

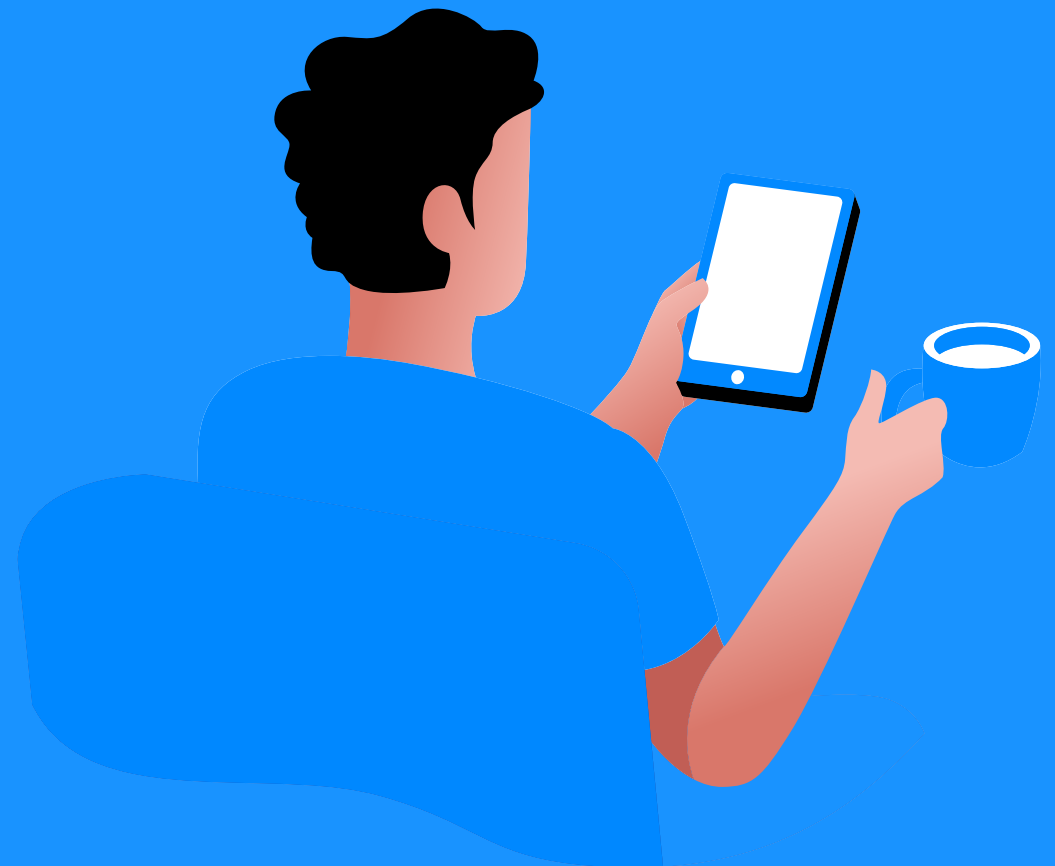


*Take the
right call.*

truecaller

Annual and Sustainability Report 2023

**“Truecaller makes tomorrow’s
communication smarter,
safer and more efficient”**



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The formal annual report can be found on pages 9–10, 57–58 and 62–116 and is published in Swedish and English.

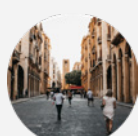


Our history.

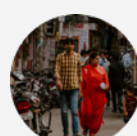
Truecaller was started based on the simple idea of helping to identify who tried to contact you, regardless of where in the world the call comes from. Previous solutions for phone book directories or call-back services were hyperlocal, unreliable and unable to efficiently keep up in an accelerating digital 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

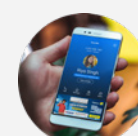
Truecaller is founded in Sweden. In the first week after its launch, the app is downloaded around 10,000 times.

2011

Truecaller becomes one of the three most downloaded apps in Jordan and Lebanon through word of mouth alone.

2013

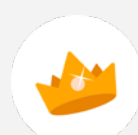
Truecaller reaches 10 million monthly active users (MAUs) globally. Sequoia Capital (an early investor in Apple, Zoom and WhatsApp) invests in the company.

2016

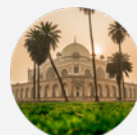
Launch of the advertising platform, enabling monetization of the product for the first time.

2017

Truecaller reaches 100 million MAUs worldwide. Truecaller opens a subsidiary in India as a base for growing the local organization.

2018

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

2019

Truecaller reaches 200 million MAUs globally, including 150 million from India. Truecaller becomes one of the top three downloaded apps in India.

2020

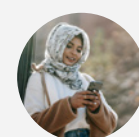
"Truecaller for Business" is launched, the company's first B2B product and a third source of revenue generation.

2021

Truecaller is listed on Nasdaq Stockholm and reaches the milestone of 300 million MAUs.

2022

Number of daily active users (DAUs) exceeds 250 million, Truecaller starts delivering business messages in partnership with Tanla and launches its first product from the cloud telephony platform, Truecaller Assistant. Truecaller for Business rapidly expands and Truecaller launches a new iPhone app that increases the number of DAUs on the iPhone by over 80 percent.

2023

Growth outside India accelerates, with the number of users outside India exceeding 100 million. For the third consecutive year, the EBITDA margin is over 40 percent. Recurring revenue from paying users and Truecaller for Business is growing strongly. Growing focus on fraud and scam prevention.

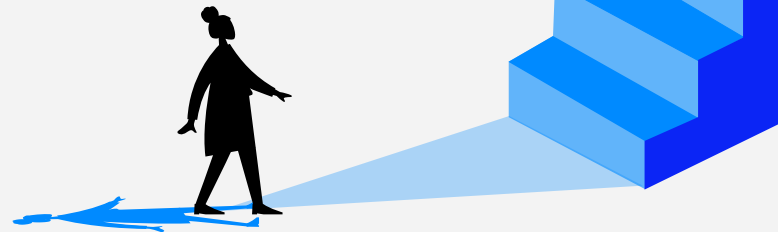


This is Truecaller.

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 our job is to make trustworthy communication happen. Truecaller is a natural element of daily communication for over 374 million active users and more than 2,500 verified large enterprises. In 2023, the app identified and blocked almost 50 billion unwanted calls. Headquartered in Stockholm since 2009, we are an entrepreneurial business led by the co-founders and a highly experienced executive management team.

Our vision.

At Truecaller **we aim to make tomorrow's communication smarter, safer and more efficient.** We were founded to create a service that could identify incoming calls from unknown numbers, but as the problem with scams and unwanted communication grew, we grow too.





Our values

At Truecaller, our strong work ethic is defined by 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 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 serves as a compass at all levels, from the individual to our various teams to top management.



Never give up

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

Get sh*t done

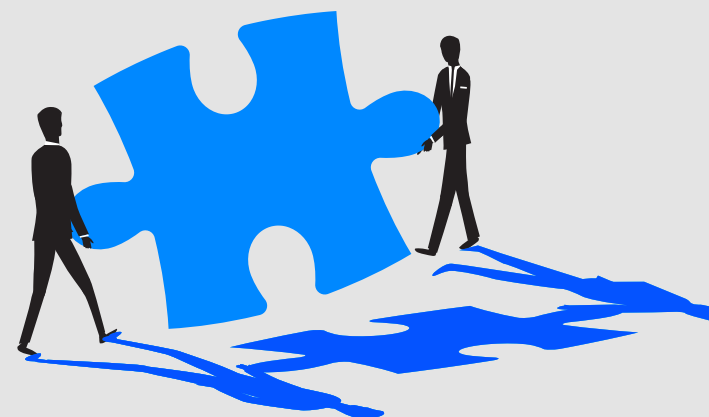
Acting quickly and decisively is important to us. We want to achieve our goals and are not afraid to roll up our sleeves and get things done.

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.

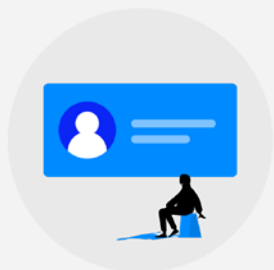
Help each other

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 believe it is important to celebrate victories.





Truecaller in numbers.



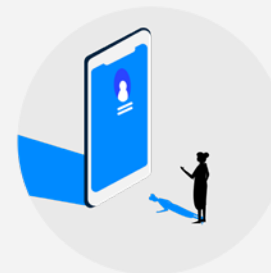
~ 1,100 billion

identified unknown calls and SMS in 2023



~ 50 billion

blocked spam calls in 2023



> 1 billion

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

419 employees

as of Dec. 31, 2023

> 35 nationalities

working in the company

374 million

average monthly active users
in Q4 2023

> 31 million

Views of Truecaller's Government
Directory Services in India in 2023

> 250 million

Scam-related alerts linked
to calls or SMS in 2023

~ 5 million

Spam reports from Truecaller's
community per day



What Truecaller offers.

Truecaller for consumers

One app for all communication needs

Every month, more than 374 million people all over the world use Truecaller to manage calls and texts.

A few of Truecaller's call services:

- **Caller ID** – Identify absolutely anyone in real-time when they call
- **Spam Blocking** – Filter and block annoying spam/scam calls
- **VoIP-samtal** – 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 has the phone on silent.
- **Call reason** – Tell them why you are calling
- **Call alert** – Receive an alert before the phone rings
- **Truecaller Assistant** – An AI-powered digital assistant, which helps users filter out fraud and scam calls
- **Call Recorder** – allows users to record calls and uses AI technology and LLM models to organize, summarize and categorize the recorded calls

A few of Truecaller's messaging services:

- **Smart SMS** – AI organizes 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 suggest 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 messages** – Send urgent messages that are shown to the recipient in full screen mode.

→ [Read more about Truecaller for consumers on page 24.](#)

Truecaller for Business

More efficient communication for businesses

Truecaller for Business was launched in late 2020 in response to a clear need for companies 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 builds trust. By the end of 2023, the number of active customers had passed 2,500 in 37 different countries.

In 2023, almost 6 billion Verified Business calls were made and over 5 billion business messages were sent.

A few of Truecaller's 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. Key additional features are **Call reason**, **Video Caller Id**, **Customer surveys** and **Call me back features**. A verified identity establishes the brand, drives customer loyalty and improves efficiency.
- **Business messaging** – Truecaller offers businesses a messaging service to create a safe, cost-effective and reliable solution for their messaging needs. The message format is much more flexible than a traditional SMS.
- **Risk assessment products and fraud protection** – In late 2023, Truecaller developed software to improve companies' risk assessment and reduce the risk of fraud based on intelligence related to phone numbers.
- **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 businesses on page 27.](#)

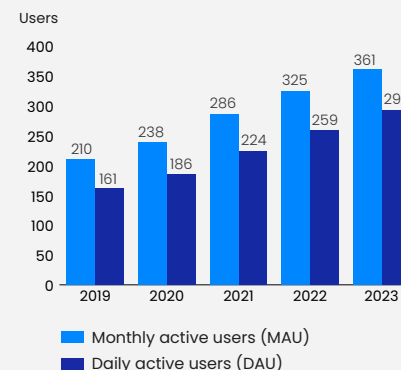
The year in brief.

In 2023, Truecaller continued to grow its user base and develop its offering. At Truecaller, we make tomorrow's communication smarter, safer and more efficient by offering a communication platform that helps businesses and consumers around the world identify who is calling, prevent fraud, verify contacts and block unwanted communications.

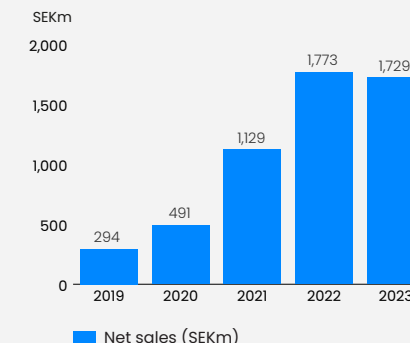
Key financial data, Group

	2023	2022	2021	2020	2019
Net sales	1,729	1,773	1,129	491	294
Gross profit	1,308	1,355	856	322	171
Gross margin (%)	75.6%	76.4%	75.8%	65.5%	57.9%
EBITDA	703	717	345	88	-86
EBITDA margin (%)	41%	40%	31%	18%	neg.
Adjusted EBITDA	703	717	473	105	-34
Adjusted EBITDA margin (%)	41%	40%	42%	21%	neg.
EBIT (Operating profit)	658	688	328	-31	-98
Operating margin (%)	38%	39%	29%	neg.	neg.
Adjusted EBIT (adjusted operating margin)	658	688	456	-14	-47
Adjusted operating margin (%)	38%	39%	40%	neg.	neg.
Profit or loss after net financial income or expense	712	688	300	-54	-97
Equity	1,744	1,804	1,411	146	151
Total assets	2,160	2,344	1,693	436	275
Equity to assets ratio (%)	81%	77%	83%	34%	55%
Employees at the end of the period	419	395	306	241	210
Monthly active users (MAU), average	361	325	286	238	210
Daily active users (DAU), average	293	259	224	186	161

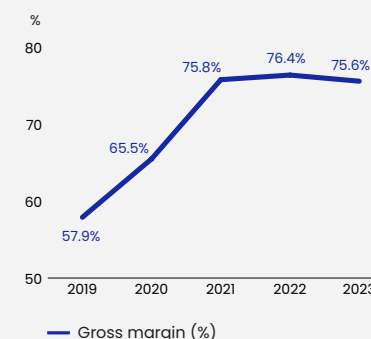
Active Users



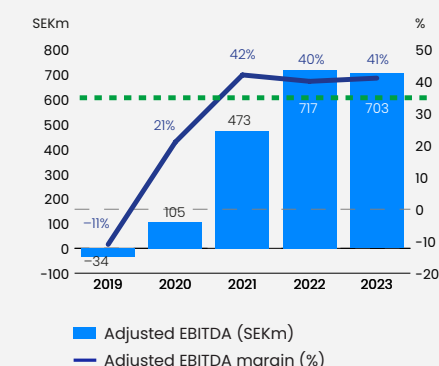
Net sales



Gross margin (%)



Adjusted EBITDA



Significant events in 2023.

Q1

Growth outside India is accelerating and for the first time in 2020–2023, growth outside India is equal to that in India. Conversion to the premium offering is increasing with the help of new features and improved packaging of different price plans. The increase in conversion continues throughout 2023, with subscription revenue growing by 21 percent over the year.

The Business Messaging product, launched in 2022 in partnership with Tanla, is scaling up and the volume of messages is hitting a new record. The product continues to scale up and in Q3 and Q4 more than 2 billion messages were sent using the service, which is a less expensive alternative to traditional SMS services and enables different functionality and analytics.

Truecaller opens its new office in Bangalore, India. The office, which is Truecaller's largest outside Sweden, is LEED Gold certified. LEED aims to reduce the carbon footprint and reduce energy use.

Truecaller's digital government directory, which supports seamless interaction between Indian government authorities and private individuals, now includes 30,000 verified contacts from 23 central ministries and 25 state governments in India.

Q2

Truecaller acquired just over 4 percent of the game development company Mayhem Studios Private Ltd. The company focuses on development of mobile games for the Indian market. The aim is that in addition to being a good investment, the acquisition will help build a stronger position for Truecaller's advertising platform in the mobile gaming market.

In April, Truecaller passed the milestone of 350 million users worldwide.

In May, another milestone was achieved when the number of monthly active users of the service outside India passed 100 million. The strongest growth comes from emerging regions such as South East Asia, South America and Africa.

Truecaller's Board of Directors resolved to exercise the new authorization from the Annual General Meeting to repurchase its own Class B shares.

The AI-powered Call Recording feature is launched on both iPhone and Android, beginning in the US. The service will then gradually be rolled out in different parts of the world. The feature is part of the growing premium offering.

"Trueballer", a partnership between Truecaller and AIK Fotboll is launched. The aim is to provide a safe environment and opportunities for children from vulnerable areas to get involved in playing soccer and avoid problems related to crime and other issues.

Q3

A new data protection law is adopted by the Indian Parliament. The law regulates the processing of personal digital data, among other things. Truecaller has actively followed the process with the new bill since 2019 and is well prepared to be compliant. Truecaller's assessment is that the new law will not have a significant impact on user experience or revenue.

Truecaller unveils an updated brand identity and launches a new app icon. The refreshed logo signifies a renewed and strong focus on user privacy and enhanced safety in communication.

Truecaller launches the new Search Context anti-fraud feature as part of Truecaller's "AI identity solution." In the search results for any number, users will instantly see a warning if a name has recently changed or is being changed frequently. The app also classifies the message into three color categories: blue for a neutral change, yellow to indicate a potentially suspicious name change and red, indicating multiple and frequent name changes, which is a clear sign of fraudulent and scammer activity.

Business offering expands to include risk and fraud management. The "risk intelligence" solution helps businesses to better assess the risk of a phone number. The service can be used for purposes such as improving credit rating checks and reducing the risk of fraud.

Q4

Truecaller acquires Unoideo Technologies Pvt Ltd, which is based in India and provides the TrustCheckr service, an SaaS platform to help businesses verify customer information and detect the risk of fraud based on phone numbers and digital signals.

A double materiality analysis is carried out in compliance with the CSRD directive.

Truecaller appoints country managers for the rapidly growing markets in Nigeria and Colombia. They are responsible for business strategy in their respective markets, with the overarching goal of increasing awareness of Truecaller among consumers and businesses in the regions.

Truecaller is one of the most downloaded apps in 2023 at Apple. Truecaller was one of the top 20 downloaded apps in the free category in countries such as India, South Africa and Egypt, as well as in ten additional geographic markets in Africa and the Middle East. The number of monthly active users on iOS has risen by about 60 percent since Q3 2022 when a new app was launched.

Truecaller formulates a carbon management plan with initiatives to reduce its carbon footprint by 30 percent by 2026.

Truecaller establishes a global career structure to enable all employees to take responsibility for their personal development and career.



Truecaller's mission more relevant than ever.



We are committed to delivering innovative solutions that improve people's lives, create a safer world and simplify their everyday communication.

Alan Mamedì
Chief Executive Officer



Truecaller's mission is to provide a secure communication platform with no risk of being exposed to fraud, harassment or other unwanted calls and messages. Together with our community of more than 374 million users, we create an environment where consumers and businesses can build relationships and interact with each other safely and securely.

In a digitalized global society and with new technologies such as AI and deep fakes, we are unfortunately seeing an accelerating trend of fraud and unwanted communication. Our mission has never been more relevant than it is today, 15 years after my co-founder and I started Truecaller.

Our users and our product and service development, based on their needs, are constantly in focus at Truecaller and are key to our continued growth. In 2023, the number of monthly active users increased by about 36 million, reaching 374 million by the end of 2023. Growth outside our largest market, India, was record high and during the year we passed 100 million users outside India.

In 2023, the weaker global economy and more cautious approach among businesses to investments in advertising had a negative impact on our revenue. Nevertheless, the strong trend continued for our recurring revenue from subscriptions and businesses. Although total sales decreased by 2 percent to SEK 1,729 million, we still

reported an increase in earnings per share and an EBITDA margin of 41 percent, which was an improvement compared to 2022.

A constantly evolving product

We continue to drive innovation and improvements across our product portfolio to offer our users an even more comprehensive and useful experience. Our commitment to meet and exceed user needs has led to exciting advances, such as in our AI and cloud telephony solutions. We have further developed the Truecaller Assistant and Call Recording features, enabling paying users to efficiently manage their phone calls and increase their everyday productivity.

We have continued to strengthen our product for iOS. Growth on the platform has been strong and it was an honor for us to be ranked during the year among the top 20 downloaded apps on iOS in the free category in countries such as India, South Africa and Egypt, as well as in ten additional geographic markets in Africa and the Middle East.



We have also stepped up our efforts to strengthen fraud protection for both consumers and businesses. By offering expanded opportunities for companies to communicate with their customers through our Business Messaging service, which is both less expensive and more flexible than traditional SMS services, we aim to enhance the customer experience and improve efficiency for our business partners. For businesses, we also added new phone number-based fraud prevention and risk assessment products toward the end of the year.

Strategic focus on fraud prevention and revenue diversification

As we look forward to another year of growth and innovation, I would like to share some of the key elements of our strategy for the coming year. We will focus on consolidating our position in our largest market and the world's largest country, India. We are also dedicated to driving significant growth in a number of selected strategic markets, where we are focusing our growth efforts by leveraging our strengths and adapting to local dynamics to fortify our presence.

We have already recognized the importance of diversifying our revenue streams in terms of both geography and products and will therefore continue to invest in our recurring revenue where we see good growth potential for both subscriptions and corporate revenue. The recurring revenue from these two sources has more than doubled between 2021 and 2023. This approach not only enhances our financial resilience, but also opens up new opportunities for sustainable growth.

For our subscription offering, we plan to launch many new features in 2024. In line with our commitment to user security and trust, we will intensify our focus on anti-fraud measures in our services for both consumers and businesses. We will also continue to broaden our distribution beyond the app stores.

As we navigate the challenges and opportunities that lie ahead, I am confident that our strategic initiatives will not only drive value for our shareholders, but also cement Truecaller's position as a leader in the digital communications industry.

A strong social commitment and focus on data protection for our users

Our mission is to help people communicate securely and effectively, which is our main contribution to sustainability. But as a global player, we also have a responsibility that extends beyond our product. During the year, we conducted a double materiality analysis where we have identified and prioritized the areas where our responsibilities are most crucial.

We are committed to being a positive force in society, and our strong commitment to society is reflected in our desire to educate people about cybersecurity, women's safety and the increasingly important issue of data protection. We also strive to be a responsible employer, where our focus is on creating a safe and inclusive working environment for all our employees.

Ethics and integrity are guiding principles in everything we do. We run our business with a deep understanding of our responsibility toward our users, society and the planet. By prioritizing data security, data protection, information security and privacy, we ensure that our products and services maintain the highest standards of security and trust.

At Truecaller, we are determined to reduce our climate impact and work towards a more sustainable future. During the year, we calculated a baseline carbon footprint and have set a target to reduce our carbon emissions by 30 percent by 2026. We look forward to continuing our efforts to integrate sustainability into more aspects of our operations.

[> Read more in Truecaller's sustainability report on pages 28-55.](#)

Good profitability finances both growth investments and capital distribution to shareholders

Today, Truecaller is a global market leader that helps more than 374 million users and 2,500 large companies to secure their communication. We are solving an escalating global problem, and with heightened awareness of our services and rising smartphone penetration worldwide, we will continue to grow the number of users, which is essential for increasing our sales in the long term.

We are a highly profitable tech company with a strong cash flow and a debt-free balance sheet with SEK 1.6 billion in cash and current assets. This position allows us to invest in aggressive growth initiatives in the coming years while distributing capital back to shareholders through, for example, share repurchases. Since September 2022, we have bought back more than 8 percent of our outstanding shares while maintaining our cash position despite a weaker macroeconomic environment.

As Truecaller continues to grow and evolve, we are determined to keep delivering innovative solutions that improve people's lives, create a safer world and simplify their everyday communication. Thank you for being part of our journey and for your continued support.

Alan Mamedi
CEO and co-founder



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. Innovative new security and communication products and services developed using AI technologies also contribute to our future user and revenue growth.

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. This trend, along with increased digitalization, is being exploited by various actors such as scammers and telemarketers, leading to negative and potentially harmful experiences for mobile users worldwide.

“We are a young company and our organization is driven by dedication and a commitment to constant improvement.”

Our vision is to make tomorrow’s communication smarter, safer and more efficient. We give users the opportunity to take control over their mobile experience by offering a space with the opportunity to communicate with the people and the businesses with whom they wish to interact.

Truecaller is a key part of day-to-day communications for more than 374 million active users, with more than a billion downloads since the launch and almost 50 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, centered 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 them with the aim of diversification through strong growth in our recurring revenue from consumer subscriptions and from our business offering, Truecaller for Business (TfB).
- 3 We will seize new growth opportunities: for example, we will scale up B2C messaging and our risk and fraud products within TfB, our AI and cloud telephony products in our premium offering, and new features such as fraud protection designed to increase the willingness to pay and average revenue per paying user. Geographically, we will maintain our strong market position in our largest markets, focusing our growth efforts, beyond the organic growth that represents primary user growth, on a number of strategically selected markets.

1 Maintain market leadership in trustworthy communication

Truecaller has established itself as the market leader in enabling consumers and businesses to engage in trustworthy communication. We have proven our capacity to create trust in communication through all the innovative products and features implemented in the platform, which also improve the user experience. Going forward, we will continuously strengthen our core offering to increase user engagement and continue to be the dominant option for protection against unwanted communications. We will make core in-app products such as dialer, messaging and the use of cloud telephony that users will value as much as they appreciate caller ID and spam detection. Through our investments in AI and machine learning, we will further improve our service.

We will continue to grow our footprint on iOS with the aim of becoming the leading caller ID and spam blocking app on that platform as well. Our work on the new iOS app in 2022–2023 has laid the foundation to achieve this aim and in 2023 we saw strong growth in the number of users on iOS.

Continuing our strong organic growth in number of users is the basis for long-term revenue growth.

By demonstrating clarity on issues such as data minimization, privacy and transparency, our offering will become even more trusted and our brand even stronger with our users, customers and other stakeholders.

2 Build further on existing revenue streams with a focus on accelerating growth of our recurring revenues.

Truecaller has three proven revenue streams: advertising, premium consumer subscriptions, and the Verified Business product within Truecaller for Business (TfB).

Sustained growth in advertising

To facilitate sustained growth in advertising, we will continue to develop our advertising platform by increasing the number of demand partners, improving ad-tech and through further innovation. Freeing up ad space and encouraging user engagement in the app to increase opportunities for ad views is a key component of the strategy.

Additionally, there is substantial potential to improve revenues per ad displayed (CPM, Cost Per Mille) by developing ad formats, such as ads in larger formats, more interactive ad formats and video display ads. Expansion into markets where CPMs are higher is another way to achieve this goal.

The majority of Truecaller's advertising revenue is generated via Google and Facebook's open bidding, although the number of other demand partners has grown to nearly 40. Future collaboration with other global and regional partners presents an opportunity to increase demand.

We are also working with ad display frequency at Truecaller (the number of ad views that Truecaller successfully delivers to users out of the total number of ad views 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.

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

Increased conversion of premium subscriptions for consumers

More Truecaller users are choosing to pay for a Premium subscription. Despite the continued increase in subscriber numbers in 2023, Premium users account for less than 1 percent of MAUs, which gives us several ways to increase revenue from Premium subscribers going forward.

- Increase the customer benefit of Premium subscriptions by e.g. making AI/cloud telephony solutions like Truecaller Assistant and Call Recording a core part of our subscription offering. Read more on page 17.
- Increase conversion and loyalty among Premium users with an improved model for reaching the right user with the right offering
- Continue to simplify and clarify our premium offering and move toward a simpler and more comprehensive offering
- Through growth among iOS users and in markets with higher subscriber conversion rates
- Increase partnerships with other distributors of the premium offering

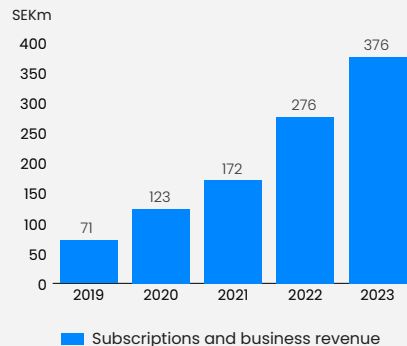
2 Build further on existing revenue streams with a focus on accelerating growth of our recurring revenues cont'd.

Continue to grow verified business

In 2021, Verified Business was launched as the first product within Truecaller for Business. Since then, more than 2,500 major companies in 37 countries have signed on to ensure more secure communication with their customers and increase the efficiency of their interactions with customers. A significant proportion of daily calls made worldwide do not come from a contact in the recipient's phone book. Together, these represent around 850 million unknown calls per day worldwide. According to our estimates, as many as 70 percent of these calls are missed or rejected because the recipient assumes it is an unsolicited spam call rather than a legitimate business call. As a result, services that can help businesses achieve greater acceptance of calls 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. 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 addition, there is room to place the product at a higher price point.

Development of recurring revenue



3 Seize new growth opportunities

Accelerate growth in both new and existing markets

One of Truecaller's growth drivers will be to continue to increase user numbers in existing markets where we see good growth opportunities, which increases the potential for higher advertising revenue, more subscriptions and increased business revenue. These markets typically have a relatively large population and significant smartphone penetration, such as India, Malaysia, South Africa, Nigeria and South and Central America. While growth will continue to mainly be driven organically, other opportunities include focused user acquisition efforts, expanded partnerships where the Truecaller app comes pre-installed on new smartphones and strategic partnerships.

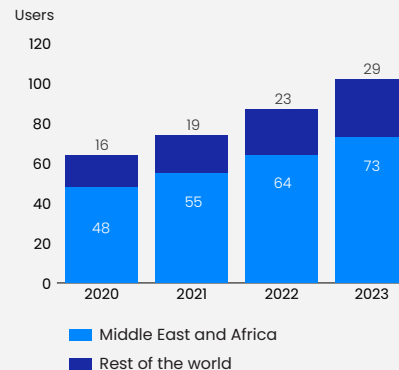
Existing markets

Truecaller is already one of the largest consumer communication platforms in many emerging markets, especially in India and the Middle East. However, India is still in its infancy in terms of ad maturity, with relatively low revenue per displayed ad (CPM) compared with more mature advertising markets such as the US, where CPM rates can be as much as 5–10 times higher. India remains an important market for us, and we will continue to work hard to build a trustworthy brand that is loved by Indian consumers. Truecaller will also continue to grow organically in countries where we have achieved good market penetration, such as Egypt, Algeria, Israel, Jordan, South Africa and Kenya and parts of Southeast Asia.

New markets

In 2024 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. Examples include the US, Nigeria and selected markets in Latin America. In these markets, we make targeted marketing efforts and establish partnerships to grow the user base and improve the distribution of our subscription and business offerings. In Latin America and Nigeria, the focus is more on user growth, while in the US the focus is on attracting paying users as we see considerable willingness to pay for Truecaller's more advanced features.

MAUs outside India



3 *Seize new growth opportunities cont'd.*

Scaling up AI-based features and enhanced security products within the premium offering

Truecaller launched the AI-based features Truecaller Assistant and Call Recording as part of its premium offering in some markets. The products have been developed from the cloud telephony platform that Truecaller acquired in 2022 through the acquisition of the Israeli company Call Hero. Consumers are willing to pay more for such advanced features and as they are gradually launched in more markets, they are expected to contribute to higher revenue per paying user.

More advanced features such as these will be launched in 2024, including a focus on enhanced user security against fraud attempts. In addition, Truecaller aims to launch insurance coverage against telephony fraud this year.

Scale up Truecaller for Business and B2C-messaging

In 2022, Truecaller entered into an exclusive partnership with CPaaS company Tanla in India to deliver a breakthrough digital experience for business messaging that can be provided at a lower cost and with better tracking capabilities than traditional text messaging. In 2022-2023, investments were made to scale up business-

to-consumer (B2C) messaging with an attractive user interface. More than 5 billion messages were sent in 2023, and volumes were gradually scaled up. In Q1 2024, a new agreement was signed with Tanla to make the product available to other CPaaS companies in India. The new agreement is expected to significantly increase volumes and revenue for the product. So far, Truecaller has only scratched the surface of this rapidly growing business niche, launching the product only in India.

Establish the newly launched risk management, fraud and security products within Truecaller for Business

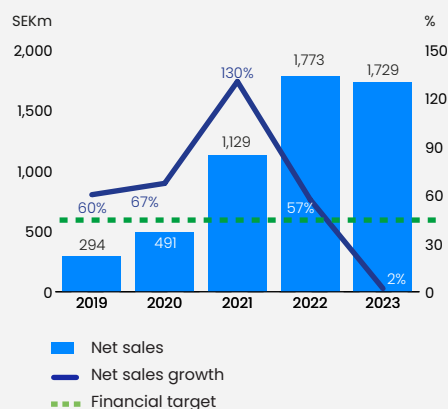
Truecaller launched risk and fraud management products for businesses in late 2023. The solutions leverage Truecaller's network-based intelligence that provides signals to improve companies' risk assessment processes and reduce the risk of fraud. A number of pilot customers have successfully used the products, and a gradual increase in contracts and revenue is expected in 2024. Interest is expected mainly from the financial sector where Truecaller has a strong network of existing customers through the Verified Business product.



Financial targets.

In conjunction with the IPO in October 2021, the Board of Directors of Truecaller AB (publ) adopted financial targets aimed at increasing understanding of the company's growth strategy and long-term development potential. Because of the weak macroeconomic trend in 2023, it was difficult to achieve the net sales target while the profitability target was achieved despite slightly lower revenue than in 2022.

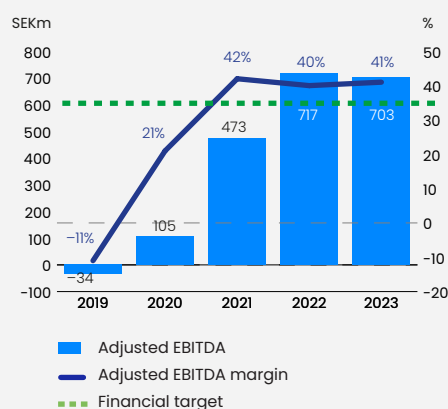
Net sales target



Net sales

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

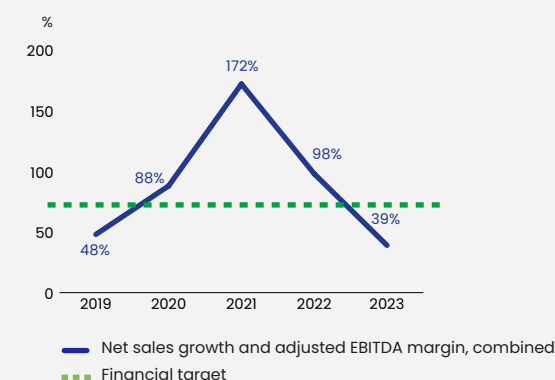
Profitability target



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.

Combined net sales and profitability targets



Combined net sales and profitability

The combination of net sales growth (in percent) and EBITDA margin should exceed 70 percent between 2021–2024.



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”¹⁾ annually. The 2024 report shows that an estimated USD 25 billion was lost to online scams in the US alone, a figure that is expected to continue to grow in upcoming years.

Truecaller's 10 largest markets

India, Egypt, Nigeria, Algeria, South Africa, Malaysia, Iraq, Kenya, Colombia and Bangladesh based on monthly active users (MAUs)



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 in recent 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 2025²⁾. The market can be divided into three sub-categories: the ad market, consumer sub-
scriptions market and the business verification market

The market is divided into three sub-categories



The spam and scam problem

The spam and scam problem is widespread across the entire world. Consumers and businesses alike suffer from the negative effects of unwanted communication, including wasted time, annoyance, harassment and scams. Businesses also suffer from mistrust, making it more difficult for them to reach their customers and work effectively. 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 recognize the number.

1) The study was conducted in partnership with Harris Poll, Truecaller Insights 2024 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/prioritize 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 and scams

The technique behind robocalls – calls that use a computerized 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. This further improves opportunities for spam and scam calls. This is happening in a time when telephone systems worldwide have not been improved to stop this 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.

Using new technologies such as AI voice cloning, all that is needed technically is a short sequence of someone's spoken voice to create a digital copy of that voice to commit sophisticated fraud over the phone. This, along with the trend of increased digitalization, where more and more people have a digital economy with access to savings, credit cards, etc., just a few clicks away, creates an attractive market for scammers.

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/online social media posts regarding caller ID and spam/spam blocking apps are becoming more common, indicating a growing awareness among consumers.

Truecaller's competitors

The Caller ID and spam blocking market is fragmented. The market players that compete with Truecaller can be 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, it is tougher for 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, which was built through the Truecaller community and machine learning technology, includes billions of identified telephone numbers from consumers and businesses, from all parts of the world where the app has been used since Truecaller began doing business. The Truecaller database identified more than 95 percent of all calls globally in 2023.



Spam, scams and unknown identities are huge concerns for users

Surveyed countries: India, US, UK, South Africa, Malaysia

50–69%

**of users worry about
unknown callers**

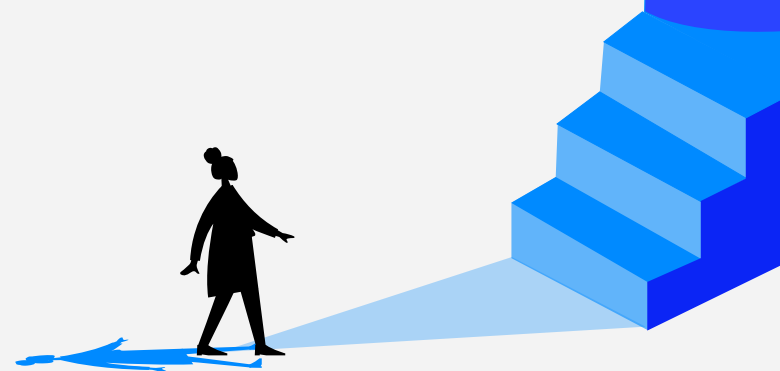
52–67%

**of users worry about
spam calls or texts**

63–79%

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

Source: Market study conducted by BCG in 2021. The figures above represent the percentage of respondents were “very worried” or “somewhat worried.”



Business model.

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

1 Free subscription with ad revenue



ADVERTISING REVENUE 2023:

SEK 1,346 m

Free products with ad-based revenue generation

A large majority of users choose Truecaller's free services, which are supported by ads. In 2023, ad revenue accounted for 78 percent of total revenue. 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. Advertisers include Amazon, Volkswagen, H&M, Nestlé, Swiggy, Zomato, Dream 11, Xiaomi, Airtel, Oppo and Jiomart, just to name a few. In 2023, total paid ad views amounted to more than 1,300 billion.

2 Paying premium subscribers



SUBSCRIPTION REVENUE 2023:

SEK 206 m

Premium paying subscribers

Truecaller has a growing number of loyal users who choose to pay monthly or annually for Truecaller's premium features. Consumer subscriptions accounted for 12 percent of revenue in 2023 and revenue growth was 20 percent. There is ample potential for further growth, as fewer than 1 percent of Truecaller's MAUs are subscribers. In 2023, the relative growth in the number of paying users was almost twice as high as user growth. Truecaller sees good opportunities to continue growing this revenue stream with new features for which users are willing to pay a higher price. In 2023 and early 2024, Truecaller launched products such as Truecaller Assistant and Call Recording from our cloud telephony platform and the product development strategy includes more products that use innovative technology to provide better protection against scams and fraud.

3 Subscriptions with services for businesses (Truecaller for Business)



OTHER INCOME 2023:

SEK 176 m¹⁾

Business subscription with added value

Truecaller for Business was officially launched in April 2021. At the end of 2023, Truecaller for Business had more than 2,500 active business customers in 37 different countries. Seven of the ten most powerful brands in India are customers and customers include brands like Uber, Amazon, Volvo, Unicef HDFC and ICICI Bank, Flipkart, Google, IKEA and Coca Cola.

Truecaller sees strong potential to increase the growth of this revenue stream by continuing to grow product areas such as Verified Business, B2C messaging and the recently launched risk assessment and fraud-prevention products. Other income, which mainly relates to Truecaller for Business, accounted for 10 percent of revenue in 2023 and revenue growth was 56 percent.

1) Other income includes income from Truecaller for Business and income from partners.

Offering.

As mobile devices become increasingly popular as a means of communication, the problem of spam and scam calls is increasing in people's daily lives. Truecaller operates in markets where various forms of scams and fraud are a widespread problem, caused by unwanted calls and messages from unknown numbers. Moreover, important calls and messages are often missed, which in itself creates problems for both consumers and businesses.

Truecaller offers **consumers** a communication tool with all features in a single app. For **businesses**, Truecaller provides verified caller ID and authentication APIs, a messaging service and products for better risk assessment and fraud prevention.

Truecaller for consumers

Calls

Truecaller processes about 8 billion unique calls (incoming and outgoing) 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 powered by a steadily growing database of global phone numbers, which is strengthened by AI-based models and machine learning algorithms, along with the extensive Truecaller community that provides constant feedback to help 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



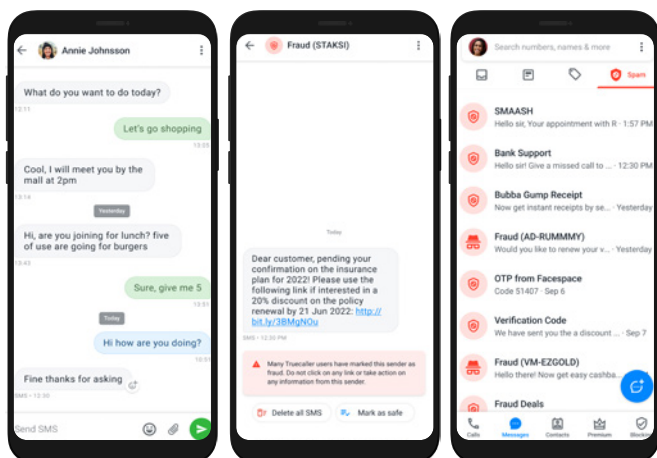
was rewritten from the ground up to offer a fundamentally better user experience. The new app, offer significantly better caller ID and identification of spam, scam and business calls

compared to earlier versions. Since the launch, Truecaller has seen significant improvements in metrics including retention, daily installs, and average DAU on iPhone.

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 points 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 such as “likely a scam call,” which makes it easier for users to choose whether or not to answer the call.

Truecaller helps users boost productivity and communicate efficiently by using smart tools that modernize 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 feature 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 millions of users. 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 a 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 2023. 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 feature that sorts messages into folders.

Truecaller also provides smart notifications that retrieve the most relevant information and summarize 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 affecting the user's privacy

As with calls, Truecaller also alerts users to potentially fraudulent messages and can, for example, disable suspicious links.

Truecaller also modernizes 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 quickly.

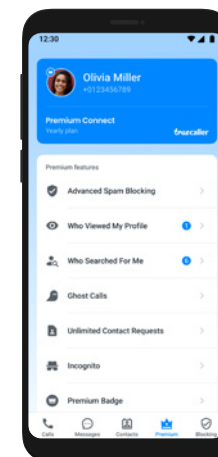
Truecaller Premium

In addition to the free version of the app, Truecaller also offers a paid Premium service that provides an ad-free experience and unlocks added features. There are different types of premium packages where the cheapest version is only an ad-free experience,

Truecaller Premium:

Examples of advanced features included in premium packages:

- **No ads**
Use Truecaller with no ads.
- **Who viewed my profile**
Notification when someone viewed your profile
- **Premium icon**
Look super professional when you call
- **Truecaller assistant**
Truecaller AI Assistant answers, screens, blocks spam, and handles many more tasks for you.
- **Call Recorder**
Conversations are recorded, categorized and summarized using AI and large language models (LLMs).





Examples of Truecaller premium packages

BASIC

- ✓ Caller ID
- ✓ Spam blocking
 - Advanced spam blocking
- No ads
- Who viewed my profile
- Who searched for me
- Family sharing
- Premium icon
- Incognito Mode
- Call Recorder
- Truecaller assistant
- More assistant voices
- Voicemail
- Personalized greetings
- 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 me¹⁾
- ✓ Family sharing
- ✓ Premium Icon
- ✓ Incognito Mode
- ✓ Call Recorder
- ✓ Truecaller assistant
- ✓ More assistant voices
- ✓ Voicemail
- ✓ Personalized greetings
- 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
- ✓ Who searched for me¹⁾
- ✓ Family sharing
- ✓ Premium Icon
- ✓ Incognito Mode
- ✓ Call Recorder
- ✓ Truecaller assistant
- ✓ More assistant voices
- ✓ Voicemail
- ✓ Personalized greetings
- ✓ Live Chat Support
- ✓ Gold Caller ID

Paid in advance – Auto renewal

¹⁾ Several different packages are available that vary slightly in different markets.



Truecaller for Business

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

Verified 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 identity is displayed when the company calls users, correctly identifying the company and assuring the consumer that it is indeed the actual company calling.

Verified Business Caller has quickly gained popularity and is now used by more than 2,500 major companies in 37 different markets. Customers appreciate both the significant increase in the number of calls answered and the fraud protection offered by the product.

Companies using the service can also specify call reasons, conduct surveys and recipients can reschedule the call at a different time. Businesses using the service see a higher likelihood of the consumer answering the phone and it improves the effectiveness of their communication.

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 2022, Truecaller launched a partnership with the Indian CPaaS company Tanla to help businesses reach out to more than 374 million active Truecaller users with relevant content such as images, videos and documents, while at the same time offering benefits for businesses like lower costs, faster

deliveries and better analytics than traditional SMS services via CPaaS companies. The user interface offers both one and two-way communication capabilities and in 2023, the product was scaled up with more than 5 billion messages sent by businesses using this feature. In 2024, the collaboration with Tanla was expanded to allow other CPaaS companies to use the service.

Risk assessment and fraud protection products

In late 2023, Truecaller launched products that leverage Truecaller's network-based intelligence, which provides signals to improve companies' risk assessment processes and reduce the risk of fraud. A number of pilot customers have successfully used the products, and a gradual increase in contracts and revenue is expected in 2024. Interest is expected mainly from the financial sector where Truecaller has a strong network of existing customers through the Verified Business product.

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 identity with a single click. This reduces the need for app developers to verify phone numbers and names, thereby also reducing the number of customers leaving the service before a purchase is made.

Truecaller's authentication SDK is used by more than 700 leading brands that manage more than 30,000 apps worldwide, including Sharechat/Dailymh, Bigbasket, Img and Meeshoo. To date, more than 1,000 million logins have been made with Truecaller and approximately 15–20 percent of Truecaller for Business customers have been generated from existing SDK partners.





Sustainability Report





Truecaller's sustainability approach.



Truecaller's mission is focused on ensuring secure communication. Individuals and businesses should be able to contact each other and communicate without the risk of being exposed to fraud or spam, which in turn cause disruption, create suspicion and interfere with economic activity.

An ongoing and open dialogue with our stakeholders is crucial for identifying the areas where our sustainability initiatives can have the greatest possible impact. In addition to performing an extensive materiality focusing on sustainability in 2021, we have also re-evaluated our materiality analysis process. In 2023 we conducted a double materiality analysis.

Valuable insights

Consultations with various stakeholders, including users, corporate customers, employees, owners and suppliers, have provided valuable insights into their view of Truecaller's sustainability.

We performed a thorough study of 18 material topics relating to environment, social and corporate governance (ESG) aspects. Based on this extensive evaluation we identified 11 focus areas where our company can contribute significantly in line with our business model.

We made important progress in 2023

Ensuring that our business contributes to sustainable, financial, environmental and social development is a top priority for Truecaller. We are determined to constantly improve our company and its sustainability, and we have implemented numerous important ESG and sustainability improvements during the year:

- Defined focus area targets more clearly
- Signed leases for offices in India that meet the highest environmental standards for energy and waste management.
- Carried out a double materiality analysis.
- Performed our first carbon audit and established a plan to reduce carbon emissions by 30 percent by 2026.
- Established the role of Global ESG Director, a full-time position to lead and coordinate our sustainability initiatives.
- Invested in leadership training for all managers.
- Strengthened our e-learning platform.

In 2024 we intend to introduce a sustainability policy, set targets and establish action plans for diversity, create a clear road map and strategy for ESG, and train our managers and key management personnel in diversity and inclusion.

Maximizing our positive impact

In our third Sustainability Report we are laying the foundation for initiatives and programs that will be ongoing in the years ahead. The report summarizes Truecaller's initiatives to maximize our positive impact in the three main areas: environment, social responsibility and governance.

Our 11 focus areas identified in the double materiality analysis:

Environment



1. Energy efficiency (ESRS E1) and positive environmental impact through:
 - Reduced carbon footprint p. 32
 - Green buildings p. 34
 - Waste management (electronic waste) p. 34

Social responsibility



2. Employee wellbeing (ESRS S1) p. 35
3. Human capital (ESRS S1) p. 36
4. Diversity, equality and inclusion (ESRS S1) p. 41
5. Human rights (ESRS 1 / ESRS 2) p. 43
6. Customer satisfaction (ESRS S4) p. 43
- 7–8. Community engagement (ESRS S3) and effects of products and services (ESRS S4) p. 44

Governance



9. Corporate and sustainability governance (ESRS G1) s. 47
10. Trust and integrity (ESRS G1) p. 47
11. Data privacy and security (ESRS S4) p. 50

Double materiality analysis 2023.



The double materiality analysis which is required under the Corporate Sustainability Reporting Directive (CSRD) examines the external impact on Truecaller and also Truecaller's impact on the environment and society. This two-dimensional approach allows us to identify and assess risks and opportunities – both within and outside of our organizational boundaries.

Key components of our strategy

The materiality analysis was conducted in five main stages: identification of context, identification of topics for stakeholder engagement, gathering of stakeholder perspectives, feedback analysis and identification of material topics.

Cooperation with internal stakeholders

In consultation with internal stakeholders we have worked on identifying and understanding the material aspects of our business operations. In cooperation with various departments and teams we have gathered insights on internal factors that impact our sustainability performance.

Cooperation with external stakeholders

In dialogue with external stakeholders, such as customers, investors and supervisory bodies, we have endeavored to understand expectations and concerns about Truecaller's impact on the environment, society and governance.

Materiality matrix

Based on the points of view of these stakeholders, we have created a materiality matrix that captures both internal and external perspectives and maps the key areas of significant importance for Truecaller and our stakeholders. We then placed the topics in order of priority based on their impact on our business operations and their relevance to external stakeholders.

Truecaller's materiality analysis is based on a review of internal and external stakeholder perspectives, on the expectations of relevant rating institutions, and on applicable regulations.

Bringing in and compiling all of these perspectives resulted in the understanding that Truecaller should focus on the following sustainability topics:

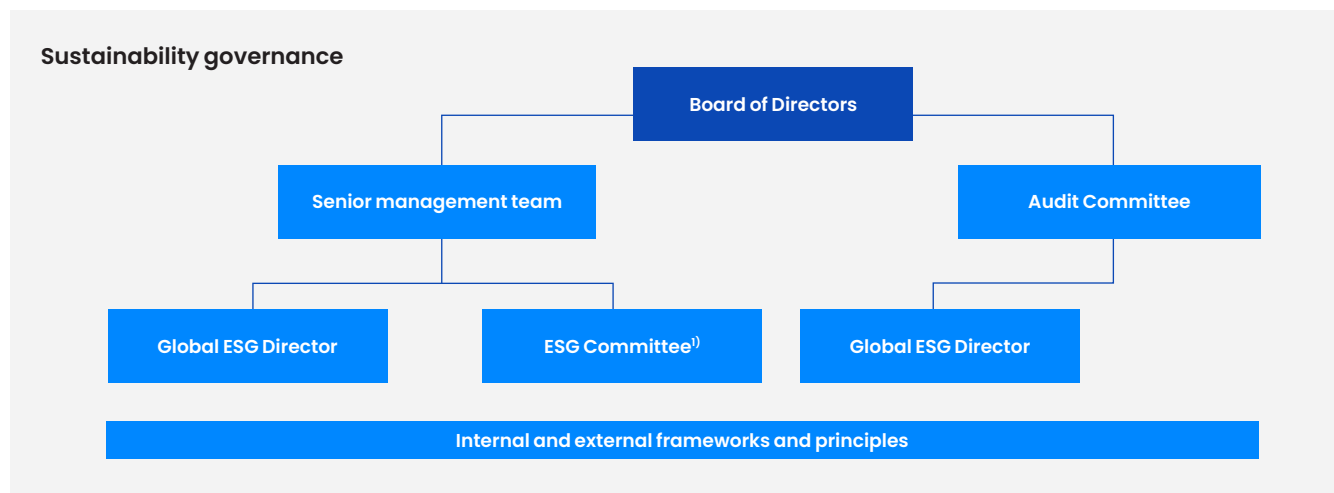
Environment: reporting on carbon footprint and plans to reduce carbon emissions, green buildings and waste management

Social responsibility: employee wellbeing, human capital, diversity, equality and inclusion, human rights, customer satisfaction and community engagement

Governance: corporate and sustainability governance, trust and integrity, and data privacy and security (including cybersecurity and information security)

The double materiality analysis will also form the foundation for future reporting according to the EU CSRD directive and the future mandatory reporting in accordance with the European Sustainability Reporting Standards (ESRS).

We plan to publish relevant sustainability indices on the sustainability page of the company's website. In 2024 we also plan to further develop our sustainability efforts by, for example establishing measurable targets and activities to further integrate sustainability into our strategy.



1) Consists of CHRO, Global ESG Director and Head of Investor Relations and Communications



Result of the double materiality analysis 2023

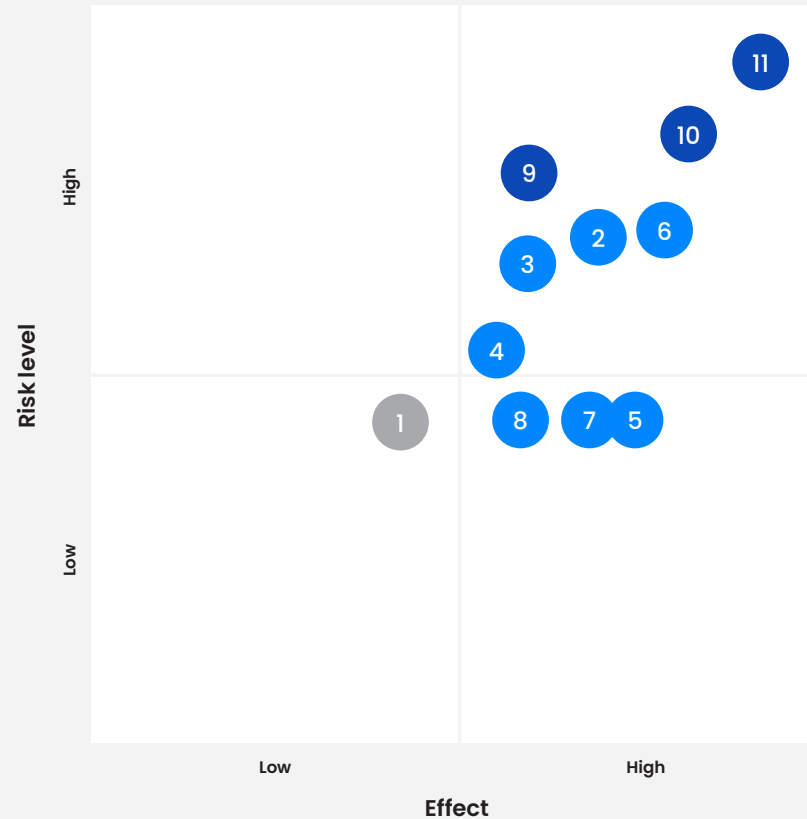
Truecaller's guiding principles

External frameworks:

- UN Sustainable Development Goals (SDGs)
- UN Guiding Principles on Business and Human Rights

Internal frameworks:

- Code of Conduct
- Anti-Corruption Policy
- Gender Equality Policy
- Information Security Policy
- Whistleblowing Policy
- Work Environment and Health Policy
- Data Breach Response Policy
- Group Data Governance Policy
- IT Security Training Policy
- Access Control Policy
- Access Management Policy



Environment

- 1 Energy efficiency (ESRS E1) and positive environmental impact through:
 - Reduced carbon footprint p. 32
 - Green buildings p. 34
 - Waste management (electronic waste) p. 34

Social responsibility

- 2 Employee wellbeing (ESRS S1) p. 35
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- 5 Human rights (ESRS I / ESRS 2) p. 43
- 6 Customer satisfaction (ESRS S4) p. 43
- 7 Community engagement (ESRS S3) p. 44
- 8 Effects of products and services (ESRS S4) p. 44

Governance

- 9 Corporate and sustainability governance (ESRS G1) s. 47
- 10 Trust and integrity (ESRS G1) p. 47
- 11 Data privacy and security (ESRS S4) p. 50



Environment.

#Reduced carbon footprint 

Sustainability goal

Our goal is to reduce our carbon footprint and to do what we can to contribute to a sustainable future.



Energy efficiency and positive environmental impact

Reduced carbon footprint

We calculated our carbon footprint for the first time to establish a baseline in 2023 and decided on actions to reduce our emissions going forward. Taking into consideration the breakdown of the emissions sources, we established a three-year plan to reduce carbon emissions as follows:

- Scope 2 emissions from our offices from electricity consumption
- Scope 3 emissions in category 3 from the offices in India from earlier stages as certain energy losses occur in electricity transmission
- Scope 3 emissions in category 6 from business travel by air and rail
- Scope 3 emissions in category 7 from the offices in India from commuting

Scope 2 emissions from our offices

The Scope 2 emissions are derived from consumption of electricity from the grid by Truecaller's three offices in India – in Bangalore, Bombay and Gurugram – and at our head office in Stockholm.

The climate footprint of Indian electricity production is gradually decreasing thanks to a focus on renewable energy as well as improved energy efficiency in existing electricity production. During the base year (2023 financial year) the emissions factor in the Indian power grid was 0.71 kgCO₂e/Kwh. According to the predictions in India's National Electricity Plan, the emissions factor in 2026 will be around 0.55 kgCO₂e/Kwh, which represents a reduction of around 23 percent. In other words, if our offices in India continue to be operated as they are today, the Scope 2 emissions will be reduced by 23 percent by 2026, solely due to the reduced climate footprint of electricity production.

Truecaller's office in Bangalore today accounts for 78 percent of the Scope 2 emissions. The office has LEED Gold certification and has the following energy-saving features in place:

Energy-efficient lighting with very low power density in combination with motion sensors.

- Energy-efficient centrally controlled air conditioning.

To further reduce electricity consumption at the Bangalore office we are planning to implement the following:

- Installation and use of motion sensors for the air conditioning system.
- Training programs for all employees to increase knowledge about energy efficiency.

Through these initiatives we expect energy savings of a further 20 percent over the next three years at all of our Indian offices.

Emissions from electricity consumption at our Stockholm office is already low. A reduction target of 10 percent over three years is therefore reasonable. Since the Swedish power grid generates low carbon emissions, our three-year plan does not include any further environmental adaptation of the power grid.

The table on the next page shows that Scope 2 emissions can be reduced by 37 percent over the next three years thanks to energy-saving initiatives and reduced emissions from the power grid.

Also not included in the calculation is the potential effect if electricity from the grid is replaced by renewable energy, which the owners of the Bangalore office building are planning. If this is done, the reduction in Scope 2 emissions will be significantly larger because it is expected to lower energy costs and reduce Scope 2 emissions by around 75 percent.

**Scope 3 emissions in category 3 from offices in India**

Scope 3 emissions in category 3 include emissions from energy consumption at earlier stages. Since the electricity consumption is expected to be reduced by around 20 percent, Scope 3 emissions in category 3 will also decrease by 20 percent by 2026.

Scope 3 emissions in category 6

Scope 3 emissions in category 6 consist of emissions from business travel. Most of these emissions come from domestic

air travel within India. We are making a conscious effort to reduce the number of business trips by, for example, replacing them with online meetings. Our target is to reduce carbon emissions in this category by at least 5 percent per year.

Scope 3 emissions in category 7 from offices in India

This includes emissions in connection with employee commutes. The main cause of the high emissions is that they commute in vehicles that run on conventional fuels.

Target for carbon emissions

The target is a reduction in carbon emissions of 30 percent by 2026.

Carbon emissions 2023

Location	Scope 1 tCO ₂ e	Scope 2 tCO ₂ e	Scope 3 cat. 3 tCO ₂ e	Scope 3 cat. 6 tCO ₂ e	Scope 3 cat. 7 tCO ₂ e	Total tCO ₂ e
Bangalore	0	1,949	1,087	85	78	3,200
Gurugram	0	383	213	15	19	630
Bombay	0	67	38	4	3	112
Stockholm	0	119	21	26	5	171
Total	0	2,518	1,359	130	105	4,113

Target for carbon emissions 2026

	Scope 1 tCO ₂ e	Scope 2 tCO ₂ e	Scope 3 cat. 3 tCO ₂ e	Scope 3 cat. 6 tCO ₂ e	Scope 3 cat. 7 tCO ₂ e	Total tCO ₂ e
Bangalore	0	1,201				
Gurugram	0	236				
Bombay	0	41				
Stockholm	0	107				
Total	0	1,585	1,087	112	105	2,889

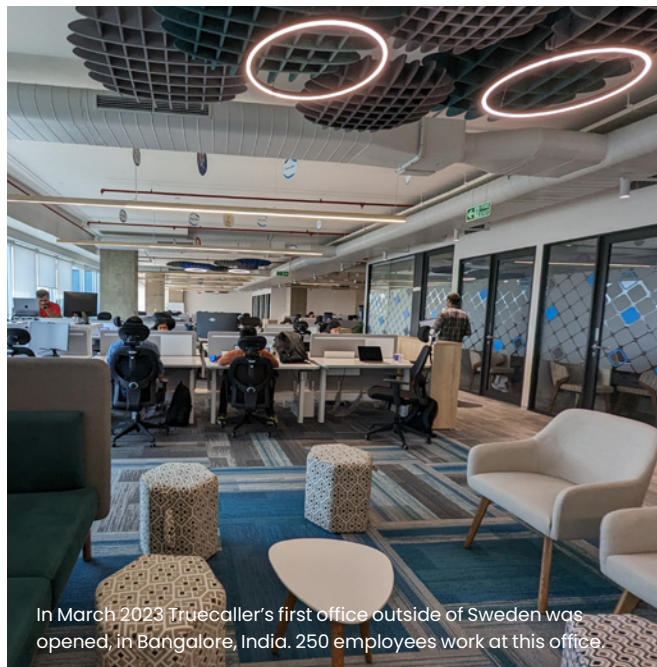


Green buildings

Offices

In March 2023 Truecaller's first own office outside of Sweden was opened, in Bangalore, India. The new office was granted LEED certification in 2023. This certification, which is granted to sustainable buildings, is an internationally recognized symbol of leading initiatives and performance within sustainability. The LEED process evaluates buildings based on their performance in relation to various sustainability criteria and aims to revolutionize the construction industry, with the goal of contributing to reduced global emissions.

Our office in Gurugram has LEED Gold certification. The



In March 2023 Truecaller's first office outside of Sweden was opened, in Bangalore, India. 250 employees work at this office.

building and its interiors meet the requirements for green buildings according to the WELL Building Standard, which guarantees sustainability as well as human health and wellbeing.

Our head office in Stockholm is housed in a LEED certified building with the highest LEED rating.

Data center

Our data center in Stockholm has been recognized for its minimal environmental impact and is certified to ISO 14001:2015, an international standard for efficient environmental management systems.

In 2018 our choice for our transition to a cloud-based solution was Google Cloud Platform (GCP) due to Google's commitment to running its data centers using clean energy. GCP data centers are distinguished by their exceptional energy efficiency; on average a Google data center is twice as energy efficient as a conventional data center. In the past five years these data centers reached a milestone in generating five times as much data capacity while keeping energy consumption at the same level.

In line with our sustainability targets we are therefore proud to announce that we were able to phase out own data center in Stockholm in 2024. All of our work flows will be transferred to Google Cloud Platform in an initiative that will not only improve our operational efficiency, but is also aligned with our focus on our environmental responsibility.

We are also prioritizing resource efficiency by dynamically adapting our server systems to user patterns. During periods of high user activity, such as in the evening, we are scaling up to meet the demand. Conversely, during periods of low activity we can proactively scale back to optimize energy consumption and reduce our environmental impact.

Waste management

In 2023 we remained focused on reducing waste and increasing waste recycling at all offices. We are continuing to collect all electronic equipment that has reached the end of its life cycle and we are exploring new partnerships to improve collection and recycling options for our offices.

In addition to reducing waste, we are also aiming to create positive effects for the community through our CSR initiatives. This includes donating laptops and mobile phones to underserved schools and children as a means of contributing to community wellbeing.


In the places where it is possible, we are also aiming to exceed our waste reduction targets. This includes measuring progress made, not only in electronic waste, but also in areas such as household waste, food waste and plastic waste. Having this ambition will enable us to measure and evaluate our progress in the years ahead.

Wet and dry waste are sorted, recycled and turned into safe fertilizers to be used in the parks around our offices.

All electronic waste and wet and dry waste are collected, sorted and measured, and all reports are sent to the Indian Pollution Board via the tech parks where we have our offices.



Social responsibility.

#Employee wellbeing 

Sustainability goal

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

Employee wellbeing

For Truecaller, employee wellbeing involves taking steps to promote a work-life balance, providing access to mental health resources, fostering a supportive and inclusive workplace culture, and ensuring the employees' physical safety and health, thereby reducing personnel turnover. Truecaller complies with all applicable laws and regulations to provide fair, safe and healthy working conditions, which is expressly described in our Workplace Policy. We have ongoing initiatives to improve wellbeing and safety in our work environments. These include helping employees to achieve a work-life balance.

Guaranteeing equal and competitive employment terms for all is our top priority, including through competitive market rates of pay and a comprehensive benefits such as private health insurance and a medical expenses allowance. These benefits are for permanent, temporary and part-time employees.

At Truecaller our mandatory training in health and safety is a basic requirement for all employees. The training covers important topics such as risk exposure and safe emergency

evacuation. The health and safety of our employees is important and non-negotiable.

TrueCare Wellness Framework, which was introduced in 2022, is an example of Truecaller's focus on employee wellbeing and is in line with our core value of helping each other. This innovative program is designed to expand our approach to wellbeing, with an emphasis on flexibility, inclusion and personal adaptation. TrueCare encourage the employees to actively take part in decisions that promote their physical and mental health.

Our human resources plan emphasizes three areas:

Culture – Passion

Leadership – Develop skills

Development – Sharpen skills

Voices from Truecaller's teams



"We are always moving forward, and the variety in my job is what gets me out of bed in the morning. We focus on the latest technology and are involved in lots of new initiatives. Each project has unique challenges and it's always exciting."

Anna, Kulieshova, Software Engineer – iOS, Stockholm



"I love the collaborative and supportive culture at Truecaller; it makes my job more enjoyable and rewarding."

Ankit Chauhan, Senior Web Engineer, Bangalore



"The main reason I applied was based on the research I did before I started at Truecaller. I was pleasantly surprised to read about a company that is working for good; that supports women and has a culture based on values such as helping each other, never giving up and being bold."

Ana Filote, Test Engineer, Stockholm



Human capital

At Truecaller we believe that it is our people that create value and our aim is to utilize the collective strength of our global network of employees to generate value for our customers and communities, while also contributing to a sustainable society. In our efforts to achieve these goals it is of course essential to respect the fundamental rights of our employees, to offer equal opportunities and to provide a safe and healthy workplace. We also prioritize developing positive relationships between employees and the company by, for example, maintaining a work environment that helps our people feel proud and happy to work for Truecaller. We also have an active dialogue about how employees are treated as well as their career and development opportunities. The annual staff turnover during the year was 15%.

Truecaller's global framework for career development

An enhanced global framework and an improved evaluation method were introduced in 2023. Truecaller's framework for career development is designed to foster careers within the organization for our employees, while ensuring openness, order and clarity. The framework and methods take a comprehensive approach to careers by focusing on gender equality, skills, dialogue and career development. This creates a system that is equitable and inclusive. The goal is to ensure that every employee can take responsibility for their own personal development and career. The new framework highlights possible career paths, career moves and directions, and ensures that the employees understand and can identify potential career opportunities.

Employee and leadership development program

Our foremost educational initiative in 2023 was our True Leadership Program, which was launched during the year and contains both internal and external modules. We started with a six-month program in which we trained all 80 managers in fundamental leadership skills. The focus was on defining leadership, creating and maintaining a sense of belonging and trust, coaching, feedback and how to conduct difficult conversations. Self-awareness and reflection aspects were also included. The program was widely appreciated; participation was at 90 percent and it received an average score of 4.3 out of 5 from the participants.

True Leadership Program and framework for leadership

In connection with the True Leadership Program for all those in management roles, we also worked in cooperation with our senior management team to create a framework for leadership. This will be launched in 2024.

The purpose of the framework is to create clarity and consensus around what is expected of leaders within Truecaller. This will serve as guidance on what good leadership involves and will drive us towards where we want to go as an organi-

zation. The framework is based on our values and forms a foundation for leadership development, as well as training, recruitment, introduction, promotion and succession planning for new managers.

We have continued to develop our e-learning courses for all employees through our platforms for personal development and for on-the-job training. We are also continuing to give our teams a training budget that can be used for courses and development individually or in groups. In addition to True Leadership, in 2023 we also offered global training in personal development, individual goal-setting, performance review conversations, and health and safety including emergency evacuation and safety awareness.

We also offered local modules for managers, such as a module on the Prevention of Sexual Harassment (POSH) Act in India, as well as a local Swedish module on health and safety and one on labor rights.

In accordance with India's 2013 POSH Act, Truecaller has formed an internal committee to manage reports of sexual harassment.

Key ratios for learning and development

Results	2022	2023	Goal 2024
Personal development opportunities ¹⁾	7.5	6.9	7.4

1) The maximum is 10 points and the points are measured in Truecaller's engagement tool, Winningtemp.



Monthly leadership forum

We arrange a monthly leadership forum to give all managers an opportunity to come together on a regular basis and discuss challenges, and to exchange experiences and best practices for the role as leader at Truecaller. Each meeting has a specific theme which is determined by the needs of the organization and the managers. In 2023 topics discussed included employee engagement, difficult conversations, managing change, pay review conversations, performance review meetings and the challenges around hybrid work.

Updated promotion process

In 2023 we updated our promotion process to make it more transparent and uniform. We introduced a stage in the process whereby senior management roles will be calibrated by the senior management team to create uniformity across all units and departments.

Workforce planning

The goal of our human resources planning is to optimize the resources we have and to identify future recruitment needs, risks and skills shortages.

Management is encouraging business unit heads to create a plan for 2024 and once these have been approved, the HR team will work with the business unit heads to:

- Identify future risks and skills shortages.
- Identify potential promotions as well as existing resource deficits and surpluses.
- Identify HR needs based on approved plans.
- Evaluate existing and future HR needs.
- Consolidate the list of full-time employees; evaluate roles with the potential for internal recruitment.





Truecaller Academy

We also run Truecaller Academy, our internal knowledge-sharing concept, to promote and enhance the organization's culture of learning. The employees are encouraged to take part as students and educators, and take responsibility for their personal development. In 2023 we held two Truecaller Academy events with around 70 participants on each occasion.

A culture of learning with Lab Days

To promote a culture of learning, we arrange Lab Days, providing an opportunity for our employees to take a deeper dive to explore what drives them. The three-day event takes place six times a year and gives our employees the opportunity to work together and participate in various activities such as Tech Talk, Geek Lunch and Mini Hackathon.

Guidelines for internal mobility

At Truecaller we are always looking for opportunities to invest in our employees' development, and we encourage them to explore new teams and locations within the company. This improves job satisfaction and promotes improvement in skills development and engagement. It helps us to retain our employees and be an attractive employer for all those who want to pursue a career within Truecaller. The guidelines for internal mobility are available for all employees and help us to handle internal recruitment within the company. In general all

available positions are published on the career page of our website, in our internal recruitment system (Greenhouse) and on the Slack channel #jobs-at-truecaller.

Employee engagement

To take care of our human capital, every year, Truecaller measures employee engagement through the Winningtemp platform. This helps us to actively listen to our employees and understand how they really feel by taking the temperature within the organization on a regular basis.

We plan and implement measures to improve employee engagement. Key management personnel and local managers share their own teams' survey results with the team members to identify organizational problems and to plan and implement improvements in response to the survey.

Truecaller has identified a key ratio for employee engagement and is working on setting and reaching targets. In 2023 we focused on increasing engagement and survey participation. In the second half of 2023 we changed the frequency of the survey from every other week to once a month, and added new questions linked to self-management, trust, innovation and person-job fit. We received 57% more comments and participation was unchanged.

In 2023 we had an Employee Net Promoter Score (which ranges from -100 and +100) of 29, which is above the industry average. Our target is to improve this to 35 in 2024.

Key ratio for wellbeing

	2022	2023	Goal 2024
Employee Net Promotor Score (-100 to +100)	38	29	35





Our Human Resources Plan emphasizes three areas – **leadership**, **development** and **culture** – to drive Truecaller's success.

Culture

Passion

We prioritize giving our employees fantastic experiences, and our culture is the foundation for this. We have a very strong culture in which our employees are passionate about our mission of creating secure communication. Our mission requires strong engagement in everyone's daily work and decisions.

Our users' experiences affect everyone, and our focus will therefore be on activities that build on our mission and our uniqueness.

Goal: To facilitate culture as a driver

Mindset

Our goal is for our employees to feel that they are working for an attractive company and that we are really making a difference in our users' lives. We offer a place where people can thrive through multiple opportunities and challenges as we aim to make communication smarter, safer and more effective. This promotes significant engagement and a strong culture.

Growth

Develop skills

Since personal and professional development is one of the main drivers of employee satisfaction and long employment, we want to ensure that everyone at Truecaller has long-term development opportunities.

Professional development leads to employees who thrive and are happier, and when the employees develop, so too does Truecaller.

Goal: To transform strategic ambitions into human resources initiatives

Mindset

We will continue to invest in development and will offer further opportunities for both professional and personal development. Our managers present these opportunities when they discuss the development plans that are required for each employee. The employees can and will develop their skills over time at Truecaller.

Leadership

Sharpen skills

Leadership is enormously important because it has a direct impact on engagement, performance and length of employment. To promote Truecaller's success we want to ensure that our leaders have access to tools that will help them to develop thriving and high-performing teams.

We offer targeted programs such as:

- The True Leadership Program
- New Manager Program
- Key Management Personnel Program
- Leadership forums
- Quarterly leadership meetings

Goal: To ensure efficiency and create the conditions for success

Mindset

Truecaller's leaders will promote engagement and build high-performing teams by acting as role models for our values, creating clarity and providing feedback on how to perform better. They also serve as development coaches.

Diversity, fairness, inclusion and a sense of belonging are very important values for us. Read more on pages 41–42. Our ability to ensure that all of our employees feel included, safe and satisfied with their work is crucial for Truecaller to be able to attract and retain talented people who can continue to develop our services.



"Truecaller's dedicated employees drive innovation, efficiency and success. Their commitment to ensuring that our users have a fantastic experience is unwavering. In line with our principles, our focus reaches beyond productivity – we prioritize sustainability and wellbeing for our people through our dedicated ESG human resources initiatives. Together we are shaping a future where success is not only measured in milestones but also in lasting positive impacts."

Fatima Antonsson, *CHRO*



Diversity, equality and inclusion

Truecaller prioritizes being a diversified and inclusive company where each employee is welcome, treated equally and feels included. Truecaller focuses on diversity, equality and inclusion, an important driver to reach sustainable growth and create value for society. Diversity is essential for innovation, but it is not enough on its own. In order to benefit from diversity, we need to give everyone access to the same opportunities through structural change (equality) and ensure an inclusive and safe environment where everyone feels accepted and appreciated, free to express their opinions and contribute (inclusion). Truecaller's strategy therefore includes various measures in these three main areas at both the global and local level.

Diversity

Diversity means the various differences that exist between individuals and groups. At Truecaller we take our responsibility to welcome everyone regardless of gender, age, sexual orientation or other personal qualities seriously.

Truecaller is proud of being ranked twelfth among large corporations listed on Nasdaq Stockholm by the Nordic Business Diversity Index 2024. The Nordic Business Diversity Index judges companies on a scale from 0 to 100, with equal emphasis placed on the senior management team and boards. The evaluation criteria include gender, age, nationality and education to establish the diversity of the team.

Equality

Equality means fair treatment, with adjustments to take any imbalance into consideration. For Truecaller equality is about treating everyone fairly. Treating people fairly is not the same as treating them all the same. We believe that each person is different and requires different conditions in which to thrive. We have introduced policies, tools and adaptations so that everyone has access to the same opportunities.

Inclusion

Inclusion means that every person's uniqueness is recognized and that each individual contributes to the best of their ability to the organization.

For Truecaller inclusion is about everyone participating and feeling respected and heard. In order for all of our colleagues to be included, they need to feel accepted, appreciated, safe speaking up and encouraged to contribute. Inclusion requires an open, empathetic culture and attitude. When we include different voices and perspectives through diversity, we can make better decisions and generate innovative ideas.

At Truecaller around 30 percent of our employees are women. We are constantly working to increase the percentage of women in tech-related roles within the company and in doing so, create a better balance in our various teams.

Diversity and inclusion at the workplace

Goal	2022	2023
Increase the percentage of women in our tech teams	17% women	16% women
Increase the percentage of women in key management positions	19% women	20% women

Gender equal pay

Truecaller believes in responsible pay structures that ensure gender equal pay in all locations. A system is therefore in place aimed at identifying, correcting and preventing any unequal pay gaps between women and men. Each work assignment is graded and assessed based on knowledge and expertise, and the level of responsibility and effort required.

The report is broadly divided into three categories: Equality, equivalent duties and female-dominated categories. The system applied to make these annual assessments of gender-equal pay showed that the statistical significance was within the acceptable range of 5 percent or less.

The gender pay gap, defined as pay for women as a percentage of pay for men, was 99 percent in 2023. Based on median salaries there are no gender-related differences in the pay structure.

Key ratios for new recruits in 2023

Age range	#	%
Under 30	32	40%
30–50	49	60%
Over 50	0	0%
Gender		
Women	21	26%
Men	60	74%
Location		
Stockholm	27	34%
India	49	60%
Israel	5	6%
Total	81	100



Total employees by category

2023	Women	Men	Total
Permanent employees	120	299	419
Temporary employees	3	0	3
Employees with short-term contracts	0	0	0
Part-time employees	0	0	0
Full-time employees	123	299	422
Senior management team	1	7	8
Managers, total	18	66	84



Human rights

At Truecaller we recognize the importance of respecting human rights in all parts of our organization. We want to guarantee that the human rights of people throughout Truecaller's value chain are met by having appropriate clauses, training and implementation procedures at our workplaces. This includes zero tolerance for discrimination as well as for child and forced labor. Our Code of Conduct stipulates that Truecaller and its employees must respect all internationally recognized human rights, including the international human rights conventions. We are to avoid causing, contributing to and any connection with human rights violations. We are to take appropriate measures against any such violations that occur.

As a Swedish company we operate within the framework of national regulations that prioritize protecting the rights and dignity of individuals. Our focus on upholding human rights involves compliance with Swedish laws that ensure fair treatment and gender equality at the workplace. Truecaller also follows international standards, such as the UN Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights. This is reflected in our commitment to ethical business practices globally.

At Truecaller we undertake to uphold human rights, not only in accordance with Swedish regulations, but also according to Indian legislation and international standards. In India our operations are governed by a comprehensive legal framework that prioritizes protecting human rights. This includes the Indian constitution which guarantees basic rights to all citizens.

In addition, Indian laws such as the 1993 Protection of Human Rights Act and the 1976 Equal Remuneration Act provide further guarantees of non-discrimination and ensure gender equality at the workplace. Truecaller conducts its business in accordance with these laws to ensure that our policies and procedures promote fairness, respect and dignity for all individuals, regardless of background or identity.

Within Truecaller we understand that respect for human rights is not only a legal requirement but also a moral obligation. We make every effort to create an inclusive and diversified workplace where each individual is appreciated and able to develop. By conducting our business responsibly and ethically we aim to make a positive contribution to society, while also maintaining the highest possible standards of integrity and respect for human dignity. At Truecaller respect for human rights is not just a requirement, it is also a fundamental aspect of who we are and how we run our business.

Our focus on human rights in the year ahead will, in addition to our internal operations, involve our entire value chain, including suppliers and subcontractors. By working closely with our partners in the value chain, we want to create a more inclusive, responsible and sustainable business ecosystem where human rights are respected and maintained at all levels. Our joint efforts will focus on identifying areas for improvement, following best practices and addressing any challenges or shortcomings in connection with protecting human rights.

Customer satisfaction

Customer satisfaction and the customer experience is a prioritized focus area for Truecaller. We apply various strategies to adapt responses based on user behavior, we communicate effectively between various channels, we proactively solve problems and we use user feedback to drive data-driven decisions and enhancements. As a customer-centric organization we value and consider the Truecaller users' opinions and suggestions.

Regarding our Customer Satisfaction (CSAT) Score, Truecaller saw significant improvements compared with the previous year, with the score rising from 35 percent at the end of 2022 to 51 percent at the end of 2023. This improvement was reached by focusing on allowing feedback from dissatisfied users (DSAT) to help us to make improvements. We are aiming to raise our CSAT Score further in 2024, to reach 65 percent.

To improve customer service, Truecaller has invested in

automation and digital transformation. This has enabled faster response times and shorter waiting times for the customers. More automated processes have been introduced to address common issues, minimize the need for manual processes and provide users with fast and clear responses. We also launched Freddy AI Bot to improve the tone and effectiveness of responses.

Customer feedback has been crucial in driving innovation and improving the properties of our products. In 2023 Truecaller launched several features based on user points of view, such as SMS passcodes, WhatsApp number presentation, recording calls, compatibility with the Wear app, call history dates, direct calls to government authorities through the Truecaller app, family sharing and Message ID functions. These innovations clearly show Truecaller's emphasis on constantly improving the product offering for the benefit of the users.

Customer Satisfaction (CSAT) Score

	2022	2023	Goal 2024
Truecaller's CSAT Score	35%	51%	65%



Community engagement and effects of products and services

Our goal is to be a force for good in society by protecting people from fraud in the digital environment. Our mission is to make digital communication safer, smarter and more effective through every innovation we make.

The high rate of fraud and unwanted communication has a major impact on the interactions of individuals and inexperienced internet users with digital services and companies. Fraud and phishing in various channels undermines customer trust in online platforms, and negatively impacts their social wellbeing and security in the digital environment. We understand that joint efforts are needed to give users the ability to prevent fraud in realtime. Truecaller's technology is based on community-driven information from our 374 million active users to indicate which numbers are safe or suspicious. The reach of our operations has also made it possible for us to increase the users' ability to safely navigate the digital environment and also ensure access to reporting activities in acute situations. In India we have given our users access to the National Cyber Crime Reporting Portal via the Truecaller app and we encourage them to report cyber crimes. Our seamless integration helps users, immediately after a call, to report incidents to the authorities via the reporting portal or by using the national helpline for cyber crime via our Government Directory Services feature. Thanks to a more streamlined process, users can promptly report cyber crimes and also report or block the number in the Truecaller app.

Government Directory Services

We launched the Government Directory Services (GDS) feature to help the Indian population to come in contact with the authorities, and to address the increasing number of instances of imposters pretending to be government officials. The directory consists of 30,000 verified phone numbers to 23 federal ministries and 25 state governments, and includes

information about national helplines, crime-fighting agencies and important telephone numbers. The users can access the directory via our app when they need to contact the authorities to make a report or obtain information. When receiving a call the user can identify the number as verified when they see a blue check and a verified green background in the app.

The directory service has an average of 57,000 daily unique user interactions and has helped to increase response rates when authorities attempt to contact citizens because it is easy to distinguish their calls from other calls. We have received requests from governments at the Indian federal and state levels to verify official numbers to increase response rates and to reach their citizens more effectively. The requests include telephone numbers to the Income Tax Department, Department of Telecommunications, Ministry of Electronics and Information Technology, as well as to the Government of Kerala.

Partnership with the Delhi police department on cyber safety

We have started a partnership with the police department in Delhi to combat the increasing instances of imposters pretending to be police officers, by verifying the phone numbers of all employees of the police department as part of the GDS. We have invested in increasing awareness about the initiative and helping them to more effectively contact the authorities when they need to. This collaboration also includes initiatives to increase knowledge of online safety through training that helps inexperienced users better handle various online threats.

Increased awareness of women's safety

Sexual harassment of women in phone calls or text messages is a growing problem. To raise awareness of this issue – an area which lacks sufficient research – we are using our

unique insights regarding unwanted communication to publish regular reports about this important topic, including the report "Truecaller Insights: Understanding Impact of Harassment, Spam Calls and SMS for Women".

Since 2017 Truecaller has also driven the #ItsNotOk campaign to fight harassment of women and to increase safety in the world of digital communication, and by extension, also in the physical world. In 2022 we partnered with the News 18 Network on the #CallItOut campaign to encourage women to not only block harassers, but also go a step further and report harassment to the relevant authorities. The campaign has helped to create awareness throughout India; decision-makers, state actors, crime-fighting agencies, women's rights activists, experts and influencers have all drawn attention to solutions and the need to work together to stop harassment.

By creating a dialogue about safety, the #ItsNotOk campaign has reached more than 1.8 billion people, at the same time as we are highlighting the need for joint action. The campaign has also been successful in informing more than 153 million residents about existing help resources and emergency phone numbers. It also gives them the right tools and knowledge to report harassment.

Better safety through the Guardians app

Many people feel unsafe when they return home alone, explore new places or encounter strangers. Smartphone use allows phones to be used to avert an uncomfortable or dangerous situation. We are helping to make daily life safer for our users through a special safety feature in our app.

After having developed an app that protects people in the digital environment, we are focusing on increasing safety in the physical world as well. In March 2021 we launched our new app for personal safety called Guardians. This was developed as a continuation of the women's safety campaigns we had implemented. More than 7 million people have down-



loaded the Guardians app and it has a score of 4.6 on Google Play Store. The initiative has been further developed by forming groups of volunteers to enable users to ask for help in realtime from other users who are close by.

CyberWise

At Truecaller we have implemented many different initiatives so that all citizens, including inexperienced users, women and the elderly, will be able to safely navigate the internet. In the CyberWise campaign we have partnered with decision-makers, crime-fighting agencies and community organizations to promote user safety and provide cybersecurity training in the local languages of India. Part of this campaign involved cybersecurity training for 1.6 million citizens throughout the country in cooperation with state governments and crime-fighting agencies. Feedback from the campaign showed, among other things, that 76 percent of the participants learned that apps should not be downloaded from third-party websites, and 96 percent learned that cyberstalking includes cyber harassment, repeated calls/texts, and contacting someone even if the person has said no.

Our partnership with the Delhi police department is aimed at increasing public safety by informing users about common online risks and giving them the knowledge and skills they need to protect themselves online. The partnership includes training for citizens in online safety, providing in-depth knowledge about different types of fraud, spam and the best way for individuals to protect themselves. The digital course ends with tips to ensure that the participants are well-prepared to navigate the digital environment in a responsible and safe way. The CyberWise course offers all citizens free, certified online training on Truecaller's official website.

Truecaller has also partnered with the Department of Electronics and Information Technology (DeIT) within Karnataka state government to increase user safety in digital communication. We also took part in the MyGov's #StaySafe-Campaign to promote safe internal routines during India's

G20 Presidency. The initiative has increased awareness of the importance of and need for online safety in social media platforms. To aid users in reporting cyber crimes, we have added the number of the helpline to our Government Directory Services. We have also carried out various activities to increase citizens' knowledge and to emphasize the importance of reporting in a timely manner.

We also partnered with the CyberPeace Foundation to implement a nationwide cybersecurity education program called #TrueCyberSafe with support from prominent educational institutions, government officials and crime-fighting agencies.

Volunteering opportunity for employees

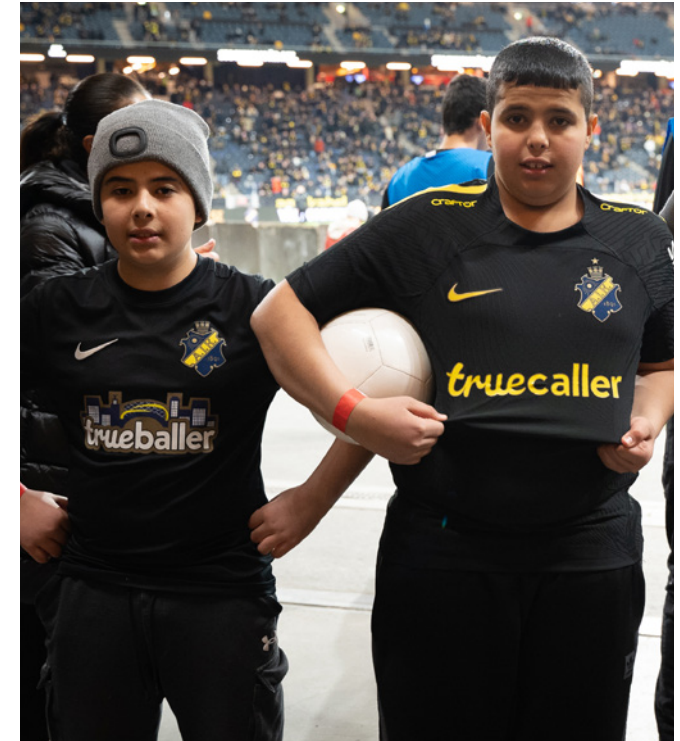
Around 60 Truecaller employees took part in a voluntary initiative to plant trees. Thanks to their efforts 300 trees were planted. This inspiring voluntary work being done by our employees is not only clear proof of our strong commitment to the environment, but also reflects our joint obligation to having a positive impact.

Trueballer in Sweden

Trueballer is partnership between Truecaller and the AIK Fotboll soccer club aimed at creating a safe environment and opportunities for children in vulnerable areas to play soccer and, in doing so, stay away from problems and conflicts.

At the beginning of 2023 Trueballer was launched initially as an evening soccer program taking place every Friday in three of Stockholm's most vulnerable suburbs. The program is now attracting around 400 children and youth ages 6-22 to play every Friday and Saturday.

An important high point in 2023 was a soccer tournament where Trueballer players took on against the local police team. The police department praised the event's positive impact on community relations, which facilitates their work thanks to better contact with the local residents.



Our plans for Trueballer in 2024:

- During the soccer evenings the players will be offered talent development and training that could lead to potential employment.
- Introducing soccer training exclusively for girls and creating a safe place where they can train with players from the AIK women's team at local schools.
- Arranging additional soccer tournaments with local police and fire departments and other government agencies to strengthen community relations.
- Taking Trueballer to more neighborhoods to increase its reach and positive impact on Stockholm's suburbs.



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Governance.

Sustainability goal

Our goal is to offer a safe community experience and guarantee built-in data protection for the Truecaller community.

Sustainability governance

The Board of Directors is the highest governing body for Truecaller's sustainability work and is responsible for introducing effective governance procedures. This work involves, but is not limited to, promoting responsible decision-making and supervising the implementation and monitoring the outcome of Truecaller's sustainability strategy and sustainability performance. The Board is also responsible for issuing the Sustainability Report.

The senior management team is responsible for introducing the sustainability strategy in the company, including long-term

#Corporate and sustainability governance

ambitions and goals. The team takes initiatives and ensures that targets are met with the help of employees from all parts of the company. Truecaller also has a sustainability manager who reports to Truecaller's Chief HR Officer who is part of the senior management team. The sustainability manager is also invited to Audit Committee meetings on a regular basis.

More information about Truecaller's sustainability governance is available on page 30 and more about our corporate governance is available in the Corporate Governance Report on pages 62–67.

Trust and integrity

Winning is not just about results. It is also about how we achieve them. Ethics and compliance are fundamental aspects of achieving results for all successful companies. At Truecaller we always apply ethical business practices that meet very high standards. Our aim is to be a leader in doing business responsibly and we regard it as our duty to maintain integrity uncompromisingly – in all interactions with users, customers and our colleagues. Our strong ethics and our values are an integrated part of our operations around the world.

Truecaller has stable processes and guidelines in place to ensure that we always follow applicable laws. We have introduced our Code of Conduct which forms the foundation for ethical leadership at Truecaller. It contains the principles that guide us in our ethical and legal obligations. It also provides clarity and guidance on how Truecaller expects its employees to behave in their day-to-day work.

The norms in our Code of Conduct apply to all employees, board members and partners throughout the world. Each of us has a personal responsibility to understand and follow these norms in our day-to-day work.

Policies and Code of Conduct

Truecaller has integrated important sustainability topics in areas such as the environment, human rights, anti-corruption and fair working conditions into the company's Code of Conduct and in separate policies such as the Anti-Corruption Policy. All employees are required to follow the Code of Conduct and new recruits receive training in it. In addition, regular training is provided to employees and the Code is easy to access on Truecaller's intranet. The Code is the foundation for ethical leadership and encompasses the fundamental principles that govern our ethical and legal obligations at Truecaller. The purpose of the Code is to promote fair working conditions, a safe work environment, responsible management of environmental issues, upholding human rights and maintaining high ethical standards.

The Code establishes the fundamental principles for laws and ethics that guide the way Truecaller does business. These principles show that we follow the strictest possible standards of business ethics and they apply to all those who are involved in Truecaller's work – board members, key management personnel, managers, employees and business partners.





The Code of Conduct is not the only source of guidance and information about Truecaller's expectations, but it provides a basis for the company's other policies and guidelines. Our business is also governed by a number of policies that guide our work and convey our approach to specific key matters. All employees must therefore be familiar with and follow our Code of Conduct and the policies that are described below when they start their employment at Truecaller.

- Anti-Corruption Policy
- Data Breach Response Policy
- Gender Equality Policy
- Global Business Amenities Policy
- IR and Communication Policy
- Information Security Policy
- Insider Policy
- Social Media Policy
- Whistleblowing Policy
- Work Environment and Health Policy
- Group Data Governance Policy

Truecaller has appropriate mechanisms in place for complaints and these are available to all employees and other stakeholders, including relevant groups in society. These mechanisms give people an opportunity to comment, make recommendations or express points of view on the company's workplaces, environment or business methods. Unethical or unlawful business practices within Truecaller are entirely unacceptable and will not be tolerated.

To manage reports of instances of sexual harassment we have formed an internal complaints committee that can accept formal complaints about sexual harassment.

Whistleblower channel

All Truecaller employees as well as consultants, subcontractors and other stakeholders are encouraged to report any suspected violations of laws or other unethical behavior. We

have produced a whistleblowing policy to offer a safe channel that employees and other stakeholders can use to raise concerns about suspected violations without fear of being subjected to unwarranted dismissal or other unfair treatment.

Whistleblowing process

- 1. Reporting** – A concern is reported and the reporting party receives a confirmation.
- 2. Assessment** – The concern is assessed in preparation for further investigation.
- 3. Investigation** – The concern is investigated and recommended actions are identified.
- 4. Actions** – Recommended actions are examined, decided on and implemented.
- 5. Follow-up** – The actions decided on are followed up.
- 6. Case closed** – The case is closed and the reporting party receives confirmation of this.

All incident reports that are received in line with the Whistleblowing Policy through the company's whistleblower channel go first to the company's Chief Legal Officer and Chief HR Officer, who in turn appoint an investigation team based on local needs and the type of suspected violation in the report. The investigation team evaluates the reported misconduct in accordance with Truecaller's internal guidelines and informs the reporting party about the status of the investigation on a regular basis.

Individuals who submit a report can choose to remain entirely anonymous as long as they want. Truecaller applies a strict policy of non-retaliation against individuals who report offences. It is strictly forbidden for any of Truecaller's employees and other representatives to try to determine the identity of the reporting party or to subject the reporting party to any form of discrimination or other negative consequence as a result of their reporting an incident.

Anti-bribery and anti-corruption program

We have a clear and robust zero tolerance policy against all forms of corruption. To support this policy, Truecaller has a well-established anti-bribery and anti-corruption program which includes a policy that applies to all Truecaller employees. There are also compliance procedures and a whistleblower channel.

Our Anti-Corruption Policy ensures that no employee acts in a way that is inconsistent with Truecaller's objectives or the integrity of the business. The policy is designed to ensure that we maintain the highest standards of professional integrity in order to support and guide individuals who act on behalf of the company in their efforts to prevent bribes and corruption.

Training in the policy is included in the training program provided to all new employees of Truecaller. Our employees are also required to participate in and complete recurring anti-corruption courses.

To facilitate reporting of potential or suspected violations of applicable laws, policies or guidelines, including those aimed at combatting bribery and corruption, Truecaller has created a means of reporting serious incidents through several different reporting channels, where individuals can anonymously report serious incidents in line with the company's whistleblowing policy. We protect employees who report any violations of applicable legislation, or of our Anti-Corruption Policy, and employees who report suspected offences. In 2023 the company received no reports of corruption.

Truecaller will continue to strengthen its anti-corruption efforts by regularly monitoring the effectiveness of the compliance program and providing frequent training in anti-corruption for the employees.



Information security

At Truecaller we have an unwavering emphasis on being at the forefront of data security. This is evidenced by the ongoing development of our data management processes to ensure that they are both robust and effective. Our agile organizational structure promotes this development and allows us to quickly adapt to new changes in the area of information security.

As a globally recognized platform for verification of contacts and blocking of unwanted calls, we have a major responsibility when handling user data. Our service is built on trust – trust that we maintain by implementing comprehensive security measures to protect all user data that we are entrusted with processing. These measures are designed to

protect the data from unauthorized access, use, dissemination and destruction.

Our users have control over their personal data

Being open with our users is a fundamental principle of our company. We inform Truecaller users of the authorizations and information required for our solution to function optimally. We give our users full control over how their personal data is shown in the app. This includes options to edit, deactivate or fully delete their profile. We prioritize confidentiality from the start by having private as the default setting for new user profiles.

We adhere to a strict policy regarding user data and do

not sell user information to third parties. To enable us to provide access to Truecaller's services free of charge, we share anonymized and aggregated data with trusted advertising parties. This is done with the greatest respect for user privacy and our partners are listed openly in the app. We emphasize that only anonymized and aggregated statistics are shared in order to guarantee that the privacy of the individual users is protected.

In summary, our work on information security and customer safety is all-encompassing and transparent. Our priority is to maintain the highest standards of data security and privacy so that Truecaller can remain a reliable and secure platform for our global user groups.

Cybersecurity

At Truecaller we take cybersecurity very seriously and make every effort to protect our company's assets, employees and user data, while also constantly being at the forefront of leveraging new technology. Our comprehensive cybersecurity program guarantees that our systems and data are protected.

Our security measures rely on several levels of security – from advanced firewalls, infringement prevention systems, fundamental security principles and encryption methods, as well as rigorous authentication processes. We also constantly monitor our network, applications, systems and user interfaces.

Our security management involves the use of a comprehensive information security management system (ISMS) to ensure that we are focused on and prioritizing our efforts

where it counts. Our ISMS is based on a set of principles and best practices, which are constantly reviewed and updated to align with industry standards such as ISO 27001, NIST Cybersecurity Framework and SANS CITS Critical Security Controls. The ISMS system is designed to identify, evaluate and prevent potential risks, while our management structure is responsible for overseeing the systems and ensuring that they are aligned with applicable standards, regulations, privacy provisions and customer expectations.

External audit and result

We also make our information security routines available for independent review and testing at least once a year. We believe that cyberthreats can come from various sources, for example malware, phishing attacks or cyber criminals

attempting to exploit vulnerabilities, and we are determined to invest in the latest technology to be one step ahead to the greatest extent possible. We spend a lot of time and energy on increasing general security awareness among our employees with respect to actual threats and we keep them informed of the latest developments. This includes training in how to identify and react to phishing attempts, and how to recognize signs of harmful activity, both in the digital and physical environment.

Although we had no cybersecurity incidents in 2023, we believe that this area requires constant investment and focus, and we intend to uphold our commitment to protecting our employees and users and to continue to invest resources into our security program.

Data privacy

Truecaller is obliged to comply with many regulations regarding data security in the markets where we have a presence. We must also carefully monitor developments in data protection in these markets to ensure that we can be proactive in introducing best practices and be ready to follow them. We allocate substantial resources in order to take the steps necessary to ensure compliance.

The Privacy Center on our website, truecaller.com/privacy/privacy-center, is kept updated and we have a robust framework of policies:

- Data Breach Response Policy
- IT Security Training Policy
- Access Control Policy and Access Management Policy
- Encryption Policy
- Information Security Policy
- Group Data Governance Policy
- Data Storage Policy

Below is a brief description of the compliance initiatives that make up part of our compliance program.

Privacy management

Truecaller believes that a clear management structure for personal privacy and data protection provides a solid foundation for an open and trusting relationship with our users and a culture within Truecaller that is distinguished by integrity. To ensure continuous compliance with applicable laws, Truecaller has created its own governance model.

Truecaller's model includes a dedicated data protection unit with specific areas of responsibility and assignments to manage the implementation and maintenance of the compliance program for integrity and data protection within the organization. To firmly establish the management structure, in 2022 Truecaller appointed "Privacy Champions" within

each team to develop protection measures, support the compliance program and ensure that all departments and units take responsibility for protecting personal data. These Privacy Champions offer support, for example to maintain processing activity logs and personal data assistance.

Integration of data protection principles in the organization

Truecaller is deeply committed to integrating data protection into the company's policies, processes and daily activities throughout the organization, and to preserving the users' privacy and ability to control their personal data. These measures include, but are not limited to, the following:

We guarantee that the consent we receive from our users is voluntary, specific, deliberate and unambiguous by presenting a summary of our privacy routines to our users before they create a Truecaller account. We also present a similar summary when users log into their accounts via our website. The users can withdraw their consent at any time by deactivating their account, either via our Privacy Center in the app or through the account and privacy settings on the website.

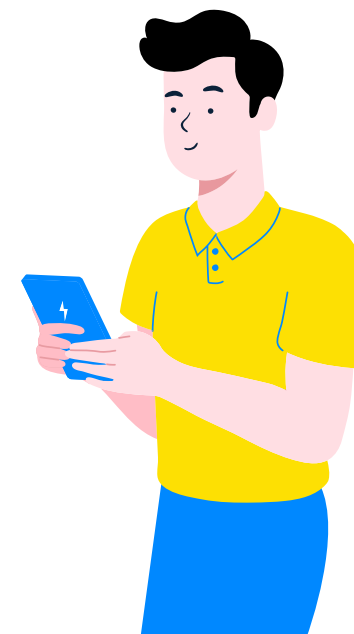
We ask for consent only when it is necessary, depending on which features the user intends to use, and we do our best to ensure that users fully understand the consent we need in order for Truecaller to work the way they want it to. The users can deactivate their consent at any time.

All users have the possibility of controlling and protecting how their personal data is presented to others, including in the markets where Truecaller is not required to offer this.

The users can at any time edit their profile in the app, access the personal data that Truecaller has about them, correct any inaccurate or incomplete data or deactivate their account via the company's Privacy Center.

There is also a data portability feature to allow users to download a copy of all of their personal data in a readable digital format. We also have a dedicated team to handle any questions or complaints about the app or treatment of personal data.

Truecaller is to limit collection, storage and use of personal data to data that is relevant, applicable and necessary, so that the function it was collected for can be executed in the shortest timeframe possible.



Risk management.

Truecaller operates in an environment where risks can have negative impacts on various aspects of the business. In order to effectively prevent these risks, Truecaller has implemented a fundamental process of risk assessment and risk management. This process involves several important steps, such as identifying and categorizing potential risks, ranking them based on their potential impacts and developing strategies to prevent or minimize these risks.

One crucial aspect of Truecaller's risk management strategy is establishing clear roles and areas of responsibility within the organization. Ultimate responsibility for risk management rests with the Board of Directors, but Truecaller gives

specific individuals or teams within the company responsibility for identifying, assessing and managing risks within their respective areas of expertise or operation.

Truecaller also emphasizes the importance of a structured risk management process. This process includes regular oversight and monitoring of identified risks, as well as reporting mechanisms to keep relevant parties informed on the status of risk reduction measures. Through its systematic risk management strategy Truecaller aims to create a culture of risk awareness and proactive risk reduction within all parts of the organization.

Truecaller believes that effective risk management requires a common understanding among all stakeholders of risks and their consequences. The company therefore emphasizes the fundamental principles that govern the risk management strategy to ensure alignment with the strategic goals and focus on sustainable business practices.

On pages 52–55 below is a description of a few of the most material risks faced by Truecaller and the measures that the company has introduced to limit them.

Truecaller's risk management process has four stages:





Identifying risks

Truecaller operates in an environment where a number of risks can have negative impacts on various aspects of the business, including on financial results, data security and compliance with laws.

Risk management

In order to effectively prevent these risks, Truecaller has implemented a fundamental process of risk assessment and management. This process involves several important stages, such as identifying and categorizing potential risks, prioritising them based on their potential impacts and developing strategies to prevent or minimize these risks.

Environment



Energy efficiency (ESRS E1) through:

- Reduced carbon footprint
- Green buildings
- Waste management (electronic waste)

Social responsibility



- Employee wellbeing (ESRS S1)
- Human capital (ESRS S1)
- Diversity, equality and inclusion (ESRS S1)
- Human rights (ESRS 1 / ESRS 2)
- Customer satisfaction (ESRS S4)
- Community engagement (ESRS S3)
- Effects of products and services (ESRS S4)

Governance



- Corporate and sustainability governance (ESRS G1)
- Trust and integrity (ESRS G1)
- Data privacy and security (ESRS S4)



Material sustainability topics and risk management – ESG

Environment

Climate and environment

Thanks to our business model our company has a low impact on the climate and environment. We are still determined to take responsibility and do our part.

Fast changes to laws, changed customer preferences and higher expectations from investors and employees can increase the pressure to transition to a more sustainable society.

Not focusing on reducing our climate footprint would make it more difficult for Truecaller to recruit talent and to attract business partners and investors.

Description of risk management

Our strategy for managing environmental risks involves the following:

- Ensuring that the workplaces have environmental certification.
- Implementing measures to reduce waste, such as collection of electronic devices.
- Limiting the environmental impact of data centers.
- Our data center in Stockholm is certified to ISO 14001:2015 for effective environmental management.
- Migrate all work flows to Google Cloud Platform for greater efficiency and environmental responsibility.
- Dynamic adaptation of server systems to prioritize resource efficiency.
- Target to reduce carbon emissions by 30 percent through our carbon management plan

Social responsibility

Human capital

To maintain our position in a fast-growing global market it is absolutely critical for Truecaller to constantly attract, take care of and retain important talent within the organization. Not succeeding in this poses a risk for the company's future growth and development.

Description of risk management

Truecaller sees its employees as a source of value. Our aim is for their collective potential to benefit customers and communities, while also promoting sustainability.

- We encourage internal mobility and announce available positions internally.
- Training for managers and employees promotes ongoing dialogue, clarity regarding expectations, and engagement.
- Employee engagement is measured through surveys where preventive steps are taken to retain talent.
- The surveys also capture feedback on potential discrimination issues.

Diversity, equality and inclusion

Diversity means the various differences that exist between individuals and groups. At Truecaller we take our responsibility seriously in terms of welcoming everyone regardless of gender, age, sexual orientation or other personal traits. We regard this as part of our DNA and if we were to fail, this would pose a risk of us not being able to deliver on the company's goals.

Description of risk management

- Diversity encompasses differences between individuals and groups.
- Truecaller welcomes everyone, regardless of gender, age, sexual orientation or other personal traits.
- We maintain a healthy gender distribution of around 30 percent.
- Initiatives are under way to increase the percentage of women in tech-related roles.
- Annual pay reviews are carried out to remedy any inequities.
- Our Code of Conduct prescribes zero tolerance for discrimination.

Employee wellbeing

Our employees are our greatest and most important asset. Unsatisfactory working conditions can put the general wellbeing of the employees at risk.

Description of risk management

- Truecaller ensures compliance with health and safety regulations through its Workplace Policy.
- Mandatory health and safety training covers risk exposure and safe emergency evacuation procedures for all employees.
- TrueCare promotes the employees' physical and mental health by actively involving them in decision-making.
- Personnel handbooks contain information about the work environment, discrimination as well as health and wellbeing.
- Work Environment Policy.



Social responsibility cont.

Community engagement/Effects of products and services

The high rate of fraud and unwanted communication has a major impact on the interactions of individuals and inexperienced internet users with digital services and companies. Fraud and phishing in various channels undermines customers' trust in online platforms and negatively impacts their social wellbeing and trust in digital interactions.

Description of risk management

- Truecaller enables the community to prevent fraud in realtime with the help of technology.
- More than 374 million active users contribute with community-driven information to verify numbers as safe or flag them as suspicious.
- Truecaller increases the users' ability to navigate the digital environment safely and gives them access to reporting services.
- In India Truecaller provides access to the National Cyber Crime Reporting Portal in the app.
- The users can easily report cyber crimes via the app or to the national cyber crime helpline.
- Truecaller facilitates the process by enabling fast reporting of cyber crime and blocking of numbers in the app.

Respect for human rights

We are aware that companies like ours have a duty to respect human rights and an ability to contribute to positive development.

Description of risk management

Our Code of Conduct, which is included in Truecaller employees' required training package, stipulates that Truecaller and its employees must respect all internationally recognized human rights, including international human rights conventions.

Customer satisfaction

Truecaller understands how important user satisfaction is to our commitment of delivering valuable, user-centric solutions and fostering lasting relationships with the customer base, and realizes that not succeeding in this can pose serious business risks.

Description of risk management

A customer-centric strategy that incorporates initiatives to increase customer satisfaction through innovation, digital transformation, an improved customer experience and exceptional customer service. Compliance with all laws and regulations as well as the internal Privacy Policy. Frequent measurement of customer satisfaction and feedback through customer surveys and from feedback to customer support.

Governance

Data privacy and security

Privacy risk is the risk of unauthorized access, use or dissemination of personal data or sensitive information that causes harm or negative consequences for individuals or organizations.

Risk reduction

Truecaller handles very important and large quantities of customer data. Correct treatment of this data, including consent, information and compliance, is ensured by the company to protect the data protection rights of all stakeholders. This includes protecting the data that the organization handles from external and internal breaches. As a consequence of increasing digitalization, there is now a tangible risk of loss of customer data, breach of customer privacy and related violations and fraud.

Description of risk management

- Truecaller's privacy policy and governance structure prioritize transparency and trust in user interactions.
- Privacy Champions ensure that all teams take their responsibility seriously.
- Data protection principles are included in our company policies and our day-to-day work to protect user privacy.
- Measures include obtaining consent, providing clear privacy information and facilitating smooth processing of user data.
- Privacy is integrated from the start in all IT systems and business processes.
- Personal data is protected through encryption and multiple vulnerability management processes.
- A comprehensive protocol to manage security breaches, including initiatives and measures, is in place.
- International data transfer meets regulatory requirements, guaranteeing the rights of and legal remedy for those registered.
- All employees receive extensive training in policies and procedures for data protection.
- Truecaller's focus on privacy and data protection guarantees trust and integrity in interactions with users and stakeholders.



Governance cont.

**Trust and integrity (ESRS G1)**

Building trust and integrity is a fundamental principle in business ethics and crucial for Truecaller's success and reputation. Applying ethical business practices involves removing conflicts of interest, respecting human rights and refraining from any involvement in corrupt activities.

Description of risk management

- Ethics and compliance are at the core of our organization, which means maintaining high standards of ethical business conduct.
- We prioritize responsible leadership and maintain uncompromising integrity in interactions with our customers and our colleagues.
- Extensive training in policies and procedures for data protection is provided to all employees.
- These efforts clearly demonstrate our emphasis on privacy and data protection, and this builds trust and integrity in interactions with users and stakeholders.

Privacy and information security

As a globally recognized platform for verification of contacts and blocking of unwanted calls, we have a major responsibility when handling sensitive user data. Our service is built on a foundation of trust.

Description of risk management

- Our information security management system (ISMS), which is based on ISO 27001 (certification pending), integrates ISO 27002, NIST CSF, OWASP Top 10 and CIS Top 18 for security controls.
- We guarantee comprehensive, group-wide security management for high level data protection.
- The GDPR and data security processes ensure segregation and encryption of user data and personal data in accordance with applicable legislation.
- Realtime detection of threats against endpoints and cloud environments includes CrowdStrike XDR, Elastic SIEM and Google Security Command Center Premium.
- Truesec provides incident management and forensic support.
- Regular audits ensure that information security management and policy compliance are maintained.
- Work on obtaining certification is focused on ISO 27001 and ISO 22301.
- Security updates are provided quarterly to the Board of Directors and each week to key management personnel.
- Google's integrated access controls, such as workload protection, multifactor authentication and just-in-time access, are offered.
- Access criteria include endpoint patching, CrowdStrike and geographical adaptation.
- Endpoints that are encrypted with BitLocker or FileVault; the GCP environment has built-in extra encryption for confidential data through Google's Vault/Secret Manager.
- Established IT Security Training Policy and Information Security Policy.
- Data is backed up according to the 3-2-1 method; Google Workspace is backed up externally.
- ISMS and QMS frameworks implemented in accordance with ISO 27001, 22301 and 9001.
- Systems are integrated in operating activities to ensure access to information and product/service quality.
- ISMS and QMS are pending certification and are fully operational, which significantly improves the organization's efficiency and expediency.

Business ethics and anti-corruption**Corruption and bribes**

Non-compliance with the Code of Conduct, governing documents, laws and regulations can lead to serious threats and post risks for our business.

Non-compliance with laws and regulations or acting unethically could harm Truecaller through loss of business opportunities, fines or other sanctions.

Truecaller operates in a global market, which means that there is a risk of non-compliance with our ethical values, governing documents and applicable laws and regulations.

New laws and regulations can result in a risk of non-compliance.

Description of risk management

- Truecaller's Global Business Amenities Policy regulates business interactions with third parties in line with Truecaller's Anti-Corruption Policy.
- New recruits read and confirm they will comply with the Anti-Corruption Policy as part of their introduction to the company.
- Reporting system for potential violations of laws, policies and professional standards, including anti-corruption and bribes, in line with the Whistleblowing Policy.
- Ongoing initiatives to strengthen anti-corruption measures include monitoring the effectiveness of the compliance program and providing regular training to employees and managers/key management personnel.
- Ongoing company communication of business ethics and compliance for all employees.
- The policies include the anti-bribery and anti-corruption program and the Code of Conduct.



Corporate governance



The share and shareholders.

Class B shares in Truecaller have been listed on Nasdaq Stockholm under the stock ticker “TRUE B” since October 8, 2021. Market value at the end of the fiscal year was SEK 13,292 million. The section on the *Share and shareholders* is part of the Director’s report.

Share capital

Share capital in Truecaller at December 31, 2023 was SEK 762,375,058 distributed among 381,187,529 shares, including 46,783,800 Class A shares, 328,803,729 Class B shares and 5,600,000 Class C shares. Each share has a quotient value of SEK 0.002. Each Class A share carries the right to ten votes, while each Class B and Class C share carries the right to one vote.

During the year, 1,627,819 Class B shares were issued in connection with the exercise of employee stock options within the framework of Truecaller’s LTIP 2021 incentive program. In addition, 500,000 Class C shares were issued and bought back to the company during the year to secure the company’s commitment to the 2023 share ownership program. The Class C shares will be converted into Class B ordinary shares in connection with the delivery of Class B ordinary shares under LTIP 2023.

See note 20 for details regarding changes in share capital. Each shareholder entitled to vote at the Annual General 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.

Repurchase of treasury shares

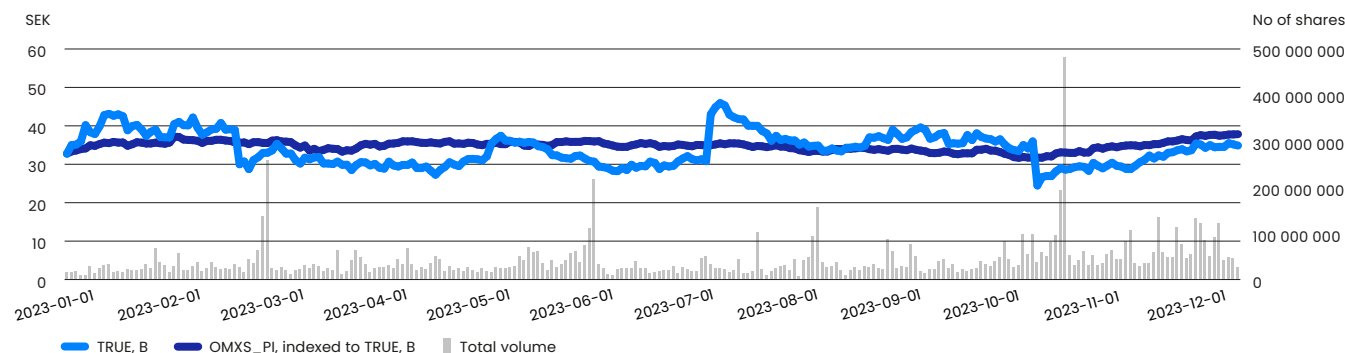
The 2023 AGM authorized the Board to decide on the repurchase of Class B shares. The authorization, which is valid until the 2024 AGM, is limited to a maximum of ten percent of the total number of shares in the company as of the date of the 2022 AGM. The company has continuously repurchased shares and by the end of the year the company had repurchased a total of approximately 25.3 million Class B shares at an average price of SEK 33.30. The company also holds 5,600,000 Class C shares to secure its commitments to the 2022 and 2023 share ownership program. Total repurchased

shares (B-shares and C-shares) corresponds to 8.10 percent of the total outstanding shares in Truecaller.

Price performance and trading volume in 2023

Truecaller AB (publ) has been listed on Nasdaq Stockholm since October 8, 2021. In 2023, the price rose 6.4 percent from SEK 32.76 to 34.87 on December 31, 2023. During the same period, the Nasdaq Stockholm OMXS PI index increased by 15.5 percent. The share reached a high of SEK 45.92 (at closing) on July 25 and a low of SEK 24.47 on October 27. A total of 607 million shares at a total value of SEK 20,469 million were traded during the period.

Share price trend and turnover in 2023





Ownership structure

Truecaller had 14,921 (16,448) shareholders at December 31, 2023. The ten largest shareholders controlled 70.8 percent of equity and 86.1 percent of voting rights. Swedish ownership, including institutions such as insurance companies and funds, represented 62.6 percent of equity and 82.2 percent of voting rights at the end of the year. Foreign ownership represented 37.4 percent of equity and 17.8 percent of voting rights.

The eight members of Group management owned 54.9 million shares combined (of which 46.8 million shares are Class A shares owned by the founders Alan Mamedi and Nami Zarringhalam), as well as 1.1 million warrants and 0.7 million Restricted Stock Units (RSUs). The Board of Directors of Truecaller owned 54.7 million shares combined (of which 46.8 million shares are Class A shares owned by the founders Alan Mamedi and Nami Zarringhalam), as well as 0.1 million warrants and 0.2 million Restricted Stock Units (RSUs). In 2023, Truecaller focused on communicating with owners, investors, analysts and the business media to increase the understanding of the company and its business. A total of seven banks cover Truecaller at year-end: Cantor Fitzgerald, Carnegie, Deutsche Numis, DNB, JP Morgan, Redeye, and SEB.

Dividend policy

During April 2024, Truecaller's board established a dividend policy stating that 25 percent of the net profit shall be distributed to the shareholders. This decision is based on the fact that the profits and cash flow generated by the company also provide room for investment in continued growth and development, as well as share buybacks according to the mandate from the shareholders' meeting. For the annual meeting in 2024, Truecaller's board has proposed a total dividend of 1.70 SEK per share to be distributed. Of these, 1.30 SEK is intended as an extra dividend, as Truecaller is assessed to be overcapitalized with a very strong cash position, and 0.40 SEK is for a regular dividend according to the newly established dividend policy.

Ownership distribution by country, December 31, 2023

Country	Number of shares	Equity	Votes
Sweden	238,749,702	62.63%	82.25%
USA	105,021,333	27.55%	13.09%
India	16,977,570	4.45%	2.12%
Singapore	5,728,747	1.50%	0.71%
Norway	4,466,211	1.17%	0.56%
Other countries	10,243,966	2.68%	1.28%

Largest shareholders, December 31, 2023

Country	TRUE A	TRUE B	TRUE C	Equity	Votes
Peak XV Partners (former Sequoia), US	0	60,802,148		15.95%	7.58%
Truecaller AB, Sweden	0	25,267,203	5,600,000	8.10%	3.85%
Handelsbanken Fonder, Sweden	0	27,944,078		7.33%	3.48%
Handelsbanken Fonder, Sweden	0	27,500,000		7.21%	3.43%
Nami Zarringhalam, Sweden	23,391,900	3,943,587		7.17%	29.65%
Alan Mamedi, Sweden	23,391,900	3,943,587		7.17%	29.65%
Kleiner Perkins Caufield & Byers LLC, USA	0	24,622,237		6.46%	3.07%
Malabar Investments, India	0	16,960,276		4.45%	2.11%
Swedbank Robur, Sweden	0	13,850,000		3.63%	1.73%
Futur Pension AB, Sweden	0	12,583,483		3.30%	1.57%

Remuneration report.

Introduction

This remuneration report describes how Truecaller AB (publ) (the "company" or "Truecaller") applied the guidelines for remuneration to key management personnel (the "remuneration guidelines"), adopted by the extraordinary AGM held on August 12, 2021, during the 2023 fiscal year. The report also includes information on the remuneration of the company's CEO and the employed Director. Furthermore, the report contains a summary of the company's outstanding long-term share-based incentive programs. The report has been prepared in accordance 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 programs of January 1, 2021.

The current remuneration guidelines can be found on pages 75–77. Information on the work of the Remuneration Committee in 2023 can be found in the Corporate Governance Report, which is available on pages 62–67 of the 2023 Annual Report.

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

pages 96–98 of the 2023 Annual Report. The report does not cover Directors' fees. Such fees are decided annually by the AGM and are disclosed in Note 7 on pages 96–98 of the 2023 Annual Report.

Company development in 2023

Information about the company's development in 2023 can be found in the CEO's message on pages 11–12 and the Directors' Report on pages 73–77 of the 2023 Annual Report.

Compliance with the remuneration guidelines

Successful implementation of the company's business strategy and safeguarding of the company's long-term interests depend on the ability of the company to recruit and retain qualified and skilled employees. Remuneration of the CEO and other key management personnel should therefore reflect Truecaller's need to recruit and motivate qualified employees by means of a remuneration package that is perceived to be fair and competitive.

Remuneration to key management personnel consists of the following components:

- Fixed base pay
- Short- and long-term variable remuneration
- Pension benefits
- Other benefits
- Remuneration during the notice period

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

Short-term variable remuneration, when included as part of the total remuneration, must be measured against predefined financial performance targets. Non-financial objectives may also be used to sharpen the focus on achieving Truecaller's strategic plans.

Objectives must be clear, specific, measurable and time-bound and adopted by the Board of Directors. They should also be designed to promote the company's business strategy, long-term interests and sustainability.

Remuneration of the company's CEO and the employed Director

Name	Fixed remuneration		Variable remuneration				Total remuneration	Ratio of fixed to variable remuneration
	Fixed base pay ¹⁾	Other remuneration ²⁾	Single-year	Multi-year	Extraordinary expenses	Pension costs ³⁾		
Alan Mamedi, CEO, Director	4,633,598	6,912	–	–	–	842,784	5,483,294	100/0
Nami Zarringhalam, CSO, Director	4,613,998	6,912	–	–	–	837,528	5,458,438	100/0

1) Includes fixed base pay, remuneration during parental leave and wellness grant.

2) Private health insurance.

3) Defined contribution pension in accordance with guidelines adopted by the Board of Directors.

The company has complied with the remuneration guidelines adopted by the AGM on May 26, 2023. There were no departures from the guidelines and there were no deviations from the decision-making process required by the guidelines to determine the remuneration. The auditor's opinion on the company's compliance with the guidelines is available at corporate.truecaller.com.

As part of the remuneration covered by the remuneration guidelines, the general meetings of the company have resolved the implementation of long-term share-based incentive programs, which are described under the heading *Long-term share-based incentive programs* in this report.

Remuneration of the company's CEO and the employed Director

During the 2023 fiscal year, the Chief Executive Officer and employed Director received base pay, variable pay, pension and other benefits covered by the remuneration guidelines paid, as shows in the table on the previous page.

The CEO and the employed Director also participated in two of the company's long-term share-based incentive programs, see under the heading *Long-term share-based incentive program* below.

Remuneration to the CEO was paid by the parent company of the Group, Truecaller AB (publ). Remuneration to the employed Director was paid by the subsidiary True Software Scandinavia AB. None of the other Group companies paid remuneration to the CEO or the employed Director in 2023.

No claims for repayment of remuneration paid to the CEO or the employed Director were made to the company in 2023.

Short-term variable remuneration

In 2023, no short-term variable remuneration was included in the terms of employment of the CEO or the employed Director.

Long-term share-based incentive programs

Outstanding share-based incentive programs

The company has the following outstanding share-based incentive programs:

LTIP 2021: The Extraordinary General Meeting held July 21, 2021, resolved the Board of Directors' proposal for an incentive program covering key management personnel and other key employees and resolved in favor of issuing a maximum of 19,500,000 warrants. A total of 12,686,320 warrants and employee stock options were acquired by or granted to the participants in the incentive program. No further warrants or employee stock options will be offered under LTIP 2021. The subscription price for warrants in Classes 1, 2 and 5 was set at SEK 57.40 per share. The subscription price for and employee stock options in Classes 3, 4 and 6 was set at SEK 28.70 per share.

At the time of this report, 1,627,819 employee stock options have been exercised and 744,668 remain. At the end of 2023, the holders of warrants were offered the opportunity to sell them back to Truecaller AB at market value. Truecaller AB acquired 4,086,984 warrants. A total of 423,651 warrants remain to be exercised in 2024 and 2025.

Upon full exercise of all remaining warrants and stock options that have been acquired by or granted to participants, a maximum of 584,160 shares will be issued in the company, corresponding to a dilution of approximately 0.1 percent.

LTIP 2022: The AGM held May 24, 2022, resolved the Board of Directors' proposal for an incentive program covering key management personnel and other key employees and resolved in favor of issuing a maximum of 500,000 warrants and approved the transfer of warrants. The AGM also resolved in favor of issuing a maximum of 5,100,000 performance share rights (RSUs). A total of 5,493,550 warrants and RSUs were acquired by or granted to the participants in the incentive program. No further warrants or employee stock options will be offered under LTIP 2022.

The subscription price for the warrants was set at SEK 88.00 per share. Upon full exercise of all remaining warrants and RSUs that have been acquired by or granted to participants, a maximum of 4,815,550 shares will be issued in the company, corresponding to a dilution of approximately 1.3 percent.

LTIP 2023 The AGM held May 26, 2023, resolved the Board of Directors' proposal for an incentive program covering key management personnel and other key employees and resolved in favor of issuing a maximum of 2,800,000 employee stock options and approved the transfer of employee stock options. The AGM also resolved in favor of issuing a maximum of 500,000 performance share rights (RSUs).

The subscription price for the warrants was set at SEK 45.38 per share. Upon full exercise of all remaining warrants and RSUs that have been acquired by or granted to participants, a maximum of 2,980,700 shares will be issued in the company, corresponding to a dilution of approximately 0.8 percent. No further warrants or employee stock options will be offered under LTIP 2023.

For more information about the company's long-term share-based incentive programs, including applicable performance conditions, see the company's website, corporate.truecaller.com.



Remuneration of the CEO under share-based incentive programs

								Information for the reported fiscal year				
Principal conditions								Opening balance	During the year		Closing balance	
Name	LTIP	Instrument	Performance period	Grant date	Vesting date	Exercise period	Exercise price per share	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	SEK 57.40.	1,000,000	0	1,000,000 ¹⁾	N/A	0
	2022	Performance share rights (RSUs)	2023–2026	2022	N/A	June 2026	N/A	95,000	0	0	95,000	95,000
Total								1,095,000	0	1,000,000	95,000	95,000

1) 1,000,000 warrants were bought back by the company at market value at the end of 2023. Read more on page 60.

Changes in remuneration to the CEO and the employed Director compared with the company's financial results and remuneration to other employees

In order to put remuneration to the CEO and the employed Director in a wider context, the table below shows the annual change in total remuneration 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	2023	2022	2021	2020	2019
Alan Mamedi, CEO	5,483,294	4,716,425	2,606,470	2,706,315	2,442,733
Nami Zarringhalam, Director	5,458,438	3,900,739	2,538,481	2,694,135	1,835,497
Other employees (Sweden, SEK)	878,150	834,057	787,673	778,100	772,637
Adjusted EBITDA, Group (SEKm)	702.9	717.2	472.5	104.8	–33.8

Stockholm, April 22, 2024

Truecaller AB (publ)
Board of Directors

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 existing parent company 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 AB 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 2023 financial year.

This corporate governance report was resolved by the Board of Directors on April 22, 2024, and is an account of how governance was pursued at Truecaller during the 2023 fiscal year. The corporate governance report is not part of the 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, any deviations from the recommendations of the Code are disclosed and justified in Truecaller's annual report. For details, see the website of the Swedish Corporate Governance Board at bolagstyrning.se. Internal regulations for the company's governance consist of the Articles of Association, the Board of Directors' rules of procedure (including instructions for the Board's committees), instructions for the CEO, instructions for financial reporting and other policies and guidelines.

Voting rights

Truecaller's Articles of Association do not contain any restrictions on the number of votes each shareholder may cast at a general meeting. The Articles of Association stipu-

late that Truecaller has three share classes. Class A shares carry 10 votes per share, while Class B and C shares carry one vote per share.

Deviations from the Code

The Code states that long-term incentive programs 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 program for employees, LTIP 2021, is structured in such a way that shares can be acquired after two, three and four years, respectively. The purpose is to ensure that employees and potential employees in both Sweden and India, the countries where Truecaller has the majority of its staff, will perceive the program as attractive. Incentive programs in India are commonly of shorter duration than those normally found in Sweden and LTIP 2021 was designed to be an appropriate compromise to make the program sufficiently attractive in both countries. The same applies to LTIP 2023.

According to the Code, no more than one member of the Board elected by the Annual General Meeting may work in the company's senior management. This position is usually occupied 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 Zarringhalam 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. The Articles of Association include no special provisions concerning the appointment and dismissal of directors or amendments to the Articles of Association.

General meeting

The general meeting is the company's highest decision-making body. The general meeting is the forum in which shareholders exercise their influence. According to the Swedish Companies Act, several matters are under the purview of the general 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 auditor.

The Board of Directors is also authorized 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 general meeting and where such matters cannot be postponed until the next AGM.

Shareholders who wish to participate in a general 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 2023 AGM was held on May 26, 2023 at Truecaller's office in Stockholm. In all, 146 shareholders representing 58.3 percent of share capital and 80.6 percent of the votes participated in the meeting. The AGM voted to adopt the statement of profit and loss and the balance sheet for 2022, resolved upon allocation of profit and resolved to discharge the CEO and Board of Directors of liability for the past fiscal year. The AGM also elected Directors and auditors.

The 2024 Annual General Meeting will be held on Thursday, May 23, 2024 in Stockholm.

Extraordinary General Meeting

Truecaller did not hold any Extraordinary General Meetings during the year.

Authorization to issue and repurchase shares

The AGM on May 26, 2023 resolved to authorize the Board of Directors to resolve, on one or more occasions until the next AGM, to increase the company's share capital by the issuance of new Class B shares in the company. The total number of Class B shares that may be issued (alternatively be issued through conversion of convertibles and/or exercise of warrants) shall not exceed 42,117,746, 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 to maneuver and the opportunity to adapt and improve the company's capital structure. The Board is authorized to resolve to issue Class 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 AGM resolved to authorize the Board of Directors, on one or several occasions, during the time up until the next AGM, to resolve on repurchase of Class B shares in the company. Repurchase of Class B shares may be made at a maximum number of shares corresponding to ten (10) percent of the total number of shares in the company outstanding as of the date of the AGM. Repurchase of Class B shares may be made on Nasdaq Stockholm at a price per share within the registered price interval of the company's Class 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 for the Class 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 requirements over time, thereby contributing to increased shareholder value.

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 on May 26, 2023, the three largest shareholders or shareholder groups in terms of votes (referring to both directly registered shareholders and nominee-registered shareholders), according to Euroclear Sweden AB's ("Euroclear") printout of the share register as of September 30, 2023, shall each appoint one representative to constitute, together with a representative from the Board of Directors, the Nomination Committee for the period until a new Nomination Committee is appointed in accordance with the mandate from the 2024 AGM.

The majority of the 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. Neither the CEO nor any other member of the management team shall be a member of the Nomination Committee. Directors may be part of the Nomination Committee, but shall not constitute a majority of its members. If more than one Director is on the Nomination Committee, no more than one of them may be dependent in relation to the company's major shareholders.

If one or more shareholders who have appointed representatives to the Nomination Committee no longer belong to the three largest shareholders of the company at a time more than two months before the AGM, the representatives of these shareholders shall resign and new members shall be appointed by the new shareholders who then belong to the three largest shareholders. If a member of the Nomination Committee resigns from the assignment before the

work of the Nomination Committee is completed, the same shareholder who appointed the resigning member shall, if deemed necessary, be entitled to appoint a new member, or if the shareholder is no longer among the three largest shareholders, the next largest shareholder, in accordance with the above principles, but based on Euroclear Sweden AB's printout of the share register as soon as possible after the member has resigned.

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

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

The term of office of the Nomination Committee ends when the next Nomination Committee is announced.

The Nomination Committee shall submit proposals on the following issues for decision to the 2024 AGM:

- Nomination for the Chair of the meeting,
- Nominations of Directors,
- Nomination of Board Chair,
- Nomination of auditors,
- proposals for Board fees, with a breakdown between the Chair and the other Directors on the Board,
- proposal for fees for the company's auditors, and
- Proposal on principles for the appointment of the Nomination Committee ahead of the 2025 AGM.

Prior to the 2024 AGM, the composition of the Truecaller Nomination Committee is as follows:

- Kamjar Hajabdolahi, appointed by Nami Zarringhalam
- Sven Törnkvist, appointed by Alan Mamedi
- Mattias Lampe, appointed by Peak XV (formerly Sequoia Capital)
- Bing Gordon, Member 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 development 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 2023 are women, representing 33 percent of the Board.

Remuneration to the Board of Directors

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

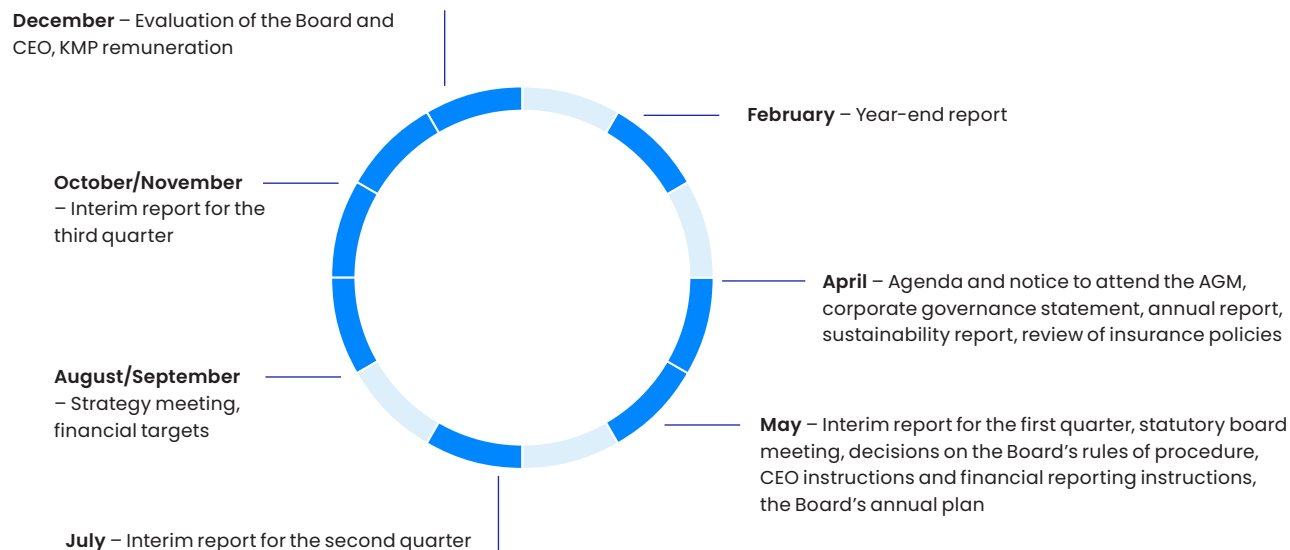
Composition of the Board of Directors

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 26, 2023. Nami Zarringhalam 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.

Independence of the Board

The dependence of the directors in relation to the company, the company management, and the shareholders is shown

The Board works according to annually adopted rules of procedure and an annual plan.



in the table on page 65. 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 procedures

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 annually adopted rules of procedure and an annual plan.

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 needed.

In addition to the statutory meeting held after election by the ordinary AGM held on May 26, 2023, the Board of Directors met nine times in 2023 (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, as well as 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 prioritized 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's rules of procedure, CEO instructions and financial reporting instructions, the Board's annual 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 the Board and CEO, KMP remuneration

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 is governed by the Board's Rules of Procedure. Board committees deal with the matters within their respec-

Name	Year elected ¹⁾	Independent to the company	Independent to large shareholders	Position	Committee	Attendance Board meetings	Attendance Audit Committee	Attendance Remuneration Committee	Director's fee, SEK 000s ²⁾	Number of shares/warrants in Truecaller, direct/indirect holdings ³⁾
Bing Gordon	2020	Yes	Yes	Director, Member of Remuneration Committee	Remuneration Committee	10 (10)	–	2 (2)	410,000	38,667 warrants LTIP 2021
Helena Svancar	2021	Yes	Yes	Director, Chair of Remuneration Committee	Remuneration Committee	10 (10)	–	2 (2)	465,000	3,800 Class B shares, 38,667 warrants LTIP 2021
Shailesh Lakhani	2013	Yes	No	Director, member of Audit Committee	Audit Committee	10 (10)	4 (4)	–	0	0
Alan Mamedi	2009	No	No	Director, founder, CEO		10 (10)	–	–	0	23,391,900 Class A shares, 3,943,587 Class B shares, 95,000 RSUs LTIP 2022
Annika Poutiainen	2021	Yes	Yes	Director, Chair of Audit Committee	Audit Committee	10 (10)	4 (4)	–	585,000	6,500 Class B shares, 19,334 warrants LTIP 2021
Nami Zarringhalam	2009	No	No	Chairman, founder, CSO		10 (10)	–	–	0	23,391,900 Class A shares, 3,943,587 Class B shares, 95,000 RSUs LTIP 2022

1) Relates to Truecaller AB and True Software Scandinavia AB, which 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 2023 AGM and ending at the close of the 2024 AGM.

3) Holdings per December 31, 2023.



tive 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, as does the Chief Legal Officer when appropriate. The Audit Committee held four meetings in 2023. The company's auditor attended all four meetings.

Remuneration Committee

The members of the Remuneration Committee are Helena Svancar (Chair) and Bing Gordon. The Remuneration Committee held two meetings in 2023. The company's Chief HR Officer attends meetings as required.

The table on page 65 shows attendance by Directors and committee members at Board and committee meetings during the year.

Auditors

The audit firm elected for a term of one year by the AGM held on May 26, 2023 is Ernst & Young AB. Jennifer Rock-Baley, authorized public accountant, is the auditor in charge.

The remit of the auditors is to examine, on behalf of the shareholders, the company's annual report and accounts and the management of the Board of Directors and the CEO. 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 President and CEO oversees Group management and makes decisions

in consultation with the other members of Group management. As of December 31, 2023, Group management consisted 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 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 rules of procedure adopted by the Board, the instructions 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.). The focus during the year was on the business plan and matters related to growth.

Internal control over financial reporting

The Board's responsibility for internal control is governed by the Companies Act and the Code. In accordance with the Swedish Annual Accounts Act, the corporate governance report includes a description of the key elements of the company's internal control and risk management system. Internal control over financial reporting has two primary aims: to provide reasonable assurance regarding the reliability of the external financial reporting, and to ensure that the external financial reporting has been prepared in

compliance with law, applicable accounting standards and other requirements imposed upon listed companies.

Control environment

The Board of Directors has overall responsibility for internal control related to financial reporting. The control environment for financial reporting is based on allocation of roles and responsibilities in the organization, adopted and communicated decision paths, instructions regarding authority and responsibility, and accounting and reporting instructions.

The Board has adopted rules of procedure, CEO instructions and a financial reporting policy. In addition, there are operational policies and guidelines in several areas.

Risk assessment

As an integral part 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 key 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 No. 596/2015 (MAR), which places strict requirements on the company's 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 handling referred to 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 authorized individuals within Truecaller have access to the InsiderLog. Further information is available at insiderlog.se.

Control activity

The Group's control activities relating to core financial 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 and Group level. The operating subsidiaries have a chief accountant who is responsible for ensuring that financial figures are verified and reported on a monthly basis. This includes reconciling financial figures with sales and cost data from the Group's transaction system, reconciling intra-group balances and reconciling bank accounts. These figures are then checked at Group level during the monthly consolidation of Group figures. Efforts are ongoing

to continuously improve these processes through measures such as advanced training of relevant employees, greater automation of reconciliations and by having important figures checked by several individuals in parallel.

The Board regularly assesses whether there is a need for a dedicated internal audit function. So far, the conclusion is that Truecaller's operations are not complex enough to warrant such a function. The internal processes combined with external audits ensure 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 credit losses and review of Truecaller's external audit reports. Staff members from 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, April 22, 2024

The Board of Directors of Truecaller AB (publ)

Board of Directors



Nami Zarringhalam

Director, co-founder

Born: 1984

Director since: 2009 and Chairman of the Board since 2023

Holdings in Truecaller: 23,391,900 Class A shares, 3,943,587 Class B shares and 95,000 RSUs from LTIP 2022.

Background: Co-founder of Truecaller, 2009.

Other current roles: Chief Strategy Officer at Truecaller, Chairman of the Board of Zarringhalam Ventures AB, Director of Goodsport Foundation, True Software SPV AB.

Previous assignments: Chairman of the Board 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



Bing Gordon

Director

Born: 1950

Director since: 2020

Holdings in Truecaller: 38,667 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. Bing 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 of the company: Yes

Independent of its principal owners: No



Alan Mamedi

Director, co-founder

Born: 1984

Director since: 2009

Holdings in Truecaller: 23,391,900 Class A shares, 3,943,587 Class B shares and 95,000 RSUs from LTIP 2022.

Background: Co-founder of Truecaller, 2009.

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

Previous assignments: Chairman of the board of True Software EC III AB and True Software EC IV AB. 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



Board of Directors, cont'd.



Annika Poutiainen

Director

Born: 1970

Director since: 2021

Holdings in Truecaller: 6,500 Class B shares and 19,334 warrants from LTIP 2021.

Background: Annika is a lawyer with more than 20 years of 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 company Airtel Africa plc, Truecaller and Renta Group AB.

Other current roles: Chief Legal Officer Europe at Trustly Group AB

Previous assignments: Executive Chair of the Council for Swedish Financial Reporting Supervision, Member of the Nasdaq Helsinki Listing Committee and industrial advisor to strategic communications firm Kekst CNC.

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

Independent of the company and its principal owners: Yes



Helena Svancar

Director

Born: 1975

Director since: 2021

Holdings in Truecaller: 3,800 Class B shares and 38,667 warrants from LTIP 2021.

Background: Currently a partner at Verdane. Before that she was head of M&A at Ericsson for about 5 years. Prior to joining Ericsson in 2018, she had 20 years of experience in investment banking, including ten years at Deutsche Bank in London where she was responsible for Corporate Finance Nordics.

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

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

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

Independent of the company and its principal owners: Yes

Auditors

Ernst & Young AB was elected company auditor at the 2023 AGM. Ernst & Young AB has announced that

Jennifer Rock-Baley, authorized public accountant, is the auditor in charge.

Group management



Alan Mamedi

Chief Executive Officer and co-founder

Born: 1984

With Truecaller since: 2009

Holdings in Truecaller: 23,391,900 Class A shares, 3,943,587 Class B shares and 95,000 RSUs from LTIP 2022.

Background: Co-founder of Truecaller, 2009.

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

Previous assignments: Chairman of the board of True Software EC III AB and True Software EC IV AB. 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).



Odd Bolin

Chief Financial Officer

Born: 1963

With Truecaller since: 2020

Holdings in Truecaller: 154,000 Class A shares, 90,000 RSUs and 30,000 warrants from LTIP 2022 as well as 87,000 warrants from LTIP 2023.

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

Other current roles: Board member and CEO of HOB Management AB. Chairman of the Board of Senarion AB., board member of 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 adviser to Tessin AB. Board member of True Software EC AB, True Software EC II AB, True Software EC III AB and True Software EC IV 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: 3,750 Class B shares, 100,000 RSUs from LTIP 2022, as well as 83,000 warrants from LTIP 2023.

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.

Other current roles: –

Previous assignments: Director of Fält Communications AB and Fält Incentive AB. CEO of Central Asian Telecommunication Development B.V. (Netherlands). Director of True Software EC AB, True Software EC II AB, True Software EC III AB and True Software EC IV AB.

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



Rishit Jhunhunwala

Chief Product Officer and Managing Director India

Born: 1977

With Truecaller since: 2015

Holdings in Truecaller: 12,436 Class B shares, 250,000 warrants from LTIP 2021, 30,000 warrants and 90,000 RSUs from LTIP 2022 as well as 84,000 warrants from LTIP 2023.

Background: Vice President, July Systems and co-founder of Cloud Magic Inc.

Other current roles: –

Previous assignments: –

Education: Business Management, Bangalore University.



Group management



Fredrik Kjell

Chief Operating Officer

Born: 1981

With Truecaller since: 2020

Holdings in Truecaller: 25,200 Class B shares, 30,000 warrants and 90,000 RSUs from LTIP 2022 as well as 65,000 warrants from LTIP 2023.

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

Previous roles: Director of Relax Gaming Ltd. CPO for Kindred Group. Head of Gaming for 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, 3,943,587 Class B shares and 95,000 RSUs from LTIP 2022.

Background: Co-founder of Truecaller, 2009.

Other current roles: Chairman of the Board of Truecaller, Chairman of the Board 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 RSUs from LTIP 2022 as well as 57,000 warrants from LTIP 2023.

Background: VP Employee Excellence på Synchron AB, CHRO at iZettle (PayPal), HR Director at Trygg-Hansa, HR Director at EVRY Sverige, Head of HR Cygate Sweden & Finland (Telia), Director HR & Administration at Cybernetics, Managing Director at Karell Software Associates, founder and 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: 233,333 warrants from LTIP 2021, 20,000 warrants and 65,000 RSUs from LTIP 2022 and 64,000 warrants from LTIP 2023.

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 organization

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 2023, the company had more than 374 million monthly users. Truecaller users are found in more than 175 countries. The largest markets are India, the Middle East and Africa, but the number of users is also rapidly growing in other markets such as South and Central America and South East Asia.

Truecaller's revenues are derived from ads displayed to the company's users when they make or receive calls on their smartphones or use the Truecaller 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 28–55 of this document and refers to the period January 1 to December 31, 2023.

Significant events in 2023

Sustained strong user growth

The number of Monthly Active Users (MAU) increased by 35 million users during the year to an average of 360.6 (325.3) million users. 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. Growth continues in many geographic markets and on both Android and iOS. The strong performance on iOS following the launch of a new app in the second half of 2022 has continued.

Other significant events

- A weaker global macroeconomic environment affected demand for digital advertising, applying pressure to advertising prices. Truecaller offset this pressure on margins in part by improving the advertising platform, enabling monetization of more ads.
- Conversion to Truecaller's premium offering continued to expand and the relative growth of paying users was almost twice as high as user growth. The growth of paying users was particularly strong on iOS and during the year Truecaller's new AI-based premium features such as Truecaller Assistant and Call Recording started to contribute to this growth.
- Truecaller for Business continued to see strong demand, with additional features developed to create trust in business-to-consumer communication. At year-end the number of customers reached approximately 2,500 customers in 37 different countries. Truecaller customers include Google, Amazon, IKEA, Uber, Volvo, Bosch, Coca Cola, Flipkart and Zomato. During the year, the partnership with Tanla to deliver business messages to Truecaller users was scaled up and more than 5 billion messages were sent during the year.
- The Annual General Meeting re-elected the entire Board of Directors. The meeting resolved to establish a new long-term incentive program, LTIP 2023, and the Board was authorized to decide to buy back a maximum of 10 percent of total shares outstanding as of the date of the AGM.
- Truecaller AB implemented an additional employee stock options and warrants plan (LTIP 2023, long-term incentive program). 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. In LTIP 2023, the company will issue a maximum of 3,300,000 shares and warrants, entailing a maximum dilution of the shares of about 0.86 percent of the company's total outstanding shares. The programs for employees participating in LTIP 2023 will mature during the years 2025–2027.

- 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 repurchased a total of 25.3 million shares. In addition, 5.6 million Class C shares were issued and repurchased to enable future delivery of shares to employees under LTIP 2022 and LTIP 2023. In total, including the C-shares, the repurchased shares represent 8.10 percent of outstanding capital.

See pages 115–116 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 for 2023 totaled SEK 1,728.9 (1,772.9) million, a decline of 2 percent. Revenue for Truecaller for Business and subscriptions increased, while advertising revenue declined in the wake of a weakening global.

Ad revenues fell 10 percent to SEK 1,346.1 (1,488.6) million as a result pressure on advertising prices due to of weaker demand. Truecaller was able to partially offset the drop in prices with increased ad views. Truecaller continuously optimizes the balance between prices (CPM) and usage (fill rate) of our ad space. 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. Truecaller continues to see user growth, which helps to increase our available ad space. Truecaller also works steadily to optimize

ad space usage, with the aim of increasing both the 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.

Revenue from premium subscriptions grew by 21 percent to SEK 206.2 (170.5) million. This is primarily an effect of growth in the number of premium subscribers where a particularly positive trend during the year was noted in India and on iOS, which generally have a higher proportion of paying subscribers. The year also saw the launch of new packages, improvements in tools to reach the right users with the right offering and the introduction of Truecaller Assistant in a number of geographic markets.

Revenue for Truecaller for Business rose 61 percent to SEK 170.2 (105.5) million. 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 as many companies are finding it difficult to maintain a secure channel of communication with their customers by other means. During the year, Truecaller's verified business solution and a growing volume of messages from businesses to Truecaller users via the partnership with Tanla, which was announced in 2022, both contributed to the positive performance.

Gross profit

Gross profit dropped 4 percent to SEK 1,307.7 (1355.2) million, resulting in a decrease in the gross margin to 75.8 (76.4) percent. Gross margin is determined partly by fees paid to partners such as Google and Apple, and partly by the cost of verifying new users and servers used for the company's services. The 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 therefore 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 telecom operators price their messaging services. The cost of server hosting is relatively independent of traffic volumes over the short and medium terms, but rises as they reach new volume bands. Increased verification costs for new users and higher server costs had a somewhat adverse impact on gross margin. These costs stabilized in the second half of 2023.

EBIT (operating profit)

Adjusted EBITDA (operating profit before amortization, depreciation and impairments excluding items affecting comparability) amounted to SEK 702.9 million (717.2), corresponding to an adjusted EBITDA margin of 40.7 percent (40.5). Excluding costs for incentive programs of SEK 39.9 million (30.2), the adjusted EBITDA margin would have been 43.0 percent (42.2).

EBIT decreased to SEK 657.7 (688.5) million, corresponding to an EBIT margin of 38.0 percent (38.8).

Employee costs totaled SEK 361.1 (301.0) million. Payroll costs increased as an effect of increases in the workforce combined with annual salary adjustments. The Group's long-term incentive program resulted in payroll costs for the period of SEK 35.1 (28.4) million, with a corresponding increase in equity and social insurance contributions of SEK 4.8 (1.8) million reported as a provision in the balance sheet.

Other external costs totaled SEK 252.3 (349.7) million. The reduction in costs is mainly attributable to a strategy focusing user acquisition and marketing investments on fewer markets, where cost efficiency is high. The company continues to closely monitor demand trends in order to adjust costs during the ongoing macroeconomic slowdown,

without sacrificing growth potential when demand picks up again.

Profit and earnings per share for the period

Profit before tax amounted to SEK 712.3 (688.1) million. Profit after tax for the period was SEK 536.3 (535.2) million. Net financial income amounted to SEK 54.6 (-0.4) million and consists of positive foreign exchange differences of SEK 1.2 (11.8) million, income from fair value measurement of SEK 40.8 (0.4) million, interest income of SEK 18.4 (-7.3) million and other financial expenses of SEK -5.7 (-5.3) million.

Total tax amounted to SEK 176.0 (152.9) million, corresponding to an effective tax rate of 24.7 percent (22.2) for the Group.

Earnings per share before dilution amounted to SEK 1.49 (1.43) and after dilution to SEK 1.49 (1.43).

Cash flow and financial position

Cash flow from operating activities amounted to SEK 582.0 (610.4) million, of which SEK 57.4 (29.3) million is attributable to changes in working capital and SEK -213.8 (-154.1) million is attributable to income tax paid. Cash flow from investing activities amounted to SEK -626.9 (-297.3) million and included an investment in short-term fixed-income funds of SEK -500.0 (-250.0) million, an investment in financial assets of SEK -32.7 (-) million, acquisitions of subsidiaries of SEK -27.4 (-32.2) million and changes in financial receivables of SEK -40.8 (-0.4) million. Cash flow from financing activities amounted to SEK -643.1 (-223.1) million and included the repurchase of treasury shares of SEK -659.6 (-182.4) million and funds received for warrants that provided SEK 46.7 (3.1) million. Cash flow for the period was SEK -688.0 (90.0) million. At the end of the period, Truecaller had cash and cash equivalents amounting to SEK 631.3 (1,327.8) million and SEK 941.3 (400.5) million invested in short-term fixed-income funds. The equity to assets ratio was 80.7 percent (77.0).

Truecaller has a revolving bank overdraft facility of



SEK 500.0 (500.0) million. As of the balance sheet date, SEK 0.0 (0.0) million had been utilized.

Consolidated total assets amounted to SEK 2,160.3 (2,344.4) million at December 31, 2023. 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 capitalizing development costs in 2021 when certain initiated projects were assessed as meeting the criteria under IAS 38. Development costs are capitalized as reported in Note 1 and are amortized over two years. A total of SEK 8.9 (7.2) million was capitalized during the year as internally generated intangible assets.

Research and development costs expensed in EBIT during the year amount to SEK 20.5 (21.5) million.

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 32–34.

Employees

There were 419 (395) employees at the end of the year. The average number of employees during the year was 401 (354) and 29 percent (29) of the employees were women. The average age of employees was 33 years (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 or ethnic background.

The company is represented in ten different locations in Sweden, India, Israel, Egypt, Nigeria, Colombia, USA and Kenya.

Current guidelines for remuneration to key management personnel

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 the Group's executive management team who report to the aforementioned persons. At present, there are eight KMPs 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 KMPs 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, salary and conditions of employment for the company's employees 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.

Remuneration to key management personnel consists of the following components:

- Fixed base pay
- Short- and long-term variable remuneration
- Pension benefits
- Other benefits
- Remuneration during the notice period

Fixed base pay

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

Short-term variable remuneration

Short-term variable remuneration, where applicable, must be measured against predefined financial performance targets. Non-financial objectives may also be used to sharpen the focus on achieving Truecaller's strategic plans. Objectives must be clear, specific, measurable and time-bound and adopted by the CEO and/or 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 the CEO should be defined by the Board Of Directors. Levels and targets for variable remuneration for other KMPs should be proposed by the CEO and approved by the Chairman of the board.

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

Long-term variable remuneration

Long-term variable remuneration includes share-based incentive programs. Share-based 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-based incentive programs also improve opportunities to attract suitable KMPs in connection with hiring.

Market-based remuneration

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

Pensions

Pension benefits for the CEO and other KMPs 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. KMPs 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.

Remuneration 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 KMPs, 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-based incentive programs must be approved by the Board Of Directors based on the proposal approved by the 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 adopted by the AGM. When a need for material changes to the guidelines arises, but at least every fourth year, the Board Of Directors must submit proposed KMP 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 adopted the guidelines. Thus, the guidelines have no impact on pre-existing contractual obligations. The adopted guidelines may also be amended through resolution by a general meeting other than the AGM.

The Remuneration Committee shall also prepare proposals concerning compensation to the CEO and other KMPs within the scope of the guidelines adopted 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 variable pay programs aimed at KMPs, 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 KMPs and make any other necessary decisions concerning KMP compensation. Neither the CEO nor any other KMP shall 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 summarized 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 an 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, like other companies, Truecaller is 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 conducts business and/or has a substantial number of users.

Business and industry

Truecaller's business depends on the continued use of its platform by its users, as well as 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 a 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 revenue 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 upon 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 is the risk that fluctuations in exchange rates will have an adverse impact on Truecaller's cash flow, results of operations and balance sheet.

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 such as 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. The largest exposure from a currency perspective is to the Indian currency, INR, and to the USD.

Fluctuations in exchange rates could thus entail a 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 internal pricing policy and 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 as a result of changes in laws, treaties and other rules. These decisions or changes, which could have retroactive effect, could have a 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 also a 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

Parent company income for the period amounted to SEK 8.2 (6.7) million, which relates to invoicing to subsidiaries for services rendered. Profit before tax amounted to SEK 400.3 (80.5) million, most of which is attributable to dividends from subsidiaries in the current year and Group contributions received in the previous year. Profit after tax was SEK 400.2 (63.9) million. Cash and cash equivalents on December 31, 2023 amounted to SEK 176.5 (305.9) million. No investments were made in intangible assets or property, plant and equipment. The parent company had 2 (2) employees at the end of the 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 an increasingly crucial 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 propose to the annual general meeting that a dividend of 1.70 SEK per share be paid for the financial year 2023. The board's opinion is that the company's strong balance sheet, profitability, and cash flow allow for both dividends, investments in continued growth, and the possibility to repurchase own shares in accordance

with the current mandate from the annual general meeting. Going forward, the board has established a dividend policy stating that 25 percent of the net profit shall be distributed to the shareholders.

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

Retained earnings	-377,921,132
Share premium reserve	10,847,261,998
Profit or loss for the year	400,161,515
	<hr/>
	10,869,502,381

The Board of Directors proposes that earnings shall be allocated as follows:

Distributed to shareholders SEK 1.70 per share	589,798,704
Retained	10,279,703,677
	<hr/>
	10,869,502,381

Share capital and the share

Share capital and number of outstanding shares in Truecaller AB amounted to SEK 762 (758) thousand and 381,187,529 (379,059,710) shares, respectively. The quotient (par) value per share is SEK 0.002 (0.002). All shareholders have equal rights to share in the company's assets and profits.

At year-end, Truecaller AB had 14,921 (16,448) shareholders. The ten largest shareholders together held 71 (65) percent of the capital and 86 (83) percent of the votes. For more information on the share and its development, see the section The share and shareholders on pages 57-58. 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	2023	2022
Net sales	3	1,728,895	1,772,926
Work performed by the entity and capitalized	11	8,930	5,204
Other operating revenue	4	2,598	7,506
Third party fees		-421,203	-417,689
Other external costs	5, 6	-255,209	-349,750
Employee costs	7, 22	-361,127	-301,031
Depreciation, amortization and impairment	11, 12, 13	-45,207	-28,664
EBIT (operating profit)		657,677	688,502
Net financial income or expense			
Financial income	8	71,563	20,520
Financial expenses	8	-16,947	-20,901
Profit or loss after net financial income or expense		712,293	688,121
Tax on profit for the year	9	-175,960	-152,891
Profit or loss for the year		536,333	535,230
Profit or loss for the period is attributable in its entirety to owners of the parent.			
Earnings per share	10		
Basic earnings per share (SEK)		1.49	1.43
Diluted earnings per share (SEK)		1.49	1.43

Consolidated statement of comprehensive income

Amounts in SEK 000s	Note	2023	2022
Profit or loss for the year		536,333	535,230
Other comprehensive income			
<i>Items that will be reclassified to profit and loss (after tax)</i>			
Translation difference	20	-10,533	-753
<i>Items that will not be reclassified to profit and loss (after tax)</i>			
Remeasurement of defined-benefit pension plans	22	3,140	-1,891
Total other comprehensive income for the year, after tax		-7,393	-2,645
Comprehensive income for the year, after tax		528,940	532,586

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, 2023	Dec. 31, 2022
ASSETS			
Non-current assets			
Goodwill	11	45,432	34,530
Other intangible assets	11	24,993	15,200
Property, plant and equipment	12	18,352	8,118
Right-of-use assets	13	118,805	139,777
Financial assets	15	32,698	–
Deferred tax assets	9	34,878	39,584
Other non-current receivables	15	26,584	16,697
Total non-current assets		301,742	253,906
Current assets			
Claims on advertising networks and platform owners	3, 15, 21	86,020	91,158
Accounts receivable	15, 21	75,965	60,704
Prepaid expenses	16	38,068	38,226
Short-term placements	17	941,256	400,490
Other receivables		85,942	172,087
Cash and cash equivalents	15, 18, 21	631,347	1,327,801
Total current assets		1,858,598	2,090,466
TOTAL ASSETS		2,160,340	2,344,372

Amounts in SEK 000s	Note	Dec. 31, 2023	Dec. 31, 2022
EQUITY AND LIABILITIES			
Equity			
	20		
Share capital		762	758
Other capital contributions		1,738,298	1,710,139
Translation reserve		–8,133	2,400
Retained earnings including profit or loss for the year		12,776	90,797
Total equity attributable to owners of the parent		1,743,703	1,804,093
Total equity		1,743,703	1,804,093
Non-current liabilities			
Provisions to defined-benefit pension plans	22	6,608	7,653
Lease liabilities	13, 21, 24	98,176	118,208
Deferred tax liability	9	38,731	34,563
Other liabilities		9,150	8,395
Total non-current liabilities		152,665	168,819
Current liabilities			
Accounts payable	15, 21	46,149	69,835
Lease liabilities	13, 21, 24	22,763	23,307
Current tax liability		3,816	120,695
Contract liabilities	3	55,973	48,506
Other liabilities		42,586	14,016
Accrued expenses	23	92,685	95,101
Total current liabilities		263,972	371,460
TOTAL EQUITY AND LIABILITIES		2,160,340	2,344,372



Consolidated statement of changes in equity

Amounts in SEK 000s	Equity attributable to owners of the parent					Total equity
	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	
Opening balance, January 1 2022	747	1,707,864	3,153	-300,354	1,411,410	1,411,410
Profit or loss for the year	–	–	–	535,230	535,230	535,230
Other comprehensive income for the year	–	–	-753	-1,891	-2,645	-2,645
Comprehensive income for the year	–	–	-753	533,339	532,586	532,586
<i>Transactions with owners</i>						
Share issue	11	–	–	18,152	18,163	18,163
Treasury shares after transaction costs	–	–	–	-188,914	-188,914	-188,914
Warrants	–	2,275	–	–	2,275	2,275
Share-based compensation	–	–	–	28,574	28,574	28,574
Closing balance, December 31, 2022	758	1,710,139	2,400	90,797	1,804,093	1,804,093
Profit or loss for the year	–	–	–	536,333	536,333	536,333
Other comprehensive income for the year	–	–	-10,533	3,140	-7,393	-7,393
Comprehensive income for the year	–	–	-10,533	539,473	528,940	528,940
<i>Transactions with owners</i>						
Share issue	4	46,781	–	–	46,785	46,785
Treasury shares after transaction costs	–	–	–	-653,022	-653,022	-653,022
Warrants	–	-18,622	–	–	-18,622	-18,622
Share-based compensation	–	–	–	35,529	35,529	35,529
Closing balance, December 31, 2023	762	1,738,298	-8,133	12,776	1,743,703	1,743,703

Consolidated statement of cash flows

Amounts in SEK 000s	Note	2023	2022
Operating activities			
Profit or loss after net financial income or expense		712,293	688,121
Adjustments for non-cash items	24	26,047	47,094
Income tax paid		-213,822	-154,078
Cash flow from operating activities before changes in working capital		524,519	581,137
Cash flow from changes in working capital			
Changes in operating receivables		19,066	-50,434
Change in operating liabilities		38,377	79,707
Cash flow from operating activities		581,962	610,410
Investing activities			
Business combinations	27	-27,422	-32,158
Acquisition of property, plant and equipment	12	-17,070	-7,594
Acquisition of intangible assets	11	-8,930	-7,146
Investment in short-term placements	15, 17	-500,000	-250,000
Change in financial receivables	15, 17	-40,633	-425
Financial assets	15	-32,813	-
Cash flow from investing activities		-626,868	-297,323

Amounts in SEK 000s	Note	2023	2022
Financing activities			
Share issue		66	-
Repurchase of treasury shares	20	-659,548	-182,389
Proceeds from exercise of warrants		46,718	3,146
Repurchase of warrants		-450	-872
Amortization of lease liability	13	-29,869	-19,869
Payout synthetic options	15	-	-23,140
Cash flow from financing activities		-643,082	-223,124
Cash flow for the year			
		-687,988	89,963
Cash and cash equivalents at start of period		1,327,801	1,238,443
Foreign exchange differences in cash and cash equivalents		-8,466	-605
Cash and cash equivalents at close of year	18	631,347	1,327,801



Parent company income statement

Amounts in SEK 000s	Note	2023	2022
Net sales	1	8,191	6,684
Other operating revenue	4	–	50
Other external costs	5, 6	–9,918	–13,003
Employee costs	7	–11,675	–12,846
EBIT (operating profit)		–13,402	–19,116
Net financial income or expense			
Profit or loss from subsidiaries	8	400,000	–
Financial income	8	6,994	2,305
Financial expenses	8	–6,299	–5,283
Profit or loss after net financial income or expense		387,293	–22,094
Appropriations	26	13,000	102,600
Profit or loss before tax		400,293	80,506
Deferred tax liability	9	–131	–16,598
Profit or loss for the year		400,162	63,908

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, 2023	Dec. 31, 2022
ASSETS			
Financial assets			
Investments in Group companies	19	10,297,177	10,247,177
Total financial assets		10,297,177	10,247,177
Total non-current assets		10,297,177	10,247,177
Current assets			
Receivables Group companies	26	13,688	106,248
Other receivables		32	5,337
Prepaid expenses	16	6,092	7,020
Short-term placements	17	400,000	400,490
Cash and bank balances	18	176,479	305,935
Total current assets		596,291	825,030
TOTAL ASSETS		10,893,468	11,072,207

Amounts in SEK 000s	Note	Dec. 31, 2023	Dec. 31, 2022
EQUITY AND LIABILITIES			
Equity	20		
Share capital		762	758
Restricted equity		762	758
Share premium reserve		10,847,261	10,819,168
Retained earnings		-377,920	175,665
Profit or loss for the year		400,162	63,908
Non-restricted equity		10,869,503	11,058,741
Total equity		10,870,265	11,059,499
Current liabilities			
Accounts payable		549	1,052
Other liabilities		17,918	6,343
Accrued expenses	23	4,736	5,313
Total current liabilities		23,203	12,708
TOTAL EQUITY AND LIABILITIES		10,983,468	11,072,207



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	
Opening equity Jan. 1, 2022	747	10,816,894	317,853	11,135,494
Profit or loss for the year	–	–	63,908	63,908
Other comprehensive income for the year	–	–	–	–
Comprehensive income for the year	–	–	63,908	63,908
<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
Total	11	2,275	-142,188	-139,903
Closing equity Dec. 31, 2022	758	10,819,168	239,572	11,059,499
Profit or loss for the year	–	–	400,162	400,162
Other comprehensive income for the year	–	–	–	–
Comprehensive income for the year	–	–	400,162	400,162
<i>Transactions with owners of the parent</i>				
Share issue	4	46,714	–	46,719
Treasury shares after transaction costs	–	–	-653,022	-653,022
Warrants	–	-18,622	–	-18,622
Share-based compensation	–	1	35,529	35,529
Total	4	28,093	-617,493	-589,396
Closing equity Dec. 31, 2023	762	10,847,262	22,241	10,870,265

Parent company statement of cash flows

Amounts in SEK 000s	Note	2023	2022
Operating activities			
Profit or loss after net financial income or expense		387,293	-22,094
Adjustments for non-cash items	24	-382,152	31,181
Cash flow from operating activities before changes in working capital		5,141	9,087
Cash flow from changes in working capital			
Changes in operating receivables		8,802	5,945
Change in operating liabilities		36,805	-59,334
Cash flow from operating activities		50,748	-44,302
Investing activities			
Shareholder contribution		-50,000	-50,000
Dividend received from subsidiaries	26	400,000	-
Short-term placements	15, 17	-	-250,000
Change in financial receivables	15, 17	-19,525	-425
Cash flow from investing activities		330,475	-300,425

Amounts in SEK 000s	Note	2023	2022
Financing activities			
Group contribution received	26	102,600	-
Repurchase of treasury shares	20	-659,547	-182,389
Proceeds from exercise of warrants		46,718	3,146
Repurchase of warrants		-450	-872
Cash flow from financing activities		-510,679	-180,114
Cash flow for the year	18	-129,456	-524,841
Cash and cash equivalents at start of period		305,935	830,776
Foreign exchange differences in cash and cash equivalents		-	-
Cash and cash equivalents at close of year		176,479	305,935

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 Samuels-gatan 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 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 22, 2024. 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 23, 2024.

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, 2023.

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 2023. 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.

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.

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 is 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 brokerage 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 as 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 21 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. 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.

Since 2022, Truecaller has repurchased its own shares according to the authorization given to the Board of Directors at the Annual General Meeting. 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.

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.

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 and other intangible assets

When testing goodwill and other intangible assets for impairment, estimates are made to determine the recoverable amount of cash-generating units. The recoverable amount is based on management's estimate of future cash flows and is sensitive to varying degrees to changes in assumptions and external factors. Even though management deems estimated future cash flows and other assumptions to be reasonable, uncertainties remain, which could substantially impact the valuations made.

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. The Truecaller Group reviews actuarial assumptions annually and makes adjustments when deemed appropriate.

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	
	2023	2022
Geographical region		
India	1,309,882	1,324,080
Middle East and Africa	206,366	237,096
Rest of the world ¹⁾	212,647	211,750
Revenue from contracts with customers	1,728,895	1,772,926

1) Of which sales in Sweden amount to SEK 5,342 thousand in 2023 and SEK 5,798 thousand in 2022.

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	
	2023	2022
Type of service		
Advertising revenues	1,346,114	1,488,558
User revenues	206,219	170,507
Truecaller for Business	170,198	105,473
Other	6,363	8,389
Revenue from contracts with customers	1,728,895	1,772,926

SEK 000s	Group	
	Dec. 31, 2023	Dec. 31, 2022
Contract assets		
Opening balance	91,158	100,353
Material changes in contract assets:		
Changes attributable to ordinary business	-5,138	-9,195
Closing balance	86,020	91,158

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, 2023	Dec. 31, 2022
Contract liabilities		
Opening balance	48,506	35,262
Material changes in contract liabilities:		
Changes attributable to ordinary business	7,467	13,244
Closing balance	55,973	48,506

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	
	2023	2022
Recognized revenue during the year		
Thereof included in contract liabilities at January 1	48,506	35,262
From performance obligations satisfied/partially satisfied in earlier periods	-	-

NOTE 4 Other operating revenue

SEK 000s	Group		Parent company	
	2023	2022	2023	2022
Pass-through costs	2,500	7,450	-	50
Disposal of property, plant and equipment	67	53	-	-
Other income	31	3	-	-
Total	2,598	7,506	-	50

NOTE 5 Remuneration to auditor

SEK 000s	Group		Parent company	
	2023	2022	2023	2022
Ernst & Young				
Audit activities within the audit engagement	2,211	2,420	1,302	1,567
Other audit activities outside the audit engagement	190	1,061	190	730
Tax advisory services	898	525	–	–
Other services	413	112	40	41
Total	3,711	4,119	1,532	2,339
Other accounting firms				
Audit activities within the audit engagement	36	29	–	–
Other audit activities outside the audit engagement	–	–	–	–
Tax advisory services	–	–	–	–
Other services	–	–	–	–
Total	36	29	–	–
Total	3,747	4,148	1,532	2,339

NOTE 6 Other external costs

SEK 000s	Group		Parent company	
	2023	2022	2023	2022
Marketing	25,302	97,492	–	–
User acquisition	79,109	129,236	–	–
Consultancy costs	55,858	42,096	384	951
Other external costs	94,940	80,926	9,534	12,052
Total	255,209	349,750	9,918	13,003

NOTE 7 Employees and employee benefits expense

	2023	Of whom women, %	2022	Of whom women, %
Average number of employees				
India	228	30%	205	29%
Israel	5	20%	3	34%
Singapore	1	0%	–	–
Sweden	166	30%	146	28%
Total	401	30%	354	29%
Of whom in the parent company (Sweden):	2	0%	2	0%

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

SEK 000s	Group		Parent company	
	2023	2022	2023	2022
Employee costs				
<i>Key management personnel</i>				
Salaries and other remuneration	24,273	17,754	7,494	9,129
Social insurance contributions	5,378	4,419	2,696	2,364
Pension costs	2,964	2,906	1,481	1,324
Other personnel costs	5	–	5	30
<i>Other employees</i>				
Salaries and other remuneration	258,969	220,301	–	–
Social insurance contributions	40,450	37,126	–	–
Pension costs ¹⁾	18,104	14,159	–	–
Other personnel costs	7,843	6,258	–	–
Total	357,986	302,923	11,676	12,846

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, board fee	Variable pay ³	Operating costs	Other social security costs	Other remuneration	Total
Remuneration and other benefits in 2023						
Nami Zarringhalam, Board Chair ²⁾	4,614	669	838	1,799	7	7,926
Bing Gordon, Board member	456	149	–	–	–	605
Annika Poutiainen, Board member	585	–	–	184	–	769
Helena Svancar, Board member	465	149	–	26	–	639
Shailesh Lakhani, Board member	–	–	–	–	–	–
Alan Mamed, Chief Executive Officer ¹⁾	4,634	669	843	1,807	7	7,959
Other key management personnel (1 person) ¹⁾	2,047	745	349	909	7	4,057
Other key management personnel (5 people)	12,979	4,206	934	2,346	219	20,685
Total	25,779	6,586	2,964	7,071	239	42,640

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.

3) The cost is calculated based on the principles in IFRS 2 and is allocated over the vesting period. The cost is related to the Group's long-term incentive programs.

SEK 000s	Basic salary, board fee	Variable pay ³	Operating costs	Other social security costs	Other remuneration	Total
Remuneration and other benefits in 2022						
Bing Gordon, Board Chair	473	141	–	–	–	614
Annika Poutiainen, Board member	526	–	–	165	–	692
Helena Svancar, Board member	419	141	–	13	–	573
Shailesh Lakhani, Board member	–	–	–	–	–	–
Nami Zarringhalam, Board member ²⁾	2,901	280	998	1,209	2	5,390
Alan Mamed, Chief Executive Officer ¹⁾	3,989	280	725	1,485	2	6,482
Other key management personnel (1 person) ¹⁾	1,978	265	340	757	2	3,343
Other key management personnel (7 people, including 3 people during part of year)	8,730	5,157	843	2,188	148	17,067
Total	19,015	6,266	2,906	5,818	156	34,161

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.

3) The cost is calculated based on the principles in IFRS 2 and is allocated over the vesting period. The cost is related to the Group's long-term incentive programs.

Remuneration to key management personnel

BOARD OF DIRECTORS

According to the resolution of the 2023 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 70–71.

Note 7 Employees and employee benefits expense, continued

Incentive programs

Truecaller has three ongoing long-term incentive programs.

LTIP 2021

At the Extraordinary General Meeting on July 21, 2021, shareholders approved the Board of Directors' proposal to adopt a long-term incentive program, LTIP 2021, of a maximum of 19,500,000 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.

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.

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

At the time of this report, 1,627,819 stock options have been exercised and 744,668 remain. At the end of 2023, the holders of warrants were offered the opportunity to sell them back to Truecaller AB at market value. Truecaller AB acquired 4,086,984 warrants. A total of 423,651 warrants remain to be exercised in 2024 and 2025. Upon full exercise of all remaining warrants and stock options that have been acquired by or allocated to participants, a maximum of 584,160 shares will be issued in the company, corresponding to a dilution of approximately 0.1 percent.

LTIP 2022

On May 24, 2022, the 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 (restricted stock units, RSUs). 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.

RSUs 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 RSUs is four years for some participants and three and four years for the remaining participants.

Upon allocation, among KMP, Alan Mamedi and Nami Zarringhalam subscribed for 95,000 RSUs each, Rishit Jhunjunwala, Fredrik Kjell and Odd Bolin subscribed for 90,000 RSUs and 30,000 warrants each, Fatima Antons-son subscribed for 80,000 RSUs and 18,000 warrants, Ben Zhang subscribed for 65,000 RSUs and 20,000 warrants and Ola Espelund subscribed for 100,000 RSUs.

LTIP 2023

On May 26, 2023, the AGM approved the Board of Directors' proposal on an employee stock option program and share program (together "LTIP 2023"). LTIP 2023 consists of a maximum of 2,800,000 employee stock options and a maximum of 500,000 performance share rights (RSUs). The employee stock options are conditional on continued employment and predefined performance criteria for the Group for the entire term of the program. The fair value of employee stock options is calculated using the Black & Scholes valuation model. The exercise periods for the employee stock options are as follows: June 12, 2025–November 20, 2025, June 12 2026–November 20, 2026 and June 12, 2027–November 20, 2027 and the participants have been allocated one third of their options in each round. The exercise price is SEK 45.38 per share.

RSUs 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 RSUs is three and four years for some participants, and two, three and four years for the remaining participants.

Among KMP, Odd Bolin subscribed for 87,000 options, Rishit Jhunjunwala 84,000 options, Ola Espelund 83,000 options, Fredrik Kjell 65,000 options, Ben Zhang 64,000 options and Fatima Antonsson has subscribed for 57,000 options.

Outstanding share rights

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

	2023			2022	
	LTIP 2023	LTIP 2022	LTIP 2021	LTIP 2022	LTIP 2021
January 1	–	5,313,500	12,686,320	–	13,352,830
Granted	3,164,000	87,000	–	5,406,500	27,000
Forfeited	–	–	–1,627,819	–93,000	–693,510
Exercised	–183,300	–523,000	–9,890,182	–	–
Outstanding as of December 31	2,980,700	4,877,550	1,168,319	5,313,500	12,686,320

The incentive programs are expensed over the vesting period in accordance with IFRS2. In 2023, SEK 39.9 (30.2) million has been recognized in the income statement, of which SEK 4.8 (1.8) million relates to costs for social insurance contributions.

Repurchased shares

Truecaller has issued and repurchased 500,000 (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 2023 AGM to cover commitments within the limits of the Share Program 2023 which is part of the Group's long-term incentive program LTIP 2023. The Class C shares will be converted into Class B ordinary shares in connection with the delivery of Class B ordinary shares under LTIP 2023.

NOTE 8 Financial income and expense

SEK 000s	Group		Parent company	
	2023	2022	2023	2022
Interest income	28,365	6,818	6,994	1,881
Foreign exchange gains	2,432	13,278	–	425
Income from financial assets and liabilities measured at fair value	40,766	424	–	–
Profit or loss from subsidiaries	–	–	400,000	–
Financial income	71,563	20,520	406,994	2,305
Interest expenses, lease liabilities	-6,278	-4,542	–	–
Interest expenses, other	-3,665	-9,609	-79	–
Foreign exchange losses	-1,273	-1,466	-490	–
Other financial expenses	-5,731	-5,284	-5,730	-5,283
Financial expenses	-16,947	-20,901	-6,299	-5,283
Financial income and expenses, net	54,616	-381	400,695	-2,978

NOTE 9 Taxes

SEK 000s	Group		Parent company	
	2023	2022	2023	2022
Current tax on profit or loss for the year	-175,316	-140,878	-131	-16
Adjustments relating to previous years	-106	-2,429	–	–
Deferred tax relating to temporary differences	-538	6,998	–	–
Deferred tax on loss carryforwards	–	-16,582	–	-16,582
Total	-175,960	-152,891	-131	-16,598

SEK 000s	Group		Parent company	
	2023	2022	2023	2022
Reconciliation of the effective tax rate				
Profit or loss before tax	712,293	688,121	400,293	80,506
Tax at prevailing rate for parent company (20.6%)	-146,732	-141,753	-82,460	-16,584
Tax effect of:				
Non-taxable income	4,141	702	82,409	1
Non-deductible expenses	-2,303	-3,990	-79	-15
Non-capitalized loss carryforwards	-2,101	-3,501	–	–
Foreign tax rates	-27,177	-11,018	–	–
Temporary differences	-1,683	6,668	–	–
Recognized tax	-175,960	-152,891	-131	-16,598

Tax rate

The parent company's current tax rate is 20.6 percent (20.6). The Group's effective tax rate is 24.7 percent (22.2).

Deferred tax disclosures

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

SEK 000s	Group			
	Right-of-use assets	Tax loss carry-forwards	Other	Total
Deferred tax assets				
Opening carrying amount Jan. 1, 2022	18,495	16,582	–	35,077
<i>Recognized:</i>				
In profit or loss	14,924	-16,582	6,165	4,507
Closing carrying amount Dec. 31, 2022	33,419	–	6,165	39,584
Deferred tax assets				
Opening carrying amount Jan. 1, 2023	33,419	–	6,165	39,584
<i>Recognized:</i>				
In profit or loss	-5,282	–	576	-4,706
Closing carrying amount Dec. 31, 2023	28,137	–	6,741	34,878



Note 9 Taxes, continued

SEK 000s	Group				
	Lease liability	Short-term placements	Intangible assets	Other	Total
Deferred tax liability					
Opening carrying amount Jan. 1, 2022	18,030	–	–	–	18,030
<i>Recognized:</i>					
In profit or loss	14,584	–	1,949	–	–
Closing carrying amount Dec. 31, 2022	32,614	–	1,949	–	34,563
Deferred tax liability					
Opening carrying amount Jan. 1, 2023	32,614	–	1,949	–	34,563
<i>Recognized:</i>					
In profit or loss	–5,455	8,499	2,155	–1,031	4,168
Closing carrying amount Dec. 31, 2023	27,159	8,499	4,104	–1,031	38,731

SEK 000s	Parent company	
	Tax loss	Total
Deferred tax assets		
Opening carrying amount Jan. 1, 2022	16,582	16,582
<i>Recognized:</i>		
In profit or loss	–16,582	–16,582
Closing carrying amount Dec. 31, 2022	–	–
Deferred tax assets		
Opening carrying amount Jan. 1, 2023	–	–
<i>Recognized:</i>		
In profit or loss	–	–
Closing carrying amount Dec. 31, 2023	–	–

NOTE 10 Earnings per share

	2023	2022
Basic earnings per share		
Profit or loss for the year attributable to owners of the parent, SEK	536,333,172	535,230,403
Average number of shares, basic	359,728,698	373,273,365
Basic earnings per share (SEK)	1.49	1.43
Diluted earnings per share		
Profit or loss for the year attributable to owners of the parent, SEK	536,333,172	535,230,403
Average number of shares after dilution	359,728,698	373,300,072
Diluted earnings per share (SEK)	1.49	1.43
Reconciliation weighted average number of ordinary shares		
Weighted average number of ordinary shares, basic	359,728,698	373,273,365
<i>Dilutive effect due to:</i>		
Warrants	–	26,707
Weighted average number of ordinary shares, diluted	359,728,698	373,300,072

Dilution

The average number of potential shares outstanding during the year was 0 (26,707). 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 33.97 (57.60) for the year. If all outstanding incentive programs in the Group were included in the calculation, the corresponding maximum dilution would be approximately 2.4 percent (4.6).

NOTE 11 Intangible assets

SEK 000s	Goodwill		Proprietary software		Group	
	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2022
Cost at January 1	34,530	–	18,656	1,470	53,186	1,470
Purchases for the year	–	–	8,930	7,146	8,930	7,146
Through acquisition of subsidiary	14,164	34,391	8,910	10,000	23,074	44,391
Translation effect	-3,263	139	-1,372	40	-4,634	179
Cost at December 31	45,432	34,530	35,124	18,656	80,556	53,186
Accumulated impairment losses at January 1	–	–	-3,456	-120	-3,456	-120
Impairment losses for the year	–	–	-6,860	-3,367	-6,860	-3,367
Translation effect	–	–	185	31	185	31
Closing accumulated amortization	–	–	-10,131	-3,456	-10,131	-3,456
Closing carrying amount	45,432	34,530	24,993	15,200	70,425	49,730

Impairment testing

Truecaller's recognized goodwill amounts to SEK 45.4 (34.5) million as of December 31, 2023. 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 (2) percent per year has been assumed. The discount rate used to calculate the recoverable amount is 10.7 (10.0) percent before tax.

According to completed impairment tests, there is no indication of impairment relating to goodwill on December 31, 2023 as the calculation shows that the value in use exceeds the carrying amount by a good margin. 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, 2023	Dec. 31, 2022
Cost at January 1	10,005	7,440
Purchases for the year	17,070	7,594
Through acquisition of Group company	299	23
Sales and disposals	–	–4,999
Translation effect	–1,103	–53
Cost at December 31	26,272	10,005
Opening depreciation	–1,887	–6,011
Impairment losses for the year	–6,327	–854
Through acquisition of Group company	–	–15
Sales and disposals	–	4,999
Translation effect	294	–7
Closing depreciation	–7,920	–1,887
Closing carrying amount	18,352	8,118

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, 2023. 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
Opening balance, January 1 2022	86,196	88,379
New leases	78,405	73,433
Depreciation/amortization	–24,449	–
Translation differences	–375	–428
Interest expenses	–	4,542
Lease payments	–	–24,411
Closing balance, December 31, 2022	139,777	141,515
New leases	11,767	10,197
Depreciation/amortization	–32,020	–
Translation differences	–719	–904
Interest expenses	–	6,278
Lease payments	–	–36,147
Closing balance, December 31, 2023	118,805	120,939

The amounts recognized in the consolidated statement of profit and loss during the year attributable to lease activities are presented below:

SEK 000s	Group	
	2023	2022
Depreciation/amortization of right-of-use assets	–32,020	–24,449
Interest expenses on lease liabilities	–6,278	–4,542
Cost of short-term leases	–999	–637
Cost of leases where the underlying asset is of low value	–583	–344
Total	–39,880	–29,972

Truecaller recognized a cash outflow attributable to leases of SEK 36,147 thousand for the 2023 fiscal year (SEK 24,411 thousand for 2022). See Note 21 Financial risks for a maturity analysis of consolidated lease liabilities.

NOTE 14 Non-current assets by region

The distribution by region covers property, plant and equipment, intangible assets and right-of-use assets.

SEK 000s	Group	
	Dec. 31, 2023	Dec. 31, 2022
Sweden	154,838	167,983
India	52,361	29,396
Israel	383	246
Total	207,582	197,625

NOTE 15 Financial instruments

Measurement of financial assets and liabilities at Dec. 31, 2023

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	–	26,584	26,584
Financial assets	32,698	–	32,698
Claims on advertising networks and platform owners	–	86,020	86,020
Accounts receivable	–	75,965	75,965
Short-term placements	941,256	–	941,256
Cash and cash equivalents	–	631,347	631,347
Total financial assets	973,954	819,916	1,793,870
Accounts payable	–	46,149	46,149
Contingent consideration	8,404	–	8,404
Total financial liabilities	8,404	46,149	54,553

Note 15 Financial instruments, continued

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
Total financial assets	400,490	1,496,360	1,896,851
Accounts payable	–	69,835	69,835
Contingent consideration	13,301	–	13,301
Total financial liabilities	13,301	69,835	83,136

The carrying amount is considered to be a good approximation of the fair value of current receivables and liabilities. 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.

The Group has short-term placements, financial assets and liabilities and a contingent consideration 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.

Below are 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 – Observable inputs other than quoted prices that are observable directly (prices) or indirectly (derived from prices); and

Level 3 – Non-observable market data.

Note 15 Financial instruments, continued

Short-term placements

Truecaller has placed SEK 941.3 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.

SEK 000s	2023	2022
Opening balance	400,490	150,066
Investment short-term placements	500,000	250,000
The change in value is recognized in profit or loss	40,766	424
Closing balance	941,255	400,490

Financial assets

The Group's financial assets consist of the investment in Mayhem Studios made in the second quarter of 2023. The non-current financial asset is categorized at level 2 of the fair value hierarchy. The investment was initially recognized at SEK 32.7 million and the fair value measurement remained unchanged in 2023.

Contingent consideration (earnout)

Contingent consideration is categorized at level 3 of the fair value hierarchy. The fair value of the Group's contingent consideration is calculated by discounting future cash flows by a risk-adjusted discount rate. The fair value of contingent consideration in the Group derives from the acquisition of CallHero Ltd and is classified as a non-current liability in the balance sheet.

SEK 000s	2023	2022
Opening balance	13,301	–
Initial contingent consideration (earnout)	–	16,785
Paid	-5,550	-5,228
The change in value is recognized in profit or loss	653	1,744
Closing balance	8,404	13,301

NOTE 16 Prepaid expenses and accrued income

SEK 000s	Group		Parent company	
	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2022
Prepaid rent	456	593	13	–
Prepaid insurance premiums	6,248	6,878	2,302	3,308
Accrued interest	1,273	–	–	–
Prepaid licenses and support costs	7,443	4,173	45	36
Accrued revenue from contracts with customers	13,037	18,912	–	–
Other prepaid expenses	9,611	7,671	3,733	3,675
Carrying amount	38,068	38,226	6,092	7,020

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, 2023	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2022
Fixed-income funds	941,256	400,490	400,000	400,490
Carrying amount	941,256	400,490	400,000	400,490

NOTE 18 Cash and cash equivalents

SEK 000s	Group		Parent company	
	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2022
Bank balances	631,347	1,327,801	176,479	305,935
Carrying amount	631,347	1,327,801	176,479	305,935

Of the Group's bank balances, SEK 148,985 thousand (80,055 thousand) is in a country subject to currency and other legal restrictions. Consequently, these cash and cash equivalents cannot be used immediately in other parts of the Group, though it is possible to use them in the ordinary course of business within that country.



NOTE 19 Group companies

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 %	Share of voting rights %	Share of capital and voting rights %	Carrying amount in the parent company, SEK 000s	
			Dec. 31, 2023	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2022
Truecaller AB (publ)	559278-2774	Stockholm	Parent company	Parent company	Parent company		
Truecaller Holding AB	559346-9801	Stockholm	100	100	100	118,177	68,177
CallHero Ltd	51-598790-7	Tel Aviv	100	100	100	–	–
Truecaller Investment AB	559405-9668	Stockholm	100	100	100	–	–
Truecaller SEA Pte. Ltd	202212392G	Singapore	99	100	100	–	–
True Software Scandinavia AB	556784-0912	Stockholm	100	100	100	10,179,000	10,179,000
Backwater Technologies Private Limited	U72200KL2014PTC037700	Bangalore	100	100	100	–	–
TCNA, Inc.	C3730462	San Francisco	100	100	100	–	–
Truecaller International LLP	AAK-3926	Gurgaon	100	100	100	–	–
Unoideo Technology Private Ltd	U72900KA2016PTC09257	Mysore	100	100	–	–	–
True Software Scandinavia Incentive AB	559011-2073	Stockholm	100	100	100	–	–
Carrying amount in the parent company						10,297,177	10,247,177

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 2023	Class A shares	Class B shares	Class C shares	Total number of shares
January 1	46,783,800	327,175,910	5,100,000	379,059,710
Share issue	–	1,627,819	500,000	2,127,819
December 31	46,783,800	328,803,729	5,600,000	381,187,529

Number of shares outstanding 2022	Class A shares	Class B shares	Class C shares	Total number of shares
January 1	46,783,800	326,880,270	–	373,664,070
Share issue	–	295,640	5,100,000	5,395,640
December 31	46,783,800	327,175,910	5,100,000	379,059,710

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, 2023	Dec. 31, 2022
Opening carrying amount	2,400	3,153
Change for the year	–10,533	–753
Closing carrying amount	–8,133	2,400

Treasury shares

Since 2022, the Board has requested and received a mandate from the General Meeting to repurchase treasury shares. The Annual General Meeting on May 26, 2023 authorized the Board of Directors for the second time to repurchase Class B shares. The share repurchases may amount to a maximum of ten percent of the outstanding shares at the time of the Annual General Meeting and the repurchases may take place on one or more occasions until the next Annual General Meeting. As of December 31, 2023, the Group's holdings of Class B treasury shares totaled 25,267,203 (5,120,294) and holdings of Class C treasury shares amounted to 5,600,000 (5,100,000). Of these, 20,146,909 Class B shares and 500,000 Class C shares were repurchased in 2023.

Repurchases of treasury shares are recognized as a deduction from equity. Proceeds from the disposal of treasury shares are recognized as an increase in non-restricted equity. Transaction costs, if any, are recognized directly in equity.

NOTE 21 Financial risks

The Group's risk management aims to clarify and analyze the risks faced by the company and 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.

CREDIT RISK IN CLAIMS ON ADVERTISING NETWORKS AND PLATFORM OWNERS, AS WELL AS OTHER ACCOUNTS RECEIVABLE

The Group's credit risk arises mainly in claims on advertising networks and platform owners, as well as other accounts receivable. Other companies are the counterparty for these claims and the Group has established guidelines to ensure that sales are made to customers with appropriate credit histories. Payment terms are normally net 30 days, but may vary depending on the counterparty. 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, an internal assessment of the counterparty's credit rating is carried out 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. Non-credit-impaired receivables and receivables of insignificant amounts are assessed collectively.

The Group has defined default as when payment of a 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 4,554 (1,849) thousand has been made. The assessment is reassessed regularly.

Ageing analysis of receivables from advertising networks and platform owners, as well as other accounts receivable

	Dec. 31, 2023		Dec. 31, 2022	
	Gross	Impairment losses	Gross	Impairment losses
SEK 000s				
Receivables not yet due	122,876	-2	124,754	-22
Past due receivables:				
0–30 days	22,771	-139	19,121	-23
31–60 days	9,711	-47	3,884	-76
61–90 days	4,314	-38	1,987	-41
91–120 days	1,395	-533	1,262	-307
>120 days	5,472	-3,794	2,701	-1,379
Total	166,538	-4,554	153,710	-1,849

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.

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 reduces credit risk by having investments with several different banks.

CREDIT RISK EXPOSURE AND CONCENTRATION 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 of BBB. 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.

Note 21 Financial risks, continued

Credit risk exposure (gross) at Dec. 31, 2023

SEK 000s	Simplified approach		General approach ¹⁾	
	Claims on advertising networks and platform owners	Accounts receivable	Cash and cash equivalents	Total
No/unspecified credit risk score:				
Business customers	14,361	75,965	–	90,326
AAA	–	–	–	–
AA	71,271	–	13,596	84,866
A	389	–	454,597	454,986
BBB	–	–	163,156	163,156
BB	–	–	–	–
Total	86,020	75,965	631,348	793,333

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, 2022

SEK 000s	Simplified approach		General approach ¹⁾	
	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	–	–	–	–
Total	91,158	60,704	1,327,801	1,479,663

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 market 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 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 thus 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 22.1 (25.6) million before taxes.

The Group's direct currency exposure as a percentage is shown in the table below.

	2023		2022	
	Operating revenue	Operating costs	Operating revenue	Operating costs
SEK	61%	50%	66%	54%
USD	17%	9%	20%	8%
INR	21%	36%	14%	34%
Other currencies	0%	5%	0%	4%

SEK 000s	2023	2022
	Effect on profit or loss before tax	Effect on profit or loss before tax
Sensitivity analysis - Currency movements against the SEK		
USD		
+ 5%	10,731	13,582
– 5%	–10,731	–13,582
INR		
+ 5%	138	–5,665
– 5%	–138	5,665

The effect of exchange rate changes on equity is estimated to be approximately 70% of the effect on profit before tax.

*Note 21 Financial risks, continued***INTEREST RATE RISK**

Interest rate risk is the risk that changes in market interest rates will adversely affect the Group's earnings and cash flow. The Group's interest rate risk is mainly related to cash and cash equivalents and is considered limited.

MARKET PRICE RISK

Truecaller has invested part of its cash surplus in short-term placements consisting of fixed-income funds measured at fair value. These fixed-income funds are subject to market price risk, which is the risk that the market value will fall. However, as these funds invest in short-term fixed income securities from safe issuers, the market risk is deemed to be low. The fixed-income funds are traded on an active financial market and can be converted into liquidity within a few banking days, further reducing risk. A one percentage point downward shift in the yield curve would reduce the Group's net interest income by approximately SEK 9.4 (4.0) million.

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 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 aims 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 an unutilized overdraft facility of SEK 500,000 thousand (500,000 thousand).

Refinancing risk refers to the risk that financing for acquisitions or development cannot be refinanced, expanded, or that such financing can only be obtained on terms that are onerous for the Group. 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. Compliance with policies and exposure are continuously reviewed. The Group's undiscounted future cash flows of financial liabilities are shown in the table below.

Dec. 31, 2023						
SEK 000s	Carrying amount	<6 months	6–12 months	1–3 years	3–5 years	Total
Lease liabilities	89,299	17,562	17,553	62,511	–	97,625
Accounts payable	46,149	46,149	–	–	–	46,149
Contingent consideration (earnout)	8,404	–	–	10,042	–	10,042
Total	143,852	63,711	17,553	72,553	–	153,816

Dec. 31, 2022						
SEK 000s	Carrying amount	<6 months	6–12 months	1–3 years	3–5 years	Total
Lease liabilities	96,780	13,752	13,340	64,317	10,331	101,740
Accounts payable	69,835	69,835	–	–	–	69,835
Contingent consideration (earnout)	13,301	5,219	–	10,437	–	15,656
Total	179,916	88,806	13,340	74,754	10,331	187,231

Credit agreements/frameworks that Truecaller has entered into are shown below:

SEK 000s	Amount Dec. 31, 2023	Utilized Dec. 31, 2023	Amount Dec. 31, 2022	Utilized Dec. 31, 2022
Bank overdraft	500,000	–	500,000	–
Total	500,000	–	500,000	–

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	2023	2022
Amounts recognized in profit or loss		
Cost of service current year	2,854	1,596
Interest expense	676	369
Total pension costs recognized in profit or loss	3,529	1,965
Amounts recognized in other comprehensive income		
Remeasurement of pension obligation	-3,140	1,891
Total pension costs recognized in other comprehensive income	-3,140	1,891
Total defined benefit pension costs	389	3,856

SEK 000s	Dec. 31, 2023	Dec. 31, 2022
Amounts recognized in statement of financial position		
Present value of pension obligations, unfunded plan	6,608	7,653
Provisions to defined-benefit pension plans	6,608	7,653

	2023	2022
Change in present value of pension obligation		
Opening balance, January 1	7,653	4,538
Cost of service current year	2,854	1,596
Interest expense	676	369
Actuarial gains and losses due to		
<i>Changed demographic assumptions</i>	-867	1,025
<i>Changed financial assumptions</i>	-1,631	204
<i>Experience adjustments</i>	-642	662
Pension payments	-1,148	-855
Foreign exchange differences	-286	114
Closing balance, December 31	6,608	7,653

	Dec. 31, 2023	Dec. 31, 2022
Significant actuarial assumptions		
Discount rate, %	7.27%	7.42%
Future pay increases, %	10.00%	12.00%
Employee turnover, %	16.00%	11.00%

	Dec. 31, 2023		Dec. 31, 2022	
	Change of assumptions	Change of net pension obligation	Change of assumptions	Change of net pension obligation
Sensitivity analysis				
Discount rate	+/- 1%	-457/519	+/- 1%	-743/880
Future pay increases	+/- 1%	517/-464	+/- 1%	850/-736
Employee turnover	+/- 1%	-128/138	+/- 1%	-283/318

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 10.84 years as of Dec. 31, 2023 and 13.52 years as of Dec. 31, 2022.

**NOTE 23** Accrued expenses

SEK 000s	Group		Parent company	
	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2022
Accrued employee benefits expense	32,455	29,475	1,472	1,758
Auditing and advice	1,958	2,337	901	1,155
Ad brokerage and partner commissions	25,402	25,518	–	–
Legal and consultant fees	6,843	13,866	1,050	1,610
Licenses and data services	8,523	10,214	–	24
Other accrued expenses	17,504	13,692	1,313	766
Carrying amount	92,685	95,101	4,736	5,313

NOTE 24 Statement of cash flows

SEK 000s	Group		Parent company	
	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2022
Adjustments for non-cash items				
Depreciation, amortization and impairment	45,207	28,664	–	–
Costs, employee stock options	35,529	27,714	35,529	31,605
Repurchase of warrants	-18,173	–	-18,173	–
Change in allowance for bad debts	4,554	1,849	–	–
Capital gain on sale of non-current assets	-265	-8	–	–
Change in provisions	2,381	1,111	–	–
Change in value of financial instruments	-40,766	-424	–	–
Unrealized currency effects	-1,065	-11,812	490	-425
Accrued interest	-1,355	–	–	–
Total	26,047	47,095	17,847	31,180

SEK 000s	Group		Parent company	
	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2022
Interest received	27,010	6,818	6,994	1,881
Interest paid	-9,943	-14,151	-79	–
Dividend received	–	–	400,000	–
Total	17,067	-7,333	406,915	1,881

SEK 000s	Jan. 1, 2023	Cash flow	New leases	Changes in fair value	Dec. 31, 2023
Lease liabilities	141,515	-29,869	10,197	-904	120,939
Total liabilities attributable to financing activities	141,515	-29,869	10,197	-904	120,939

SEK 000s	Jan. 1, 2022	Cash flow	New leases	Changes in fair value	Dec. 31, 2022
Liability arising from synthetic options	22,509	-23,140	–	631	–
Lease liabilities	88,379	-19,869	73,433	-428	141,515
Total liabilities attributable to financing activities	110,889	-43,009	73,433	203	141,515

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 the income year 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.

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, 2023	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2022
Sales to related parties, subsidiaries	–	–	8,191	6,684
Group contribution received	–	–	13,000	102,600
Claims on related parties at the balance sheet date, subsidiaries	–	–	13,688	106,248
Dividend received	–	–	400,000	–

Note 27 Business combinations

On April 10, 2023, Truecaller acquired just over 4 percent of shares in the Singapore-based game development company Mayhem Studios Private Ltd for SEK 32.7 million. The investment was financed through cash on hand. Other investors included Sequoia and Mobile Premier League. Mayhem Studios Private Ltd focuses on the development of mobile games for the Indian market.

On September 28, 2023, Truecaller paid SEK 5.6 million in contingent consideration for the acquisition of CallHero Ltd. The additional purchase price was paid according to the agreement and had no impact on the group's profit or loss.

On October 6, 2023, Truecaller acquired the India-based company Unoideo Technologies Pvt Ltd ("Trust-Checkr"). The company provides the TrustCheckr service which uses an SaaS platform to help companies verify customer information and detect the risk of fraud based on phone numbers and digital signals. TrustCheckr's current offering has attracted interest from companies in various industries, especially from banks, fintech, and other financial institutions. The acquisition will strengthen and accelerate the roll-out of Truecaller's new enterprise services in the risk and fraud area launched in Q3.

The purchase consideration was INR 161 million (SEK 21.3 million) and was paid in cash using cash on hand. The acquisition is primarily an acquisition of technology and expertise and is not expected to have significant impact on profit or loss in 2023.

According to the preliminary acquisition analysis, surplus values of SEK 8.9 million arose attributable to proprietary software and non-deductible goodwill of SEK 14.2 million, which is mainly attributable to the expertise contributed by TrustCheckr's employees. The useful life of proprietary software is estimated to be five years.

Fair value of net assets acquired, SEK thousand	TrustCheckr
Proprietary software	8,910
Property, plant and equipment	35
Total current assets	223
Accounts receivable and other receivables	243
Cash and cash equivalents	834
Deferred tax liability	-3,113
Accounts payable and other operating liabilities	-13
Identified net assets	7,118
Goodwill	14,164
Total purchase price	21,282
Purchase price (SEK thousand)	
Purchase price, cash	21,282
Total purchase price	21,282
Fair value of net assets acquired	-7,118
Goodwill	14,164

Transaction costs related to the acquisition of TrustCheckr Ltd totaled SEK 1.4 million. Transaction costs are recognized as an expense in the income statement under other costs.

Note 27 Business combinations, continued

Impact of the acquisition on the consolidated cash flow:	TrustCheckr
Purchase price paid	-21,282
Cash and cash equivalents in acquired company	834
Direct costs related to acquisition	-1,422
Net effect on Group cash and cash equivalents from acquisition	-21,870

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 10.0 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
Identified net assets	7,023
Goodwill	34,391
Total purchase price	41,414
Purchase price (SEK thousand)	
Purchase price, cash	24,629
Earnout, liability	16,785
Total purchase price	41,414
Fair value of net assets acquired	-7,023
Goodwill	34,391

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
Net effect on Group cash and cash equivalents from acquisition	-32,157

NOTE 28 Events after the balance sheet date

After the end of the reporting period, Truecaller repurchased an additional 3,379,912 Class B shares for SEK 98.3 million including transaction costs. Truecaller's total holding of treasury Class B shares amounts to 28,647,115.

NOTE 29 Proposed allocation of profit

The following non-restricted equity in the parent company is at the disposal of the Annual General Meeting (SEK):

Retained earnings	-377,921,132
Share premium reserve	10,847,261,998
Profit or loss for the year	400,161,515
SEK	10,869,502,381

The Board of Directors proposes that earnings shall be allocated as follows:

A dividend of SEK 1.70 per share will be paid to shareholders.	589,798,704
To be carried forward	10,279,703,677
SEK	10,869,502,381



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 covers the statutory sustainability report for the 2023 financial year on pages 28–55, prepared in accordance with Chapter 6 of the Swedish Annual Accounts Act.

Stockholm, April 22, 2024

Nami Zarringhalam
Board chair

Alan Mamedi
Board member, CEO

Annika Poutiainen
Board member

Helena Svancar
Board member

Bing Gordon
Board member

Shailesh Lakhani
Board member

Our Auditor's Report was submitted on April 25, 2024

Ernst & Young AB

Jennifer Rock-Baley
Authorized Public Accountant



Other information



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. ¹⁾	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 amortization and items affecting comparability.
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.

Alternative performance measurement	Definition	Purpose
Adjusted EBIT	Operating profit (earnings) before interest and taxes (EBIT) and adjusted for items affecting comparability. ¹⁾	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.
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 (MAUs)	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.

¹⁾ In this report, the definitions of Adjusted EBITDA and Adjusted EBIT have been updated from previously including "Items affecting comparability attributable to the IPO, as well as synthetic options from the acquisition of Backwater Technologies." The non-recurring items will be specified in the notes as they arise. There were no items affecting comparability in 2022 or 2023.

*Alternative performance measures, continued***Reconciliation of selected performance measurements not defined under IFRS**

SEKm	Group	
	2023	2022
Gross profit and gross margin		
Net sales	1,728.9	1,772.9
Minus third party fees	-421.2	-417.7
Gross profit	1,307.7	1,355.2
Divided by Net sales	1,728.9	1,772.9
Gross margin	75.6%	76.4%
Adjusted EBITDA and adjusted EBITDA margin		
EBIT (Operating profit)	657.7	688.5
Excluding depreciation, amortization and impairment	45.2	28.7
EBITDA	702.9	717.2
Excluding items affecting comparability	-	-
Adjusted EBITDA	702.9	717.2
Divided by Net sales	1,728.9	1,772.9
Adjusted EBITDA margin	40.7%	40.5%

SEKm	Group	
	2023	2022
EBIT (Operating profit) and EBIT margin		
EBIT (Operating profit)	657.7	688.5
Divided by Net sales	1,728.9	1,772.9
EBIT margin	38.0%	38.8%
Adjusted EBIT and adjusted EBIT margin		
EBIT (Operating profit)	657.7	688.5
Excluding items affecting comparability	-	-
Adjusted EBIT	657.7	688.5
Divided by Total net sales	1,728.9	1,772.9
Adjusted EBIT margin	38.0%	38.8%
Debt to Equity ratio		
Total equity	1,743.7	1,804.1
Divided by Total assets	2,160.3	2,344.4
Debt to Equity ratio	80.7%	77.0%

Auditor's report.

To the general meeting of shareholders in 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) except for the corporate governance statement on pages 62–71 and the statutory sustainability report on pages 28–55 for the year 2023. The annual accounts and consolidated accounts of the company are included on pages 9–10, 57–58 and 62–116 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 2023 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 2023 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 28–55 and the statutory sustainability report on pages 62–71. 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

Description 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 1–8, 11–56, 59–61 and 121–122. 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 2023 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 for the financial year 2023.

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 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 ISQM 1 Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or

other Assurance or Related Services Engagements which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with professional ethical requirements, professional standards and applicable 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 62–71 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 state-

ment. 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.

The auditor's opinion regarding the statutory sustainability report

The Board of Directors is responsible for the statutory sustainability report on pages 28–55, and that it is prepared in accordance with the Annual Accounts Act.

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report 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 opinion.

A statutory sustainability report has been prepared.

Ernst & Young AB, Box 7850, 103 99 Stockholm, was appointed auditor of Truecaller AB (publ) by the general meeting of the shareholders on the 26th of May 2023 and has been the company's auditor since the 17th of June 2021.

Stockholm 25 April, 2024
Ernst & Young AB

Jennifer Rock-Baley
Authorized Public Accountant



Information to shareholders.

Annual General Meeting

The Annual General Meeting of Truecaller AB (publ) will be held on May 23, 2024, at 10:30 am 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 are available at corporate.truecaller.com.

Financial calendar

Interim report January–March: May 7, 2024

Interim report January–June: July 19, 2024

Interim report January–September: November 7, 2024

Year-end report January–December 2024: February 18, 2025

Contact

Truecaller AB (publ)
Mäster Samuelsgatan 56
SE-111 21 Stockholm

Andreas Frid
Head of Investor Relations & Communication
investors@truecaller.com

*true*caller

Truecaller AB (publ)
Mäster Samuelsgatan 56
SE-111 21 Stockholm

[truecaller.com](https://www.truecaller.com)