responsible wage practices securing gender pay equality across all locations. The purpose of this exercise is to detect, correct and prevent unequal pay differences between women and men. Every job gets graded and assessed based on knowledge and skills, as well as the level of responsibility and effort required.

The report is broadly categorized in three groups: Equity, Equivalent jobs and Female dominant group. The use of the Heartpace system to conduct these annual gender equal pay assessments found that, for all countries involved, the statistical significance was within the acceptable range of 5% or less.

During 2022, median salaries for female employees equaled 99 percent of those for males (based on median salaries during the year).

### Truecaller Global career framework

An improved global framework and assessment methodology will be rolled out in 2023.

Truecaller's Career Framework is designed to support our people's career progression within the organization providing transparency, control, and clarity.

This framework and methodology takes a holistic approach to the subject of career by placing focus on equality at work, competence, enabling dialogues and career progression. It creates a system that's fair and inclusive.

The aim is to enable each employee to take charge of their personal growth and influence their career direction. The newly designed framework provides visibility of the career path, career levels, and job disciplines and ensures individuals understand and navigate potential career options.

## Voices from the Truecaller team

### What's the best part of Truecaller culture?



I love the flat organization style Truecaller has - if someone has an idea or a side project, we are encouraged to explore and potentially, it could end up in the app or being a staple campaign.

Another aspect I have newly experienced is the amazing benefit of parental leave, which I returned from 1 year

off. I think it's especially important for women in Tech to feel comfortable and confident in their decision to take time off to focus on raising their children while building their career.

*Lindsey LaMont, Director of Brand Marketing*



In my mind, the two words that describes Truecaller - the company and the team - is "Collaborative and Supportive". Everyone I have encountered so far has been very cooperative and helped me learn the processes so I can get up to speed and contribute to the growth of Truecaller.

*Ravi Sharma, Growth Product Manager*



Truecaller is a company that focuses on building a positive culture that fosters innovation, collaboration, and growth.

It concentrated on creating a sense of community among its employees. Anyone across teams is just a Slack message away. Teammates are always around to support you and step in for you whenever you need that extra push.

*Rashmi Tondare, Sr Backend Engineer*

## #Our people

### Total number of different employees under different categories

2022	Female	Male	Total
Number of permanent employees	115	277	392
Number of temporary employees	2	1	3
Number of non-guaranteed hours employees	0	0	0
Number of part time employees	0	0	0
Number of full-time employees	117	278	395
Number in senior management	1	7	8
Total number of managers	16	64	80

### Geographic split of employees

2022	Sweden	India	Israel	Singapore	Total
Number of permanent employees	155	231	5	1	392
Number of temporary employees	2	1	0	0	3
Number of non-guaranteed hours employees	0	0	0	0	0
Number of part time employees	0	0	0	0	0
Number of full-time employees	157	232	5	1	395

### KPIs new employees in 2022

Age Range	#	%
Under 30	50	38%
30-50	79	61%
Above 50	1	1%

Gender	#	%
Female	48	37%
Male	82	63%

Location	#	%
India	82	63%
Stockholm	41	31%
Israel	6	5%
Singapore	1	1%
<b>Grand Total</b>	<b>130</b>	<b>100%</b>

### Different employee KPIs

2022	
Share of employees on Parental Leave	10%
Average number of internal educational hours / employee	9 hours
Share of employees that had employee evaluations	91%
Number of consultants working in the organization	34
Annual staff turnover	11%

### Diverse and inclusive (D&I) workspace

Goal	Strategy	2022	Target 2023
D&I	Increase share of women within our Tech teams	17% Women	25% Women
	Increase share of women in leadership positions	19% Women	25% Women

### Employee Engagement

	Measurement	2022	Target 2023
Employee net promoter score, eNPS	Employee net promoter score (-100 to +100) in Winningtemp, our engagement tool	38 (up from 32) 38 = good	50 50 = excellent

### Learning and Development

Personal growth opportunities as measured in Winningtemp, our engagement tool	We scored 7.5 out of 10 in Winningtemp, when it comes to personal growth opportunities. Whilst this is a good score we want to do improve as employee growth is equally important to employees, to attract new talent and to Truecaller's development.
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**There is no doubt that our culture is Truecaller's super power. People are passionate not only about the technology and how we built the app but equally passionate about the good we do for people all over the world through our app. Nothing beats a culture of strong passion, it's a powerful advantage through thick and thin and it will fuel Truecaller's continued success.**

Fatima Antonsson,  
*CHRO*



## Four focus areas for a sustainable impact

# Governance

#Governance 

Winning is not just about results. It's also about how you get there. Ethics and compliance are a fundamental part of every successful company's performance. At Truecaller, we are committed to high standards of ethical business conduct.

We aspire to be leaders in operating our business responsibly and see it as our duty to uphold the value of uncompromising integrity, both towards our customers and for ourselves. Our strong ethics and values are integral to our operations across the globe.

Truecaller has robust processes and policies in place to ensure that we always comply with laws and regulation in our local markets. We have established a Code of Conduct which lays the foundation for our work with ethical leadership. It encompasses the principles that govern our ethical and legal obligations. It also provides clarity and guidance on how Truecaller expects our people to operate in their daily work.

The standards in our Code of Conduct apply to all our employees and board members worldwide. Each of us has a personal responsibility to understand and practice them in our day-to-day work. Read more about our Code of Conduct on page 39.

### Sustainability target

Our goal is to provide a safe calling experience and enforce privacy-by-design for the Truecaller community.

### Consumer protection

Protecting consumers from scams, fraud and unwanted communication is at the heart of our mission. Fraud and scam calls have become an increasingly salient issue in recent years, and reports suggest that billions of dollars have been lost to these calls. We are proud that we have helped protect over 338 mil-

lion users on our app from potentially fraudulent and scam calls. In 2022 alone, we blocked and identified 46 billion unwanted calls.

### How Truecaller impacts

#### Transparent governance structure

The Annual General Meeting is the company's highest decision-making body, where the shareholders have the opportunity to exercise their influence and where they elect the Board of Directors.

The Board of Directors appoints the CEO who in turn appoints the Senior Management Team.

Truecaller strives for an open and inclusive culture with fast decision-making paths and a non-hierarchical organizational structure governed by the company's core values. For more information about the corporate governance structure of Truecaller, please read the Corporate Governance Report on pages 51–59.

#### Cyber Security

At Truecaller, we take cybersecurity seriously and strive to protect our company assets, employees and user data while continuously being in the forefront of enabling new technologies. Our comprehensive cybersecurity program has ensured our systems are secure and our data is safe.

Our security measures rely on multiple layers of security, also referred to as defense in depth, spanning from advanced firewalls, intrusion prevention systems, core security principles and practices, encryption to rigorous authentication procedures. Furthermore, we conduct constant monitoring

of our networks, applications, systems and user facing interfaces.

Our information security governance utilizes an extensive Information Security Management System (ISMS) to ensure that we focus and prioritize our efforts where it counts. Our ISMS is based on a set of principles and best practices, which are continuously reviewed and updated in line with industry standards such as ISO 27001, NIST Cybersecurity Framework and SANS CIS Critical Security Controls. The ISMS is designed to identify, assess and mitigate potential risks, while our governance structure is responsible for overseeing the systems, ensuring they are compliant with applicable standards, regulations, privacy concerns and business client expectations. Furthermore, we open up our information security practices for independent auditing and testing at least annually.

We recognize that cyber threats can come from various sources, may it be malicious software, phishing attacks or antagonists trying to exploit vulnerabilities and we are committed to investing in the latest technologies and threat intelligence sources to stay ahead as much as possible. We spend a lot of time and effort in increasing the general security awareness of our employees based on the threat landscape developments and keep them informed on the latest trends. This includes training on how to identify and respond to phishing attempts, and how to recognize the signs of malicious activity both in the digital space as well as in the physical one.

In 2022 we had no incidents related to cyber security, but we understand that cybersecurity is a continuous effort and we will proceed with our commitment to keep our employees and users safe, and continue to invest in our security program.

### Human Rights and anti-corruption

We recognize that businesses such as ours have the responsibility to respect human rights and the ability to contribute to positive human rights impacts.

Our Code of Conduct establishes that Truecaller and its employees should respect all internationally recognized human rights, including the International Bill of Human Rights. We should avoid causing, contributing to, and being linked to adverse human rights impacts, and should adequately address such impacts if they should occur.

We have a zero-tolerance policy towards any form of corruption and put in place a clear and robust anti-corruption policy. Training concerning this policy is part of the introduction program for all new employees at Truecaller. In addition, employees are obliged to participate in, and pass, the regular anti-corruption training sessions as well. We protect employees who report any violation of applicable laws, including our anti-corruption policy as well as employees who report suspected breaches. In 2022 the company had no confirmed incidents of corruption.

### Whistleblowing

All Truecaller employees as well as consultants, subcontractors and other stakeholders are encouraged to report any suspected violations of laws or unethical behavior. We have established a dedicated whistleblowing policy through which we provide a protected channel for our employees and other stakeholders to raise their concerns about suspected wrongdoing without the fear of being subjected to an unfair dismissal or detrimental treatment.

All reports filed according to the Whistleblowing Policy via the company's whistleblowing channel go primarily to the Chief Legal Officer and Chief HR Officer who then create an investigation team based on local needs and the type of suspected violation that the notification relates to. The investigation team evaluates the reported misconduct in accordance

with our internal guidelines and informs the reporting individual on the status of the investigation on a continuous basis.

Reporting individuals may be completely anonymous for as long as they wish. Truecaller applies a strict policy of non-retaliation against individuals who report wrongdoings. It is

strictly forbidden for all Truecaller employees and Truecaller other representatives to search for the identity of the reporting individual or to subject a reporting individual to any form of special treatment or other negative penalty due to the notification.



## Four focus areas for a sustainable impact

# Climate



As a digital platform and service provider, Truecaller has a limited direct impact on the environment from our operations. Nevertheless, we do our best to contribute to a zero-carbon world. All companies have an important role to play in the climate transition.

We work actively to limit our carbon footprint and minimize the emissions resulting from our operations, workplaces, and suppliers. We also seek to improve our infrastructure for resource use and waste management.

As Truecaller grows, so does our accountability and social responsibility to not just track, but share and ensure we reduce how our business affects the planet.

Truecaller will continuously improve the environmental performance of our business activities.

### Sustainability target

Our goal is to reduce our carbon footprint and to do our part to contribute to a sustainable future.

In 2021, we aspired to an ambitious pledge to reach net zero GHG emissions. In 2023 by understanding our sources for GHG emissions and environmental impact, we plan to set measurable goals, prioritize actions and work effectively to reduce emissions in order to reach our net zero target.

To facilitate this process, we plan to focus on areas that serve as our guide to create our own path and map identifiable GHG emissions connected to our business, offices and suppliers. From there the plan is to work with organizations and individuals who can help measure these metrics on a regular basis to prioritize our efforts within our climate strategy by embedding our sustainability efforts across Truecaller and the society at large.

We recognize the need for collaboration is critical to address the climate crisis, so we plan to continue our progress towards a “green initiative” by expanding our work and becoming part of organizations/networks who align with our sustainability goals and share our interest and dedication towards our climate.

We also plan to be inclusive to add more voices, create easy access to climate change information through potentially planned network of dedicated employees – Climate Champions.

At Truecaller we aspire to be actioning towards our journey to make a difference to make an impactful, long-lasting difference for our planet in our own way.

### Our Long-term targets

- Lower our business carbon emissions (quantitative target to be set during 2023).
- Initiate the CO2 mapping project: Reduce Greenhouse gas (GHG) emissions – we commit to reducing scope 1 and 2 GHG emissions.
- Ensure that processes around data collection and information gathering are in place for coming reports and goals. Commit to setting science-based emissions targets and measure the outcome.
- Reduce our energy needs and strive to Increase the efficiency of energy use (e.g., energy efficiency in our offices globally).
- Join the UN-backed Race to Zero campaign through one or several of the partner initiatives aligned with the 1.5°C ambition.

### Short to mid-term targets

- Improve reliability of carbon removal project: Plant and conserve trees With an estimated 15 billion trees cut down every year globally, the impact of deforestation is not only recognized as one of the major sources of greenhouse gas emissions, but also contributes to the damage and degradation of the ecosystems that thrive in and around forests. Afforestation (growth of net new trees) pulls carbon from the atmosphere. At Truecaller we would pledge to take part in tree plantation drives, track the growth and maintenance of these trees as well. We also would plant trees every time we onboard a new business client and a new employee as a part of our ESG commitment aimed at building a sustainable tomorrow.
- To LEED certify our new Bangalore, India office during 2023.
- Create Climate champions network to bring in awareness among our employees on climate change actions and impacts.



## How Truecaller impacts

### Work spaces

Our headquarters in central Stockholm is in a building which has been certified by LEED, a global green certification program which was launched by the U.S. Green Building Council in 1998. The LEED certification provides a framework for green buildings and is recognized globally as a symbol of sustainability achievement and leadership.

LEED aims to promote transformation of the construction industry to contribute to reducing global emissions and protecting the environment as well as individuals' health and well-being. LEED rates buildings according to their performance across various sustainability parameters. Our office premises in Stockholm are certified with LEED's highest rating.

We are very proud of our new Bangalore office in India also is on its successful path to getting certified by LEED as we stay committed to climate and our impact.

### Reduce needs for business travel and transportation

We prefer and encourage digital meetings before flying across the globe. We strive to be conscious about the travel that we do and always choose the lowest emitting alternative. In 2023 we will look into offsetting programs that will help us to participate in the transition to a world with net zero emissions.

### Waste Management

We continue to look for ways to reduce waste across all our offices by collecting all units of electronic equipment that have reached the end of their life cycle. We aim to join new partnerships to perform collection and recycling services for all of our sites across the globe to treat e-waste.

We also want to do a bit to the society to donate the laptops and mobile phones that can be used by underprivileged schools and children through our CSR initiatives helping the society. In locations where possible, we would want to go above and beyond our ambition to minimize waste by tracking progress with general waste, food and plastic as well as electronic equipment which can help us to track and measure our progress in future years.

### Our Data Centres

Our datacenter in Stockholm has also been recognized for its limited environmental impact. It is certified as compliant with ISO 14001:2015, an international standard that sets out a framework for effective environmental management systems.

In 2018, when we migrated to cloud-based solutions, one of the reasons we chose Google Cloud Platform(GCP) was because they are committed to run their data centers on clean energy. By renting their Smarter, more efficient data centers as on an average, a Google data center is twice as energy efficient as a typical enterprise data center, it now delivers five times as much computing power for the same amount of electrical power, compared with five years ago. Google shares performance data to move the entire industry forward, and help businesses get greener.

We adjust our server system according to use – we scale up during the evenings because that is when many of the users use the app and then we scale down when the activity is low.

#Climate 





# Sustainability governance

The Board of Directors is the highest governing body of Truecaller's sustainability work and responsible for implementing effective governance practices. That includes, but is not limited to, promoting responsible decision-making, monitoring the performance and the delivery of Truecaller's sustainability strategy and outcomes.

The Senior Management Team is responsible for the implementation of the sustainability strategy in the company including long term ambitions and targets. The Management Team takes initiatives and ensures that targets are met with the help of employees across the company.

## Policies and Code of Conduct

Truecaller has not developed a separate sustainability policy but has instead integrated important sustainability issues relating to for example the environment, human rights, anti-corruption and fair working conditions in Truecaller's Code of Conduct and in separate policies such as the anti-corruption policy. The code of conduct is mandatory for all employees to take part in in connection with starting work at Truecaller, regular training is carried out and the code is easily accessible via Truecaller's intranet. The Code of Conduct is our foundation of ethical leadership and encompasses the basic principles that govern our ethical and legal obligations to Truecaller. It aims at ensuring the promotion of fair employment conditions, safe working conditions, responsible management of environmental issues, protection of human rights and high ethical standards.

The Code of Conduct sets out the fundamental principles of law and ethics governing the way that Truecaller does business. These principles demonstrate our adherence to the highest standards of business ethics and apply to every member of Truecaller community – directors, executives, managers, employees, and business partners.

The Code of Conduct is not the exclusive source of guidance and information on Truecaller's expectations, but they

serve as the basis for other Truecaller policies and guidelines. Our business is also governed by a set of policies which guide us in our work and express our view on specific key issues.

In this respect, each employee is required to review and acknowledge their compliance with our Code of Conduct and the accompanying policies below when joining Truecaller.

- Anti-Corruption policy
- Data Breach Response Policy
- Equal Opportunities Policy
- Global Business Amenities Policy
- Information Relations and Communication Policy
- Information Security Policy
- Insider Policy
- Social Media Policy
- Whistleblowing Policy
- Work Environment and Health Policy
- Group Data Governance Policy
- Contract Management Policy

Truecaller has appropriate grievance redressal mechanisms that are available to employees and other stakeholders, including affected communities, to make comments, recommendations, or complaints concerning the workplace through our engagement tool called Winningtemp, the environment or business practices. Unethical or illegal business conduct on the part of Truecaller is simply unacceptable and will not be tolerated.

To address Prevention of Sexual Harassment (POSH) related grievances we have the Internal complaints commit-

tee formed, through which formal complaints on sexual harassment could be addressed.

## Whistleblowing function

It is of great importance for Truecaller to protect the company, our employees, suppliers, customers, the environment, and society against serious irregularities that Truecaller could in any way be involved in. Truecaller has therefore introduced an opportunity to report serious incidents through several different reporting channels where individuals may anonymously report serious incidents in accordance with the Whistleblowing Policy.

## Compliance and compliance system

### 1. Privacy and data protection compliance program

We are subject to many different data protection regulations in the countries where we do business and closely track the data privacy landscape in these countries to make sure that we proactively adopt good practices and stand ready to comply with them. We also allocate significant resources to take the necessary steps to become compliant.

The following briefly highlights the compliance efforts we make as part of our compliance program.

#### • Privacy governance

Truecaller considers formalizing a privacy and data protection governance structure is a good foundation of a transparent and trust-based relationship with its users and of a

culture of privacy within Truecaller. To ensure continuous compliance with the applicable laws, Truecaller adopted its own governance model.

Truecaller's model provides for a dedicated privacy office with specific responsibilities and tasks which leads the implementation and maintenance of the privacy and data protection compliance program in the organization. In order to further consolidate the governance structure, starting in 2022, Truecaller has designated "Privacy Champions" within each team to develop safeguards and support the compliance program and ensure that all functions are accountable for the safeguarding and protection of personal information. The Privacy Champions, are offering support, for example, in the maintenance of the records of processing activities and data processors' list.

- **Embedding data protection principles into operations**

Truecaller cares deeply about embedding data protection measures into corporate policies and procedures and day-to-day activities throughout the organization and preserving its users' privacy and their ability to control their own data. These measures include, but are not limited to, the following:

- We ensure that the consent we get from our users is freely given, specific, informed and unambiguous by presenting a summary of our privacy practices to our users before they create an account on Truecaller. We also display a similar summary when users log in to their accounts via our website. Users can revoke their consent anytime by deactivating their account either via Privacy Center on the application or Account & Privacy settings on the website.
- We ask for permissions only when necessary depending on the features users intend to use and do our best to make sure that users fully understand the permissions we need to make Truecaller function how they want. Users can deactivate these permissions anytime.

- All users have the power to control and protect how their personal information is displayed for others even in the markets where Truecaller is not required to do so.
- Users can easily edit their profile in the application at any time, access the personal information we hold about them, rectify it if it is inaccurate or incomplete, or deactivate their account via Truecaller's Privacy Centre.
- The company also has built a data portability feature that allows users to download a copy of all user information in a readable digital format. There is also a dedicated team to address any questions or complaints related to the application or the processing of personal information.
- Truecaller is committed to limiting the personal data collection, storage, and usage to data that is relevant, adequate, and necessary to carry out the purpose for which it is processed, for the shortest period to achieve it.

- **Implementing and maintaining privacy by design and default**

Truecaller considers privacy implications at an early stage and embeds privacy into the design and architecture of IT systems and business practices. Privacy is integral to the system and all components of Truecaller are proactive in looking at the privacy implications of any new features. Truecaller seeks to deliver the maximum degree of privacy by ensuring that personal data are automatically protected in any given IT system or business practice and that no action is required on the part of the individual to protect their privacy – it is built into the system, by default. For example, when users register, by default the profile details are private to users who search by name. Users cannot access the phone number by looking up a name unless a user approves this contact request. This enables us to confidently use our users' data in a way that is compliant, ethical, and trusted. It is also easy to un-list if a person does not want their information to be on Truecaller unless identified as a spammer.

- **Using technical and organizational measures to secure personal data**

Truecaller has stringent measures in place and a strong DNA in the company to do what is best for our users and employees. Truecaller data is safe and has the highest levels of protection. All the software developed to operate its core services has been developed in-house primarily using open-source technologies. Safety is an important aspect of Truecaller's IT strategy. Truecaller aims to protect its assets against unintentional or unauthorized access, alteration, or destruction during storage, transmission, and dissemination.

For example, II data Truecaller processes is encrypted both in transit and at rest. We ensure that we constantly monitor and protect our digital footprint and are always mindful of keeping our attack surface as reduced as possible. We do not store credentials and require a one-time password (OTP) for authenticating and logging in to our application. The communication is encrypted according to best-practices, Transport Layer Security (TLS). We deploy multiple vulnerability management controls to ensure that our environment is free from malicious artifacts including misconfigurations, poorly constructed code and/or publicly exposed ports.

- **Implementing a security breach management plan and documenting incidents**

Truecaller has a continuously evolving resilience practice, including stringent processes tied to: vulnerability management, incident management, business continuity management and disaster recovery protocols. Furthermore, Truecaller has deployed managed detect and response capabilities to ensure rapid response and containment of cyber-attacks, including data breach and ransomware. All employees at Truecaller have been trained to ensure reporting of anomalies and after any event, we conduct thorough root cause analysis that results in lessons learned activities.

- Accountability for processors**

Truecaller uses the third party companies (processors) to process personal data in strict accordance with the terms of a written contract with each processor and maintains an up-to-date list of the names and locations of all processors below. Truecaller imposes obligations on its processors to implement appropriate technical and organizational measures ensuring that the processing of personal data is protected to the standards required by applicable data protection laws.

For international transfers outside of the European Economic Area, Truecaller ensures that the relevant Standard Contractual Clauses adopted by the European Commission on 4 June 2021 are in place and data subjects have enforceable rights and effective legal remedies.

- Conducting regular training to integrate policies and procedures**

Truecaller makes relevant training documents such as Employee Handbook, Group Data Governance Policy, Data Breach Response Policy and Code of Conduct available via company intranet to ensure that employees have access to such documents in a simple and accessible way.

We will continue to hold awareness activities across the company by taking into account the needs of developers, engineers, product managers, and other employees involved in designing or developing the product and service offerings as well as employees involved in designing and developing internal business processes and make sure that Truecallers receive continuous training on data protection and security.

## 2. Anti-bribery and corruption compliance program

Truecaller has a robust Anti Corruption Policy to ensure that no employee acts in any way that is inconsistent with Truecaller's objectives or with the integrity of the business. The policy is designed to ensure we uphold the highest standards of professional integrity and intended to provide support and guidance to those acting for or on the Truecaller's behalf in their efforts to prevent bribery and corruption.

In support of this position, Truecaller has a solid anti-bribery and corruption compliance program which includes a robust policy applicable to all employees, as well as compliance procedures and a whistle-blowing function. In line with this, each new employee at Truecaller is required to review and acknowledge their compliance with our Anti-Corruption Policy as part of the introduction program. To facilitate the reporting of potential or suspected violations of applicable laws or policies professional standards, including those relating to anti-bribery and corruption, Truecaller introduced an opportunity to report serious incidents through several different reporting channels where individuals may anonymously report serious incidents in accordance with the Whistleblowing Policy.

Truecaller will continue to strengthen its anti-corruption efforts by regularly monitoring the efficiency of the compliance program and holding regular anti-corruption training sessions for employees.

### Risks and risk management

Truecaller's biggest risk as an employer is that we Truecaller would not be able to recruit or retain competent personnel who are business critical to being successful. In order to manage this risk Truecaller is dedicated to creating an environment and culture where our employees feel involved, secure and satisfied with their work with clear values. Three main areas in our personnel plan are investment in leadership, development and a strong corporate culture.

[→ Read more on the pages 29–33.](#)

In terms of environmental impact, the main risk is that we wouldn't handle the environmental issue in a responsible manner which could had an adverse effect on the environment. This could lead to Truecaller finding it more difficult to recruit employees, attract business partners or attract investors. Our risk management approach in the environmental area is tonhave environmentally certified workplaces, reduce the need for business trips, reduce waste from our offices by e.g. collect all electronic equipment and to limit the environmental impact from our data centers.

[→ Read more on pages 37–38.](#)

Not living up to laws and regulations or acting unethically could harm Truecaller through lost business opportunities, fines or other forms of sanctions. We have a clear and robust zero tolerance against all forms of corruption and continuously trains our staff in these matters. Education about our anti-corruption policy is included in the education program for all new hires at Truecaller and our employees are also mandated to participate in and pass digital anti-corruption training. Through our whistleblower channel, we protect employees who report any violation of applicable law, including our policy for anti-corruption, as well as employees who report suspects violations. Read more on pages 35–36.

In our code of conduct, we also state that Truecaller and its employees must respect all internationally recognized human rights, including the International Convention on Human Rights. The code also includes a number section relating to eliminating the risk of discrimination which for example, freedom of association, prohibition of forced labour, justice employment conditions and fair, safe and healthy working conditions.

[→ Read more on pages 35–36 and page 39.](#)

# GRI-index

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	Disclosure 417-3	Incidents of non-compliance concerning marketing communications	-	No reported incidents of non-compliance
<b>CLIMATE</b>				
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# Corporate Governance

# The share and shareholders

Class B shares in Truecaller have been listed on Nasdaq Stockholm under the stock ticker "TRUE B" since 8 October 2021. Market value at the end of 2022 was SEK 12,418 million. The section on the Share and the owners forms part of the Director's report.

## Share capital

Share capital in Truecaller at 31 December 2022 amounted to SEK 758,110.32 distributed among a total of 379,059,710 shares, including 46,783,800 Class A shares, 327,175,910 Class B shares and 5,100,000 Class C shares. Each share has a quotient value of SEK 0.002. Each Class A share carries the right to ten votes and each Class B and Class C share carries the right to one vote.

During the year 295,640 Class B shares were issued in connection to the acquisition of the company Call Hero. 5,100,000 Class C shares were also issued and bought back to the company during the year to secure the company's commitment's to the 2022 share ownership program. The class C shares will be converted to ordinary shares of series B in connection with the delivery of ordinary shares of series B under share program 2022.

See Note 20 for details of changes in share capital. Each shareholder entitled to vote at the shareholders' meeting may vote for the full number of shares owned and represented by the shareholder. All shares carry equal rights to a share in the company's assets and profit.

## Buyback of own shares

The Annual general meeting in 2022 authorized the Board of Directors to decide on a buyback-program of Class B-shares. The authorization which is valed until the 2023 AGM is limited to the equivalent to a maximum of five percent of the total number of shares in the company as of the date of the 2022 AGM. In September 2022 the Board decided to initiate buy-backs and at year-end the company had bought back 5.1 million Class B-shares at an average price of 36.86 SEK. This

corresponds to 1.36% of the total outstanding shares in Truecaller. The company also holds 5,100,000 C shares to secure the company's commitment's to the 2022 share incentive program.

## Price performance and trading volume in 2022

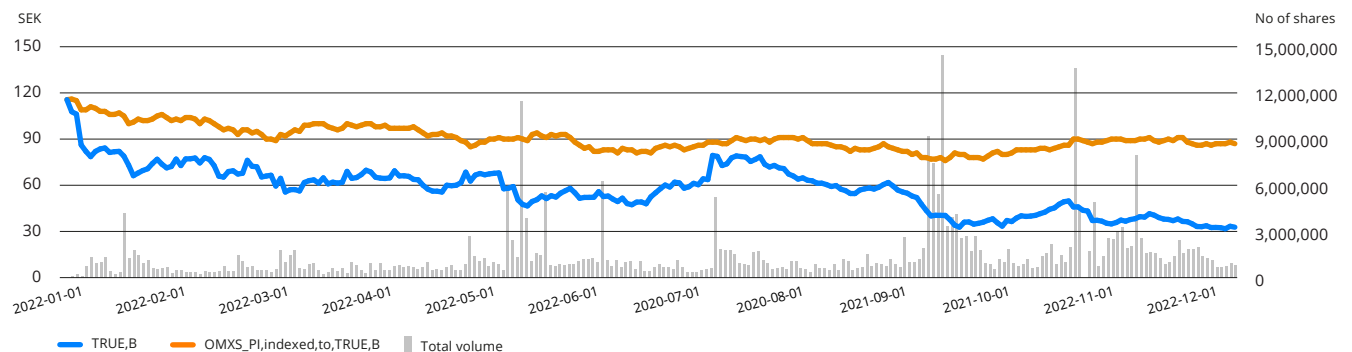
Truecaller AB (publ) has been listed on Nasdaq Stockholm since 8 October 2021. During 2021, the price decreased from SEK 114 to SEK 32.76 at 31 December 2022. During the same period the Nasdaq Stockholm OMXS PI index decreased by 24.6 percent. The highest price paid (at close) was SEK 115.6 on 3rd of January and the lowest price paid was SEK 31.75 on 28th of December. A total of 18,763 million shares worth SEK 848,568 million were traded during the period.

## Ownership structure

Truecaller had 16,448 (8,734) shareholders at 31 December 2022. The ten largest shareholders controlled 64.6 percent of equity and 82.6 percent of voting rights. Swedish ownership, including institutions such as insurance firms and investment funds, represented 60.9 percent of equity and 81.5 percent of voting rights at the end of the year. Foreign ownership represented 39.1 percent of equity and 18.5 percent of voting rights.

The eight members of Group management owned 54.5 million shares combined (of which 46.8 million Class A shares owned by the founders Alan Mamedi and Nami Zarringhalam), 5.4 million warrants and 0.6 million restricted share units. The board of directors of Truecaller owned 54.4 million

## Share price development and trading volume in 2022



shares combined (of which 46.8 million Class A shares owned by the founders Alan Mamedi and Nami Zarringhalam), 2.1 million warrants and 0.2 million restricted share units. During 2023 Truecaller has focused on communicating with owners, investors, analysts and the business media to increase understanding of the company and its business. During 2023 two new sell-side analyst firms, DNB and Redeye, initiated research coverage on Truecaller and in total eight banks new cover Truecaller.

### Dividend policy

The board of directors of Truecaller does not intend to propose dividends over the short- or medium-term. The company intends to invest profits generated in its continued growth and development and buy-backs of the share according to the mandate given by the Annual General Meeting.

### Ownership distribution by country, 31 December 2022

Country	No of shares	Equity	Votes
Sweden	230,909,504	60.94%	81.49%
USA	102,804,677	27.12%	12.85%
India	20,345,213	5.37%	2.54%
Hong Kong	7,978,042	2.10%	1.00%
United Kingdom	5,738,301	1.53%	0.72%
Norway	1,767,618	0.47%	0.22%
Finland	1,553,287	0.41%	0.19%
Luxembourg	1,170,404	0.31%	0.15%
Denmark	1,119,837	0.30%	0.14%
Singapore	524,661	0.14%	0.07%

### Largest shareholders, 31 December 2022

Country	TRUE A	TRUE B	TRUE C	Equity	Votes
Sequoia Capital, USA	0	60,802,105		16.04%	7.60%
Nami Zarringhalam, Sweden	23,391,900	3,793,587		7.17%	29.71%
Alan Mamedi, Sweden	23,391,900	3,793,587		7.17%	29.71%
Kleiner Perkins Caufield & Byers LLC, USA	0	26,204,174		6.91%	3.28%
Handelsbanken Fonder, Sweden	0	24,998,529		6.59%	3.12%
First National Swedish Pension Fund, Sweden	0	21,064,976		5.56%	2.63%
Swedbank Robur Funds, Sweden	0	16,870,000		4.44%	2.10%
Malabar Investments, India	0	16,510,276		4.36%	2.06%
Futur Pension AB, Sweden	0	14,022,844		3.70%	1.75%
Truecaller AB, Sweden	0	5,120,294	5,100,000	2.70%	1.28%

# Remuneration report

## Introduction

This remuneration report describes the application during the 2022 financial year of key management personal compensation guidelines (“KMP compensation guidelines”) of Truecaller AB (publ) (“the company” or “Truecaller”) adopted by the AGM held on May 24, 2022. The report also contains information about compensation paid to the company’s CEO and the employed Director. Furthermore, the report contains a summary of the company’s outstanding long-term share-related incentive programmes. The report was prepared in compliance with chapter 8, sections 53(a) and 53(b) of the Swedish Companies Act and the Swedish Corporate Governance Board’s Rules on Remuneration of the Board and Executive Management and on Incentive Programmes of 1 January 2022.

The KMP compensation guidelines endorsed by the 2022 AGM are presented on pages 84–86 of the company’s Annual Report 2022. Information about the work of the Remuneration Committee in 2021 is provided in the corporate governance statement on page 51–59 of the Annual Report 2022.

Information required under chapter 5, sections 40–44 of the Swedish Annual Accounts Act is provided in Note 7 on

pages 84–86 of the Annual Report 2022. The report does not cover directors’ fees. Such fees are decided annually by the AGM and are disclosed in Note 7 on pages 84–86 of the Annual Report 2022.

KMP compensation guidelines do not apply to compensation decided by a shareholders’ meeting.

## Company development in 2022

Information about the company’s development in 2022 is presented in the CEO’s message on pages 9–10 of the Annual Report 2022.

## Compliance with KMP compensation guidelines

Successful implementation of the company’s business strategy and safeguarding of the company’s long-term interests, including its sustainability, depends upon the company’s capability to recruit and retain qualified and skilled employees. Compensation to the CEO and other KMP should therefore reflect Truecaller’s need to recruit and motivate qualified employees by means of a compensation package that is perceived to be fair and competitive.

## KMP compensation consists of the following components:

- Fixed base pay
- Short-term and long-term variable pay
- Pension benefits
- Other benefits
- Pay during period of notice

Base pay must be market-based and reflect the employee’s position, qualifications, experience and individual performance.

Short-term variable pay must be measured against pre-determined financial performance targets. Non-financial targets can also be used to strengthen focus on achieving Truecaller’s strategic plans.

The targets must be specific, clear, quantifiable and time-limited and must be set by the board of directors. They must also be designed to promote the company’s business strategy, long-term interests and sustainability.

The company has complied with the KMP compensation guidelines endorsed by the AGM on May 24, 2022. There have been no departures from the guidelines and no deviations from the decision process that must be applied to

## Compensation to the CEO and the employed Director

Name	Fixed pay		Variable pay		Extraordinary expenses	Pension costs <sup>3)</sup>	Total compensation	Ratio of fixed to variable pay
	Fixed base pay <sup>1)</sup>	Other compensation <sup>2)</sup>	Single-year	Multi-year				
Alan Mamedi, CEO, Board member	3,988,769	2,484	–	–	–	725,172	4,716,425	100/0
Nami Zarringhalam, CSO, Director	2,900,528	2,484	–	–	–	997,727	3,900,739	100/0

1) Includes fixed base pay, compensation during paternal leave and health care compensation.

2) Private health care insurance.

3) Defined contribution pension in accordance with guidelines adopted by the board of directors.

determine compensation according to the guidelines. The auditor's opinion concerning the company's compliance with the guidelines is available at [corporate.truecaller.com](https://corporate.truecaller.com).

In addition to the compensation covered by the KMP compensation guidelines, the company's shareholders' meetings have endorsed the implementation of long-term share-related incentive programmes, which are described under "Long-term share-related incentive programmes" in this report.

### Compensation to the CEO and the employed Director

The table on the previous page shows base pay, variable pay, pension and other benefits covered by the compensation guidelines paid in the 2022 financial year.

The CEO and the employed Director also participated in two of the company's long-term share-related incentive programmes. See "Long-term share related incentive programmes" below.

Compensation to the CEO was paid by the parent company of the Group, Truecaller AB (publ). Compensation to the employed Director was paid by the subsidiary True Software Scandinavia AB. None of the other Group companies paid compensation to the CEO or the employed board Director in 2022.

No claims for repayment of compensation paid to the CEO or the employed Director were made to the company in 2022.

### Short-term variable pay

In 2022, no short-term variable remuneration was included in the terms of employment of the CEO or the employed Director.

### Long-term share-related incentive programmes

#### *Long-term share-related incentive programmes*

The company has the following long-term share-related incentive programmes.

*LTIP 2021:* The EGM held 21 July 2021 endorsed the board proposal of an incentive programme covering key management personnel and other key employees and resolved in favour of issuing a maximum of 19,500,000 warrants and approved the transfer of warrants.

A total of 19,500,000 warrants have been subscribed for by the subsidiary and 12,686,320 warrants and employee stock options have been acquired by or granted to participants. No warrants or employee stock options had been exercised as of the reporting date and no further warrants or employee stock options will be offered from LTIP 2021. The subscription price for warrants and employee stock options in series 1, 2 and 5 was set at SEK 57,40 per share. The subscription price for warrant in series 3, 4 and 6 was set at SEK 28,70 per share. Upon full exercise of all warrants and employee stock options that are acquired or granted to participants, a maximum of 12,686,320 shares will be issued by the company, corresponding to estimated dilution of 3.3 percent.

*LTIP 2022:* The AGM held on May 24, 2022, endorsed the board proposal of an incentive programme covering key management personnel and other key employees and resolved in favour of issuing a maximum of 500,000 warrants and approved the transfer of warrants. The AGM also resolved in favour of issuing a maximum of 5,100,000 restricted stock units (RSUs).

The subscription price for the warrants was set at SEK 88.00 per share. Upon full exercise of all warrants and RSUs that are acquired or granted to participants, a maximum of 5,313,350 shares will be issued by the company, corresponding to an estimated dilution of 1.3 percent.

For more information about the company's long-term share-related incentive programmes, including applicable performance conditions, see the company's website, [corporate.truecaller.com](https://corporate.truecaller.com).

### Compensation to the CEO under share-related incentive programmes

Name	LTI	Instrument	Performance period	Principal conditions			Exercise price per share	Information for the reported financial year				
								Balance at 1 January	During the year		Balance at 31 December	
								Instruments at the beginning of the year	Granted	Exercised	Instruments subject to performance conditions	Granted instruments that have not been exercised
Alan Mamedi, CEO	2021	Warrants	N/A	2021	N/A	Sep–Oct 2023 Sep–Oct 2024 Sep–Oct 2025	57.40 SEK	1,000,000	0	N/A	N/A	1,000,000
	2022	Restricted stock units	2023–2026	2022	N/A	June 2026	N/A	0	95,000	N/A	95,000	95,000
<b>Total</b>								<b>1,000,000</b>	<b>95,000</b>			<b>1,000,000</b>

### Changes in compensation to the CEO and the employed director compared with the company's financial results and compensation to other Group employees

In order to put compensation to the CEO and the employed director in a wider context, the table below shows the annual change in total compensation to the CEO and the employed

director in relation to the Group's financial results and average compensation paid to other FTE employees of the Truecaller Group during the four preceding financial years.

Name	2022	2021	2020	2019	2018
Alan Mamedi, CEO	4,716,425	2,606,470	2,706,315	2,442,733	1,952,409
Nami Zarringhalam, Director	3,900,739	2,538,481	2,694,135	1,835,497	1,950,489
Other employees (Sweden)	767,312	787,673	778,100	772,637	737,503
Adjusted EBITDA, consolidated (SEK million)	717.2	472.5	104.8	-33.8	-52.9

Stockholm, 17 April 2023

Truecaller AB (publ)  
Board of directors

# Chairman's statement

2022, the first full-year for us at Truecaller as a listed company was an eventful year. During the year we continued to grow our user base, with 40 millions users, at a steady pace and overdelivered compared to our financial targets which were set during the IPO. During the latter part of the year we, as other companies, started to see effects from the gloomy global macro with lower income growth as a consequence when the general demand for digital advertising slowed down.

Since Truecaller was founded in 2009, Alan and Nami with their team, have built a much needed and much loved product with 338 million users. Growth of users of the app is primarily organically driven as users recommend the product to friends and family and Truecaller continues to grow.

The product first strategy has created a scalable and efficient business model with low costs of acquiring new users. This comes well in hand during a period with macro pressure as Truecaller even during tougher external conditions will be able to give good returns and a solid cash flow to its shareholders.

## Launching a share buy-back program

During the year the board decided to launch a share buy-back program with the authorisation from the Annual General Meeting to buy back a maximum of 5 percent of outstanding shares. The program was launched as Truecaller has a very strong cash position and a solid cash flow and through the buy backs we can manage that strong position in a gentle manner while still keeping a strong balance sheet.

## Committed to positive change

The core of our sustainability efforts is to remain committed to our mission to build trust in communication and to help our users to stay safe from the growing menace of spams and scams globally. We are committed to drive safety and positive change in local communities.

In our main market India I would especially highlight our initiatives in creating awareness about women's safety as well as driving cyber safety awareness and training programmes around cyber safety.

As employer Truecaller is a diverse and inclusive workplace with more than 35 nationalities among the employees and with a strong net promoter score among the employees.

## High standards of ethical business conduct

I am also proud to say that our gender pay equality analysis demonstrates that we do not have any unequal pay differences between men and women. At Truecaller, we are committed to high standards of ethical business conduct and with a strong culture, a clear governance and robust policy structure we make sure that sound ethics is applied in our daily work.

Last but not least when it comes to environmental impact we have taken conscious decisions when it comes to our offices and our datacenters to lower the impact they have on the climate and environment and we will continue on this path in the future to contribute to lower carbon emissions.

## We diversify our revenue streams

The strategy for Truecaller in the coming years will stay true to making communication smarter and more efficient. We will continue to diversify our revenue streams both when it comes to geographical mix as well as product mix. As

Truecaller is solving a globally growing problem there is no near-term limitation to how much the user base, for users and businesses, can grow. That growth will over time open up new avenues to help our huge user base to solve more pain points in communication for both individuals as well as businesses.

To be able to continue to succeed in the future our most important task is to stay close to our users and continue to develop the product to solve their daily needs.



Bing Gordon, *Chairman of the Board*

# Corporate governance report

## Introduction

Truecaller AB (publ) ("Truecaller") is the parent company of the Truecaller Group ("the Group") and has been listed on Nasdaq Stockholm since on October 8, 2021. The current legal structure of the Group was created on July 22, 2021 when the present parent Truecaller AB decided to acquire 100 percent of the shares in True Software Scandinavia AB through a non-cash issue. The ownership structure in Truecaller after the non-cash issue was the same as in True Software Scandinavia AB before the non-cash issue.

The board of directors of Truecaller hereby presents the corporate governance statement for the 2022 financial year.

This corporate governance statement was endorsed by the board of directors on 17 April 2023 and is an account of how governance was pursued at Truecaller during the 2022 financial year. The corporate governance statement is not part of the board of directors' report.

## Principles of corporate governance

In addition to the principles of corporate governance based on law or other statute, Truecaller complies with the Swedish Corporate Governance Code ("the Code") in all material respects. In accordance with the Code, two deviations from the recommendations set forth in the Code are published and the rationale motivated in Truecaller's annual report. See the website of the Swedish Corporate Governance Board at [bolagsstyrning.se](https://bolagsstyrning.se). Internal regulations for governance of the company comprise the Articles of Association, the Board Charter (including instructions to Board Committees), the CEO's Instructions, Financial Reporting Instructions and other policies and guidelines.

## Voting rights

The Articles of Association for Truecaller impose no limits on the number of votes each shareholder may cast at a shareholders' meeting. The Articles of Association stipulates the

Truecaller has three share classes. Series A shares carry 10 votes per share and series B and C shares one vote per share.

## Deviations from the Code

The Code states that long-term incentive programmes shall be designed so that the vesting period or the period from the commencement of an agreement to the date for acquisition of shares shall be no less than three years. Truecaller's long-term incentive programme for employees, LTIP 2021, is structured in such a way that shares can be acquired after two, three and four years, respectively. The purpose of this is that the programme should be perceived as attractive to employees and potential employees in Sweden and India, the countries in which the majority of Truecaller's personnel are located. The durations of incentive programmes in India are commonly shorter than those which normally apply in Sweden and LTIP 2021 was designed to be an appropriate compromise that makes the programme sufficiently attractive in both countries.

According to the Code, no more than one of the Board members elected by the Annual General Meeting may work in the company's senior management. This position is usually taken by the CEO. As Truecaller's two founders are active in the company and jointly participate in all decisions concerning the company, the owners have agreed to appoint both Alan Mamedi and Nami Zarringharam as members of Truecaller's board.

## Articles of Association

The current Articles of Association were adopted by the AGM on May 24, 2022 and are published on the company's website, [corporate.truecaller.com](https://corporate.truecaller.com). The Articles of Association include no special provisions concerning the appointment and dismissal of directors or amendments to the Articles of Association.

## Shareholders' meetings

The shareholders' meeting is the company's highest decision-making body. The shareholders' meeting is the forum in which shareholders exercise their influence. According to the Swedish Companies Act, several matters are under the purview of the shareholders' meeting, such as adoption of the income statement and balance sheet, allocations of the company's profits/treatment of losses, discharge of liability, election of directors and election of independent auditors.

The board of directors is also authorised to convene extraordinary general meetings during the year. This occurs when, for example, decisions must be taken on matters that are required to be adopted by a shareholders' meeting and where such matters cannot be postponed until the next AGM. Shareholders who wish to participate in a shareholder meeting must be recorded as shareholders in the shareholder register five weekdays prior to the meeting and must notify the company of their intention to participate by the date specified on the notice of the meeting. That date cannot be a Sunday, other public holiday, Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve and cannot occur earlier than five weekdays before the meeting.

## Annual General Meeting

Truecaller's 2022 AGM was held on May 24, 2022 at Truecaller's office in Stockholm. 47 shareholders representing 62.3 percent of the number of shares and 82.3 percent of the number of votes participated in the meeting. The AGM voted to adopt the statement of profit and loss and statement of financial position for 2021, resolved upon allocation of profit and resolved to discharge the CEO and board of directors of liability for the past financial year. The AGM also elected directors and auditor.

The 2023 AGM will be held on Friday, May 26, 2023, in Stockholm.

## Extraordinary General Meetings

Truecaller held no EGMs during the year.

## Authorisations regarding issues and repurchases of shares

The AGM held on May 24, 2022, resolved to authorise the board of directors to decide, on one or more occasions prior to the next AGM, to increase the company's share capital by the issuance of new series B shares in the company. The total number of series B shares that may be issued (alternatively be issued through conversion of convertibles and/or exercise of warrants) shall not exceed 41,551,079, which corresponds to a dilution of approximately ten (10) percent calculated on the current number of shares in the company. To the extent an issue is made with deviation from the shareholders' preferential rights, the subscription price shall be on market terms (subject to customary new issue discount, as applicable). The purpose of the authorization is to be able to carry out and finance acquisitions of companies and assets and to give the board of directors increased room for manoeuvre and the opportunity to adapt and improve the company's capital structure. The board is authorised to resolve to issue series B shares with or without deviation from shareholders' preferential rights and/or with or without provision regarding payment in kind or through set-off or other provision.

The annual general meeting resolved to authorize the board of directors, at one or several occasions, during the time up until the next annual general meeting, to resolve on repurchase of series B shares in the company. Repurchase of series B shares may be made at a maximum number of shares corresponding to five (5) percent of the total number of shares in the company outstanding as of the date of the annual general meeting. Repurchase of series B shares may be made on Nasdaq Stockholm at a price per share within the registered price interval of the company's series B share at any time, or if the board of directors instructs a member of Nasdaq Stockholm to accumulate a specific number of the company's shares for its own account during a limited period, at a price per share within the price interval at the time or an equivalent volume-weighted average price. Payment of the

series B shares shall be made in cash. The purpose of the authorization is to enable the company to adapt its capital structure to its capital needs over time, and thereby contribute to an increased shareholder value.

## The Nomination Committee

The AGM appoints the Nomination Committee and decides which tasks the Nomination Committee must carry out before the next AGM. In accordance with the decision of the AGM held on May 24, 2022, the three largest shareholders or shareholder groups (referring both to directly registered shareholders and nominee-registered shareholders) as per the printout of the shareholder register kept by Euroclear Sweden AB ("Euroclear") dated September 30, 2022, shall each appoint one representative to constitute the Nomination Committee, for a term ending when a new Nomination Committee has been appointed as mandated by the 2023 AGM. The chairman of the board will also be a member of the Nomination Committee.

The majority of Nomination Committee members shall be independent in relation to the company and its management. At least one Nomination Committee member shall be independent in relation to the company's largest shareholder in terms of votes or any group of shareholders who act in concert in the governance of the company. The CEO or another member of Group management is permitted to be a member of the Nomination Committee. Directors may be members of the Nomination Committee but may not constitute a majority of its members. If more than one director is on the Nomination Committee, no more than one of these directors may be dependent in relation to a major shareholder in the company.

If one or more shareholders who appointed representatives to the Nomination Committee are no longer among the three largest shareholders in the company at a point in time more than two months before the AGM, the representatives of these shareholders must step down and new members must be appointed by the new shareholder or shareholders that are then among the three largest shareholders. If a member of the Nomination Committee resigns from the Committee before its work is concluded, the same share-

holder that appointed the resigning member shall, if it is deemed necessary, have the right to appoint a new member, or, if that shareholder is no longer among the three largest shareholders, the next largest shareholder in line shall have that right, according to the principles above, but based the shareholder register printed by Euroclear Sweden AB as soon as possible after the committee member has stepped down.

Changes in the composition of the Nomination Committee shall immediately be published.

No compensation shall be paid to members of the Nomination Committee by the company. The company shall pay the necessary expenses that the Nomination Committee may incur within the framework of performing its duties.

The term of office for the Nomination Committee shall end when the subsequent Nomination Committee has been publicly announced.

The Nomination Committee shall present proposals on the following matters for decision by the 2023 AGM:

- a) Nomination of the chair of the meeting;
- b) Nominations of directors;
- c) Nomination of board chair;
- d) Nomination of auditors;
- e) Proposal on directors' fees, including distribution thereof among the board chair and other directors;
- f) Proposal on fees to the company's auditors; and
- g) Proposal on principles for the appointment of the Nomination Committee ahead of the 2024 AGM.

Prior to the 2023 AGM, the composition of the Truecaller Nomination Committee is as follows:

- Kamjar Hajabdolahi, appointed by Nami Zarringhalam
- Sven Törnkvist, appointed by Alan Mamedi
- Piyush Gupta, appointed by Sequoia Capital
- Bing Gordon, chairman of the Board of Truecaller AB (publ)

## Diversity policy

The Nomination Committee applies Rule 4.1 of the Swedish Corporate Governance Code as its diversity policy for the board, which states that, "The board is to have a composition appropriate to the company's operations, phase of develop-

ment and other relevant circumstances. The board members elected by the shareholders' meeting are collectively to exhibit diversity and breadth of qualifications, experience and background. The company is to strive for gender balance on the board."

In the opinion of the Nomination Committee, the board of directors reflects good diversity in terms of age, experience and background. Two of the directors elected in 2022 are women and make up 33 percent of the board.

### Board compensation

The Nomination Committee presents a proposal on directors' fees to the AGM for decision. The Nomination Committee's proposal on board compensation is presented in the notice of the AGM.

### Board of directors

#### Board composition

Bing Gordon, Nami Zarringhalam, Alan Mamedi, Shailesh Lakhani, Helena Svancar, and Annika Poutiainen were re-elected as members of the board of directors by the AGM held May 24, 2022. Bing Gordon has served as chairman of the board. The chairman of the board presides over and assigns board tasks, maintains continuous contact with the CEO and CFO, ensures that board meetings are thoroughly prepared and monitors the decisions taken by the board.

### Board independence

The positions of dependency of directors in relation to the company, management, and shareholders is shown on the table on page 54. As shown in the table, Truecaller complies with applicable rules concerning the independence of directors in relation to the company, management, and the company's major shareholders.

### Board duties

The duties of the board of directors are carried out in the manner required by the Swedish Companies Act, the Code and other ordinances and rules applicable to the company. The board works according to a charter and yearly plan, which are adopted annually.

The company's CEO and CFO attend board meetings. The company's Chief Legal Officer normally acts as the recording secretary. Other group management members and group officers participate at board meetings as requested from time to time.

In addition to the statutory meeting held after election by the ordinary AGM held on May 24, 2022, the board of directors met ten times in 2022 (of which three meetings were held per capsulam). The primary focus of the board during the year was on strategy, the business plan and budget.

The board of directors met with the auditor once during the year without the presence of the CEO or any other management representative.

The work of the CEO and the board of directors is externally assessed annually. Such an assessment was performed in 2023 as a basis for the work of the Nomination Committee ahead of the 2023 AGM. The assessment was performed through a self-assessment of the work of the board by giving directors the opportunity to express their views on working methods, board materials, their own work and that of other directors and the scope of the board assignment.

The board of directors also receives reports from the Audit Committee and the Remuneration Committee and evaluates their work. The evaluation has been presented to the Nomination Committee.

The board of directors monitors the work of management by means of monthly reports covering financial performance, key financial data, progress in prioritised activities, etc.

### Board meetings

The board holds ordinary meetings according to the plan below:

- **February** – Year-end report

- **April** – Agenda and notice to attend the AGM, corporate governance statement, annual report, sustainability report, review of insurance policies
  - **May** – Interim report for the first quarter, statutory board meeting, decisions on the board charter, CEO instructions and financial reporting instructions, the board's yearly plan.
  - **July** – Interim report for the second quarter
  - **August/September** – Strategy meeting, financial targets
  - **October/November** – Interim report for the third quarter
  - **December** – Evaluation of board and CEO, KMP compensation
- The CEO presents an operations report at the ordinary meeting.

The board of directors engages in discussions in connection with review of auditor's reports.

### Board committee duties

The board of directors has two committees: the Audit Committee and the Remuneration Committee. The work of the committees are governed by the board charter. Board committees deal with the matters within their respective purview and issue reports and recommendations upon which board decisions are based. The committees have defined decision authority within the frameworks of board directives. The minutes of committee meetings are made available to the board of directors.

### Audit Committee

The members of the Audit Committee are Annika Poutiainen (chair) and Shailesh Lakhani. The company's CFO attends meetings of the Audit Committee. The company's Chief Legal Officer attend meetings as required. The Audit Committee held five meetings in 2022. The company's auditor attended all five meetings.

### Remuneration Committee

The members of the Remuneration Committee are Helena Svancar (chair) and Bing Gordon. The Remuneration Committee held two meetings in 2022. The company's Chief HR Officer attend meetings as required.

Name	Year elected <sup>1)</sup>	Independent to the company	Independent to large shareholders	Position	Committee	Attendance board meetings	Attendance Audit Committee	Attendance Remuneration Committee	Director's fee (SEK 000s) <sup>2)</sup>	Number of shares/warrants in Truecaller, direct and indirect holdings <sup>3)</sup>
Bing Gordon	2020	Yes	Yes	Board chair, member of Remuneration Committee	Remuneration Committee	11 (11)	-	2 (2)	525,000	58,000 warrants
Helena Svancar	2021	Yes	Yes	Director, chair of Remuneration Committee	Remuneration Committee	11 (11)	-	2 (2)	465,000	3,800 Class B shares, 58,000 warrants
Shailesh Lakhani	2013	Yes	No	Director, member of Audit Committee	Audit Committee	11 (11)	5 (5)	-	0	0
Alan Mamedi	2009	No	No	Director, founder, CEO		11 (11)	-	-	0	23,391,900 Class A shares, 3,793,587 Class B shares, 1,000,000 warrants, 95,000 RSUs
Annika Poutiainen	2021	Yes	Yes	Director, chair of Audit Committee	Audit Committee	11 (11)	5 (5)	-	585,000	2,900 Class B shares, 58,000 warrants
Nami Zarringhalam	2009	No	No	Director, founder		11 (11)	-	-	0	23,391,900 Class A shares, 3,793,587 Class B shares, 1,000,000 warrants, 95,000 RSUs

1) Refer to Truecaller AB and True Software Scandinavia AB, that was the group parent company until the formation of Truecaller AB in 2021.

2) Disclosures on directors' fees refer to the board year beginning at the close of the 2022 AGM and ending at the close of the 2023 AGM.

3) Holdings per 31 December 2022.

Directors' and committee members' attendance at board and committee meetings during the year is shown in the table on page 54.

### Auditors

The audit firm elected for term of one year by the AGM held on May 24, 2022 is Ernst & Young AB. Jennifer Rock-Baley, authorised public accountant, is the auditor in charge.

The auditors' remit is to examine the company's annual report and accounting records and management of the company by the board of directors and the CEO, on behalf of the shareholders. The auditors report regularly to the Audit Committee and the board of directors. Auditor's fees are specified in Note 5 to the annual report.

### Group management

The board of directors appoints the CEO. The CEO oversees Group management and makes decisions in consultation with other members of Group management. As of 31 December 2022, the management team was comprised of CEO Alan

Mamedi, COO Fredrik Kjell, CFO Odd Bolin, CSO Nami Zarringhalam, CHRO Fatima Antonsson, CPO and MD, India Rishit Jhunjunwala, CBO Ben Zhang and CLO Ola Espelund.

### Work of Group management

The CEO meets regularly with all members of the Group management team for business updates, to receive reports, set objectives and for general business discussions. This includes weekly management team meetings, which are documented. In addition, the CEO holds several personal meetings with each member of the management team every year for more in-depth discussions and planning.

Governance and monitoring of the management team is based on the charter adopted by the board, the instruction for the CEO, and reporting instructions. Group management and other managerial personnel manage day-to-day operations primarily through instruments such as forecasts, performance management and reward systems, regular reporting and monitoring and employee meetings, and via a delegated decision structure with functional hierarchies

(strategy, product, operations, finance, etc.). Focus during the year was on the business plan and matters related to growth.

### Internal control of financial reporting

The board of directors' responsibility for internal control is governed by the Companies Act and the Code. In accordance with the Annual Accounts Act, the corporate governance statement includes a description of the key elements of the company's internal control and risk management system. Internal control of financial reporting has two primary aims: to provide reasonable assurance of the reliability of external financial reporting and to ensure that external financial reports have been prepared in compliance with law, applicable accounting standards, and other requirements imposed upon listed companies.

### Control environment

The board has overall responsibility for internal control related to financial reporting. The control environment for financial reporting is based on an allocation of roles and



responsibilities in the organisation, adopted and communicated decision paths, instructions regarding authority and responsibility, and accounting and reporting instructions. The board has adopted a charter, CEO instruction, and instructions for financial reporting. In addition to these, there are operational policies and guidelines in several areas.

### Risk assessment

As an integrated component of the management process, the board and group management work with risk assessment from a broad perspective, including but not limited to financial risks and important business risks. Regular risk reports are presented to the board of directors.

During the year, the board regularly discussed various types of risks and the company's risk management process.

Truecaller is subject to the provisions of the EU Market Abuse Regulation 596/2015 (MAR), which imposes strict requirements on the company's management of handling of insider information. The matters regulated by MAR include how inside information must be communicated to the market, the conditions under which publication may be postponed and how the company is obligated to keep a log book of people who work for Truecaller and have been given access to inside information about the company. Truecaller uses a digital tool called InsiderLog to ensure that the management discussed above meets the requirements of MAR and Truecaller's insider policy: from the decision to postpone publication of inside information until the notice that must be provided to the Swedish Financial Supervisory Authority when the insider event has expired and the information has been made publicly available. Only a limited number of authorised individuals within Truecaller have access to InsiderLog. Further information is available at [insiderlog.com](https://insiderlog.com).

### Control activity

The group's control activities relating to financial core processes are described in the risk map approved by the board as a basis for efforts to continuously improve internal processes and controls. Controls are performed at both the subsidiary level and the group level. The operating subsidiaries have chief accountants who are responsible for ensuring that financial figures are verified and reported on a monthly basis. This includes reconciliation of financial figures against sales and cost data from the group's transaction system, reconciliation of intragroup transactions and reconciliation of bank accounts. These figures are then checked at the group level in conjunction with the monthly consolidation of group figures. Efforts are ongoing to continuously improve these processes through, for example, advanced training of relevant employees, greater automation of reconciliations and through the checking of important figures by several individuals in parallel.

The board of directors continuously evaluates whether there is a need for a dedicated internal audit function. So far, the conclusion is that Truecaller's operations still aren't complex enough to justify such a function. The internal processes in combination with external audits ensures compliance with all relevant laws and regulations.

### Information

Information about internal financial reporting control documents is available to relevant employees on the Truecaller intranet. Information and training related to the internal control documents is also provided through activities aimed directly at finance managers and controllers within the Group.

### Monitoring

The effectiveness of internal control of financial reporting is monitored by the board, the Audit Committee, the CEO, Group management, and Group companies. Follow-up includes continuous quality control by the board of directors of the company's monthly financial reports, ongoing monitoring of central financial processes, such as management of potential customer losses and review of Truecaller's external audit reports. Members of the staff of Truecaller's finance department also regularly visit the operating subsidiaries to verify that Truecaller's financial processes are being correctly implemented and continuously developed to ensure accurate financial reporting.

Stockholm, 17 April 2023

The Board of Directors of Truecaller AB (publ)

# Board of Directors



## Bing Gordon

**Board Chair**

**Born:** 1950

**Director since:** 2020

**Holdings in Truecaller:** 58,000 warrants from LTIP 2021.

**Background:** Partner at Kleiner Perkins Caufield & Byers and a special advisor to the board of Amazon, having previously been a member of its board from 2003 to 2018. Gordon worked for ten years as Chief Creative Officer of Electronic Arts. He is an investor and board member in Zynga (IPO 2011) and in the publicly traded language app Duolingo.

**Other current roles:** Advisor to Kleiner Perkins Caufield & Byers, member of the Board of Zynga Inc., Airtime Media, N3twork and Duolingo. Advisor to Dapper Labs, Uptake Technologies Inc., Niantic and Amazon.com.

**Previous assignments:** Member of the Board of Amazon.com, Zazzle Inc. and Linden Research.

**Education:** BA, Yale University and MBA in Marketing, Stanford University.

**Independent of the company and its principal owners:** Yes



## Shailesh Lakhani

**Director**

**Born:** 1978

**Director since:** 2013

**Holdings in Truecaller:** –

**Background:** MD, Sequoia Capital India LLP.

**Other current roles:** Managing Director of Sequoia Capital India LLP. Nominee Director of IMG Technologies Private Limited, Le Travenues Technology Private Limited, A&A Dukaan Financial Services Private Limited, Smartshift Logistics Solutions Private Limited, Wickedride Adventure Services Private Limited, Epifi Technologies Private Limited, Zetwerk Manufacturing Businesses Private Limited, iStar Skill Development Private Limited and Soul Vision Creations Private Limited. Board member of Capillary Technologies International Pte Ltd., Vymo Inc., Girnar Software Private Limited, Bright Lifecare Private Limited and Quick Heal Technologies Limited.

**Previous assignments:** Nominee director of Sweet Couch Technology Pvt. Ltd., Thumbworks Technologies Private Limited, Backwater Technologies Private Limited, Vymo Solutions Private Limited, BT Techlabs Private Limited and Moonfrog Labs Private Limited.

**Education:** BSc Computer Science, University of Waterloo and MBA, Harvard Business School.

**Independent in relation to the company:** Yes

**Independent of principal owners:** No



## Alan Mamedi

**Director, co-founder**

**Born:** 1984

**Director since:** 2009

**Holdings in Truecaller:** 23,391,900 Class A shares, 3,793,587 Class B shares, 1,000,000 warrants from LTIP 2021 and 95,000 RSU's from LTIP 2022.

**Background:** Co-founder of Truecaller, 2009.

**Other current roles:** CEO Truecaller AB, director of ALSA Capital AB and ALSA Financials AB, True Software SPV AB. Deputy director of True Software EC AB, True Software EC II AB, True Software EC III AB and True Software EC IV AB.

**Previous assignments:** CEO ALSA Capital AB. Director of True Software EC III AB and True Software EC IV. Director of True Software EC AB and True Software EC II AB.

**Education:** Studies in Computer Science at the Swedish Royal Institute of Technology (KTH).

**Independent of the company and its principal owners:** No



## Annika Poutiainen

**Director**

**Born:** 1970

**Director since:** 2021

**Holdings in Truecaller:** 2,900 class B shares and 58,000 warrants from LTIP 2021.

**Background:** Lawyer with more than 20 years experience from international capital markets, mainly the Nordics and London. She has a regulatory background, having previously worked for the Swedish Financial Supervision Authority and the Council for Swedish Financial Reporting Supervision. She is currently an independent non-executive board member in the listed companies Airtel Africa plc and non-listed companies Ametalis AB, Rebellion AB and Unzer Group GmbH.

**Other current roles:** Member of the Nasdaq Helsinki Listing Committee, Senior Advisor to strategic communications firm Kekst CNC. Chair of Swedish elementary school Fredrikshovs Slott AB.

**Previous assignments:** Executive Chair of the Council for Swedish Financial Reporting Supervision, Board Member of eQ Plc and Swedbank AB (publ).

**Education:** Master of Law (LLM) University of Helsinki and King's College London.

**Independent of the company and its principal owners:** Yes

# Board of Directors, cont.



## Helena Svancar

### Director

**Born:** 1975

**Director since:** 2021

**Holdings in Truecaller:** 3,800 Class B shares and 58,000 warrants from LTIP 2021.

**Background:** Head of M&A Ericsson and Head of Corporate Finance Nordic Deutsche Bank.

**Other current roles:** Partner at Verdane, Director of Ratos AB, Iconectiv LLC and Mediakind. Adviser to DTCP.

**Previous assignments:** Head of Corporate Finance Nordic Deutsche Bank, Head of M&A Ericsson and many years experience from Deutsche Bank, Rothschild and SEB.

**Education:** MSc Finance, General, Stockholm School of Economics.

**Independent of the company and its principal owners:** Yes



## Nami Zarringhalam

### Director, co-founder

**Born:** 1984

**Director since:** 2009

**Holdings in Truecaller:** 23,391,900 Class A shares, 3,793,587 Class B shares, 1,000,000 warrants from LTIP 2021 and 95,000 RSU's from LTIP 2022.

**Background:** Co-founder of Truecaller, 2009.

**Other current roles:** Chief Strategy Officer at Truecaller, board chair of Zarringhalam Ventures AB, director of Goodsport Foundation, True Software SPV AB.

**Previous assignments:** Chairman at True Software Scandinavia AB, Director of True Software EC AB, True Software EC II AB, True Software EC III AB and True Software EC IV AB.

**Education:** Studies in Computer Science and Engineering Management at the Swedish Royal Institute of Technology (KTH).

**Independent of the company and its principal owners:** No

## Auditor

Ernst & Young AB was elected company auditor for a one-year period at the AGM 2022. Ernst & Young AB has announced that Authorised Public Accountant **Jennifer Rock-Baley** is the auditor-in-charge.

# Management



## Alan Mamedi

**Chief Executive Officer and co-founder**

**Born:** 1984

**With Truecaller since:** 2009

**Holdings in Truecaller:** 23,391,900 Class A shares, 3,793,587 Class B shares, 1,000,000 warrants from LTIP 2021 and 95,000 RSUs from LTIP 2022.

**Background:** Co-founder of Truecaller, 2009.

**Previous roles:** Managing director of ALSA Capital AB.

**Other current roles:** Board member of ALSA Capital AB and ALSA Financials AB, True Software SPV AB.

**Previous assignments:** Chairman of the Board in True Software EC III AB and True Software EC IV. Board member of True Software EC AB and True Software EC II AB.

**Education:** Studies in computer science at the the Swedish Royal Institute of Technology (KTH).



## Odd Bolin

**Chief Financial Officer**

**Born:** 1963

**With Truecaller since:** 2020

**Holdings in Truecaller:** 130,000 Class B shares, 650,000 warrants from LTIP 2021 and 90,000 RSU's and 30,000 Warrants from LTIP 2022.

**Background:** CFO Zacco, CFO Sinch, CFO G5 Entertainment, MD Cybercom Sweden, CFO Cybercom Group, partner at Ceres Corporate Advisors and Hagströmer & Qviberg fondkommission.

**Other current roles:** Board member and CEO of HOB Management AB. Board member of True Software EC AB, True Software EC II AB, True Software EC III AB and True Software EC IV AB. Chairman of the board of Senarion AB and board member in Howwe AB and Optimist's Edge Media AB.

**Previous assignments:** Chairman of the board of Omegapoint, board member and chairman of the board of a number of Zacco and Sinch group subsidiaries, senior advisor to Tessin AB.

**Education:** PhD in Space Plasma physics at the Royal Institute of Technology, Stockholm, Master of Science in Engineering Physics at the Royal Institute of Technology, Certified financial Analyst (CFA) at Stockholm School of Economics.



## Ola Espelund

**Chief Legal Officer**

**Born:** 1982

**With Truecaller since:** 2021

**Holdings in Truecaller:** 550,000 warrants from LTIP 2021 and 80,000 restricted share units from LTIP 2022.

**Background:** General Counsel and member of executive management committee, Marginalen Bank; Senior Group Legal Counsel, Telia Company; Senior Associate with the law firm of Mannheimer Swartling Advokatbyrå.

**Other current roles:** Director of True Software EC AB, True Software EC II AB, True Software EC III AB and True Software EC IV AB.

**Previous assignments:** Director of Fält Communications AB and Fält Incentive AB. CEO of Central Asian Telecommunication Development B.V. (Netherlands).

**Education:** Master of Laws and Bachelor of Business Administration, Lund University.



## Rishit Jhunjunwala

**Chief Product Officer**

**Born:** 1977

**With Truecaller since:** 2015

**Holdings in Truecaller:** 3,840 Class B shares, 750,000 warrants from LTIP 2021 and 30,000 warrants and 90,000 RSU's from LTIP 2022.

**Background:** VP July Systems and co-founder of Cloud Magic Inc.

**Other current roles:** –

**Previous assignments:** –

**Education:** Business Management, Bangalore University.

# Management, cont.



## Fredrik Kjell

**Chief Operating Officer**

**Born:** 1981

**With Truecaller since:** 2020

**Holdings in Truecaller:** 13,200 Class B shares, 650,000 warrants from LTIP 2021 and 30,000 warrants and 90,000 RSU's from LTIP 2022.

**Background:** CPO and member of executive management for Kindred Group, Head of Gaming for Kindred Group, Group Commercial Manager for NYX Gaming Group. Director of Product for Amaya Gaming.

**Previous assignments:** Director of Relax Gaming Ltd. CPO, Kindred Group. Head of Gaming, Kindred Group.

**Other current roles:** –

**Education:** Studied a Master's program in Intellectual Capital Management and a bachelor's program in Information Technology from Chalmers University of Technology.



## Nami Zarringhalam

**Chief Strategy Officer and co-founder**

**Born:** 1984

**With Truecaller since:** 2009

**Holdings in Truecaller:** 23,391,900 Class A shares, 3,793,587 Class B shares, 1,000,000 warrants from LTIP 2021 and 95,000 RSUs from LTIP 2022.

**Background:** Co-founder of Truecaller, 2009.

**Other current roles:** Chief Strategy Officer at Truecaller, board chair of Zarringhalam Ventures AB, director of Goodsport Foundation, True Software SPV AB.

**Previous assignments:** Director of True Software EC AB, True Software EC II AB, True Software EC III AB and True Software EC IV AB.

**Education:** Studies in Computer Science and Engineering Management at the Swedish Royal Institute of Technology (KTH).



## Fatima Antonsson

**Chief Human Resources Officer**

**Born:** 1967

**With Truecaller since:** 2022

**Holdings in Truecaller:** 18,000 warrants and 80,000 RSU's from LTIP 2022.

**Background:** VP Employee Excellence at Synchron AB, CHRO at iZettle (PayPal), HR Director at Trygg-Hansa, HR Director at EVRY Sweden, Head of HR Cygate Sweden & Finland (Telia), Director HR & Administration at Cybernetics, Managing Director at Karell Software Associates, Founder & partner Ettor & Nollor HB, Managing Director Futurekids and Funkids.

**Other current roles:** Deputy board member Fligona AB.

**Previous assignments:** VP Employee Excellence Synchron, CHRO iZettle, HR Director Trygg-Hansa.

**Education:** Political Science and International relations at Stockholm University.



## Ben Zhang

**Chief Business Officer**

**Born:** 1983

**With Truecaller since:** 2022

**Holdings in Truecaller:** 700,000 warrants from LTIP 2021, 20,000 warrants and 65,000 restricted share units from LTIP 2022.

**Background:** : Director of Strategic Development at Sequoia India and Southeast Asia, Principal at KKR Capstone, Co-founder and COO at Airizu, Consultant at Bain & Company.

**Other current roles:** Truecaller SEA Pte Ltd.

**Previous assignments:** –

**Education:** MBA degree from The University of Chicago Booth School of Business and BSc degrees in Electrical Engineering and Economics from Brigham Young University.



# Financial statements

# Directors' report

## Business and organisation

Truecaller is an internationally leading vendor of mobile applications for safe communication. Truecaller software offers global Caller ID that helps prevent scams and allows users to avoid junk calls and texts by verifying the caller's identity. Truecaller's services are provided on the leading mobile operating systems, Android and iOS. Services are based on the company's unique telephone number database. At year-end 2022, the company had more than 338 million monthly users. Truecaller users are found in more than 175 countries. The largest markets are India and the Middle East.

Truecaller's revenues are derived from ads displayed to the company's users when they make or receive calls on their smartphones or use Truecaller's app, from subscription fees from paying users and from companies that use Truecaller to verify their identities when seeking contact with their customers.

## Sustainability report

In compliance with the chapter 6, section 11 of the Swedish Annual Accounts Act, Truecaller has opted to prepare a sustainability report separately from the annual report. The sustainability report is presented on pages 24–43 of this document and refers to the period 1 January to 31 December 2022.

## Significant events in 2022

### *Sustained growth*

The number of Monthly Active Users (MAU) increased with 38.7 million users during the year to 325.3 (286.6) million. The sustained growth in the number of MAU is attributable to a general increase in the use of smartphones in many countries and increasingly affordable prices for communication services in emerging countries. Rising smartphone penetration is driving the need to communicate safely and efficiently, which benefits Truecaller.

A new version of the iOS app was launched globally. Since the launch, Truecaller has seen significant improvements in metrics including retention, daily installs, and average DAUs on iPhone which have increased notably. At year-end DAUs had increased with more than 80 percent compared to prior to the launch in August 2022.

### *Other significant events*

- Truecaller signed partnerships with world leading android phone manufacturers. S was initiated to preinstall the Truecaller app on smartphones in key markets including India, Malaysia, and Latin America. The goal is to cover more than 100 million new Android phones over the next two years.
- Truecaller acquired Call Hero. CallHero has developed a unique technical solution for Android and iPhone that automatically answers and analyzes inbound calls using a digital assistant.
- Truecaller launched a partnership with Tanla to deliver a groundbreaking digital experience for business messaging. The volume of instant messages delivered is expected to reach 1 billion in the first year. The partnership is intended to help businesses reach Truecaller's more than 338 million active users with relevant content.
- At the Annual General Meeting the entire board of directors was reelected, the meeting resolved to establish a new long-term incentive program, LTIP 2022, and the board was authorized to decide to buy back a maximum of 5 percent of total shares outstanding as of the date of the AGM.
- Truecaller AB implemented an additional employee stock options and warrants plan (LTIP 2022, long-term incentive programme). The aim is to improve capacity to retain and motivate employees to ensure the company's long-term success and create the conditions for recruiting and retaining the most outstanding people in a highly competitive and global skills market. The programme gives Swedish employees the opportunity to acquire warrants in Truecaller AB at market valuation. Employees outside Sweden are granted

employee stock options with performance conditions. LTIP 2022 consists of three programs, one which relate to employee stock program (RSU) and two relating to warrant programs. In LTIP 2022 the Company will be issuing a maximum of 5,100,000 shares and 500,000 warrants entailing a maximum dilution of the shares of app. 1.5 percent of the Company's total outstanding shares. The programs for employees participating in LTIP will mature in 2026 and other participants (not covered by LTIP 2021) in 2025–2026.

- A buyback-program for Class B-shares was initiated in accordance with the authorization granted by the AGM in Q2. At year-end the company had bought back 5.1 m shares corresponding to 1.56 percent of the outstanding B-shares.
- Truecaller for Business continued to see a strong demand and continued to develop new features to create trust in the communication between businesses and consumers. At year-end number of customers reached approximately 1,900 customers (1,000) in 35 different countries. Some of Truecaller's customers is Google, IKEA, Uber, Coca Cola, HDFC Bank, Flipkart and Zomato.

See pages 102–103 for definitions and presentation of operational measurements and financial measurements defined and not defined under IFRS.

## The Truecaller Group in brief

### *Net sales*

Net sales grew in 2022 by 57 percent to SEK 1,772.9 million (1,128.9). The revenue growth is due mainly to strong growth in ad revenues, which is an effect of steady growth in user numbers in numerous geographies, combined with continuous growth in Ad Revenues Per User.

Ad revenues grew by 57 percent to SEK 1,488.6 million (949.0). Truecaller are continuously optimising the balance between prices (CPM) and usage of our ad space (the fill rate). CPM varies from one quarter to the next due to the mix of ad types and the mix between direct sales and sales via partners like Google and Facebook. We continue to see user

growth, which is helping to increase Truecaller's available ad space. Truecaller is also working steadily with optimisation of ad space usage aimed at increasing both the so called fill and render rates and prices. On the demand side, Truecaller is continuing to grow its advertiser base while making it easier for advertisers to use its services without intermediaries, which has a positive effect on profitability through an increased fill rate.

Revenues from premium subscriptions grew by 23 percent to SEK 170.5 million (139.0). This is primarily an effect of growth in the number of premium subscribers.

Other income, where Truecaller for Business is included, amounted to SEK 113.9 million (41.0). Truecaller for Business has developed very well since the launch in late 2020. Demand for these services has proved to be very high in several of Truecaller's established markets because many companies are finding it difficult to maintain a secure channel of communication with their customers by other means.

#### *Gross profit*

Gross profit rose by 58 percent to SEK 1,355.2 million (856.1) increasing the gross margin to 76.6 percent (75.8). The gross margin is determined by fees to partners such as Google and Apple and the costs of verifying new users and for servers used for the company's services. Fees to partners are directly proportional to the number of ad impressions and the number of premium users. Truecaller also sells ads directly to end customers without using a partner. Rates vary among advertising partners and the gross margin is consequently affected by the distribution of ad traffic between direct sales and different partners during various periods.

Verification costs are proportional to growth in the customer base, but are also affected by how local telecoms operators price their messaging services. These prices can vary significantly, especially in India, without much advance notice. The cost of server hosting is relatively independent of traffic volumes over the short and medium terms, but rise when they reach new volume bands.

Direct sales and sales via partners with lower fees made up a larger share of total sales in 2022 than in 2021. Google

also lowered its charges for purchases via its app store in early 2022, which to a certain extent affected the gross margin for premium subscriptions. Increased verification costs for new users and servers had an somewhat adverse impact on the gross margin during 2022.

#### *EBIT (operating profit)*

Adjusted EBITDA (operating profit before amortisation, depreciation and impairments excluding items affecting comparability) amounted to SEK 717.2 million (472.5), corresponding to an adjusted EBITDA margin of 40.5 percent (41.9). Exclusive costs for incentive programs the adjusted EBITDA margin would have amounted to 42.2 percent (42.1).

EBIT increased to SEK 688.5 million (328.2), corresponding to an EBIT margin of 38.8 percent (29.1). EBIT excluding items affecting comparability (adjusted EBIT) amounted to SEK 688.5 million (455.7) with an adjusted EBIT margin of 38.8 percent (40.4).

Employee costs amounted to SEK 301 million (266.8). Payroll costs rose as an effect of increases in the workforce combined with certain pay rises. The expenses for Truecaller's long-term incentive programmes (LTIPP 2021 and LTIPP 2022) amounted to SEK 28.4 million (2.9) for the period with the equivalent increase of own funds and SEK 1.8 million (0) as social security costs recognized as a provision on the statement of financial position.

Employee costs have historically included the costs of synthetic options that arose in connection with the acquisition of Backwater Technologies Private Limited in 2019. The synthetic options had no impact in 2022 and no further costs will arise in the future. Related costs of SEK 78.7 million were charged to employee costs and costs of SEK 24.8 million were charged to net financial income in the comparison period.

Other external costs amounted to SEK 349.7 million (248.0). This is primarily an effect of increasing investments in user acquisition, marketing and costs related to being a listed company. The comparison period includes SEK 48.7 million in costs affective comparability related to the preparations for stock exchange listing.

#### *Items affecting comparability*

There were no items affecting comparability during the period, while the same period in the preceding year included items affecting comparability with SEK 127.4 million. The items were related to preparations for the IPO of SEK 48.7 million and synthetic options of SEK 78.7 million and are included in "Other external costs" and "Employee costs" on the statement of profit and loss.

#### *Profit and earnings per share for the period*

Profit before tax amounted to SEK 688.1 million (299.7). Profit after tax for the period was SEK 535.2 million (258.3). Net financial income amounted to SEK 0.4 million (-28.5) and comprises positive exchange rate differences of SEK 12.2 million (5.2), interest expenses of SEK -7.3 million (-7.1), remeasurement of synthetic options of SEK - million (-24.8) and other financial expenses of SEK -5.3 million (-1.8).

The total tax amounted to SEK 152.9 (41.4) million, which corresponds to an effective tax rate of 22.2 percent (13.8). The tax rate in India is higher than in Sweden, which is why the effective tax rate is higher than the Swedish corporate tax rate of 20.6 percent. In 2021, the tax rate was lower due to deficit deductions attributable to previous years.

#### **Cash flow and financial position**

Net cash from operating activities amounted to SEK 610.4 (380.9) million. Net cash used in investing activities amounted to SEK -297.3 (-151.9) million and included investments in short term interest funds of SEK 250.0 (150.0) million and the acquisition of CallHero of SEK 32.1 (-) million. Net cash used in financing activities was SEK -223.1 (813.0) million and included purchase of treasury shares for SEK -182.4 million in the current period and a new share issue of 982.9 in the comparison period. Net cash for the period was SEK 90,0 (1,042.0) million. Truecaller had cash and cash equivalents of SEK 1,327.8 (1,238.4) million at the end of the quarter. The equity to assets ratio was 77.0 (83.4) percent.

Truecaller has a revolving credit facility of SEK 500 (500) million. SEK 0 (0) million had been utilized as of the reporting date.

Consolidated total assets amounted to SEK 2,344.4 (1,692.9) million at 31 December 2022. The carrying amounts of financial assets and financial liabilities are estimated to coincide with fair value in all material respects.

### Research and development

Truecaller develops software in several parts of the business. The Group began capitalising development costs in 2021 when certain initiated projects were assessed as meeting the criteria under IAS 38. Development costs are capitalised as reported in Note 1 and are amortised over two years. A total of SEK 7.2 million (1.5) was capitalised during the year as internally generated intangible assets.

Research and development costs expensed in EBIT during the year amount to SEK 21.5 million (21.0).

### Climate

Truecaller's core business, digital communication services and related software development and digital transaction management, has very little environmental impact. As its main environmental impact is through business travel, Truecaller is making every effort to replace travel with online communication whenever possible. For further information on Truecaller's climate impact, see our sustainability report on pages 24–43.

### Employees

There were 395 (306) employees at the end of the year. The average number of employees during the year was 354 (275). Women made up 29 percent (24) of employees. The average age of employees was 33 (33) at year-end.

Truecaller's people are one of the company's most important assets. Truecaller offers pay and benefits that are competitive with those offered by comparable companies and which make it possible for Truecaller to recruit the people the company needs to continue growing the business. Truecaller consistently hires the most suitable individual for each

role, regardless of gender, ethnicity or other personal characteristics.

The company is represented in seven different locations in Sweden, India, Israel, Egypt and Kenya.

Truecaller is in a phase of strong growth and the company has identified a need to continue adding skills to the organisation.

### Proposed resolution on guidelines for key management personnel compensation

The board of directors of Truecaller AB (publ) proposes the following guidelines for key management personnel compensation. The guidelines do not apply to compensation decided by a shareholders' meeting. The 2022 guidelines are presented in Note 7. For the purposes of these guidelines, key management personnel (KMP) comprise inside directors, i.e., directors who have entered into an employment contract with the company or a Group company, the CEO, deputy CEO (if applicable) and other members of Group management who report to the aforementioned persons. At present, there are eight KMP at the company, including the CEO. A prerequisite for the successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the company is able to recruit and retain skilled and qualified employees. Compensation to the CEO and other KMP should therefore reflect Truecaller's need to recruit and motivate qualified employees by means of a compensation package that is perceived to be fair and competitive.

The board of directors is empowered to depart from the guidelines for cause in individual cases where the departure is necessary to serve the company's long-term interests, including sustainability, or assure the company's financial viability. In the preparation of the board of directors' proposed guidelines for compensation to the CEO and other KMP, salary and conditions of employment have been considered by including information about total employee compensation, components of the compensation and the increase and growth rate over time in the decision input for the board of directors.

KMP compensation consists of the following components:

- Fixed base pay
- Short-term and long-term variable pay
- Pension benefits
- Other benefits
- Pay during period of notice of termination/resignation

#### *Base pay*

Base pay must be market-based and reflect the employee's position, qualifications, experience and individual performance.

#### *Short-term variable pay*

Short-term variable pay must be measured against predefined financial performance targets. Non-financial targets may also be used to sharpen focus on achieving Truecaller's strategic plans. Targets must be specific, clear, measurable, subject to deadlines and adopted by the board of directors. They should also be designed to promote the company's business strategy, long-term interests and sustainability. The extent to which the criteria have been met shall be assessed/determined at the end of the relevant measurement period.

Levels and targets for variable pay for the CEO should be adopted by the board of directors. Levels and targets for variable pay for other KMPs should be proposed by the CEO, and approved by the chairman of the board.

Short-term variable pay is capped at 30 percent of base pay, as KMP compensation should be primarily based on long-term incentives.

#### **Long-term variable pay**

Long-term variable pay includes share-related incentive programs. Share-related incentive programs are aimed at ensuring that the interests of KMPs are aligned with the interests of the company's shareholders. Individual long-term ownership among key individuals can be expected to stimulate keener interest in the business and its profitability, increase motivation and the sense of affiliation with the company and thereby contribute to the company's business strategy, long-term interests and sustainability. Long-term share-related

incentive programs also improve opportunities to attract suitable KMPs in connection with recruitments.

### Market-based pay

The company has obtained reference data from third parties to ensure that compensation to the CEO and other KMP reflects that which generally applies to executives in comparable positions in other companies.

### Pensions

Pension benefits for the CEO and other KMP must reflect customary market terms compared with that which generally applies to executives in comparable positions with other companies, and should normally be based upon defined contribution pension plans. KMP retire at the relevant/appropriate age of retirement. Pension benefits are capped at 35 percent of base pay to the extent higher contributions are not required under an applicable collectively agreed pension plan.

### Other benefits

Other benefits of employment may include health insurance and fitness/wellness benefits.

### Pay during period of notice

If the company terminates the CEO's employment, the period of notice shall be a maximum of six months. If the CEO resigns, the period of notice shall be six months. A period of notice of 3–6 months shall apply to other KMP, whether the employee resigns or is dismissed. Base pay and, if applicable, severance pay during the period of notice combined shall not exceed an amount equivalent to fixed base pay for two years.

### Approval

Changes in terms, conditions and compensation to the CEO are subject to approval by the board chair. Ongoing costs such as travel expenses for the CEO are subject to approval by the CFO and quarterly summaries shall be sent to the board chair. New recruitments, changes in pay and other significant changes regarding KMPs other than the CEO are

subject to approval by the chairman of the board. Minor adjustments and ongoing costs are subject to approval by the CEO. Payment of base pay is managed by local payroll departments and is subject to prior approval by the local HR representative. Payment of short-term variable pay is subject to approval by the CEO as regards other KMPs and by the board chair as regards the CEO. Eligibility for share-related incentive programs must be approved by the board of directors based on the proposal approved by the annual general meeting (AGM).

### Controls and decision process

The company has a Remuneration Committee, which consists of two directors. The Remuneration Committee shall, in relation to the board of directors, have a preparatory function in respect of compensation policies, compensation and other terms of employment for KMPs. Consequently, the Remuneration Committee shall prepare proposed KMPs compensation guidelines, which the board of directors shall present to the AGM for decision. The board shall furthermore evaluate compliance with guidelines endorsed by a shareholders' meeting. When a need for material changes to the guidelines arise, but at least every fourth year, the board of directors must submit proposed KMPs compensation guidelines to the AGM for decision. The guidelines shall be applied in relation to every commitment pertaining to KMP compensation and every change of such a commitment that is decided subsequent to the AGM that endorsed the guidelines. Thus, the guidelines have no impact on pre-existing contractual obligations. The adopted guidelines may also be amended through resolution by any shareholders' meeting.

The Remuneration Committee shall also prepare proposals concerning compensation to the CEO and other KMP within the scope of the guidelines endorsed by the AGM. The Remuneration Committee shall annually evaluate the CEO's performance. Each year, the Remuneration Committee must also monitor and evaluate ongoing and ended programmes for variable pay to KMP as well as the current compensation structures and levels within the company.

Furthermore, the Remuneration Committee shall annually prepare a report detailing KMP compensation paid during the financial year. The compensation report shall be made available to shareholders on the company's website no later than three weeks before the AGM.

Within the scope of and based on the guidelines, the board of directors shall annually decide on the specific revised terms of compensation for all KMP and make any other necessary decisions concerning KMP compensation. The CEO or other KMP shall not be present when the Remuneration Committee discusses and decides on matters related to compensation insofar as they are affected by such matters.

The following measures are taken annually to control and assure compliance with the guidelines:

- Collection of documented annual targets for short-term variable pay.
- Examination of a random sample of approved salary payments.
- Review of sample reports generated by payroll systems to identify any unusual payments.

The results of the controls are summarised and reported to the Remuneration Committee.

### Risks and risk management

Truecaller is exposed to various types of risks in its business operations, which could have adverse impact on for example Truecaller's results of operations, financial position, information security or capacity to comply with relevant laws and regulations. Such risks are systematically identified to ensure that no risks that could have material impact on Truecaller's operations and financial performance are overlooked. Appropriate mitigating measures are taken based on an analysis of each identified risk.

### Macroeconomic factors

Truecaller operates in a global environment and its users are located in over 175 countries. Consequently, Truecaller is, like other companies, affected by general economic, financial and political trends at the international level, as well as by specific conditions in specific countries or regions. Our business is affected by additional risks, including pandemics, social unrest, terrorist attacks, economic and geopolitical instability and conflicts, currency regulations, volatile economies, the effects of climate change and difficulties enforcing contracts and collecting receivables through local legal systems. Truecaller primarily operates in emerging markets, particularly India, and is exposed to economic, political and social environment in countries where Truecaller conduct business and/or has a substantial number of users.

### Business and industry

Truecaller's business depends on its users' continued use of its platform and its ability to add new users, which in turn depends on Truecaller's ability to achieve and maintain high brand awareness, convenience and high call identification rates.

### Operational breakdown and outages

Truecaller relies on its own and others' technical systems and infrastructure (such as mobile operating systems) to deliver services to its users and customers. The company's operations may be impeded by failure to effectively operate on Android or iOS mobile operating systems. This could cause loss of revenues as well as loss of current and potential customers, which could have material adverse impact on Truecaller's business, results of operations and financial position.

### Technical deficiencies and data breaches

Deficiencies in the technical solutions Truecaller uses to deliver its services may disrupt access to Truecaller's services which could lead to losses or delayed market acceptance and usage of the company's services. This could also lead to compliance violations, fraud or other legal claims. Further, if Truecaller's security systems are breached, it may face

civil liability, and public perception of Truecaller's security measures could be diminished, either of which would negatively affect Truecaller's ability to attract and retain users and advertisers. Such shortcomings could also damage Truecaller's reputation.

### Strategic partnerships

Truecaller generates the majority of its revenues from advertising, particularly programmatic advertising, through its partnership with third parties, and there is a risk of negative changes in Truecaller's relationship with third-party ad exchanges, or loss of advertisers or reduction in spending by advertisers.

### Market changes

The market for Truecaller's services could change rapidly due to changes in customer demands, new competitors and other factors, which could require significant investments in marketing or research and development. The company is dependent upon its ability to adjust to the rapidly changing market by improving the functionality and reliability of current services through the development, launch and marketing of new features, services, solutions and adaptations to meet customer demand.

### Intellectual property

Truecaller may be unable to protect its intellectual property rights or may infringe the intellectual property rights of others. Truecaller relies on its deep technical know-how, trade secrets and confidentiality, rather than patent or copyright protection. Truecaller's results of operations are partially dependent on Truecaller's ability to protect its intellectual property and other proprietary rights. There is a risk that Truecaller's users and competitors, current or future, could challenge or circumvent Truecaller's intellectual property protections.

### Dependency on key individuals

Truecaller is dependent on senior management and other key employees including software developers and a sales force with detailed knowledge about the company and the industry.

### Currency risks

Currency risk refers to the risk that fluctuations in exchange rates will have adverse impact on Truecaller's cash flow, results of operations and statement of financial position. The company's functional currency is Swedish kronor (SEK). Truecaller's multinational business entails significant cash flows in currencies other than SEK, primarily INR and USD. The majority of Truecaller's revenues are denominated in Swedish kronor (SEK) via partners including Google and Apple. Accordingly, there is little direct currency exposure. In turn these partners bill users of Truecaller's services partly in local currency which entails indirect currency exposure. Truecaller does not, however, have complete information about currency exposure or how currency effects are managed by partners and thus cannot at present accurately quantify such indirect currency exposure. A depreciation of SEK against currencies including USD and INR, however, has positive impact on the company's sales and profit. although it also increases the company's costs.

Fluctuations in exchange rates could thus have, material adverse impact on Truecaller's business, results of operations and financial position.

### Tax risks

Truecaller operates through legal entities in Sweden, Israel and India. Transactions between these entities take place in accordance with Truecaller's understanding or interpretation of applicable tax law, tax treaties, other tax rules and the requirements of relevant tax authorities. Truecaller's tax status, with regard to both previous years and the current year, could change due to decisions by relevant tax authorities or consequent upon changes in laws, treatises and other rules. These decisions or changes, which could have retroactive effect, could cause material adverse impact on Truecaller's business, results of operations and financial position.

### Legal risks

Truecaller's services are subject to numerous local laws and regulations, in the jurisdictions in which it operates. If these are subject to unexpected changes, Truecaller may fail to comply with them. Truecaller may also incur substantial costs as a result of failure to comply with various data protection laws which could have a negative impact on Truecaller's reputation in relation to users, partners and advertisers. There is furthermore risk of adverse impact on Truecaller due to changes in data protection laws, interpretation of such laws or government policies in relation to personal data in any of the markets in which Truecaller operates.

### Parent company

Truecaller restructured the Group during Q3 2021, whereupon Truecaller AB became the new parent company and the former parent, True Software Scandinavia AB, became a wholly owned subsidiary of Truecaller AB.

Parent company income for the period amounted to SEK 6.7 (1.3) million which refers to billing of subsidiaries for services rendered. The profit before tax amounted to SEK 80.5 (-55.6) million. The profit after tax amounted to SEK 63.9 (-44.2) million. Cash and cash equivalents on 31 December 2022 amounted to SEK 305.9 (830.8) million. No investments have taken place in intangible or tangible assets.

The parent company's business is limited to certain group management functions. The parent company had 2 (2) employees at the end of the reporting period.

### Outlook

Truecaller is in prime position to benefit from the strong demand for reliable communications channels and the rising need to reduce the volume of junk calls and texts. The company also plays a key role in managing the burgeoning volume of call or text-based scam attempts.

Truecaller does not publish forecasts.

### Proposed allocation of profit or treatment of loss (SEK)

The board of directors has decided to recommend to the AGM that no dividend be distributed for the 2022 financial year. In the judgement of the board of directors, the company is currently in a phase in which financial surpluses should be reinvested in continued organic and acquired growth with the flexibility to also commence buy-backs of shares in accordance with the authorization from the Annual General Meeting.

The following non-restricted equity in the parent company is at the disposal of the AGM:

Retained earnings	175,665,040
Share premium reserve	10,819,168,475
Loss for the year	63,907,813
	<hr/>
	11,058,741,328
To be allocated as follows:	
Distributed to shareholders (SEK 0 per share)	0
Retained	11,058,741,328
	<hr/>
	11,058,741,328

### Share capital and the share

Share capital in Truecaller AB amounted to SEK 758 thousand (747) and shares outstanding number 379,059,710 (373,664,070). The quotient (par) value per share is SEK 0.002 (0.002). All shareholders have equal rights to a share in the company's assets and profit.

At the end of the year, Truecaller AB had 16,448 (8,734) shareholders. The ten largest owners together owned 65 (66) percent of the capital and 83 (84) percent of the votes. For more information about the share and its development, see section "shares and share holders" on pages 45-46. These pages also form part of the Board of Directors' report.



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## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Amounts in SEK 000s	Note	2022	2021
Net sales	3	1,772,926	1,128,888
Work performed by the entity and capitalized	11	5,204	1,045
Other operating revenue	4	7,506	2,738
Third party fees		-417,689	-272,807
Other external costs	5, 6	-349,750	-248,049
Employee costs	7, 22	-301,031	-266,752
Depreciation, amortization and impairment	11, 12, 13	-28,664	-16,844
<b>EBIT (operating profit)</b>		<b>688,502</b>	<b>328,219</b>
<b>Net financial income or expense</b>			
Financial income	8	20,520	5,271
Financial expenses	8	-20,901	-33,783
<b>Profit or loss after net financial income or expense</b>		<b>688,121</b>	<b>299,708</b>
Tax on profit for the year	9	-152,891	-41,398
<b>Profit or loss for the year</b>		<b>535,230</b>	<b>258,310</b>
Profit or loss for the period is attributable in its entirety to owners of the parent.			
<b>Earnings per share</b>			
	10		
Basic earnings per share (SEK)		1.43	1.01
Diluted earnings per share (SEK)		1.43	0.72

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in SEK 000s	Note	2022	2021
<b>Profit or loss for the year</b>		<b>535,230</b>	<b>258,310</b>
<b>Other comprehensive income</b>			
<i>Items that will be reclassified to profit and loss (after tax)</i>			
Translation difference	20	-753	-1,529
<i>Items that will not be reclassified to profit and loss (after tax)</i>			
Remeasurement of defined-benefit pension plans	22	-1,891	-89
<b>Total other comprehensive income for the year, after tax</b>		<b>-2,645</b>	<b>-1,618</b>
<b>Comprehensive income for the year, after tax</b>		<b>532,586</b>	<b>256,692</b>

Profit or loss for the year is attributable in its entirety to owners of the parent.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in SEK 000s	Note	Dec. 31, 2022	Dec. 31, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	11	34,530	-
Intangible assets	11	15,200	1,350
Property, plant and equipment	12	8,118	1,429
Right-of-use assets	13	139,777	86,196
Deferred tax assets	9	39,584	35,077
Other non-current receivables	15	16,697	999
<b>Total non-current assets</b>		<b>253,906</b>	<b>125,051</b>
<b>Current assets</b>			
Claims on advertising networks and platform owners	3, 15, 21	91,158	100,353
Accounts receivable	15, 21	60,704	31,160
Prepaid expenses	16	38,226	22,961
Short-term placements	17	400,490	150,066
Other receivables		172,087	24,863
Cash and cash equivalents	15, 18, 21	1,327,801	1,238,443
<b>Total current assets</b>		<b>2,090,466</b>	<b>1,567,845</b>
<b>TOTAL ASSETS</b>		<b>2,344,372</b>	<b>1,692,896</b>

Amounts in SEK 000s	Note	Dec. 31, 2022	Dec. 31, 2021
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	20	758	747
Other capital contributions		1,710,139	1,707,864
Translation reserve		2,400	3,153
Retained earnings including profit or loss for the year		90,797	-300,354
<b>Total equity attributable to owners of the parent</b>		<b>1,804,093</b>	<b>1,411,410</b>
<b>Total equity</b>		<b>1,804,093</b>	<b>1,411,410</b>
<b>Non-current liabilities</b>			
Provisions to defined-benefit pension plans	22	7,653	4,538
Lease liabilities	13, 21, 24	118,208	72,393
Deferred tax liability	9	34,563	18,030
Other liabilities		8,395	-
<b>Total non-current liabilities</b>		<b>168,819</b>	<b>94,961</b>
<b>Current liabilities</b>			
Liability arising from synthetic options	15, 21	-	22,509
Accounts payable	15, 21	69,835	39,544
Lease liabilities	13, 21, 24	23,307	15,985
Current tax liability		120,695	8,639
Contract liabilities	3	48,506	35,262
Other liabilities		14,016	2,110
Accrued expenses	23	95,101	62,475
<b>Total current liabilities</b>		<b>371,460</b>	<b>186,524</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,344,372</b>	<b>1,692,896</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

### Equity attributable to owners of the parent

Amounts in SEK 000s	Share capital	Other capital contributions	Translation reserve	Retained earnings including profit or loss for the year	Total equity attributable to owners of the parent company	Total equity
<b>Opening equity Dec. 31, 2021</b>	<b>353</b>	<b>702,511</b>	<b>4,682</b>	<b>-561,612</b>	<b>145,933</b>	<b>145,933</b>
Profit or loss for the year	-	-	-	258,310	<b>258,310</b>	<b>258,310</b>
Other comprehensive income for the year	-	-	-1,529	-89	<b>-1,618</b>	<b>-1,618</b>
<b>Comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-1,529</b>	<b>258,221</b>	<b>256,692</b>	<b>256,692</b>
<i>Transactions with owners of the Group</i>						
Share issue	39	1,007,749	-	-	<b>1,007,787</b>	<b>1,007,787</b>
Issuance costs, net of tax	-	-19,759	-	-	<b>-19,759</b>	<b>-19,759</b>
Non-cash issue	355	-	-	-328	<b>27</b>	<b>27</b>
Warrants	-	17,364	-	-	<b>17,364</b>	<b>17,364</b>
Share-based compensation	-	-	-	3,365	<b>3,365</b>	<b>3,365</b>
<b>Total</b>	<b>394</b>	<b>1,005,353</b>	<b>-</b>	<b>3,037</b>	<b>1,008,784</b>	<b>1,008,784</b>
<b>Closing equity Dec. 31, 2021</b>	<b>747</b>	<b>1,707,864</b>	<b>3,153</b>	<b>-300,354</b>	<b>1,411,410</b>	<b>1,411,410</b>
Profit or loss for the year	-	-	-	535,230	<b>535,230</b>	<b>535,230</b>
Other comprehensive income for the year	-	-	-753	-1,891	<b>-2,645</b>	<b>-2,645</b>
<b>Comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-753</b>	<b>533,339</b>	<b>532,586</b>	<b>532,586</b>
<i>Transactions with owners of the Group</i>						
Share issue	11	-	-	18,152	<b>18,163</b>	<b>18,163</b>
Treasury shares after transaction costs	-	-	-	-188,914	<b>-188,914</b>	<b>-188,914</b>
Warrants	-	2,275	-	-	<b>2,275</b>	<b>2,275</b>
Share-based compensation	-	-	-	28,574	<b>28,574</b>	<b>28,574</b>
<b>Total</b>	<b>11</b>	<b>2,275</b>	<b>-</b>	<b>-142,188</b>	<b>-139,903</b>	<b>-139,903</b>
<b>Closing equity Dec. 31, 2022</b>	<b>758</b>	<b>1,710,139</b>	<b>2,400</b>	<b>90,797</b>	<b>1,804,093</b>	<b>1,804,093</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

Amounts in SEK 000s	Note	2022	2021
<b>Operating activities</b>			
Profit or loss after net financial income or expense		688,121	299,708
Adjustments for non-cash items	24	47,094	119,545
Income tax paid		-154,078	-4,717
<b>Cash flow from operating activities before changes in working capital</b>		<b>581,137</b>	<b>414,536</b>
<b>Cash flow from changes in working capital</b>			
Changes in operating receivables		-50,434	-97,183
Change in operating liabilities		79,707	63,538
<b>Cash flow from operating activities</b>		<b>610,410</b>	<b>380,891</b>
<b>Investing activities</b>			
Business combinations	27	-32,158	-
Acquisition of property, plant and equipment	12	-7,594	-351
Acquisition of intangible assets	15, 17	-7,146	-1,470
Investment in short-term placements	15, 17	-250,000	-150,000
Change in financial receivables		-425	-66
<b>Cash flow from investing activities</b>		<b>-297,323</b>	<b>-151,887</b>

Amounts in SEK 000s	Note	2022	2021
<b>Financing activities</b>			
Share issue		-	982,904
Repurchase of treasury shares	20	-182,389	-
Proceeds from exercise of warrants		3,146	17,364
Repurchase of warrants		-872	-
Amortization of lease liability	13	-19,869	-15,280
Payout synthetic options	15	-23,140	-172,016
<b>Cash flow from financing activities</b>		<b>-223,124</b>	<b>812,972</b>
<b>Cash flow for the year</b>		<b>89,963</b>	<b>1,041,976</b>
Cash and cash equivalents at start of period		1,238,443	195,224
Foreign exchange differences in cash and cash equivalents		-605	1,243
<b>Cash and cash equivalents at close of year</b>	18	<b>1,327,801</b>	<b>1,238,443</b>



## PARENT COMPANY INCOME STATEMENT

Amounts in SEK 000s	Note	2022	2021
Net sales	1	6,684	1,318
Other operating revenue	4	50	-
Other external costs	5, 6	-13,003	-52,446
Employee costs	7	-12,846	-2,751
<b>EBIT (operating profit or loss)</b>		<b>-19,116</b>	<b>-53,880</b>
<b>Net financial income or expense</b>			
Financial income	8	2,305	66
Financial expenses	8	-5,283	-1,798
<b>Profit or loss after net financial income or expense</b>		<b>-22,094</b>	<b>-55,612</b>
Appropriations	26	102,600	-
<b>Profit or loss before tax</b>		<b>80,506</b>	<b>-</b>
Deferred tax liability	9	-16,598	11,456
<b>Profit or loss for the year</b>		<b>63,908</b>	<b>-44,157</b>

Profit or loss for the year is in line with comprehensive income or loss for the year.

## PARENT COMPANY BALANCE SHEET

Amounts in SEK 000s	Note	Dec. 31, 2022	Dec. 31, 2021
<b>ASSETS</b>			
<b>Financial assets</b>			
Investments in Group companies	19	10,247,177	10,182,046
Deferred tax assets	9	-	16,582
<b>Total financial assets</b>		<b>10,247,177</b>	<b>10,198,628</b>
<b>Total non-current assets</b>		<b>10,247,177</b>	<b>10,198,628</b>
<b>Current assets</b>			
Receivables Group companies	26	106,248	650
Other receivables		5,337	9,395
Prepaid expenses	16	7,020	6,737
Current investments	17	400,490	150,066
		<b>519,095</b>	<b>166,848</b>
Cash and bank balances	18	305,935	830,776
<b>Total current assets</b>		<b>825,030</b>	<b>997,624</b>
<b>TOTAL ASSETS</b>		<b>11,072,207</b>	<b>11,196,252</b>

Amounts in SEK 000s	Note	Dec. 31, 2022	Dec. 31, 2021
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	20		
Share capital		758	747
<b>Restricted equity</b>		<b>758</b>	<b>747</b>
Share premium reserve		10,819,168	10,816,894
Retained earnings		175,665	362,010
Profit or loss for the year		63,908	-44,157
<b>Non-restricted equity</b>		<b>11,058,741</b>	<b>11,134,747</b>
<b>Total equity</b>		<b>11,059,499</b>	<b>11,135,494</b>
<b>Current liabilities</b>			
Accounts payable		1,052	14,070
Liabilities to Group companies	26	-	31,509
Other liabilities		6,343	-
Accrued expenses	23	5,313	15,179
<b>Total current liabilities</b>		<b>12,708</b>	<b>60,758</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	15, 21	<b>11,072,207</b>	<b>11,196,252</b>

## PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

Amounts in SEK 000s	Restricted equity		Non-restricted equity		Total equity
	Share capital	Share premium reserve	Retained earnings, incl. profit/loss for the year		
<b>Opening equity Dec. 31, 2021</b>	<b>25</b>	-	-		<b>25</b>
Profit or loss for the year	-	-	-44,157		-44,157
Other comprehensive income for the year	-	-	-		-
<b>Comprehensive income for the year</b>	-	-	<b>-44,157</b>		<b>-44,157</b>
<i>Transactions with owners of the parent</i>					
Non-cash issue	684	9,819,328	-		9,820,011
Shareholder contribution in conjunction with non-cash issue	-	-	358,989		358,989
Share issue	39	999,962	-		1,000,000
Issuance costs, net of tax	-	-19,759	-		-19,759
Warrants	-	17,364	-		17,364
Share-based compensation	-	-	3,021		3,021
<b>Total</b>	<b>722</b>	<b>10,816,894</b>	<b>362,010</b>		<b>11,179,626</b>
<b>Closing equity Dec. 31, 2021</b>	<b>747</b>	<b>10,816,894</b>	<b>317,853</b>		<b>11,135,494</b>
Profit or loss for the year	-	-	63,908		63,908
Other comprehensive income for the year	-	-	-		-
<b>Comprehensive income for the year</b>	-	-	<b>63,908</b>		<b>63,908</b>
<i>Transactions with owners of the parent</i>					
Share issue	11	-	18,152		18,163
Treasury shares after transaction costs	-	-	-188,914		-188,914
Warrants	-	2,275	-		2,275
Share-based compensation	-	-	28,574		28,574
<b>Total</b>	<b>11</b>	<b>2,275</b>	<b>-142,188</b>		<b>-139,903</b>
<b>Closing equity Dec. 31, 2022</b>	<b>758</b>	<b>10,819,168</b>	<b>239,572</b>		<b>11,059,499</b>

## PARENT COMPANY STATEMENT OF CASH FLOWS

Amounts in SEK 000s	Note	2022	2021
<b>Operating activities</b>			
Profit or loss after net financial income or expense		-22,094	-55,612
Adjustments for non-cash items	24	31,181	-66
<b>Cash flow from operating activities before changes in working capital</b>		<b>9,087</b>	<b>-55,678</b>
<b>Cash flow from changes in working capital</b>			
Changes in operating receivables		5,945	-16,757
Change in operating liabilities		-59,334	60,824
<b>Cash flow from operating activities</b>		<b>-44,302</b>	<b>-11,611</b>
<b>Investing activities</b>			
Shareholder contribution		-50,000	-
Acquisition of Group company	19	-	-25
Short-term placements	15, 17	-250,000	-150,000
Change in financial receivables	15, 17	-425	-66
<b>Cash flow from investing activities</b>		<b>-300,425</b>	<b>-150,091</b>

Amounts in SEK 000s	Note	2022	2021
<b>Financing activities</b>			
Share issue		-	975,114
Repurchase of treasury shares	20	-182,389	-
Proceeds from exercise of warrants		3,146	17,364
Repurchase of warrants		-872	-
<b>Cash flow from financing activities</b>		<b>-180,114</b>	<b>992,478</b>
<b>Cash flow for the year</b>	18	<b>-524,841</b>	<b>830,776</b>
Cash and cash equivalents at start of period		830,776	-
Foreign exchange differences in cash and cash equivalents		-	-
<b>Cash and cash equivalents at close of year</b>		<b>305,935</b>	<b>830,776</b>

## NOTES

### NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

#### General information

Truecaller AB (publ) ("Parent Company"), company registration number 559278-2774, is a public limited company incorporated in Sweden and domiciled in Stockholm. The address of the head office is Mäster Samuelsgatan 56, 111 21 Stockholm, Sweden. The principal business of Truecaller AB and its subsidiaries (collectively, "the Group") is to develop and publish software, primarily mobile Caller ID applications, under the Truecaller brand.

Truecaller restructured the Group in during the previous year, whereby the owners of True Software Scandinavia AB exchanged their shares in True Software Scandinavia AB for shares in Truecaller AB through a non-cash issue. Through this transaction, Truecaller AB became the owner of 100 percent of the shares in True Software Scandinavia AB and the Group's new parent company.

Truecaller AB has been listed on the Nasdaq Stockholm Large Cap since 2021 under the stock ticker TRUE B. The Board of Directors and the CEO approved the annual report and consolidated financial statements for publication on April 17, 2023. The annual report and consolidated accounts are approved by the Annual General Meeting and will be presented for resolution at the Annual General Meeting on May 26, 2023.

#### Basis for preparation of the financial statements

These consolidated accounts were prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the EU. The Group also applies the Annual Accounts Act (1995:1554) and RFR 1 Supplementary Accounting Rules for Groups issued by the Swedish Financial Reporting Board.

The parent company applies the same accounting policies as the Group, with the exception that its financial statements were prepared in accordance with the Swedish Financial Reporting Board's recommendation RFR 2 "Accounting for Legal Entities," which results in certain differences. The accounting policies of the parent company are described under "Parent company accounting policies." The Group applies the calendar year as the fiscal year and the financial statements cover the fiscal year ending December 31, 2022.

The consolidated financial statements were prepared on a going concern basis. Assets and liabilities are measured at cost, except for certain financial instruments that are measured at fair value. The consolidated financial statements are prepared using the acquisition method and all subsidiaries over which the Group has control are consolidated from the date on which control is transferred to the Group.

Preparation of financial statements in accordance with IFRS requires the use of certain key accounting estimates. It also requires management to make certain judgements in the application of the Group's accounting policies. Areas that entail a high degree of judgement, which are complex or where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 2.

#### New or amended accounting standards applied by the Group

The International Accounting Standards Board (IASB) and the International Financial Reporting Committee (IFRIC) have issued, and the EU has adopted, new and revised standards and interpretations effective from fiscal year 2022. These have had no material impact on the Groups financial performance and position. A number of new standards, amendments and interpretations of existing standards have been published but have not yet entered into force. The Group has determined that these will not have a material impact on the Group's financial performance and position.

#### Consolidation

##### SUBSIDIARIES

Subsidiaries are all companies which the parent company, Truecaller AB, controls, directly or indirectly. The Group controls an entity when it is exposed to, or has the right to, variable returns from its holdings in the entity and has the ability to influence those returns through its power over the entity.

In cases where the accounting policies of the subsidiary differ from those of the Group, adjustments are made to conform to the policies adopted by the Group. Subsidiaries are included in the consolidated financial statements from the date control is transferred to the Group until the date the Group ceases to control the subsidiary.

Subsidiaries are accounted for using the acquisition method. Under this method of accounting, acquisition of a subsidiary is regarded as a transaction through which the Group indirectly acquires the subsidiary's assets and assumes its liabilities. The fair value at the acquisition date of the identifiable assets acquired and liabilities assumed, as well as any non-controlling interest, is determined in the acquisition analysis. Transaction costs incurred, other than those arising from the issuance of equity instruments or debt instruments, are recognized directly in profit or loss for the year.

In business combinations where the consideration transferred exceeds the fair value of the assets acquired and liabilities assumed that are accounted for separately, the difference is recognized as goodwill. When the difference is negative, the resulting gain is a bargain purchase and is recognized directly in profit or loss. In the case of step acquisitions, goodwill is determined on the date when the entity gains control. Previously held interests are remeasured at fair value and the change in value is recognized in profit or loss. If additional interests are acquired, i.e. after control has been gained, they are accounted for as an equity transaction between owners.

##### TRANSACTIONS ELIMINATED ON CONSOLIDATION

Intragroup assets and liabilities, income, expenses and unrealised gains arising from intragroup transactions between group companies are eliminated in full when the consolidated financial statements are prepared. Unrealised losses are also eliminated to the extent the loss does not correspond to an indication of impairment.

#### Currency

##### FUNCTIONAL AND PRESENTATION CURRENCY

The functional currency of the parent company is the Swedish krona (SEK), which is also the presentation currency of the parent company and the Group. All amounts are stated in SEK thousands (SEK 000s) unless otherwise stated. Amounts are rounded to the nearest thousand.

##### TRANSACTIONS IN FOREIGN CURRENCY

Transactions denominated in foreign currency are translated to the functional currency at the exchange rate prevailing at transaction date. The functional currency is the currency of the primary economic environment in which entities operate. Monetary assets and liabilities denominated in foreign currency are translated to the functional currency at the exchange rate prevailing at the end of the reporting period. Exchange rate differences arising in the translations are recognized in profit or loss. Non-monetary assets and liabilities carried at historical cost are translated at the exchange rate prevailing at the transaction date. Exchange rate differences on operating receivables and operating liabilities are recognized net in operating profit or loss, while exchange rate differences on financial receivables and liabilities are recognized net in financial income and expense.

#### FINANCIAL STATEMENTS OF FOREIGN SUBSIDIARIES

Assets and liabilities in foreign operations are translated from the foreign entity's functional currency to the Group's presentation currency, SEK, at the closing rate prevailing at the end of the reporting period. Income and expenses in a foreign operation are translated into SEK at an average rate that is an approximation of the exchange rates in effect at the respective transaction dates. Translation differences arising upon translation of foreign operations are recognized in other comprehensive income and accumulated in the translation reserve in equity. When a foreign operation is sold, the cumulative translation differences attributable to the operation are recognized in the consolidated statement of comprehensive income.

#### Classification

In all material respects, non-current assets and non-current liabilities comprise amounts expected to be recovered or settled more than 12 months after the balance sheet date. In all material respects, current assets comprise amounts expected to be realized during the Group's normal operating cycle, which is 12 months after the end of the reporting period. In all material respects, current liabilities comprise amounts expected to be settled during the Group's normal operating cycle, which is 12 months after the end of the reporting period.

#### Segment reporting

Operating segments are reported in a manner consistent with the internal management reports submitted to the Chief Operating Decision Maker (CODM). The CODM is the function responsible for allocating resources to the operating segment and assessing its performance. The CEO of Truecaller has been identified as the Group's CODM. The Group's division into segments is based on the internal structure of the Group's business activities, which means that the Group's business is considered a single segment.

#### Revenue from contracts with customers

To enable the Group to recognize revenue from contracts with customers, each customer contract is analyzed according to the five-step model set out in IFRS 15. The Group recognizes revenue when the Group satisfies a performance obligation, which is a promise to transfer a good or service to the customer and control of the good or service is transferred to the customer. Control of a performance obligation can be transferred over time or at a point in time. The revenue consists of the amount the entity expects to receive in exchange for transferring goods or providing services.

The Group's significant revenue are derived from the sale of ad space in Truecaller's application, the sale of premium subscriptions to app users and the Truecaller for Business service, where businesses buy Truecaller's Verified Business ID service.

#### ADVERTISING REVENUES

Advertising revenues arise when the Group sells ad space in the Truecaller app. Ad space is sold through direct sales to advertisers and through agreements with various advertising networks. The agreements are generally relatively short, usually 1–12 months. Truecaller considers the advertiser to be the Group's customer, even when sales are made through advertising networks. The Group has identified a single performance obligation: to sell advertising space.

When sales are effected through advertising networks that broker ad space to the end customer, Truecaller and the advertising networks receive different shares of the revenue from the end customer. Transactions are assessed as to whether Truecaller has control over the service purchased by the customer before it is transferred in order to determine whether Truecaller is the principal or agent in these transactions. This includes assessing how the price is determined and which party has primary responsibility for providing the service. Truecaller has determined that the Group controls the service before it is transferred and therefore considers itself to be the principal in the transactions. Consequently, advertising revenue is recognized on a gross basis

in cases where the necessary information on the gross revenue and/or third party fee is provided by the advertising networks. As a result, the gross consideration is recognized as net sales and the shares retained by the advertising networks are recognized as costs in profit or loss (see "Costs to obtain a contract" below). In cases where the Group does not have access to information about the price the advertiser actually pays to the advertising networks, revenue is recognized on a net basis.

The transaction price is primarily fixed. The Group recognizes revenue as the performance obligation is satisfied, which is when the customer gains control of the asset. Truecaller has determined that control is transferred over time, since the advertiser simultaneously receives and consumes all of the benefits provided. Progress toward complete satisfaction of the performance obligation is measured by applying a production method based on the number of ad views or clicks generated by the ad.

#### USER REVENUES

The Group's user revenues arise when users gain access to a premium version of the application through in-app purchases the App Store (iOS) and Google Play (Android). The Group's performance obligation consists of granting a license to the end user combined with an online service that is required for the premium version to function as intended. The Group has thereby identified that sales for user revenues consist of a service that constitutes a single performance obligation to the end customer.

The transaction price for user revenues is a fixed fee, which is paid monthly or annually in advance. Truecaller has determined that control over the performance obligation is transferred over time, since the user simultaneously receives and consumes all of the benefits that Truecaller provides via the service. Progress toward complete satisfaction of the performance obligation is measured by applying a production method based on time elapsed.

#### TRUECALLER FOR BUSINESS

Revenue from the Truecaller for Business service arises when businesses buy Truecaller's Verified Business Caller ID service in the app. Truecaller for Business improves the call experience for both app users and verified businesses. The service enhances user trust in the businesses and helps prevent identity theft and scams. Truecaller for Business is sold both directly to end users and via resellers. The Group has identified the performance obligation as providing verification in the app.

The transaction price for Truecaller for Business is a fixed fee based on the number of phone numbers the business wants to verify combined with the number of calls to be verified per month. The customer is charged an additional fee for calls exceeding the call limit. Truecaller has determined that control is transferred over time, since the user simultaneously receives and consumes all of the benefits that Truecaller provides via the service. Progress toward complete satisfaction of the performance obligation is measured by applying a production method based on the number of verified calls.

#### COSTS TO OBTAIN A CONTRACT

Arising from the revenue contracts for all revenue streams, the Group incurs incremental costs to obtain a contract. Upon entering into a contract with the end customer for advertising revenue, Truecaller incurs costs that must be paid to the advertising networks for their brokerage of the ad space that the Group sells. The platform owner – Apple or Google – charges a commission for each purchase made on the Group's app upon conclusion of user revenue contracts. Costs for Truecaller for Business arise in the form of commissions to resellers. Incremental costs to obtain a contract with a customer must be recognized as an asset if the company expects to recover these costs. If the amortization period for such an asset would be 12 months or less, such costs may be expensed as incurred as a practical expedient. The Group has chosen to apply this practical expedient for all costs to obtain contracts for which the term is 12 months or less. The cost is recognized in the consolidated statement of profit or loss under the line item "Third party fees".

### Employee benefits

#### SHORT-TERM EMPLOYEE BENEFITS

Short-term employee benefits such as salary, social insurance contributions and vacation pay, are expensed in the period when the employees render the services.

#### Pension costs and pension commitments

Group companies have various pension systems in accordance with local conditions and generally accepted practice in the countries in which they operate. These are funded through payments to insurance companies or through internal provisions that are determined by means of periodic actuarial calculations.

#### DEFINED CONTRIBUTION PENSION PLANS

A defined contribution pension plan is a post-employment benefit under which the Group pays fixed contributions into a separate legal entity (a fund). The Group's obligation is limited to the contributions the company has legally and constructively committed to pay and the Group thus has no further risk. The Group's obligations regarding defined contribution plans are recognized as an expense in profit and loss in the period in which the employees render the services to which the contributions relate.

#### DEFINED BENEFIT PENSION PLANS

A defined benefit pension plan is a post-employment benefit under which the Group has an obligation to pay agreed benefits to the employees. The Group thus bears both an actuarial risk and an investment risk. The Group provides defined-benefit pension plans to employees in India who have worked for the Group for more than five years.

The cost of the defined benefit pension plan and the size of the pension obligation are calculated annually by independent actuaries using the Projected Unit Credit Method (PUC), by which the cost is allocated across the employee's period of service. The calculation uses actuarial assumptions such as staff turnover, future salary increases, life expectancy and retirement age. Actuarial gains and losses on remeasurements arising from experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income in the period in which they arise. Other costs are recognized in profit or loss, service costs are recognized as a component of employee benefits expense and interest expenses are recognized in net financial income or expense.

The Group's pension plans are unfunded and the liability recognized in the statement of financial position for defined-benefit pension plans therefore amounts to the present value of the defined benefit obligation at the end of the reporting period. The present value of the pension obligation is determined by discounting the estimated future cash flows using the interest rate for medium to long-term risk-free investments. These are issued in the same currency in which the benefits will be paid with durations comparable to those of the current pension obligation.

#### Termination benefits

A cost for employee termination benefits is recognized only when the company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to terminate employment before the normal date or when compensation is offered to encourage voluntary redundancy.

#### Share-based compensation

The Group has incentive programs that include warrants, stock options and performance share rights.

Warrants are purchased by the employee at market price. Employee stock options and performance share rights are subject to a number of specified vesting conditions applicable for the duration of the option programs. For employee stock options and performance share rights, an employee benefit expense is recognized

with a corresponding adjustment to equity allocated across the vesting period, which is the period during which all the specified vesting conditions must be satisfied. The fair value of granted options is calculated using the Black & Scholes model, taking into account the terms and conditions applicable at the grant date.

At each reporting period, the Group reassesses its estimates of the number of expected vested instruments based on the non-market vesting conditions. Any changes in the original estimates are recognized in profit or loss, with a corresponding adjustment to equity. In addition, the Group makes provisions for social insurance contributions expected to be paid in connection with the share-based programs. These are expensed in profit or loss across the vesting period. The provision is regularly tested to ensure that it corresponds to the fair value of the instruments at each balance sheet date.

For more information, see Note 7.

#### Financial income and expense

Financial income consists of interest income, foreign exchange gains and any gains on changes in the value of financial assets or liabilities recognized at fair value through profit or loss. Interest on financial instruments is recognized using the effective interest method. Financial expenses consist of interest expenses, foreign exchange losses and any losses on changes in the value of financial assets or liabilities recognized at fair value through profit or loss. The effective interest rate is the rate that discounts the estimated future cash flows over the expected life of a financial instrument to the net carrying amount of the financial asset or liability. The estimation includes all fees paid or received that are part of the effective interest rate.

Financial income and expense are recognized in the income statement in the period to which they refer. Foreign exchange gains and losses are recognized net.

#### Tax

Income taxes comprise current tax and deferred tax. Income taxes are recognized in profit or loss except when the underlying transaction is recognized directly in equity or in other comprehensive income, in which case the related tax effect is recognized in equity or other comprehensive income.

Current tax is tax to be paid or received for the current year, applying the tax rates enacted or substantively enacted at the balance sheet date. Current tax also includes adjustments to current tax relating to previous periods.

Deferred tax is calculated using the balance sheet method based on temporary differences between the carrying amounts and tax values of assets and liabilities. Temporary differences are disregarded in the recognition of goodwill or in the initial recognition of an asset acquisition because the acquisition does not affect either recognized or taxable profit. Nor are temporary differences considered that are attributable to investments in subsidiaries that are not expected to be reversed in the foreseeable future. The measurement of deferred tax is based on how the carrying amounts of assets or liabilities are expected to be realized or settled. Deferred tax is calculated by applying the tax rates and tax rules that have been decided or announced on the balance sheet date.

Deferred tax assets relating to deductible temporary differences and loss carryforwards are recognized only to the extent that it is probable that they will be utilized. The value of deferred tax assets is reduced when it is no longer considered probable that they can be utilized.

### Earnings per share

Basic earnings per share are calculated by dividing the Group's net profit or loss attributable to the shareholders in the parent by the weighted average number of shares outstanding during the year, excluding repurchased shares held in full.

When calculating diluted earnings per share, profit or loss and the average number of shares are adjusted to account for the effects of potentially dilutive ordinary shares. In reported periods, long-term incentive programs and preference shares are the source of potentially dilutive ordinary shares.

### Intangible assets

An intangible asset is recognized if it is probable that the future economic benefits attributable to the asset will flow to the company and the cost can be measured reliably. An intangible asset is measured at cost when it is initially recognized in the financial statements. Intangible assets with a finite useful life are recognized at cost less amortization and any impairment losses. Intangible assets with indefinite useful lives are tested annually for impairment and if there are indications that an asset may be impaired.

### GOODWILL

Goodwill represents the difference between cost and the fair value of the Group's share of the identifiable net assets of the acquired subsidiary at the date of acquisition. Goodwill is recognized as an intangible asset with an indefinite useful life at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the cash-generating units that are expected to benefit from the synergies of the combination.

The value of goodwill is continuously monitored and is tested for impairment annually – or more regularly if there is an indication that the asset might be impaired. Any impairment is recognized immediately as an expense and is not subsequently reversed.

### RESEARCH AND DEVELOPMENT

Research costs are expensed immediately. Expenditure related to development projects is capitalized in the balance sheet as intangible assets to the extent that this expenditure is expected to generate future economic benefits. Other development costs are expensed as incurred. Previously expensed development costs are not capitalized as assets in the balance sheet in subsequent periods. Direct costs include employee benefits expense for development personnel and a share of indirect costs. Capitalized development costs are amortized on a straight-line basis and amortization begins when the product is available for use. The useful life is remeasured annually. The unamortized value of capitalized development is tested for impairment annually when sales of the products resulting from the development have not yet begun. The estimated useful life is:

– Capitalized development costs 2 years

### Property, plant and equipment

Items of property, plant and equipment are recognized as assets in the balance sheet if it is probable that future economic benefits will flow to the company and the cost of the asset can be measured reliably. Items of property, plant and equipment are recognized in the Group at cost less accumulated depreciation and any impairment losses. Cost includes the purchase price and expenses directly attributable to the asset to bring it into place and condition to be used in accordance with the purpose of the acquisition.

The carrying amount of an asset is derecognized from the balance sheet when it is scrapped or disposed of or when no future economic benefits are expected from its use. Gains or losses arising on disposal or retirement of an asset are the difference between the selling price and the carrying amount of the asset less direct costs to sell.

Subsequent expenditure is added to the cost only if it is probable that the future economic benefits associated with the asset will flow to the Group and the cost can be measured reliably. All other subsequent expenditure is recognized as an expense in the period in which it is incurred. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset. The estimated useful lives are:

– Equipment, tools and building systems 5 years

The applied depreciation methods, residual values and useful lives are reassessed at each year-end.

### Leases

The Group is the lessee within the scope of all existing leases. The Group is not active as a lessor. The leases entered into as a lessee relate to the rental of office space.

At the inception of a contract, the Group determines whether the contract constitutes or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the commencement date of a lease, a right-of-use asset and a corresponding lease liability are recognized. Assets and liabilities arising from leases are measured at the present value of the future lease payments to be made during the lease term. The present value is calculated using the interest rate implicit in the contract, if it is readily determinable, and otherwise using the incremental borrowing rate at the commencement date of the lease. The lease term is determined as the non-cancellable period plus periods to extend or terminate the contract if the Group is reasonably certain to exercise those options.

A right-of-use asset is measured at cost less accumulated depreciation and any impairment losses, and adjusted for remeasurements of the lease liability. The cost of right-of-use assets includes the initial measurement recognized for the related lease liability, initial direct costs, and any advance payments at or prior to the commencement date of the lease, less any incentives received. Provided that Truecaller is reasonably certain that ownership of the underlying asset will be assumed at the end of the lease, the right-of-use asset is depreciated straight-line over the shorter of the lease term and the useful life.

The Group applies the practical expedients for short-term leases, which is a lease with a lease term of 12 months or less, or a low value lease where the value of the underlying asset is less than SEK 50 thousand. Lease payments related to short-term and low-value leases are expensed on a straight-line basis over the lease term. The Group also applies the practical expedient of not separating non-lease components from lease components in leases. Lease components and related non-lease components are thus accounted for as a single lease component.

### Impairment of non-financial assets

The Group tests assets subject to depreciation for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Goodwill is tested for impairment annually and as soon as there is any indication that the asset is impaired.

An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use, which is an internally determined value based on future cash flows. To assess whether there is an indication of impairment, assets are grouped in cash-generating units (CGUs), which is at the smallest identifiable group of assets that generates cash inflows. In calculating value in use, future cash flows are discounted using a discount rate that takes into account the risk-free interest rate and the risk specific to the asset.

Non-financial assets other than goodwill that have been previously impaired are tested to determine whether reversal is required at the end of each reporting period. Any reversal is recognized in profit or loss. Intangible assets that are not yet ready for use are also tested for impairment if events or changed circumstances indicate that the carrying amount may not be recoverable.

### Financial instruments

Financial instruments recognized in the balance sheet include cash and cash equivalents, securities holdings, receivables, operating liabilities and lease liabilities.

Financial assets and liabilities are recognized when the Group becomes a party to the contractual terms of the instrument. Transactions with financial assets are recognized at the trade date, which is the date on which the Group commits to purchasing or selling the assets. Accounts receivable are entered in the balance sheet when an invoice has been sent or when the Group's right to consideration is unconditional. Liabilities are recognized when the counterparty has performed and there is a contractual obligation to pay, even if an invoice has not yet been received. Accounts payable are recognized when an invoice is received.

A financial asset is derecognized from the balance sheet (in whole or in part) when the contractual rights have been realized or expire, or when the Group no longer controls the asset. Financial liabilities are derecognized from the balance sheet (in whole or in part) when the contractual obligations have been performed or otherwise ended. A financial asset and a financial liability are accounted for net in the balance sheet when there is a legally enforceable right to offset the carrying amounts and the intention is either to settle the net amount or to realize the asset while settling the liability. Gains and losses from derecognition from the balance sheet are recognized in profit or loss. At each reporting date, the company evaluates the need for impairment regarding expected credit losses for a financial asset or group of financial assets, as well as any other existing credit exposure.

### Classification and measurement

#### FINANCIAL ASSETS

Classification of financial assets that are debt instruments is based on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. Instruments are classified as follows:

- Amortized cost
- Fair value through other comprehensive income
- Fair value through profit or loss

Financial assets classified at amortized cost are held under the business model to collect contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets classified at amortized cost are initially measured at fair value plus transaction costs. After initial recognition, assets are measured using the effective interest method. The assets are subject to a loss allowance for expected credit losses. Truecaller also has financial assets classified at fair value through profit or loss where the fair value is determined by using market prices at the balance sheet date. The effect of the measurement of these instruments at fair value is recognized directly in profit or loss. The Group's financial assets that are debt instruments are presented in Note 15 Financial instruments. The Group does not hold any financial assets classified at fair value through other comprehensive income.

### FINANCIAL LIABILITIES

Financial liabilities, with the exception of liabilities arising from synthetic options, are classified at amortized cost. Financial liabilities recognized at amortized cost are initially measured at fair value including transaction costs. After initial recognition, they are measured at amortized cost using the effective interest method. The Group's liabilities relating to synthetic options are classified and accounted for as a financial liability at fair value through profit or loss.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date. Borrowing costs are recognized in profit or loss in the period to which they relate. Accrued interest is recognized as a component of short-term borrowing from credit institutions, where the interest is expected to be settled within 12 months of the balance sheet date.

Fair value is determined as described in Note 15 Financial instruments.

### Impairment of financial assets

Financial assets, except for those classified and measured at fair value through profit or loss or equity instruments measured at fair value through other comprehensive income, are subject to impairment for expected credit losses. Impairment for credit losses according to IFRS 9 is forward-looking and a loss provision is made when there is an exposure to credit risk. Expected credit losses reflect the present value of all shortfalls in cash flows attributable to default either for the next twelve months or for the expected remaining term of the financial instrument, depending on the asset type and on credit deterioration since initial recognition.

For a more detailed description of methods used for calculating expected credit losses, see Note 20 Financial risks.

### Cash and bank balances

Consolidated cash and cash equivalents consist of cash and readily available bank balances at financial institutions. Cash and cash equivalents are recognized at nominal value and are subject to the loss provisioning requirements for expected credit losses.

### Equity

The Group's shares consist of three classes of ordinary shares – Class A shares, Class B shares and Class C shares – which are recognized as share capital. Prior to Truecaller's IPO, there were also four classes of preference shares. All preference shares were converted to Class B shares at the time of the listing. The share capital is reported at its quotient (par) value and the excess is recognized as other capital contributions. Transaction costs directly attributable to the issue of new shares are recognized, net of tax, in equity as a deduction from issue proceeds.

During 2022, Truecaller repurchased its own shares according to the authorization given to the Board of Directors at the Annual General Meeting. A maximum of five (5) percent of outstanding shares on the day of the Annual General Meeting may be repurchased, which corresponds to 18,697,985 shares. Shares may be repurchased on one or more occasions up until the next Annual General Meeting. The purpose of the buyback program is to give the Board of Directors increased flexibility in its work with the company's capital structure, to enable the use of repurchased shares as payment for acquisitions, and to secure the company's commitments in existing incentive programs. The entire purchase consideration for share repurchases is charged against retained earnings. Proceeds from the disposal of equity instruments are recognized as an increase in retained earnings. Transaction costs, if any, are recognized directly in equity.

### Provisions

Provisions are recognized in the balance sheet when Truecaller has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic resources will be required to settle the obligation and a reliable estimate of the amount can be made. Where the effect of the timing of payment is material, provisions are calculated by discounting the expected future cash flow at a pre-tax interest rate that reflects current market assessments of the time-dependent value of money and, if applicable, the risks associated with the obligation. Provisions are reassessed at each closing date.

### Contingent liabilities

A contingent liability is recognized when there is a possible commitment arising from events that have occurred and the existence of which is confirmed only by one or more uncertain future events or when there is a commitment that is not recognized as a liability or provision because it is not likely that an outflow of resources will be required.

### Government grants

Government grants are only recognized when there is reasonable certainty that the grant will be received and that the Group will fulfill the conditions associated with the grant. Government grants attributable to profit or loss are recognized as a reduction of the corresponding costs. Grants are accrued in profit or loss in the same way and over the same periods as the costs they are intended to compensate.

### Cash flow

The statement of cash flows is prepared using the indirect method. This requires profit or loss to be adjusted for non-cash transactions and for income and expenses related to investing and/or financing activities.

### PARENT COMPANY ACCOUNTING POLICIES

The parent company has prepared its annual accounts in accordance with the Annual Accounts Act (1995:1554) and Recommendation RFR 2 Accounting for Legal Entities issued by the Swedish Financial Reporting Board. The parent company applies the same accounting principles as the Group with the exemptions and additions stated in RFR 2. This means that IFRS are applied with the departures specified below.

### Changed accounting policies

In 2021, the parent company transitioned to preparing the financial statements in accordance with RFR 2. The transition is described in greater detail in Note 26 Transition to RFR 2, but it has no impact on the balance sheets, income statements, or cash flow statements in previous years.

### Presentation

The parent company income statement and balance sheet are prepared in the format required under the Annual Accounts Act, while the statement of changes in equity and statement of cash flows are based on IAS 1 Presentation of Financial Statements and IAS 7 Statement of Cash Flows, respectively.

### Income from shares in subsidiaries

Dividends are recognized when the right to receive payment is assessed as certain. Gains from the sale of a subsidiary are recognized when control of the subsidiary has been transferred to the buyer.

### Participating interests in subsidiaries

Participating interests in subsidiaries are accounted for in the parent company using the cost method. This means that transaction costs are included in the carrying amount of the holding. If the carrying amount exceeds the companies' consolidated value, an impairment loss is recognized and charged to the income statement. An analysis of any indications of impairment needs is carried out at the end of each reporting period. If a previous impairment is no longer justified, the impairment loss is reversed.

Assumptions are made about future conditions in order to calculate future cash flows, which determines the recoverable amount. The recoverable amount is compared with the carrying amount of these assets and forms the basis for any impairment or reversal. The main assumptions that affect the recoverable amount are future profit trends, discount rate and useful life. Changes in future external factors and conditions may affect assumptions so that the carrying amounts of the parent company's assets change.

### Income

In all material respects, income in the parent company refers to intra-group services. Services are accounted for when they are rendered.

### Shareholder contributions

Shareholder contributions provided by the parent company are recognized directly in equity by the recipient and are accounted for as shares and participating interests by the parent company. Shareholder contributions received are recognized as an increase in non-restricted equity.

### Leases

The rules on accounting for leases under IFRS 16 are not applied by the parent company. Accordingly, lease payments are recognized as an expense on a straight-line basis over the lease term, and right-of-use assets and lease liabilities are not included on the parent company balance sheet. However, identification of a lease is done in accordance with IFRS 16, according to which a contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a specified period in exchange for consideration.

### Financial instruments

Due to the connection between accounting and taxation, the rules on financial instruments under IFRS 9 are not applied in the parent company as a legal entity; instead, the parent company applies the cost method in accordance with the Annual Accounts Act. Non-current financial assets are measured at cost in the parent company, and current financial assets are measured at the lower of cost or net realizable value, with application of impairment for expected credit losses according to IFRS 9 regarding assets that are debt instruments.

The parent company applies the exemption to not measure financial guarantee contracts for the benefit of subsidiaries, associates and joint ventures in accordance with the rules in IFRS 9, but instead applies the measurement principles provided for under IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

### Impairment of financial assets

Financial assets, including intra-group receivables, are impaired for expected credit losses. Refer to the section on Group accounting policies for information about the method applicable to impairment for expected credit losses. Expected credit losses on intra-group receivables are estimated using the general approach in which the creditworthiness of Group companies is estimated.

Expected credit losses for cash and cash equivalents have not been recognized, as the amount has been judged to be immaterial.



## NOTE 2 JUDGEMENTS, ESTIMATES AND ASSUMPTIONS IN THE FINANCIAL REPORTS

When financial statements are prepared, management must make certain judgements, estimates and assumptions that affect the carrying amounts of assets, liabilities, income and expenses. The judgements are based on experience and assumptions that management considers reasonable under the circumstances. Actual outcomes may differ from these estimates and judgments. Estimates and assumptions are regularly reviewed. Changes to estimates are reported in the period the change is made if the change only affected this period, or in the period the change is made and future periods if the change affects both the current period and future periods. The judgments and estimates most significant to the preparation of the consolidated financial statements are described below.

### Impairment testing of goodwill

To determine whether the value of goodwill has decreased, the cash-generating units to which the goodwill is assigned are measured, which is done by discounting the cash-generating unit's cash flows. In applying this method, Truecaller relies on a number of input factors. Changes in the conditions for these assumptions and estimates could have a material effect on the value of goodwill.

### Assumptions applied to calculate defined-benefit pensions

The calculation of defined-benefit pensions is based on actuarial assumptions, which are specified in Note 22. A change to any of these assumptions affects the calculated pension commitments and pension costs, as can be seen from the sensitivity analysis in the same note.

### Measurement of lease liabilities right-of-use assets

When a lease commences, assessments are made related to the scope of the lease, the lease term and the interest rate used to discount future lease payments, which affects the measurement of lease liabilities and right-of-use assets. Assessment of the scope of the contract includes assumptions related to whether a leased asset is identified in the contract, as well as the lease term. The lease term is the non-cancellable term of the signed contract, except in cases where Truecaller is reasonably certain to exercise an option to extend the lease or not to exercise an early termination option. All relevant factors and circumstances that create an economic incentive to include optional periods are thus evaluated. The importance of the underlying asset to the business and its location, availability of suitable alternatives, significant improvements to the asset, the rent level during extension periods compared with the market price and past practice are examples of factors included in the analysis. The lease term is determined on an individual basis and is remeasured if an option is exercised. Estimates are also required to determine the interest rate used to discount future lease payments.

### NOTE 3 REVENUE FROM CONTRACTS WITH CUSTOMERS

SEK 000s	Group	
	2022	2021
<b>Geographical region</b>		
India	1,324,080	787,120
Middle East and Africa	237,096	184,114
Rest of the world <sup>1)</sup>	211,750	157,654
<b>Revenue from contracts with customers</b>	<b>1,772,926</b>	<b>1,128,888</b>

1) Of which sales in Sweden amounts to SEK 5,798 thousand in 2022 and SEK 5,916 thousand in 2021.

The geographical distribution is based on where the customer has their subscription. None of Truecaller's customers accounts for 10 percent or more of sales.

SEK 000s	Group	
	2022	2021
<b>Type of service</b>		
Advertising revenues	1,488,558	948,925
User revenues	170,507	138,985
Other	113,861	40,978
<b>Revenue from contracts with customers</b>	<b>1,772,926</b>	<b>1,128,888</b>

SEK 000s	Group	
	Dec. 31, 2022	2021-12-31
<b>Contract assets</b>		
Opening balance	100,353	51,898
Material changes in contract assets:		
Changes attributable to ordinary business	-9,195	48,455
<b>Closing balance</b>	<b>91,158</b>	<b>100,353</b>

Contract assets comprise accrued income, to which the entity's right to consideration is conditioned on future performance in accordance with the contract. When the company's right to consideration becomes unconditional, the asset is recognized under accounts receivable.

SEK 000s	Group	
	Dec. 31, 2022	Dec. 31, 2021
<b>Contract liabilities</b>		
Opening balance	35,262	25,081
Material changes in contract liabilities:		
Changes attributable to ordinary business	13,244	10,181
<b>Closing balance</b>	<b>48,506</b>	<b>35,262</b>

Contract liabilities refer to advance payments from customers, for which performance obligations have not been satisfied. Contract liabilities are recognized as revenue when the performance obligations in the contract have been fulfilled, which is within twelve months for all performance obligations.

SEK 000s	Group	
	2022	2021
<b>Recognized revenue during the year</b>		
Thereof included in contract liabilities at January 1	35,262	25,081
From performance obligations satisfied/partially satisfied in earlier periods		-

**NOTE 4 OTHER OPERATING REVENUE**

SEK 000s	Group		Parent company	
	2022	2021	2022	2021
Pass-through costs	7,450	2,600	50	-
Disposal of property, plant and equipment	53	36	-	-
Other income	3	101	-	-
<b>Total</b>	<b>7,506</b>	<b>2,738</b>	<b>50</b>	<b>-</b>

**NOTE 5 REMUNERATION TO AUDITOR**

SEK 000s	Group		Parent company	
	2022	2021	2022	2021
<b>Ernst &amp; Young</b>				
Audit activities within the audit engagement	2,420	3,457	1,567	2,297
Other audit activities outside the audit engagement	1,061	1,007	730	905
Tax advisory services	525	147	-	-
Other services	112	2,687	41	2,600
<b>Other accounting firms</b>				
Audit activities within the audit engagement	29	-	-	-
<b>Total</b>	<b>4,148</b>	<b>7,298</b>	<b>2,339</b>	<b>5,802</b>

Fees related to the IPO amount to SEK - (3,463) thousand and are recognized as Other external costs in profit or loss. Fees related to the share issue amount to SEK - (667) thousand and are recognized directly in equity.

**NOTE 6 OTHER EXTERNAL COSTS**

SEK 000s	Group		Parent company	
	2022	2021	2022	2021
Costs related to IPO	-	48,740	-	48,740
Marketing	97,492	69,044	-	-
User acquisition	129,236	71,004	-	-
Other external costs	123,022	59,260	13,003	3,706
<b>Total</b>	<b>349,750</b>	<b>248,049</b>	<b>13,003</b>	<b>52,446</b>

**NOTE 7 EMPLOYEES AND EMPLOYEE BENEFITS EXPENSE**

	2022	Of whom women, %	2021	Of whom women, %
<b>Average number of employees</b>				
Sweden	146	28%	120	21%
India	205	29%	-	-
Israel	3	34%	155	26%
<b>Total</b>	<b>354</b>	<b>29%</b>	<b>275</b>	<b>24%</b>
Of whom in the parent company (Sweden):	2	0%	1	0%

	Number on balance sheet day	Of whom women, %	Number on balance sheet day	Of whom women, %
<b>Number in management position at year-end</b>				
Board members	6	33%	6	33%
Chief Executive Officer and other key management personnel	8	13%	7	14%
<b>Total in Group</b>	<b>14</b>	<b>21%</b>	<b>13</b>	<b>23%</b>

SEK 000s	Group		Parent company	
	2022	2021	2022	2021
<b>Employee costs</b>				
<i>Key management personnel</i>				
Salaries and other remuneration	17,754	10,916	9,129	1,772
Social insurance contributions	4,419	2,917	2,364	680
Pension costs	2,906	1,659	1,324	298
Other personnel costs	-	-	30	-
<i>Other employees</i>				
Salaries and other remuneration	220,301	214,648	-	-
Social insurance contributions	37,126	21,729	-	-
Pension costs <sup>1)</sup>	14,159	10,590	-	-
Other personnel costs	6,258	4,382	-	-
<b>Total</b>	<b>302,923</b>	<b>266,840</b>	<b>12,846</b>	<b>2,751</b>

1) Pension costs in the Indian subsidiary are attributable in part to defined-benefit pension plans, see Note 22 Defined-benefit pension plans for more information.

Note 7 Employees and employee benefits expense, continued

SEK 000s	Basic salary, director's fee	Variable pay	Pension cost	Other remuneration	Total
<b>Remuneration and other benefits in 2022</b>					
Bing Gordon, Board Chair	473	-	-	-	473
Annika Poutiainen, Board member	526	-	-	-	526
Helena Svancar, Board member	419	-	-	-	419
Shailesh Lakhani, Board member	-	-	-	-	-
Nami Zarringhalam, Board member <sup>2)</sup>	2,901	-	998	2	3,901
Alan Mamedi, Chief Executive Officer <sup>1)</sup>	3,989	-	725	2	4,716
Other key management personnel (1 person) <sup>1)</sup>	1,978	-	340	2	2,321
Other key management personnel (7 people, including 3 people during part of year)	8,730	-	843	2	9,722
<b>Total</b>	<b>19,015</b>	<b>-</b>	<b>2,906</b>	<b>156</b>	<b>22,077</b>

1) Parent company

2) Nami Zarringhalam does not receive any remuneration for serving on the Board of Directors; the remuneration above relates to his role as Chief Strategy Officer at True Software Scandinavia AB.

### Remuneration to key management personnel

#### BOARD OF DIRECTORS

According to the resolution of the 2022 Annual General Meeting, an annual fee of SEK 350 thousand is paid to each of the members of the Board of Directors who are not employed by the company, SEK 465 thousand to the Board Chair, SEK 235 thousand to the Audit Committee Chair, SEK 60 thousand to Audit Committee members, SEK 115 thousand to the Remuneration Committee Chair and SEK 60 thousand to Remuneration Committee members. Board members who also hold senior executive positions receive a basic salary in their capacity as executives. Shailesh Lakhani has declined the director's fee for the current term.

#### CHIEF EXECUTIVE OFFICER AND OTHER KEY MANAGEMENT PERSONNEL

Remuneration to the CEO and other key management personnel consists of basic salary, variable remuneration, pension benefits and other benefits. Key management personnel (KMP) refers to the individuals who comprise Group management, together with the CEO. A mutual six-month period of dismissal/resignation applies between the company and the CEO and other KMP. Upon termination, the CEO and CSO/co-founder Nami Zarringhalam is entitled to a severance payment equivalent to 12 months' salary. The pension benefit for the CEO and other KMPs is 20 percent of pensionable salary above 7.5 income base amounts.

Group management is presented on pages 58–59.

SEK 000s	Basic salary, director's fee	Variable pay	Pension cost	Other remuneration	Total
<b>Remuneration and other benefits in 2021</b>					
Bing Gordon, Board Chair	196	-	-	-	196
Annika Poutiainen, Board member	218	-	-	-	218
Helena Svancar, Board member	174	-	-	-	174
Shailesh Lakhani, Board member	-	-	-	-	-
Nami Zarringhalam, Board member <sup>2)</sup>	2,173	-	363	2	2,538
Alan Mamedi, Chief Executive Officer (Jan.–Aug.)	1,270	-	237	2	1,509
Alan Mamedi, Chief Executive Officer (Sept.–Dec.) <sup>1)</sup>	972	-	126	-	1,098
Other key management personnel (1 person, part of year) <sup>1)</sup>	801	-	114	-	915
Other key management personnel (5 people, including 1 person part of year)	7,406	-	1,031	62	8,499
<b>Total</b>	<b>13,210</b>	<b>-</b>	<b>1,871</b>	<b>66</b>	<b>15,147</b>

1) Parent company

2) Nami Zarringhalam does not receive any remuneration for serving on the Board of Directors; the remuneration above relates to his role as Chief Strategy Officer at True Software Scandinavia AB.

### Incentive programs

At year-end, Truecaller had two ongoing incentive programs, long-term incentive program 2021 (LTIP 2021) and long-term incentive program 2022 (LTIP 2022).

#### LTIP 2021

At the 2021 AGM, shareholders resolved to adopt a long-term incentive program, LTI 2021, covering a maximum of 19,500,000 warrants and employee stock options. The program is aimed at key management personnel, Board members and employees of the entire Group and includes both employee stock options and warrants. Employee stock options are conditional on continued employment and predefined performance criteria for the Group for the entire term of the program. Warrants are purchased by the employee at market price. The fair value of employee stock options and warrants is calculated using the Black & Scholes valuation model. The assumptions applied include expected volatility between 39 percent and 44 percent, interest between -0.2 percent and -0.3 percent, duration of two to four years and an exercise price at a premium of 0 percent to 100 percent in relation to Truecaller's valuation on the grant date.

*Note 7 Employees and employee benefits expense, continued*

LTIP 2021 is divided into six series where series 1, 2 and 5 consist of warrants and series 3, 4 and 6 consist of employee stock options. Series 1 and 2 are divided into three tranches with exercise periods as follows: September 1–October 30, 2023; September 1–October 30 2024; and September 1–October 30, 2025. Participants are granted one third of their options in each tranche. The participants have paid a premium of SEK 2.33 per option and the exercise price is SEK 57.40 per share. Series 3 and 4 are divided into three tranches with exercise periods as follows: September 1–October 30, 2023; September 1–October 30 2024; and September 1–October 30, 2025. Participants are granted one third of their options in each tranche. The exercise price is SEK 28.70 per share. Series 5 and 6 are divided into two tranches with exercise periods as follows: September 1–October 30, 2023 and September 1–October 30, 2024. Participants are granted one half of their options in each tranche. For series 5, participants have paid a premium of SEK 1.97 per option and the exercise price is SEK 57.40 per share. For series 6, the exercise price is SEK 28.70.

Among the directors, Bing Gordon, Annika Poutiainen and Helena Svancar have each subscribed for 58,000 options. Among KMP, Alan Mamedi and Nami Zarringhalam have each subscribed for 1,000,000 options, Rishit Jhunjunwala has subscribed for 750,000 options, Ben Zhang has subscribed for 700,000 options, Fredrik Kjell and Odd Bolin have each subscribed for 650,000 options and Ola Espelund has subscribed for 550,000 options.

**LTIP 2022**

The 2022 AGM approved the Board's proposal to adopt a long-term incentive program, LTIP 2022, covering a maximum of 500,000 warrants and 5,100,000 performance share rights. The program is aimed at key management personnel and employees of the entire Group.

Warrants are purchased by the employee at market value and the price of a warrant (warrant premium) is calculated using the Black & Scholes valuation model. The warrants are divided into two series. Series 2022:1 has two exercise periods, May 24–August 24, 2025 and May 24–August 24, 2026, and participants are granted half of their options in each series. The participants have paid a premium of SEK 8.43 per option and the exercise price is SEK 88.00 per share. For series 2022:2, the redemption period is May 24–August 24, 2026. The participants have paid a premium of SEK 9.33 per option and the exercise price is SEK 88.00 per share.

Performance share rights entitle the participants to receive Class B shares in the company free of charge after the expiry of the established vesting period provided that the participants have remained employed during the vesting period and that certain specific performance targets have been achieved by Truecaller regarding revenue growth and adjusted EBITDA. The vesting period for the performance share rights is four years for some participants and three and four years for some participants.

Among KMP, Alan Mamedi and Nami Zarringhalam have each subscribed for 95,000 options, Rishit Jhunjunwala, Fredrik Kjell and Odd Bolin have each subscribed for 120,000 options, Fatima Antonsson has subscribed for 98,000 options, Ben Zhang has subscribed for 85,000 options and Ola Espelund has subscribed for 80,000 options.

**Outstanding share rights**

The table below shows granted, forfeited, exercised and outstanding share rights:

	2022		2021
	LTIP 2022	LTIP 2021	LTIP 2021
<b>January 1</b>	-	13,352,830	-
Granted	5,406,500	27,000	13,392,830
Forfeited	-93,000	-693,510	-40,000
Exercised	-	-	-
<b>Outstanding as of December 31</b>	<b>5,313,500</b>	<b>12,686,320</b>	<b>13,352,830</b>

The incentive programs are expensed over the vesting period in accordance with IFRS2. In 2022, SEK 30.2 (2.9) million has been recognized in the income statement, of which SEK 1.8 (-) million relates to costs for social insurance contributions.

**Repurchased shares**

Truecaller has issued and repurchased 5,100,000 Class C shares at a cost of SEK 0.1 million. The transactions are made in accordance with the mandates issued at the 2022 AGM to cover commitments for the performance share rights in LTIP 2022. The Class C shares will be converted into Class B ordinary shares in connection with the delivery of Class B ordinary shares under LTIP 2022.

**Synthetic options**

In connection with the acquisition of Backwater Technologies Private Limited synthetic options were issued. In connection with the Truecaller's 2021 IPO, all options were redeemed at an exercise price of USD 525 and settled in cash. An earnout of SEK 22.5 million was also activated in conjunction with the IPO, which was settled in full in January 2022.

## NOTE 8 FINANCIAL INCOME AND EXPENSES

SEK 000s	Group		Parent company	
	2022	2021	2022	2021
Interest income from accounts receivable	6,818	76	425	-
Foreign exchange gains	13,702	5,196	1,881	66
<b>Financial income</b>	<b>20,520</b>	<b>5,271</b>	<b>2,305</b>	<b>66</b>
Remeasurement of synthetic options	-	-24,804	-	-
Interest expenses arising from accounts payable and taxes	-9,609	-4,306	-	-
Foreign exchange losses	-1,466	-	-	-
Interest expenses, lease liabilities	-4,542	-2,876	-	-
Other financial expenses	-5,284	-1,797	-5,283	-1,798
<b>Financial expenses</b>	<b>-20,901</b>	<b>-33,783</b>	<b>-5,283</b>	<b>-1,798</b>
<b>Financial income and expenses</b>	<b>-381</b>	<b>-28,511</b>	<b>-2,978</b>	<b>-1,732</b>

## NOTE 9 TAXES

SEK 000s	Group		Parent company	
	2022	2021	2022	2021
Current tax on profit or loss for the year	-140,878	-14,873	-16	-
Adjustments relating to previous years	-2,429	-	-	-
Deferred tax relating to temporary differences	6,998	206	-	-
Deferred tax on loss carryforwards	-16,582	-26,732	-16,582	11,456
<b>Total</b>	<b>-152,891</b>	<b>-41,398</b>	<b>-16,598</b>	<b>11,456</b>

Current tax recognized directly in equity amounts to SEK 0 thousand (5,126) and relates to tax on issuance costs.

SEK 000s	Group		Parent company	
	2022	2021	2022	2021
<b>Reconciliation of the effective tax rate</b>				
<b>Profit before tax</b>	<b>688,121</b>	<b>299,708</b>	<b>80,506</b>	<b>-55,612</b>
Tax at prevailing rate for parent company (20.6%)	-141,753	-61,740	-16,584	11,456
Tax effect of:				
Non-taxable income	702	245	1	-
Non-deductible expenses	-3,990	-22,894	-15	-1
Capitalized tax loss carryforwards	-	38,187	-	-
Utilization of previously unrecognized tax losses	-3,501	7,066	-	-
Foreign tax rates	-11,018	-2,469	-	-
Temporary differences relating to leases	6,668	206	-	-
<b>Recognized tax</b>	<b>-152,891</b>	<b>-41,398</b>	<b>-16,598</b>	<b>11,456</b>

**Tax rate**

The parent company's current tax rate is 20.6 percent (20.6). The Group's effective tax rate is 22.2 percent (13.8).

**Deferred tax disclosures**

The tax effects of temporary differences are specified in the following tables:

SEK 000s	Group			Total
	Right-of-use assets	Other	Tax loss carry-forwards	
Deferred tax assets	18,495	-	16,582	35,077
<b>Opening carrying amount Jan. 1, 2022</b>				
<i>Recognized:</i>				
In profit or loss	14,924	-	-10,417	4,507
In equity	-	-	-	-
<b>Closing carrying amount Dec. 31, 2022</b>	<b>33,419</b>	<b>-</b>	<b>6,165</b>	<b>39,584</b>
<b>Opening carrying amount Jan. 1, 2021</b>	<b>21,017</b>	<b>67</b>	<b>38,187</b>	<b>59,272</b>
<i>Recognized:</i>				
In profit or loss	-2,522	-67	-26,732	-29,321
In equity	-	-	5,126	5,126
<b>Closing carrying amount Dec. 31, 2021</b>	<b>18,495</b>	<b>-</b>	<b>16,582</b>	<b>35,077</b>

NOTE 9 Taxes, continued

SEK 000s	Group		
	Lease liability	Intangible assets	Total
Deferred tax liability	18,030	-	18,030
<b>Opening carrying amount Jan. 1, 2022</b>			
<i>Recognized:</i>	14,584	1,949	16,533
In profit or loss	-	-	-
<b>Closing carrying amount Dec. 31, 2022</b>	<b>32,614</b>	<b>1,949</b>	<b>34,563</b>
<b>Opening carrying amount Jan. 1, 2021</b>	<b>20,828</b>	-	<b>20,828</b>
<i>Recognized:</i>	-2,798	-	-2,798
In profit or loss	-2,798	-	-2,798
<b>Closing carrying amount Dec. 31, 2021</b>	<b>18,030</b>	-	<b>18,030</b>

SEK 000s	Parent company	
	Tax loss carryforwards	Total
Deferred tax assets	16,582	16,582
<b>Opening carrying amount Jan. 1, 2022</b>		
<i>Recognized:</i>		
In profit or loss	-16,582	-16,582
<b>Closing carrying amount Dec. 31, 2022</b>	-	-
<b>Opening carrying amount Jan. 1, 2021</b>	-	-
<i>Recognized:</i>		
In profit or loss	11,456	11,456
In equity	5,126	5,126
<b>Closing carrying amount Dec. 31, 2021</b>	<b>16,582</b>	<b>16,582</b>

NOTE 10 EARNINGS PER SHARE

	2022	2021
<b>Basic earnings per share</b>		
Profit or loss for the year attributable to owners of the parent, SEK	535,230,403	258,310,061
Average number of shares, basic	373,273,365	254,718,955
<b>Basic earnings per share (SEK)</b>	<b>1.43</b>	<b>1.01</b>
	2022	2021
<b>Diluted earnings per share</b>		
Profit or loss for the year attributable to owners of the parent, SEK	535,230,403	258,310,061
Average number of shares after dilution	373,300,072	357,708,466
<b>Diluted earnings per share (SEK)</b>	<b>1.43</b>	<b>0.72</b>
	2022	2021
<b>Reconciliation weighted average number of ordinary shares</b>		
<b>Weighted average number of ordinary shares, basic</b>	<b>373,273,365</b>	<b>254,718,955</b>
Dilutive effect due to:		
Warrants	26,707	844,323
Preference shares	-	102,145,187
<b>Weighted average number of ordinary shares, diluted</b>	<b>373,300,072</b>	<b>357,708,466</b>

In connection with Truecaller's IPO, all preference shares were converted to Class B shares, which explains the large differences in the average number of shares included in the previous year's calculation of Basic earnings per share.

**Dilution**

The average number of potential shares outstanding during the year was 26,707 (102,989,510). The calculation of average potential shares outstanding includes only the number of average potential shares whose subscription price is lower than the average share price during the year, which was SEK 57.60 (38.96) for the year. The average number of shares during the year was 373,273,365 (254,718,955) and the average number of diluted shares outstanding during the year was 373,300,072 (357,708,466). If all outstanding incentive programs in the Group were included in the calculation, the corresponding maximum dilution would be approximately 4.6 percent (3.6).

## NOTE 11 INTANGIBLE ASSETS

SEK 000s	Goodwill		Proprietary software		Trademark		Group	
	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2022	Dec. 31, 2021
<b>Cost at January 1</b>	-	-	1,470	-	-	2	1,470	88,236
Purchases for the year	-	-	7,146	1,470	-	-	7,146	1,470
Through acquisition of subsidiary	34,391	-	10,000	-	-	-	44,391	-
Disposals/retirements	-	-	-	-	-	-	-	-
Translation effect	139	-	40	-	-	-	179	-
<b>Cost at December 31</b>	<b>34,530</b>	-	<b>18,656</b>	<b>1,470</b>	-	<b>2</b>	<b>53,186</b>	<b>89,706</b>
<b>Accumulated impairment losses at January 1</b>	-	-	-120	-	-	-1	-120	-88,235
Impairment losses for the year	-	-	-3,367	-120	-	-1	-3,367	-120
Disposals/retirements	-	-	-	-	-	-	-	-
Translation effect	-	-	31	-	-	-	31	-
<b>Closing accumulated amortization</b>	-	-	<b>-3,456</b>	<b>-120</b>	-	<b>-2</b>	<b>-3,456</b>	<b>-88,355</b>
<b>Closing carrying amount</b>	<b>34,530</b>	-	<b>15,200</b>	<b>1,350</b>	-	-	<b>49,730</b>	<b>1,350</b>

## Impairment testing

Truecaller's recognized goodwill amounts to SEK 34.5 million as of December 31, 2022. There was no goodwill in fiscal year 2021. The Group tests all intangible assets with indefinite useful lives for impairment at least annually. If there is an indication that an asset is impaired, such tests are performed more frequently. Impairment testing is performed at the lowest level for which there are separate identifiable cash flows (cash-generating units). For Truecaller, the Group in its entirety is considered a single unit.

The recoverable amount has been calculated based on value in use, which is calculated using discounted cash flows. The calculations are based on estimated future cash flows using the Group's financial forecast and budget approved by management. In assessing future cash flows, assumptions are made primarily about revenue growth, operating margin based on the current year and discount rate. For cash flows beyond the budget period, a growth rate of 2 percent per year has been assumed. The discount rate used to calculate the recoverable amount is 10.0 percent before tax.

According to completed impairment tests, there is no indication of impairment relating to goodwill on December 31, 2022. The calculation shows that the value in use exceeds the carrying amount. According to the prepared sensitivity analysis, no reasonably possible changes in key assumptions are expected to result in any impairment.

## NOTE 12 PROPERTY, PLANT AND EQUIPMENT

SEK 000s	Group	
	Dec. 31, 2022	Dec. 31, 2021
<b>Cost at January 1</b>	<b>7,440</b>	<b>7,071</b>
Purchases for the year	7,594	351
Through acquisition of Group company	23	-
Sales and disposals	-4,999	-
Translation effect	-53	17
<b>Cost at December 31</b>	<b>10,005</b>	<b>7,440</b>
Opening depreciation	-6,011	-5,509
Impairment losses for the year	-854	-485
Through acquisition of Group company	-15	-
Sales and disposals	4,999	-
Translation effect	-7	-17
<b>Closing depreciation</b>	<b>-1,887</b>	<b>-6,011</b>
<b>Closing carrying amount</b>	<b>8,118</b>	<b>1,429</b>

**NOTE 13 LEASES**

Truecaller's significant leases refer to leases of rental premises in Sweden and India. For one of the Swedish rental premises, an extension option has been taken into account when calculating the lease liability. The Group has no further commitments for future leases other than those included in the lease liability as of December 31, 2022. The table below presents the Group's closing balances of right-of-use assets and lease liabilities, as well as movements during the year:

SEK 000s	Group	
	Right-of-use assets	Lease liability
<b>Opening balance, December 31, 2021</b>	<b>99,830</b>	<b>101,046</b>
New leases	2,389	2,388
Depreciation/amortization	-16,238	-
Ended leases	-	-
Translation differences	216	225
Interest expenses	-	2,876
Lease payments	-	-18,156
<b>Closing balance, December 31, 2021</b>	<b>86,196</b>	<b>88,379</b>
New leases	78,405	73,433
Depreciation/amortization	-24,449	-
Ended leases	-	-
Translation differences	-375	-428
Interest expenses	-	4,542
Lease payments	-	-24,411
<b>Closing balance, December 31, 2022</b>	<b>139,777</b>	<b>141,515</b>

The amounts recognized in the consolidated statement of profit and loss during the year attributable to lease activities are presented below:

SEK 000s	Group	
	2022	2021
Depreciation/amortization of right-of-use assets	-24,449	-16,238
Interest expenses on lease liabilities	-4,542	-2,876
Cost of leases where the underlying asset is of low value	-637	-
Cost of low value leases	-344	-129
<b>Total</b>	<b>-29,972</b>	<b>-19,243</b>

Truecaller recognized a cash outflow attributable to leases of SEK 24,411 thousand for the 2022 fiscal year (SEK 18,156 thousand for 2021). See Note 21 Financial risks for a maturity analysis of consolidated lease liabilities.

**NOTE14 NON-CURRENT ASSETS**

The distribution by region covers property, plant and equipment, intangible assets and right-of-use assets.

SEK 000s	Group	
	Dec. 31, 2022	Dec. 31, 2021
Sweden	167,983	86,391
India	29,396	2,584
Israel	246	-
<b>Total</b>	<b>197,625</b>	<b>88,975</b>

**NOTE 15 FINANCIAL INSTRUMENTS**

Measurement of financial assets and liabilities at Dec. 31, 2022

SEK 000s	Financial assets and liabilities measured at fair value through profit or loss.	Financial assets and liabilities measured at amortized cost	Total carrying amount
Other non-current receivables	-	16,698	16,698
Claims on advertising networks and platform owners	-	91,158	91,158
Accounts receivable	-	60,704	60,704
Short-term placements	400,490	-	400,490
Cash and cash equivalents	-	1,327,801	1,327,801
<b>Total financial assets</b>	<b>400,490</b>	<b>1,496,360</b>	<b>1,896,851</b>
Accounts payable	-	69,835	69,835
Contingent consideration	13,301	-	13,301
<b>Total financial liabilities</b>	<b>13,301</b>	<b>69,835</b>	<b>83,136</b>

Note 15 Financial instruments, continued

#### Measurement of financial assets and liabilities at Dec. 31, 2021

SEK 000s	Financial assets and liabilities measured at fair value through profit or loss.	Financial assets and liabilities measured at amortized cost	Total carrying amount
Other non-current receivables	-	999	999
Claims on advertising networks and platform owners	-	100,353	100,353
Accounts receivable	-	31,160	31,160
Short-term placements	150,066	-	150,066
Cash and cash equivalents	-	1,238,443	1,238,443
<b>Total financial assets</b>	<b>150,066</b>	<b>1,370,954</b>	<b>1,521,020</b>
Liability arising from synthetic options	22,509	-	22,509
Accounts payable	-	39,544	39,544
<b>Total financial liabilities</b>	<b>22,509</b>	<b>39,544</b>	<b>62,053</b>

The carrying amount is considered to be a good approximation of the fair value of current receivables and liabilities, such as receivables from advertising networks and platform owners, accounts receivable and accounts payable. The Group has no financial assets or liabilities that have been offset in the financial statements or are subject to a legally binding netting agreement. The maximum credit risk of the assets is the net amount of the carrying amounts in the tables above. The Group has not received any collateral for the financial net assets.

Short-term placements and liabilities arising from synthetic options are measured at fair value through profit or loss. Fair value is the price that would be received for the sale of an asset or paid for the transfer of a liability in an orderly transaction between market participants at the measurement date. The table below shows financial instruments measured at fair value, based on their classification in the fair value hierarchy. The levels are defined as follows:

**Level 1** – Quoted prices for identical assets or liabilities in an active market,

**Level 2** – Inputs other than quoted prices that are observable directly (prices) or indirectly (derived from prices); and

**Level 3** – Non-observable market data (non-observable inputs).

SEK 000s	Level 1	Level 2	Level 3	Total
<b>Financial instruments measured at fair value at Dec. 31, 2022</b>				
Short-term placements	400,490	-	-	400,490

SEK 000s	Level 1	Level 2	Level 3	Total
<b>Financial instruments measured at fair value at Dec. 31, 2021</b>				
Short-term placements	150,066	-	-	150,066
Liability arising from synthetic options	-	-	22,509	22,509

#### Short-term placements

Truecaller has placed SEK 400 million in short-term fixed-income funds. The fair value of the holding is determined by using market prices at the balance sheet date according to Level 1. The effect of the measurement at fair value is recognized in profit or loss. The fair value adjustment of these instruments is reflected directly in the item "short-term placements" in the statement of financial position. Valuations are shown in the table below.

SEK 000s	2022	2021
<b>Opening balance</b>	<b>150,066</b>	-
Investment short-term placements	250,000	150,000
The change in value is recognized in profit or loss	424	66
<b>Closing balance</b>	<b>400,490</b>	<b>150,066</b>

#### Liability arising from synthetic options

In connection with the acquisition of Backwater Technologies Private Limited synthetic options were issued and measurement of the options was at Level 3 of the valuation hierarchy. In connection with the Truecaller's 2021 IPO, all options were redeemed at an exercise price of USD 525 and settled in cash. An earnout of SEK 22.5 million was also activated in conjunction with the IPO, which was settled in full in January 2022.

SEK 000s	2022	2021
<b>Opening balance</b>	<b>22,509</b>	<b>91,019</b>
Paid	-23,140	-172,016
Remeasurement due to vesting recognized in profit or loss	631	78,702
Remeasurement recognized in net financial income or expense	-	24,804
<b>Closing balance</b>	<b>-</b>	<b>22,509</b>

## NOTE 16 PREPAID EXPENSES AND ACCRUED INCOME

SEK 000s	Group		Parent company	
	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2022	Dec. 31, 2021
Prepaid rent	593	2,135	-	-
Prepaid insurance premiums	6,878	5,506	3,308	3,636
Prepaid licenses and support costs	4,173	3,810	36	-
Accrued revenue from contracts with customers	18,912	7,490	-	-
Other prepaid expenses	7,671	4,020	3,675	3,103
<b>Carrying amount</b>	<b>38,226</b>	<b>22,961</b>	<b>7,020</b>	<b>6,738</b>

## NOTE 17 SHORT-TERM PLACEMENTS

Short-term placements consist of holdings of fixed-income securities, distributed as shown below.

SEK 000s	Group		Parent company	
	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2022	Dec. 31, 2021
Fixed-income funds	400,490	150,066	400,490	150,066
<b>Carrying amount</b>	<b>400,490</b>	<b>150,066</b>	<b>400,490</b>	<b>150,066</b>

## NOTE 18 CASH AND CASH EQUIVALENTS

SEK 000s	Group		Parent company	
	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2022	Dec. 31, 2021
Bank balances	1,327,801	1,238,443	305,935	830,776
<b>Carrying amount</b>	<b>1,327,801</b>	<b>1,238,443</b>	<b>305,935</b>	<b>830,776</b>

Of the Group's bank balances, SEK 0 thousand (0) consist of blocked funds.

## NOTE 19 GROUP COMPANIES

Truecaller restructured the Group in 2021 whereby the former parent company, True Software Scandinavia AB, became a wholly owned subsidiary of the new parent, Truecaller AB. Truecaller AB's (publ) holdings in direct and indirect subsidiaries included in the consolidated accounts are shown in the table below.

Company	Company registration number	Registered office	Share of capital and voting rights %		Carrying amount in the parent company, SEK 000s	
			Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2022	Dec. 31, 2021
Truecaller AB (publ)	559278-2774	Stockholm	Parent company	Parent company		
True Software Scandinavia AB	556784-0912	Stockholm	100	100	10,179,000	10,182,021
True Software Scandinavia Incentive AB	559011-2073	Stockholm	100	100	-	-
TCNA, Inc.	C3730462	San Francisco	100	100	-	-
True Software Services India LLP	AAK-3926	Gurgaon	100	100	-	-
Backwater Technologies Private Limited	U72200KL2014PTC037700	Bangalore	100	100	-	-
Truecaller Holding AB	559346-9801	Stockholm	100	100	68,177	25
CallHero Ltd	51-598790-7	Tel Aviv	100	-	-	-
Truecaller Investment AB	559405-9668	Stockholm	100	-	-	-
Truecaller SEA Pte. Ltd	202212392G	Singapore	100	-	-	-
<b>Carrying amount in the parent company</b>					<b>10,247,177</b>	<b>10,182,046</b>

## NOTE 20 SHAREHOLDERS' EQUITY

A breakdown of changes in equity can be found in the Consolidated and Parent Company Statement of changes in equity (see pages 70 and 74, respectively). Changes in the number of outstanding shares are shown in the following table:

Number of shares outstanding 2022	Group					Total number of shares
	Class A shares	Class B shares	Class C shares	Ordinary shares	Preference shares Class A-D	
<b>January 1</b>	<b>46,783,800</b>	<b>326,880,270</b>	-	-	-	<b>373,664,070</b>
Share issue	-	295,640	-	-	-	373,959,710
Share issue	-	-	5,100,000	-	-	379,059,710
Repurchase of treasury shares	-	-5,120,294	-5,100,000	-	-	368,839,416
<b>December 31</b>	<b>46,783,800</b>	<b>322,055,616</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>368,839,416</b>

Number of shares outstanding 2021	Group					Total number of shares
	Class A shares	Class B shares	Class C shares	Ordinary shares	Preference shares Class A-D	
<b>January 1</b>	-	-	-	<b>2,183,744</b>	<b>1,336,308</b>	<b>3,520,052</b>
Share split (100:1)	-	-	-	216,190,656	132,294,492	352,005,200
Non-cash issue	-	2,428,100	-	-	-	354,433,300
Conversion of shares	46,783,800	305,221,400	-	-218,374,400	-133,630,800	354,433,300
Share issue	-	19,230,770	-	-	-	373,664,070
<b>December 31</b>	<b>46,783,800</b>	<b>326,880,270</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>373,664,070</b>

Number of shares outstanding 2022	Parent company					Total number of shares
	Class A shares	Class B shares	Class C shares	Ordinary shares	Preference shares Class A-D	
<b>January 1</b>	<b>46,783,800</b>	<b>326,880,270</b>	-	-	-	<b>373,664,070</b>
Share issue	-	295,640	-	-	-	373,959,710
Share issue	-	-	5,100,000	-	-	379,059,710
Repurchase of treasury shares	-	-5,120,294	-5,100,000	-	-	368,839,416
<b>December 31</b>	<b>46,783,800</b>	<b>322,055,616</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>368,839,416</b>

Number of shares outstanding 2021	Parent company					Total number of shares
	Class A shares	Class B shares	Class C shares	Ordinary shares	Preference shares Class A-D	
<b>January 1</b>	-	-	-	<b>25,000</b>	-	<b>25,000</b>
Share split (500:1)	-	-	-	12,475,000	-	12,500,000
Non-cash issue	46,783,800	307,649,500	-	-12,500,000	-	354,433,300
Share issue	-	19,230,770	-	-	-	373,664,070
<b>December 31</b>	<b>46,783,800</b>	<b>326,880,270</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>373,664,070</b>

*Note 20 Equity, continued*

The par value per share is SEK 0.002. Class A shares carry ten votes per share, while Class B shares and Class C shares carry one vote per share at the general meeting. Class A shares and Class B shares carry equal rights to dividends. Class C shares do not entitle the holder to any dividends. In the event of liquidation, all shares entitle the holder to an equal share of the company's assets and any surplus.

**Other capital contributions**

Other capital contributions consists of capital contributed by Truecaller's owners in the form of premiums paid in connection with share issues.

**Translation reserve**

The Group's reserves consist in their entirety of a translation reserve. The translation reserve includes all foreign exchange differences arising from the translation of the financial statements of foreign operations that have prepared their financial statements in a functional currency other than the currency in which the Group's financial statements are presented. The Group presents its financial statements in Swedish kronor (SEK). The cumulative translation difference is recognized in profit or loss on disposal of the foreign operation.

SEK 000s	Dec. 31, 2022	Dec. 31, 2021
Opening carrying amount	3,153	4,682
Change for the year	-753	-1,529
<b>Closing carrying amount</b>	<b>2,400</b>	<b>3,153</b>

**Treasury shares**

The Annual General Meeting in May 2022 authorized the Board of Directors to decide on the repurchase of treasury shares until the next Annual General Meeting in 2023. A maximum of five (5) percent of shares outstanding at the time of the Annual General Meeting may be repurchased, which corresponds to 18,697,985 shares. Repurchases may be made on one or more occasions until the next Annual General Meeting. The share buyback program was launched on September 23 and at year-end 5,120,294 B shares had been repurchased for SEK 188.8 million including transaction costs.

Truecaller also issued and repurchased 5,100,000 Class C shares. The transactions are made in accordance with the mandates issued at the 2022 AGM to cover commitments for the performance share rights in LTIP 2022. The Class C shares will be converted into Class B ordinary shares in connection with the delivery of Class B ordinary shares under LTIP 2022.

**NOTE 21 FINANCIAL RISKS**

The Group's earnings, financial position and cash flow are affected by external changes and the actions of the Group. Risk management aims to clarify and analyze the risks faced by the company and, as far as possible, to prevent and limit any adverse impacts.

In the course of ordinary business, the Group is exposed to various types of financial risk: credit risk, market risk (interest rate risk, currency risk and other price risk), liquidity risk and refinancing risk. The Board of Directors has overall responsibility for risk management within the Group, including financial risks. Risk management involves identifying, assessing and evaluating the risks faced by the Group. Priority is given to those risks that, in an overall assessment of possible impact, probability and consequence, are deemed to have the greatest potential adverse effect on the Group. The Group's overall objective is to minimize the financial risks arising from Truecaller's commercial activities, to optimize Truecaller's financial net and to ensure constant solvency.

**Credit risk**

Credit risk is the risk that the Group's counterparty to a financial instrument will not be able to perform its obligation and thereby cause the Group to incur a financial loss. The Group's credit risk arises primarily through receivables from advertising networks and platform owners, other accounts receivable, and from the investment of cash and cash equivalents. At each reporting date, the Group assesses the credit risk of existing exposures, taking forward-looking factors into account.

The financial assets for which the Group has made allowances for expected credit losses are shown below. In addition to the assets listed below, the Group monitors the need for credit loss allowances for other financial instruments. If the amounts are not deemed immaterial, an allowance for expected credit losses is also made for these financial instruments.

**CREDIT RISK IN CLAIMS ON ADVERTISING NETWORKS AND PLATFORM OWNERS AS WELL AS OTHER ACCOUNTS RECEIVABLE (SIMPLIFIED APPROACH FOR CREDIT RISK ALLOWANCE)**

The Group's credit risk arises mainly in claims on advertising networks and platform owners, as well as other accounts receivable, and Truecaller aims to continuously monitor this credit risk. The counterparties for these claims and receivables are only other companies. The Group has established guidelines to ensure that products are sold to customers with appropriate credit histories. Depending on the counterparty, payment terms are normally net 30 days. Historical credit losses are immaterial in relation to the Group's sales.

The simplified approach to accounting for expected credit losses is applied for claims on advertising networks and platform owners, as well as other accounts receivable. Under this approach, an expected credit loss allowance is made for the remaining lifetime, which is expected to be less than one year for all receivables. The Group applies a rating-based approach to calculate expected credit losses based on Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). If no external credit rating is available for the counterparty, the Group performs an internal assessment of the counterparty's credit rating based on the Group's previous experience with the customer and other available information. Credit-impaired assets and receivables, as well as receivables for significant amounts, are individually assessed, taking historical, current and forward-looking information into account. Non-credit-impaired receivables and receivables of insignificant amounts are assessed collectively.

The Group has defined default as when payment of the receivable is past due by 90 days or more, or where there are other factors indicating that payments have been suspended. In these cases, the receivables are assessed individually to estimate the expected credit loss. The Group writes off a receivable when there is no longer any expectation of receiving payment and active measures to obtain payment have ceased. Based on this assessment, an expected credit loss allowance of SEK 1,849 (514) thousand has been made. The assessment is reassessed on a quarterly basis.

Note 21 Financial risks, continued

**Ageing analysis of receivables from advertising networks and platform owners, as well as other accounts receivable**

SEK 000s	Dec. 31, 2022		Dec. 31, 2021	
	Gross	Impairment losses	Gross	Impairment losses
Receivables not yet due	124,754	-22	114,092	-
Past due receivables:				
0-30 days	19,121	-23	7,272	-
31-60 days	3,884	-76	5,678	-
61-90 days	1,987	-41	2,507	-
91-120 days	1,262	-307	870	-63
>120 days	2,701	-1,379	1,609	-451
<b>Total</b>	<b>153,710</b>	<b>-1,849</b>	<b>132,027</b>	<b>-514</b>

The credit quality of receivables that are not more than 90 days past due is assessed as good, based on historically low customer credit losses and consideration of forward-looking factors. The value of receivables impaired to zero that are still in the process of recovery is SEK 0 (0) thousand.

**Cash and cash equivalents**

The Group's credit risk also arises from the investment of cash and cash equivalents and surplus liquidity. Truecaller aims to continuously monitor credit risk arising from investments. For investments in bank accounts, the objective is for the counterparty to have a high credit rating, at a minimum an investment grade rating of BBB (S&P). The Group has bank accounts at more than one bank as one way of mitigating credit risk.

**Credit risk**

The Group's credit risk exposure consists of claims on advertising networks and platform owners, other accounts receivable, and cash and cash equivalents. Cash and cash equivalents are placed in various countries with financial institutions with at least an investment grade rating. The majority of cash and cash equivalents are placed in highly rated Swedish banks. Credit risk also includes concentration risk, which consists of significant exposure to specific counterparties. The concentration risk consists primarily of receivables from advertising networks and platform owners and the risk is minimized by ensuring that the counterparties have a high credit rating.

**Credit risk exposure (gross) at Dec. 31, 2022**

SEK 000s	Simplified approach		General approach <sup>1)</sup>	
	Claims on advertising networks and platform owners	Accounts receivable	Cash and cash equivalents	Total
No/unspecified credit risk score:				
Business customers	20,282	60,704	-	80,986
AAA	-	-	-	-
AA	70,624	-	16,214	86,838
A	253	-	1,231,038	1,231,291
BBB	-	-	80,549	80,549
BB	-	-	-	-
<b>Total</b>	<b>91,158</b>	<b>60,704</b>	<b>1,327,801</b>	<b>1,479,663</b>

1) The Group's assets have been assessed as Stage 1, i.e. there has been no material increase in credit risk.

**Credit risk exposure (gross) at Dec. 31, 2021**

SEK 000s	Simplified approach		General approach <sup>1)</sup>	
	Claims on advertising networks and platform owners	Accounts receivable	Cash and cash equivalents	Total
No/unspecified credit risk score:				
Business customers	23,871	31,160	-	55,031
AAA	-	-	-	-
AA	72,987	-	352,987	425,974
A	166	-	867,616	867,782
BBB	-	-	17,840	17,840
BB	3,329	-	-	3,329
<b>Total</b>	<b>100,353</b>	<b>31,160</b>	<b>1,238,443</b>	<b>1,369,956</b>

1) The Group's assets have been assessed as Stage 1, i.e. there has been no material increase in credit risk.

**Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. IFRS divides market risk into three categories: currency risk, interest rate risk and other price risks. The market risks affecting the Group are mainly currency risk and equity price risk.

**CURRENCY RISK**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risks arise in the translation of the assets and liabilities of foreign operations into the functional currency of the parent company, as well as assets denominated in foreign currency, such as cash and cash equivalents in foreign currency, i.e., translation exposure. Portions of the Group's

*Note 21 Financial risks, continued*

sales and purchases are also denominated in foreign currencies, i.e. transaction exposure. The Group's services are normally sold in the local currency of the country where users reside. However, sales are made through partners such as Google and Facebook, and these partners pay Truecaller mainly in SEK, as well as in USD. Thus the Group has indirect exposure to many foreign currencies. The main indirect exposure is to INR, and the largest direct exposure is to USD.

In the event of a momentary weakening of the SEK by 5% against all currencies, outstanding cash, accounts payable and accounts receivable would reduce earnings by SEK 25.6 (8.7) thousand before taxes.

The Group's costs are mainly incurred in SEK and INR. Currency movements have greater impact on revenues than on costs. The Group's direct currency exposure as a percentage is shown in the table below.

	2022		2021	
	Operating revenue	Operating costs	Operating revenue	Operating costs
SEK	66%	54%	70%	64%
USD	20%	8%	18%	7%
INR	14%	34%	11%	26%
Other currencies	0%	4%	1%	3%

SEK 000s	2022		2021	
	Effect on profit or loss before tax		Effect on profit or loss before tax	
<b>Sensitivity analysis – Currency movements against the SEK</b>				
USD				
+ 5%		13,582		7,437
- 5%		-13,582		-7,437
INR				
+ 5%		-5,665		-4,009
- 5%		5,665		4,009

The effect of exchange rate changes on equity is estimated to be approximately 70% of the effect on profit before tax.

**EQUITY PRICE RISK**

Equity price risk is the risk that the fair value or future cash flows of a financial instrument will vary due to changes in equity prices. The Group's liabilities related to synthetic options give rise to equity price risk because future cash flows are linked to factors including the share price. Changes in the company's share price thus affect the size of the Group's liabilities and the future cash flows that may result from the option contracts. The liability at the balance sheet date has been determined and will be settled based on Truecaller's initial offering price.

**Liquidity risk and refinancing risk**

Liquidity risk is the risk that a company will encounter difficulties performing obligations associated with financial liabilities settled in cash or other financial assets. In all material respects, the Group's operations

are equity-financed. The Group manages the liquidity risk through continuous monitoring of operations, where the Group regularly projects future cash flows based on various scenarios to ensure that financing occurs in a timely manner. Through prudent liquidity management, the Group ensures that sufficient cash and cash equivalents are available to meet the needs of current operations. In order to manage expected and unexpected expenditure, Truecaller must aim to have the equivalent of at least three months of total operating costs at its disposal in the form of available liquidity at all times.

The total liquidity reserve consists of cash and cash equivalents, as well as unutilized overdraft facilities. The Group has an approved bank overdraft facility of SEK 500,000 thousand (SEK 500,000 thousand). As of December 31, 2022, SEK 0 thousand (0) had been utilized.

Refinancing risk refers to the risk that financing for acquisitions or development cannot be maintained, extended, expanded, or refinanced, or that such financing can only be obtained on terms that are onerous for the company. Financing requirements from sources other than equity are regularly reviewed by the Group and the Board of Directors to ensure financing of the Group's expansion and investments.

Truecaller aims to minimize the impact of these risks by using various instruments to hedge risk exposure. The frameworks that apply to exposure, management and monitoring of financial risks are set by the Board of Directors in a finance policy that is revised annually and which also specifies the permitted use of derivative instruments. Within the group, the Finance Department has operational responsibility for securing the Group's financing and managing cash liquidity, financial assets and financial liabilities. The Group leverages economies of scale and synergies by means of a centralized Finance Department. Compliance with policies and exposure are continuously reviewed.

The Group's contractual and undiscounted interest payments and repayments of financial liabilities are shown in the table below.

SEK 000s	Dec. 31, 2022					Total
	<6 months	6-12 months	1-3 years	3-5 years	>5 years	
Lease liabilities	13,752	13,340	64,317	10,331	-	101,740
Accounts payable	69,835	-	-	-	-	69,835
<b>Total</b>	<b>83,587</b>	<b>13,340</b>	<b>64,317</b>	<b>10,331</b>	<b>-</b>	<b>171,575</b>

SEK 000s	Dec. 31, 2021					Total
	<6 months	6-12 months	1-3 years	3-5 years	>5 years	
Liability arising from synthetic options	22,509	-	-	-	-	22,509
Lease liabilities	9,669	8,867	31,998	-	-	50,534
Accounts payable	39,544	-	-	-	-	39,544
<b>Total</b>	<b>71,722</b>	<b>8,867</b>	<b>31,998</b>	<b>-</b>	<b>-</b>	<b>112,587</b>

Credit agreements/frameworks that Truecaller has entered into are shown below:

SEK 000s	Amount	Utilized Dec.	Amount	Utilized Dec.
	Dec. 31, 2022	31, 2022	Dec. 31, 2021	31, 2021
Bank overdraft	500,000	-	500,000	-
<b>Total</b>	<b>500,000</b>	<b>-</b>	<b>500,000</b>	<b>-</b>

**NOTE 22 DEFINED-BENEFIT PENSION PLANS**

The Group provides defined-benefit pension plans that cover all employees in India who have worked for the Group for more than five years. Defined benefit pension plans are calculated by an independent external actuary. The cost of the defined-benefit pension plans and the size of the pension obligation are calculated using the Projected Unit Credit (PUC) method. In brief, under this method each employee's period of service gives rise to the final total obligation. The calculations are affected by actuarial assumptions, such as future salary increases and staff turnover rates. The benefit is paid as a lump sum and therefore there is no longevity risk involved. The Group's defined-benefit pension plans are unfunded. Remeasurement effects are recognized in other comprehensive income.

The amounts recognized in the consolidated statement of profit and loss, as well as in the statement of financial position during the year are as follows:

SEK 000s	2022	2021
<b>Amounts recognized in profit or loss</b>		
Cost of service current year	1,596	1,231
Interest expense	369	208
<b>Total pension costs recognized in profit or loss</b>	<b>1,965</b>	<b>1,439</b>
<b>Amounts recognized in other comprehensive income</b>		
Remeasurement of pension obligation	1,891	89
<b>Total pension costs recognized in other comprehensive income</b>	<b>1,891</b>	<b>89</b>
<b>Total defined benefit pension costs</b>	<b>3,856</b>	<b>1,527</b>

SEK 000s	Dec. 31, 2022	Dec. 31, 2021
<b>Amounts recognized in statement of financial position</b>		
Present value of pension obligations, unfunded plan	7,653	4,538
<b>Provisions to defined-benefit pension plans</b>	<b>7,653</b>	<b>4,538</b>

	2022	2021
<b>Change in present value of pension obligation</b>		
<b>Opening balance, January 1</b>	<b>4,538</b>	<b>2,966</b>
Cost of service current year	1,596	1,231
Interest expense	369	208
Actuarial gains and losses due to		
<i>Changed demographic assumptions</i>	1,025	310
<i>Changed financial assumptions</i>	204	7
<i>Experience adjustments</i>	662	-229
Pension payments	-855	-277
Foreign exchange differences	114	321
<b>Closing balance, December 31</b>	<b>7,653</b>	<b>4,538</b>

	Dec. 31, 2022	Dec. 31, 2021
<b>Significant actuarial assumptions</b>		
Discount rate, %	7.42%	6.79%
Future pay increases, %	12.00%	11.00%
Employee turnover, %	11.00%	15.00%

	Dec. 31, 2022		Dec. 31, 2021	
	Change of assumptions	Change of net pension obligation	Change of assumptions	Change of net pension obligation
<b>Sensitivity analysis</b>				
Discount rate	+/- 1%	-743/880	+/- 1%	-355/409
Future pay increases	+/- 1%	850/-736	+/- 1%	400/-355
Employee turnover	+/- 1%	-283/318	+/- 1%	-118/130

The sensitivity analysis is based on change in a single actuarial assumption, while other assumptions remain unchanged. This method shows the sensitivity of the obligation to a single assumption. This is a simplified method as the actuarial assumptions usually correlate.

The weighted average duration of pension commitments is estimated at 13.52 years as of Dec. 31, 2022 and 8.73 years as of Dec. 31, 2021.

**NOTE 23 ACCRUED EXPENSES**

SEK 000s	Group		Parent company	
	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2022	Dec. 31, 2021
Accrued employee benefits expense	29,475	18,006	1,758	875
Auditing and advice	2,337	2,229	1,155	1,100
Third party fees and partner commissions	25,518	14,798	-	-
Legal and consultant fees	13,866	2,739	1,610	69
Licenses and data services	10,214	6,989	24	-
Costs related to IPO	-	12,358	-	12,358
Other accrued expenses	13,692	5,356	766	777
<b>Carrying amount</b>	<b>95,101</b>	<b>62,475</b>	<b>5,313</b>	<b>15,179</b>

**NOTE 24 STATEMENT OF CASH FLOWS**

SEK 000s	Group		Parent company	
	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2022	Dec. 31, 2021
<b>Adjustments for non-cash items</b>				
Depreciation, amortization and impairment	28,664	16,844	-	-
Costs, employee stock options	27,714	81,930	31,605	-
Remeasurement, options, net financial income/expense	-	24,804	-	-
Change in allowance for bad debts	1,849	-	-	-
Change in provisions	1,111	1,162	-	-
Unrealized currency effects	-12,236	-5,195	-425	-66
Other financial expenses	-	-	-	-
Adjustments for non-cash items	-8	-	-	-
<b>Total</b>	<b>47,095</b>	<b>119,545</b>	<b>31,180</b>	<b>-66</b>

SEK 000s	Group	
	Dec. 31, 2022	Dec. 31, 2021
Interest received	6,818	76
Interest paid	-14,151	-7,182
<b>Total</b>	<b>-7,333</b>	<b>-7,106</b>

SEK 000s	2022-01-01	Cash flow	Business combinations	New leases	Changes in fair value	Other	Dec. 31, 2022
Liability arising from synthetic options	22,509	-23,140	-	-	631	-	-
Lease liabilities	88,379	-19,869	-	73,433	-428	-	141,515
<b>Total liabilities attributable to financing activities</b>	<b>110,889</b>	<b>-43,009</b>	<b>-</b>	<b>73,433</b>	<b>203</b>	<b>-</b>	<b>141,515</b>

SEK 000s	Jan. 1, 2021	Cash flow	Non-cash changes			Other	Dec. 31, 2021
			Business combinations	New leases	Changes in fair value		
Liability arising from synthetic options	91,019	-172,016	-	-	103,506	-	22,509
Lease liabilities	101,046	-15,280	-	2,388	-	225	88,379
<b>Total liabilities attributable to financing activities</b>	<b>192,065</b>	<b>-187,296</b>	<b>-</b>	<b>2,388</b>	<b>103,506</b>	<b>225</b>	<b>110,889</b>

**NOTE 25 PLEDGED ASSETS AND CONTINGENT LIABILITIES**

The Group's contingent liabilities consist of a tax case in the previously acquired subsidiary Backwater Technologies related to the determination of income for FY 2016-17. The pending case belongs to a period prior to the acquisition date. The Group considers it likely that the outcome will be in its favor and therefore has not recognized any provision in this respect. The total undiscounted amount that the Group may be required to pay if the decision in the process goes against the Group is estimated to be between SEK 3 and 12 million.

**NOTE 26 RELATED PARTY TRANSACTIONS**

Transactions in the Group between the parent company and its subsidiaries, which are related parties, have been eliminated on consolidation and therefore disclosures regarding these transactions are not provided for the Group.

The parent company has a related party relationship with its subsidiaries. Prices in transactions between the parent company and subsidiaries based on commercial principles.

SEK 000s	Group		Parent company	
	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2022	Dec. 31, 2021
Sales to related parties, subsidiaries	-	-	6,684	1,318
Group contribution received	-	-	102,600	-
Claims on related parties at the balance sheet date, subsidiaries	-	-	106,248	650
Liabilities to related parties at the balance sheet date, subsidiaries	-	-	-	31,509

True Software EC AB, True Software EC II AB, True Software EC III AB and True Software EC IV AB (together "the EC companies") have during the year sold 3,381,387, 1,421,414, 1,027,840 and 587,518 shares respectively in Truecaller AB. After the sale, the EC companies have no remaining holdings in Truecaller AB. The EC companies are owned by employees of the Truecaller group and the boards of the EC companies consist include senior executives in Truecaller, Odd Bolin and Ola Espelund, which is why the transactions constitute transactions with related parties.

Information about compensation and other benefits for senior executives can be found in Note 7.

**NOTE 27 BUSINESS COMBINATIONS**

On March 22, 2022 Truecaller completed the acquisition of the Israeli company CallHero Ltd. CallHero has developed a unique technical solution that automatically answers and analyzes incoming calls with the help of a digital assistant, a Smart Agent. The technology is intended to strengthen Truecaller's offering in the US, where CallHero primarily has its customers today. The purchase price was USD 4.5 million, of which USD 2.7 million was paid in cash through cash on hand and USD 1.8 million was paid through newly issued Class B shares in Truecaller. The shares are conditional on the holders remaining employed in the Group for a longer period of time and this portion will therefore be recognized as employee benefit expense over the relevant period of time. In addition to the initial purchase price, earnouts of up to USD 2 million may be payable subject to the achievement of certain pre-determined targets over a period of up to four years from the completion of the acquisition. USD 0.5 million of this amount was paid at the end of the year. The acquisition is primarily an acquisition of technology and expertise.

According to the preliminary acquisition analysis, surplus values of SEK 10 million arose attributable to proprietary software and non-deductible goodwill of SEK 34.4 million, which is mainly attributable to the expertise contributed by CallHero's employees. The useful life of proprietary software is estimated to be five years.

Fair value of net assets acquired, SEK thousand	CallHero Ltd
Intangible assets	10,000
Property, plant and equipment	8
Deferred tax assets	14
Accounts receivable and other receivables	58
Cash and cash equivalents	174
Deferred tax liability	-2,300
Accounts payable and other operating liabilities	-931
<b>Identified net assets</b>	<b>7,023</b>
Goodwill	34,391
<b>Total purchase price</b>	<b>41,414</b>
<b>Purchase price (SEK thousand)</b>	
Purchase price, cash	24,629
Earnout, liability	16,785
<b>Total purchase price</b>	<b>41,414</b>
Fair value of net assets acquired	-7,023
<b>Goodwill</b>	<b>34,391</b>

#### Note 27 Business combinations

Transaction costs related to the acquisition of CallHero Ltd totaled SEK 2.5 million. Transaction costs are recognized as an expense in the income statement under other costs.

Impact of the acquisition on the consolidated cash flow:	CallHero Ltd
Purchase price paid	-24,629
Cash and cash equivalents in acquired company	174
Direct costs related to acquisition	-2,475
Earnout paid	-5,227
<b>Net effect on Group cash and cash equivalents from acquisition</b>	<b>-32,157</b>

#### NOTE 28 EVENTS AFTER THE BALANCE SHEET DATE

After the end of the reporting period, in line with the share repurchase program initiated on September 23, 2022, Truecaller has repurchased an additional 6,446,510 Class B shares for SEK 201.4 million including transaction costs. Truecaller's total holding of treasury Class B shares amounts to 11,566,804, which were repurchased for a total of SEK 390.1 million including transaction costs.

On April 10, 2023, Truecaller acquired 4+ percent of the shares in the Singapore-based game development company Mayhem Studios Private Ltd. for SEK 32.6 million. The investment was financed through existing cash. Other investors include Sequoia and Mobile Premier League.

Mayhem Studios Private Ltd. focuses on developing mobile games for the Indian market. The Indian mobile gaming market is expected to grow strongly from USD 2.8 billion in 2022 to USD 5 billion in 2025. The availability of affordable mobile data coupled with increased smartphone penetration are two of the factors which is expected to contribute to the strong market growth.

#### NOTE 29 PROPOSED ALLOCATION OF PROFIT

The Board of Directors will propose to the Annual General Meeting that no dividend be paid for the 2022 fiscal year.

The following non-restricted equity in the parent company is at the disposal of the Annual General Meeting (SEK):

Retained earnings	175,665,040
Share premium reserve	10,819,168,475
Profit or loss for the year	63,907,813
	<b>11,058,741,328</b>

The Board of Directors proposes that earnings shall be allocated as follows, SEK:

To be carried forward	11,058,741,328
	<b>11,058,741,328</b>



## SIGNATURES

The Board of Directors and the Chief Executive Officer assure that the consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and give a true and fair view of the Group's position and performance. The parent company's annual report has been prepared in accordance with generally accepted accounting principles in Sweden and gives a true and fair view of the parent company's position and performance. The Board of Directors'

Report for the Group and the parent company provides a true and fair view of the development of the Group's and the parent company's operations, financial position and results and addresses significant risks and uncertainties affecting the parent company and the companies within the Group. The assurance also includes the statutory sustainability report for the financial year 2022-01-01-2022-12-31 on pages 24-43, prepared according to the Annual Report Act chapter 6 paragraph 11.

Stockholm, April 17, 2023

Bing Gordon  
*Board chair*

Alan Mamedi  
*Board member, CEO*

Annika Poutiainen  
*Board member*

Helena Svancar  
*Board member*

Nami Zarringhalam  
*Board member*

Shailesh Lakhani  
*Board member*

Our Auditor's Report was submitted on April 24, 2023

Ernst & Young AB

Jennifer Rock-Baley  
*Authorized Public Accountant*

## ALTERNATIVE PERFORMANCE MEASURES

In accordance with the guidelines from the European Securities and Markets Authority (ESMA) regarding the reporting of alternative performance measures, the definition and reconciliation of alternative performance measures for Truecaller is presented here. The guidelines provide additional disclosures for those financial measures not defined in IFRS. The following measurements are used by Truecaller to clarify the company's performance and simplify the evaluation process for followers of the company's financial reporting. The performance measurements are used for internal control and monitoring. As all companies do not calculate financial measures in the same way, these measures are not always comparable with measures used by other companies.

Alternative performance measurement	Definition	Purpose
Gross profit	Net sales minus third party fees.	Gross profit is used to analyze profitability minus direct costs (costs directly related to the brokerage of ad space and the costs to affiliate new premium users).
Gross margin	Gross profit as a percentage of net sales.	Gross margin is a measure of profitability minus direct costs.
Adjusted EBITDA	Earnings before interest, taxes, depreciation and amortization (EBITDA) adjusted for items affecting comparability. Items affecting comparability consist of costs related to the IPO, as well as synthetic options from the acquisition of Backwater Technologies.	Adjusted EBITDA is a measurement Truecaller uses to show how current operations develop over time.
Adjusted EBITDA margin	Adjusted EBITDA as a percentage of net sales.	Adjusted EBITDA margin is used to illustrate the profitability of current operations excluding items affecting comparability and before amortization.
EBIT (Operating profit)	Operating profit (earnings) before interest and taxes.	EBIT is used to analyze the profit generated by the operating entity.
EBIT margin	EBIT as a percentage of net sales.	EBIT is used to illustrate the profitability of current operations.
Adjusted EBIT	Operating profit (earnings) before interest and taxes (EBIT) and adjusted for items affecting comparability. Items affecting comparability consist of costs related to the IPO, as well as synthetic options from the acquisition of Backwater Technologies.	Adjusted EBIT is used to analyze the profit generated by the operating entity adjusted for items affecting comparability.
Adjusted EBIT margin	Adjusted EBIT as a percentage of net sales.	Adjusted EBIT margin is used to illustrate the profitability of current operations adjusted for items affecting comparability.

Alternative performance measurement	Definition	Purpose
Debt to Equity ratio	Equity divided by total assets.	A measurement to illustrate financial risk, expressed as the percentage of total assets financed by shareholders' equity.
Monthly Active Users (MAU)	The number of users that have a Truecaller profile and are active on the platform on a monthly basis.	Used to illustrate the volume of active users of Truecaller's services.
Daily Active Users (DAU)	The number of users that have a Truecaller profile and are active on the platform on a daily basis.	Used to illustrate the volume of active users of Truecaller's services.
Cost per thousand impressions (CPM)	Cost Per Mille (CPM) illustrates the cost of displaying one ad one thousand times.	Used to illustrate the effectiveness of the ad platform.
Average revenue per user (ARPU)	The average revenue for one paying user (Truecaller Premium)	Used to illustrate how revenues per user develop over time.

*Alternative performance measures, continued*

**Reconciliation of selected performance measurements not defined under IFRS**

SEK 000s	Group	
	2022	2021
<b>Gross profit and gross margin</b>		
Net sales	1,772,926	1,128,888
Minus third party fees	-417,689	-272,807
<b>Gross profit</b>	<b>1,355,236</b>	<b>856,081</b>
Divided by Net sales	1,772,926	1,128,888
<b>Gross margin</b>	<b>76.4%</b>	<b>75.8%</b>
<b>Adjusted EBITDA and adjusted EBITDA margin</b>		
Profit before tax	688,121	299,708
Excluding Net financial income/expense	381	28,511
Excluding depreciation, amortization and impairment	28,664	16,844
<b>EBITDA</b>	<b>717,166</b>	<b>345,063</b>
Excluding items affecting comparability	-	127,443
<b>Adjusted EBITDA</b>	<b>717,166</b>	<b>472,506</b>
Divided by Net sales	1,772,926	1,128,888
<b>Adjusted EBITDA margin</b>	<b>40.5%</b>	<b>41.9%</b>

SEK 000s	Group	
	2022	2021
<b>EBIT (Operating profit) and EBIT margin</b>		
Profit before tax	688,121	299,708
Excluding Net financial income/expense	381	28,511
<b>EBIT (Operating profit)</b>	<b>688,502</b>	<b>328,219</b>
Divided by Net sales	1,772,926	1,128,888
<b>EBIT margin</b>	<b>38.8%</b>	<b>29.1%</b>
<b>Adjusted EBIT and adjusted EBIT margin</b>		
EBIT (Operating profit)	688,502	328,219
Excluding items affecting comparability	-	127,443
<b>Adjusted EBIT</b>	<b>688,502</b>	<b>455,662</b>
Divided by Total net sales	1,772,926	1,128,888
<b>Adjusted EBIT margin</b>	<b>38.8%</b>	<b>40.4%</b>
<b>Debt to Equity ratio</b>		
Total equity	1,804,093	1,411,410
Divided by Total assets	2,344,372	1,692,896
<b>Debt to Equity ratio</b>	<b>77.0%</b>	<b>83.4%</b>

# Auditor's report

To the general meeting of the shareholders of Truecaller AB (publ), corporate identity number 559278-2774

## REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

### Opinions

We have audited the annual accounts and consolidated accounts of Truecaller AB (publ) for the year 2022 except for the corporate governance statement on pages 51–59 and the statutory sustainability report on pages 24–43. The annual accounts and consolidated accounts of the company are included on pages 45–46 and 61–103 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2022 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2022 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 51–59 and the statutory sustainability report on pages 24–43. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

### Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

### Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures

performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

### Revenue Recognition

#### How our audit addressed this key audit matter

Truecaller generates revenue mainly from the sale of ad spaces in Truecaller's application. The Group reports revenue as the performance obligation is fulfilled, which is deemed to be when the customer gains control of the asset. Truecaller believes that control is transferred over time, as the advertiser simultaneously receives and consumes the benefits provided. Progress is measured using a production method based on the number of ad impressions or clicks generated by the ad.

Revenue is received mainly through large advertising network platforms.

The Group's revenues are a significant item. Proper revenue recognition requires satisfactory guidelines, systems and controls. There is a risk that revenue is not complete, that transactions are not recognized at the correct amount and that income is not recognized in the correct period.

The Group's revenue recognition policy is described in Note 1 and Note 3 presents Revenue from agreements with customers.

#### Our audit included, among other things, the following audit procedures:

- evaluation of controls and processes supporting revenue recognition;
- review of the Group's analysis of the completeness and accuracy of the revenue received;
- review of the Group's revenue accounting principles to verify compliance with IFRS;

- substantive procedures over reported income against settlement basis and bank account statements of payments received.

### Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–44, 47–59, 98–99 and 104–108. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

### Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or related safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on the audit of the administration and the proposed appropriations of the company's profit or loss

### Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Truecaller AB (publ) for the year 2022 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

### Basis for opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

### Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

### Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of

assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

## THE AUDITOR'S EXAMINATION OF THE ESEF REPORT

### Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Truecaller AB (publ) for the financial year 2022.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

### Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the ESEF report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of TrueCaller AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

### Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with professional ethical requirements, professional standards and legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

### The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 51-59 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

Ernst & Young AB, Box 7850, 103 99 Stockholm, was appointed auditor of Truecaller AB (publ) by the general meeting of the shareholders on the 24th of May 2022 and has been the company's auditor since the 17th of June 2021.

Stockholm, 24 April 2023

Ernst & Young AB

Jennifer Rock-Baley  
Authorized Public Accountant



# Information to shareholders

## Annual General Meeting

The annual general meeting of shareholders in Truecaller AB (publ) will be held 26 May 2023 at 14.30 CET in the company's offices at Mäster Samuelsgatan 56, Stockholm.

Notices will be published in Dagens Industri and Post-och Inrikes Tidningar. The notice of the meeting and information published prior to the meeting is available on [corporate.truecaller.com](https://corporate.truecaller.com).

## Financial calendar

Interim report January – March: 11 May 2023

Interim report January – June: 21 July 2023

Interim report January – September: 9 November 2023

Year-end report January – December 2023: 20 February 2024

## Contact details

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