

# Q-REPORT 2022

January-June

**truecaller**

The interim report refers to the group for which Truecaller AB (publ) (559278-2774) is the parent company, called Truecaller in the report.

# Truecaller Interim Report

## April-June 2022 (Q2)

Comparative figures refer to April-June 2021.

- **Net sales** increased by 100 percent and amounted to SEK 480.4m (240.0) compared to the same quarter last year.
- **Adjusted EBITDA** amounted to SEK 218.5m (104.4), corresponding to an adjusted EBITDA margin of 45.5 (43.5) percent. Excluding costs for incentive programs adjusted EBITDA would have been SEK 225.4m (104.4), equivalent to an adjusted EBITDA-margin of 46.9 (43.5) percent.
- **Profit after tax** amounted to SEK 172.7m (74.8).
- **Basic earnings per share** were SEK 0.46 (0.34) and diluted earnings per share were SEK 0.46 (0.21).
- **Profit for the quarter was not** affected by items affecting comparability, but Q2 2021 was affected by SEK -19.3m. The items affecting comparability in 2021 were attributable to preparations for the IPO of SEK -10.4m and synthetic options of SEK -8.9m.
- **The average number of monthly active users** (MAU) increased by 15 percent to around 321.4 million (279.6\*).
- **Sales growth** was 130 percent in India, 38 percent in the Middle East and Africa and 31 percent in the rest of the world.

## January-June 2022

Comparative figures refer to January-June 2021.

- **Net sales** increased by 107 percent to SEK 878.7m (424.1) compared to the same period last year.
- **Adjusted EBITDA** amounted to SEK 399.8m (158.6), corresponding to an adjusted EBITDA margin of 45.5 (37.4) percent. Excluding costs for incentive programs adjusted EBITDA would have been SEK 410.2m (158.6), equivalent to an adjusted EBITDA-margin of 46.7 (37.4) percent.
- **Profit after tax** amounted to SEK 306.4m (117.6).
- **Basic earnings per share** were SEK 0.82 (0.54) and diluted earnings per share were SEK 0.82 (0.33).
- **Profit for the period was not affected** by items affecting comparability, but the same period in 2021 was affected by SEK -29.4m. The items affecting comparability in 2021 were attributable to preparations for the IPO of SEK -14.8m and synthetic options of SEK -14.6m.
- **Sales growth** was 133 percent in India, 56 percent in the Middle East and Africa and 46 percent in the rest of the world.

## FINANCIAL KEY FIGURES

Group, SEKm (unless otherwise stated)	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	2021 Jan-Dec
Net sales	480.4	240.0	878.7	424.1	1,128.9
Gross profit	374.2	179.7	685.4	311.4	856.1
Gross margin (%)	77.9%	74.8%	78.0%	73.4%	75.8%
Adjusted EBITDA	218.5	104.4	399.8	158.6	472.5
Adjusted EBITDA margin (%)	45.5%	43.5%	45.5%	37.4%	41.9%
EBIT (operating profit)	212.9	81.0	388.3	121.1	328.2
EBIT margin (%)	44.3%	33.8%	44.2%	28.5%	29.1%
Adjusted EBIT	212.9	100.3	388.3	150.5	455.7
Adjusted EBIT margin (%)	44.3%	41.8%	44.2%	35.5%	40.4%
Profit or loss after net financial income or expense	222.1	74.7	392.2	117.5	299.7
Equity	1,745.9	270.7	1,745.9	270.7	1,411.4
Total assets	2,126.9	593.5	2,126.9	593.5	1,692.9
Debt to equity ratio (%)	82.1%	45.6%	82.1%	45.6%	83.4%
Employees at the end of the period	351	266	351	266	306

\* Historical comparison figures were restated in the interim report for January-March 2022 after minor adjustments of definitions and calculation methods. MAU and DAU now refer to the quarterly average, with all days in the quarter included in the calculation (previously calculated based on the last 7 days of each month). Free ads (for charitable purposes, for example) have now been excluded from CPM. ARPU is calculated as average revenue per recurring premium user. See page 31 for more information.



## Significant events during the quarter

### Product development

Truecaller continued to invest in product development with the launch of new features and enhancements to the user experience.

- **Improvements to the communications experience and messaging features** Truecaller continues to develop its core features to provide users with a smarter, safer and more efficient communications experience. The latest version of the app facilitates more opportunities for users to leave feedback on unknown numbers. By means of AI-based models, the feedback can provide more context surrounding an unknown number. Improvements were also implemented to make it easier for users to access and engage with *Call Reason* and *Truecaller Voice*. A number of new messaging and SMS features were introduced during the quarter, including *Passcode Lock*, which gives users an extra layer of protection for important messages.
- **Further development of our Ads business** through enhanced capability to easily integrate additional demand partners. Truecaller has onboarded new global and regional partners, which is leading to higher revenue potential, particularly in markets beyond India. On the supply side, we continue to test new ad units to facilitate more engagement that drives advertiser value. The test results are promising.
- **Investments in premium offering and the iOS product** A new global feature was launched as part of the premium offering for Android users that has the ability to identify telephone numbers from a variety of external platforms beyond the Truecaller ecosystem, such as other messaging apps. The integration of *Truecaller Assistant* (enabled by the acquisition of CallHero) and the new iOS product is proceeding according to plan. The ambition is to launch *Truecaller Assistant* in the second half and the new iOS product towards the end of the third quarter, which will significantly enhance the premium offering and the overall Truecaller experience on iPhone.
- **Further growth and development of Truecaller for Business** Demand for secure and effective B2C communication remains high. Agreements were closed during the quarter with companies including Google, DHL, American Express and Discovery Bank. Creating longer-term relationships with our business customers is a focus area that has turned out well. The partnership with Tanla regarding B2C messaging was commercially launched in the second quarter.

### Growth and partnerships


- **Growth in monthly active users in South America amounted to about 50 percent.** South America is one of several identified growth regions for Truecaller and MAU exceeded 5 million during the quarter.
- **As of 2023, Truecaller will be a new official main partner to the Swedish elite soccer association, AIK Fotboll.** The three-year contract will begin with the 2023 season and includes exposure on the women's and men's team match jerseys as well as joint social improvement projects in particularly disadvantaged areas.

### Other significant events

- **Truecaller held its annual general meeting on 24 May.** The entire board of directors was reelected, the meeting resolved to establish a new long-term incentive program, LTIP 2022, and the board was authorized to decide on issues of up to 10 percent additional Class B shares. The board was also authorized to decide to buy back a maximum of 5 percent of total shares outstanding as of the date of the AGM. Read more on page 16.
- **Truecaller announced that it does not intend to use 6 million of the warrants that were not exercised in the long-term incentive program LTIP 2021.** This reduces the total maximum dilutive effect of LTIP 2021 from 5.2 percent to 3.2 percent of the number of outstanding shares.

### Events after the end of the period

- **The new Open Doors app was launched on 13 July** Open Doors is an audio-based app for safe, secure and personal voice communications. The goal is to provide access to fun and impromptu global conversations. Open Doors is free to use, available globally and has been launched on both iOS and Android.



**SECOND QUARTER 2022**

## Robust business and financial performance

Now that it is time to recap the second quarter of the year, I am pleased to report that our business continues to develop very positively. Demand for our services is increasing globally and the average number of monthly users increased by about 42 million compared to last year and now stands at 321.4 million (279.6). For the second consecutive quarter we were one of the top 20 most downloaded apps globally. Our strong financial performance also continued in the second quarter. Net sales doubled to SEK 480 million with an adjusted EBITDA margin of 45.5 percent. All three revenue streams – ads, our B2B offering Truecaller for Business, and subscriptions – contributed to the revenue growth. We continue to report strong cash flow and have about SEK 2.2 billion available for investments, which gives us good capacity to act when attractive opportunities arise. We founded Truecaller during the financial crisis of 2009 and have seen how quickly market sentiment can change, which makes it important that the company maintains good profitability, a strong cash position and strong cash flow. We are now in that position, something I am proud of, and it is in times like these that even more opportunities are created, which we will actively pursue. In the second quarter, we also implemented the option to buy back our own shares as yet another potential tool in our toolbox going forward.

We have been able to report high user and revenue growth since the IPO in October 2021, along with good profitability and strong cash flow. The foundation of that success is a really good product that our users love. I am also particularly proud that we achieved a new record Net Promoter Score in our customer surveys in India, confirming our position as one of the most popular brands in the country. Our efforts to further develop our services continue. Combined with the ongoing positive trend in the number of smartphone users, this creates the conditions for persistent, stable and profitable growth.

Our mission is to make communication smarter, safer and more efficient, today and tomorrow. We are achieving this by working non-stop to develop our product, introduce new features, increase ease-of-use and enhance the offering to both consumers and businesses that want to engage with their customers more effectively. Compared to Q2 2021, the average number of MAU increased by about 42 million (or 15 percent) to 321.4 million). We are growing rapidly in many parts of the world and are seeing the strongest MAU trends in India, Malaysia, Nigeria, Egypt, Kenya, South Africa and Colombia. The fastest relative growth is occurring in several South and Latin American countries, as well as in Southeast Asia and Africa including Malaysia, Bangladesh and South Africa.

I often run into the misperception that it is only in India that we have really succeeded. Although India is our biggest market by far, our product is global. Other countries in which a large share of all smartphone users also use Truecaller includes Egypt, Jordan, Israel, Lebanon, Algeria, Colombia and Ghana, and we are rapidly approaching a similar position in other markets that collectively represents over a billion people, but where the smartphone penetration currently is low. We see strong potential in continuing to grow in current and new markets where a steep increase in the number of smartphone users is expected in pace while at the same time there is a continued increase in the problems that we solve for our customers.

Our user growth remains primarily organic, driven by our capacity to offer a good user experience through high accuracy when we identify the people and businesses that contact our users. In markets where our database has not yet reached the level at which accuracy is as good, we are investing actively in user acquisition on various ad platforms to seed these markets and build up the database through data analysis and machine learning. We are also investing in certain established markets for branding purposes. This results in continuous expansion of the database, which enhances the quality of our services. Once this reaches a certain threshold level, organic growth takes over. In other words, paid user acquisition is intended to lay the foundation for persistent, long-term organic growth, rather than to affect short-term user growth.

Revenue growth in the second quarter was 100 percent and sales amounted to SEK 480.4 million. All three of our revenue streams increased, with the strongest contribution coming from our advertising business, which we are continuing to develop at the same fast pace. Compared to Q2 2021, ad revenues increased by 108 percent. The improvements mainly involve our ongoing initiatives to make it easier for partners to use our platform directly, as well as optimizations of the ad space through the investments we continue to make in our AdTech platform. We will be evaluating and testing new interactive, user-friendly ad formats during the year. There was also a positive impact compared to the previous year from increased ad revenues linked to the annual Indian cricket season (which mainly was split between the second and third quarters in 2021). Currency effects and lower revenues last year due to the Covid pandemic also contributed to the strong development compared to last year.

Our Truecaller for Business offering continues to develop strongly, and we are onboarding new business customers at a fast pace. We now have customers in 29 different geographic markets and from numerous sectors. Global corporations

including Google, American Express and DHL were onboarded during the quarter in the Indian market, along with Discovery Bank and Woolworths in South Africa and Foodpanda and Mu-dah in Malaysia. We continue to invest in operational capacity and solutions to efficiently serve the growing demand.

The subscription business is delivering stable growth and our ongoing user growth in more mature markets is creating a platform for future growth. We are continuing to develop additional features to further enhance the premium offering. Our ambition is to have launched our new iOS product by the end of next quarter. We will also integrate Truecaller Assistant (enabled by the acquisition of CallHero) during the second half. We believe this will enhance conditions for increased long-term growth. Our new iOS product will contain major improvements and thus create opportunities in more iOS-dominated markets.

**“Although India is our biggest market by far, our product is global. Some of the other countries in which a large share of all smartphone users also use Truecaller are Egypt, Jordan, Israel, Lebanon, Algeria, Colombia and Ghana, and we are rapidly approaching a similar position in other markets that collectively represents over a billion people, but where the smartphone penetration currently is low.”**

Adjusted EBITDA amounted to SEK 218.5 million (104.4) and the adjusted EBITDA-margin was 45.5 (43.5) percent. Our efforts to further develop and improve the AdTech platform, improve our Truecaller for Business offering and increase the user benefit of our premium service for a larger user base are creating the conditions for sustained profit growth.

In an unsettled world, we are in a strong position with high profitability and growing cash reserves. In a time like this when other companies are being forced to downsize due to unprofitable business models, our choice to focus on profitable growth feels more right than ever. Above all, our strong cash reserves provide security, but also numerous opportunities for future investments. We also gained a new tool in the second quarter in the form of a mandate from the annual general meeting to buy back shares, which could also be a useful alternative in relation to future acquisitions.

Right now, we are in a period of macroeconomic uncertainty, with high inflation, rising interest rates and potential recession in some parts of the world. It however looks as if emerging markets will outpace the West during this period and GDP is expected to grow in India, our largest market, by between six and seven percent next year. We are however not, under the delusion that we will be entirely unaffected by significant macroeconomic changes in the markets we do business in, but thus far there has been no impact on demand for ads on our

ad platform. We continue to focus on what we can affect, to improve our ad platform and to remain well diversified in terms of various market segments. Our advertising platform continues to be relevant for a large number of advertisers in different industries, which puts us in a good position without critical dependence on individual customers. The Indian ad market is also catching up to the western world in terms of the share of digital marketing relative to traditional media, and the digital channel is gaining ground with every year that passes, which is a promising opportunity for Truecaller.

Based on our strong growth, the operational leverage in our business is creating scope for further increases in investments the coming quarters in user acquisition and brand-building activities while maintaining an EBITDA margin in line with our financial targets. I remain optimistic about the future.

**Alan Mamedi**  
*Chief Executive Officer*



# Truecaller at a glance

## Quarterly review, financial data

### FINANCIAL KEY FIGURES

Group, SEKm (unless otherwise stated)	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	2021 Jan-Dec
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Adjusted EBITDA margin (%)	45.5%	43.5%	45.5%	37.4%	41.9%
EBIT (operating profit)	212.9	81.0	388.3	121.1	328.2
EBIT margin (%)	44.3%	33.8%	44.2%	28.5%	29.1%
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Adjusted EBIT margin (%)	44.3%	41.8%	44.2%	35.5%	40.4%
Profit or loss after net financial income or expense	222.1	74.7	392.2	117.5	299.7
Equity	1,745.9	270.7	1,745.9	270.7	1,411.4
Total assets	2,126.9	593.5	2,126.9	593.5	1,692.9
Debt to equity ratio (%)	82.1%	45.6%	82.1%	45.6%	83.4%
Employees at the end of the period	351	266	351	266	306

### OPERATIONAL KEY FIGURES

April-June 2022	Total	India	Middle East & Africa	Rest of the world
Monthly Active Users (MAU), quarterly average (millions)	321.4	235.5	62.8	23.1
Daily Active Users (DAU), quarterly average (millions)	255.4	194.4	46.0	15.0
Cost per mille impressions (CPM) for ad sales (SEK)	1.49	1.41	1.64	3.44
Average revenue per user (ARPU) for premium subscriptions (SEK)	8.72	5.15	10.59	12.53

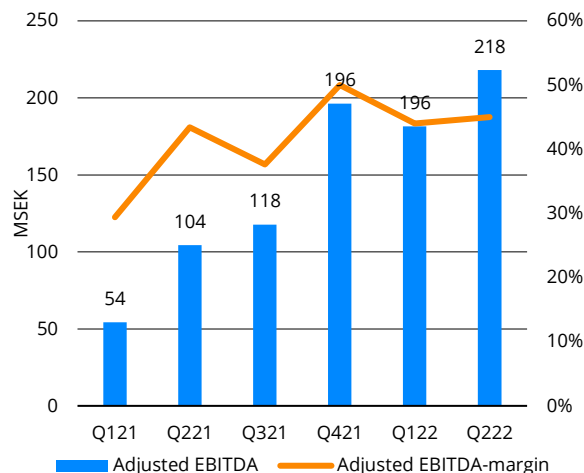
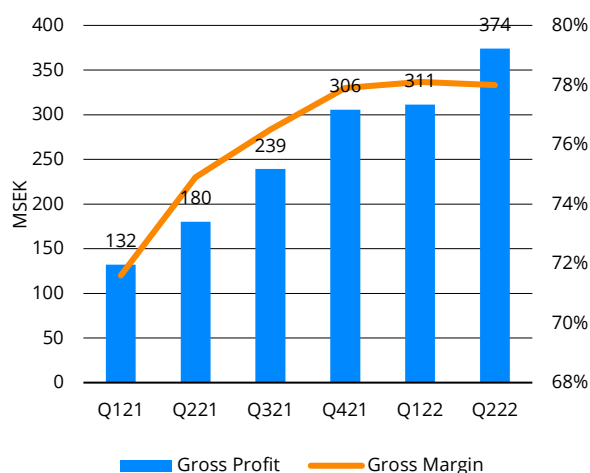
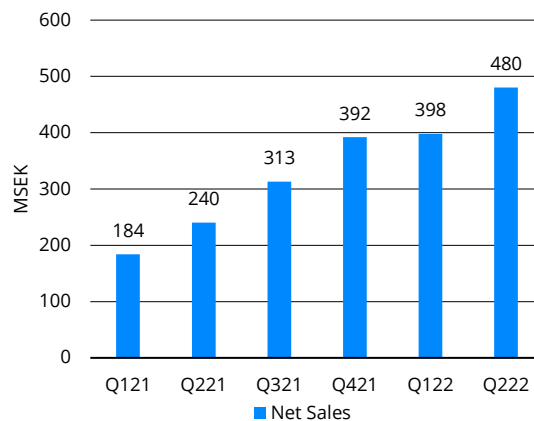
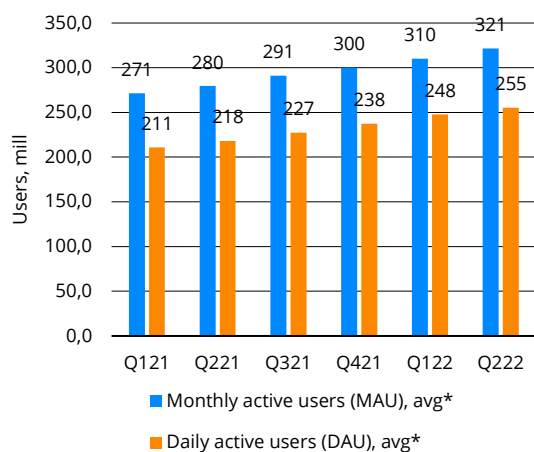
  

April-June 2021*	Total	India	Middle East & Africa	Rest of the world
Monthly Active Users (MAU), quarterly average (millions)	279.6	206.4	54.5	18.7
Daily Active Users (DAU), quarterly average (millions)	218.2	167.3	39.0	11.9
Cost per mille impressions (CPM) for ad sales (SEK)	1.05	0.92	1.35	3.26
Average revenue per user (ARPU) for premium subscriptions (SEK)	7.56	4.31	9.85	12.09

\* Historical comparison figures were restated in the interim report for January-March 2022 after minor adjustments of definitions and calculation methods. MAU and DAU now refer to the quarterly average, with all days in the quarter included in the calculation (previously calculated based on the last 7 days of each month). Free ads (for charitable purposes, for example) have now been excluded from CPM. ARPU is calculated as average revenue per recurring premium user. See page 31 for more information.

January-June 2022	Total	India	Middle East & Africa	Rest of the world
Monthly Active Users (MAU), period average (millions)	315.8	231.7	61.5	22.6
Daily Active Users (DAU), period average (millions)	251.6	191.9	45.1	14.6
Cost per mille impressions (CPM) for ad sales (SEK)	1.36	1.27	1.60	3.31
Average revenue per user (ARPU) for premium subscriptions (SEK)	8.39	4.82	10.35	12.18

January-June 2021*	Total	India	Middle East & Africa	Rest of the world
Monthly Active Users (MAU), period average (millions)	275.5	203.7	53.5	18.3
Daily Active Users (DAU), period average (millions)	214.6	164.8	38.2	11.6
Cost per mille impressions (CPM) for ad sales (SEK)	0.97	0.86	1.23	2.81
Average revenue per user (ARPU) for premium subscriptions (SEK)	7.47	4.23	9.92	12.39



\* Historical comparison figures were restated in the interim report for January-March 2022 after minor adjustments of definitions and calculation methods. MAU and DAU now refer to the quarterly average, with all days in the quarter included in the calculation (previously calculated based on the last 7 days of each month). Free ads (for charitable purposes, for example) have now been excluded from CPM. ARPU is calculated as average revenue per recurring premium user. See page 31 for more information.



# Financial performance

## Second quarter (April–June 2022)

### Revenues

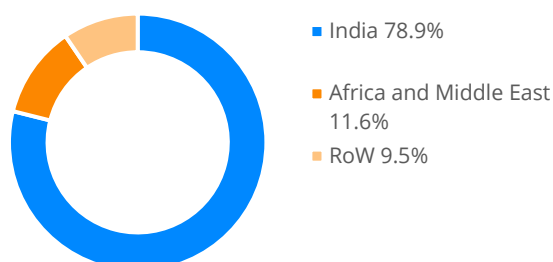
Net sales increased by 100 percent in Q2 to SEK 480.4 million (240.0). The revenue growth was mainly due to strong growth in advertising revenues, which is an effect of the sustained growth in user numbers in many different geographies, combined with continued growth in revenue-generating ad impressions per user. Currency effects, increased advertising revenues connected to the Indian cricket season (IPL) and the negative effects of the Covid pandemic on revenues in Q2 2021 also contributed to the strong increase during the quarter in terms of percentage.

The sustained growth in the number of monthly active users (MAU) is attributable to a general increase in the use of smartphones in many countries and more affordable prices for communication services in emerging countries. Rising smartphone penetration is driving a need to be able to communicate safely and efficiently, which benefits Truecaller. In markets where enough smartphone users are also Truecaller users, the company delivers very high accuracy in identifying who is contacting users of the Truecaller app. Normally, this also leads to strong organic growth in the user base. In markets where the company does not yet have a sufficiently comprehensive database to offer this accuracy, Truecaller is investing in user acquisition on platforms including Google and Facebook. These user acquisitions help give Truecaller users a continuously improved experience of the company's services, and when the experience is good enough, organic growth takes off, as clearly evident in well-established markets like India.

Truecaller has closed agreements with several smartphone manufacturers on preinstallation of the company's app on a vast number of new phones in several different markets. Over time, these agreements are expected to have clearly positive effects on growth in user numbers as well as data quality, but these are multi-year agreements and thus far only a small number of phones with Truecaller preinstalled have reached end users.

### Revenues distributed by region

Net sales in India grew 130 percent to SEK 378.7 million (164.6), in the Middle East & Africa by 38 percent to SEK 55.9 million (40.5), and in the rest of the world by 31 percent to SEK 45.8 million (34.9).



### Revenues distributed by service

Ad revenues increased by 108 percent to SEK 414.2 million (198.8). We are continuously optimizing the balance between prices (CPM) and usage of our ad space (the fill rate). There was a positive increase in the number of ad impressions during the quarter, while CPM increased by about 42 percent compared to the corresponding quarter last year.

Demand, and thus prices, for ad space increase in connection with the annual Indian Premier League cricket tournament. In 2021, the IPL was split into two periods, April and September/October, due to the transmission of the coronavirus, while this year's IPL was held in the same period in March-May. The increase in ad revenues compared to the preceding year would have been lower if IPL was also held primarily in the second quarter last year. Coronavirus transmission also had negative impact on ad revenues for Q2 2021.

CPM varies across quarters as an effect of seasonal changes in demand in different geographies, the mix of various types of ads and the mix between direct sales and sales via partners including Google and Facebook.

On the supply side, we continue to see user growth, which contributes to overall availability of ad opportunities. We are also working with continued optimization of ad space utilization aimed at increasing both the fill rate and rates. On the demand side, we continue to increase our advertiser base while making it easier for advertisers to use our services without intermediaries, which has a positive effect on our profitability while driving fill rates.

Revenues from premium subscriptions increased by 20 percent to SEK 41.4 million (34.5), primarily an effect of an increase in the number of premium subscribers. The strongest growth in subscription revenues occurred in markets beyond India.

Revenues from Truecaller for Business amounted to SEK 23.5 million (4.9). Demand for these services remains very high in several of our established markets because many companies have a need to maintain a secure channel of communication with their customers. The number of onboarded customers is still showing strong growth in India and other markets and Truecaller for Business is now found in 29 countries. The services are sold through direct sales, through partners and through a self-service portal.

### Gross profit

Gross profit increased by 108 percent to SEK 374.2 million (179.7) increasing the gross margin by 3.1 percentage points to 77.9 percent (74.8). The gross margin is determined by fees to partners such as Google and Apple and the costs of verifying new users and hosting servers used for the company's services. The gross margin for ad revenues from Facebook is 100 percent because Facebook does not specify ad brokerage costs. Revenues are therefore reported net, excluding such costs, which has positive impact on the total gross margin. Fees to partners

are proportional to the number of ad impressions and the number of premium users. Truecaller also sells ads directly to end customers. Fee levels vary among advertising partners and the gross margin is consequently affected by the distribution of ad traffic between direct sales and different partners during various periods. Direct sales and sales via partners with lower fees made up a larger share of total sales in Q2 than in the corresponding period in 2021. Google also lowered its charges for buys via its app store in early 2022, which affected the gross margin for premium subscriptions to a certain extent.

Verification costs are proportional to growth in the customer base but are also affected by how local carriers price their messaging services. The cost of server hosting is relatively independent of traffic volumes over the short and medium terms but rises when they reach new volume bands.

### **Operating profit**

Operating profit before amortization, depreciation and impairments excluding items affecting comparability (Adjusted EBITDA) amounted to SEK 218.5 million (104.4), corresponding to an adjusted EBITDA margin of 45.5 percent (43.5).

EBIT increased to SEK 212.9 million (81.0), corresponding to an EBIT margin of 44.3 percent (33.8). EBIT excluding items affecting comparability (adjusted EBIT) amounted to SEK 212.9 million (100.3) with an adjusted EBIT margin of 44.3 percent (41.8). The EBIT improvement is attributable to a persistently high revenue growth rate combined with a lower growth rate for operating costs. The company's business model accommodates significant revenue increases without corresponding increases in e.g., the costs of employees and premises.

Employee costs during the quarter amounted to SEK 78.6 million (52.8). Payroll costs increased as an effect of increases in the workforce combined with the annual pay review. The long-term incentive program (LTIP 2021) implemented in Q3 2021 entailed a payroll cost for the period of SEK 3.1 million (-) with the equivalent increase of equity and social insurance costs of SEK 0.5 million (0) reported as a provision in the balance sheet. The new long-term incentive program (LTIP 2022) implemented in the latter part of Q2 2022 entailed a payroll cost of SEK 2.8 million (-) and social insurance costs of SEK 0.5 million (0). These costs will have no effect on cash flow until new Class B shares are allotted to company employees, which cannot occur until 2024 at the earliest. Payroll costs are valued at fair value and accrued over the term of the program. The social insurance costs are affected by the share price at the end of each reporting period and may therefore amount to significantly higher amounts in the future and create a volatility in the income statement. In order to clarify the distribution of employee costs between costs attributable to salaries, and costs related to performance or share price-related incentive programs, the company will clearly report the latter in future interim reports. Excluding costs for incentive programs, the EBITDA margin during the quarter would have increased by 1.4% and been 46.9%. See more info in note 6.

Employee costs have historically included the costs of synthetic options that arose in connection with the acquisition of Backwater Technologies Private Limited in 2019. Further costs for the options will not be charged to profit in the future. Related costs totaling SEK - (8.9m) were charged to employee costs and costs of SEK - (2.9m) were charged to net financial income and expenses during the quarter.

Other external costs increased to SEK 79.2 million (42.0). This is primarily an effect of increasing investments in user acquisition, marketing and costs related to becoming a listed company.

Investments in user acquisition and marketing are rising gradually as the company tests and evaluates various investment strategies. Return on investment is measured on an ongoing basis and Truecaller is continuing to build skills and the organization so that the rate of investment can be accelerated as intended and in a manner that cost-effectively supports long-term organic growth in various geographies. Focus during the quarter was on further skills reinforcement in these areas and investments have as a result increased at a somewhat lower rate than previously planned.

### **Items affecting comparability**

There were no items affecting comparability in Q2, while Q2 2021 included items affecting comparability of SEK 19.3 million. The items were related to preparations for the IPO of SEK 10.4 million and synthetic options of SEK 8.9 million and included in "Other external costs" and "Employee costs" on the statement of profit or loss.

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

Profit before tax amounted to SEK 222.1 million (74.7). Profit after tax for the period was SEK 172.7 million (74.8). Net financial income amounted to SEK 9.2 million (-6.3) and comprises exchange rate differences of SEK 11.4 million (-2.7), interest expenses of SEK -0.8 million (-0.7), remeasurement of synthetic options of SEK - (-2.9m) and other financial expenses of SEK -1.3 million (-).

Basic earnings per share were SEK 0.46 (0.34) and diluted earnings per share were SEK 0.46 (0.21).

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

Net cash from operating activities increased to SEK 280.9 million (92.9). Net cash used in investing activities was SEK -2.5 million (0), arising from internally generated intangible assets. Net cash used in financing activities was SEK -4.1 million (-3.7), broken down as follows: payments for participation in options programs of SEK 0.8 million (-), repayments of warrants of SEK -0.4 million (-) and amortization of lease liabilities of SEK -4.5 million (-3.7). Net cash for the period was SEK 274.3 million (89.2). Truecaller had cash and cash equivalents of SEK 1,578.3 million (342.7) at the end of the quarter. The debt-to-equity ratio was 82.1 percent (45.6).

Consolidated total assets amounted to SEK 2,126.9 million (593.5) at 30 June 2022. The carrying amounts of financial assets and financial liabilities are estimated to coincide with fair value in all material respects.

The Group's accounts receivable amounted to SEK 40.2 (9.9) million and receivables from advertising networks and platform owners amounted to SEK 97.2 (69.0) million. The increase in accounts receivable is mainly attributable to the increase in direct sales in the advertising business and the growth in Truecaller for Business. The payment terms for the company's customers are normally 30-60 days. A structured credit review process in combination with non-paying customers being quickly suspended from the company's services, as well as a proactive assurance that customers pay their invoices with minimal delay, has resulted in very limited customer losses. Reported but unrealized customer losses on June 30, 2022 amounted to SEK 1.4 (-) million. The increase in claims on ad networks and platform owners is mainly linked to outstanding claims against Google

and Facebook. For more information, see Truecaller's annual report for 2021.

#### Investments

The Group began capitalizing development costs in 2021 when certain initiated projects were assessed as meeting the criteria under IAS 38. Development costs for these projects have therefore been capitalized. SEK 3.0 million (0.7) was capitalized as internally generated intangible assets in Q2 2022.

#### Currency exposure

The majority of Truecaller's revenues are denominated in Swedish kronor (SEK) via partners including Google and Apple. Accordingly, there is little direct currency exposure. In turn, these partners bill users of Truecaller's services partly in local currency, which entails indirect currency exposure. Truecaller does not, however, have access to complete information about how currency effects are managed by partners and thus cannot presently quantify the indirect currency exposure.

A depreciation of SEK against currencies including USD and INR, however, has positive impact on the company's sales and profit. Analysis is in progress to quantify currency exposure more precisely.

#### Parent company

Truecaller AB became the parent company of the Group in the third quarter of 2021. Until that point, it was a dormant shelf company and comparative figures are not yet relevant due to the change in Truecaller AB's operations. Parent company income for the quarter amounted to SEK 1.8 million (-) which refers to billing of subsidiaries for services rendered. Truecaller AB is reporting a loss before tax of SEK -7.2 million (-) and a loss after tax of SEK -5.7 million (-). Cash and cash equivalents at 30 June 2022 amounted to SEK 721.6 million (-). There were no significant investments in intangible assets or property, plant and equipment. The parent company had 2 (-) employees at the end of the reporting period.

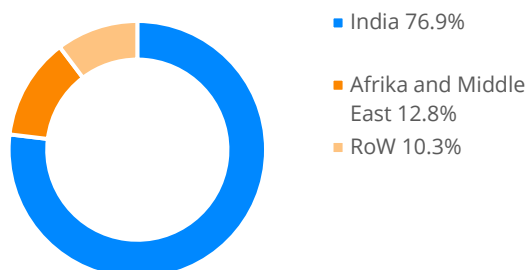
## January – June 2022

#### Revenues

Net sales for the period of January–June increased by 107 percent to SEK 878.7 million (424.1). The increase in revenues for the reporting period is attributable to the same factors described above regarding the quarter.

#### Revenues distributed by region

Net sales in India grew 133 percent during the period to SEK 675.5 million (289.9), in the Middle East & Africa by 56 percent to SEK 112.2 million (71.7), and in the rest of the world by 46 percent to SEK 91.0 million (62.5).



#### Revenues distributed by service

Advertising revenues increased by 119 percent to SEK 753.2 million (344.3). Revenues from premium subscriptions increased by 17 percent to SEK 80.3 million (68.5), primarily an effect of an increase in the number of premium subscribers. Revenues from Truecaller for Business amounted to SEK 41.9 million (7.5).

#### Gross profit

Gross profit increased by 120 percent to SEK 685.4 million (311.4), which increased the gross margin by 4.6 percentage points to 78.0 percent (73.4). The gross margin trend for the quarter is described above.

#### Operating profit

Operating profit before amortization, depreciation and impairments excluding items affecting comparability (Adjusted EBITDA) amounted to SEK 399.8 million (158.6), corresponding to an adjusted EBITDA margin of 45.5 percent (37.4).

EBIT increased to SEK 388.3 million (121.1), corresponding to an EBIT margin of 44.2 percent (28.5). EBIT excluding items affecting comparability (adjusted EBIT) amounted to SEK 388.3 million (150.5) with an adjusted EBIT margin of 44.2 percent (35.5).

Employee costs amounted to SEK 137.3 million (103.6). Payroll costs increased as an effect of increases in the workforce combined with annual pay rises. The long-term incentive program (LTIP 2021) implemented in Q3 2021 entailed a payroll cost for the period of SEK 6.6 million (-) with the equivalent increase of equity and social insurance costs of SEK 0.5 million (0) reported as a provision in the balance sheet. The new long-term incentive program (LTIP 2022) implemented in the latter part of Q2 2022 entailed a payroll cost of SEK 2.8 million (-) and social insurance costs of SEK 0.5 million (0). See more info in note 6.

Employee costs have historically included the costs of synthetic options that arose in connection with the acquisition of Backwater Technologies Private Limited in 2019. Further costs for the options will not be charged to profit in the future. Related costs totaling SEK - (14.6) were charged to employee costs and costs of SEK - (4.4m) were charged to net financial income and expenses during the period.

Other external costs amounted to SEK 152.6 million (79.3). This is primarily an effect of increasing investments in user acquisition, marketing and costs related to becoming a listed company.

Investments in user acquisition and marketing are rising gradually as the company tests and evaluates various investment strategies. Return on investment is measured on an ongoing basis and Truecaller is continuing to build skills and the organization so that the rate of investment can be accelerated as intended and in a manner that cost-effectively supports long-term organic growth in various geographies. Focus during the period was on further skills reinforcement in these areas and investments have as a result increased at a somewhat lower rate than previously planned.

**Items affecting comparability**

There were no items affecting comparability during the period, while the same period in the preceding year included items affecting comparability of SEK 29.4 million. The items were related to preparations for the IPO of SEK 14.8 million and synthetic options of SEK 14.6 million and included in "Other external costs" and "Employee costs" on the statement of profit or loss.

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

Profit before tax amounted to SEK 392.2 million (117.5) and profit after tax for the period was SEK 306.4 million (117.6). Net financial income amounted to SEK 3.9 million (-3.5) and comprises positive exchange rate differences of SEK 12.3 million (2.3), interest expenses of SEK -5.8 million (-1.5), remeasurement of synthetic options of SEK - (-4.4m) and other financial expenses of SEK -2.6 million (-).

Basic earnings per share were SEK 0.82 (0.54) and diluted earnings per share were SEK 0.82 (0.33).

**Cash flow and financial position**

Net cash from operating activities amounted to SEK 402.4 million (146.9). Net cash used in investing activities amounted to SEK -31.6 million (-) and was affected primarily by the acquisition of CallHero and investments in internally generated intangible assets. Net cash used in financing activities was SEK -32.8 million (0.4), broken down as follows: payments for participation in options programs of SEK 0.8 million (-), repayments of warrants of SEK -0.7 million (-), payments of synthetic options of SEK -23.1 million (-) and amortization of lease liabilities of SEK -9.7 million (-7.4). A new issue was also carried out in the comparison period, which contributed SEK 7.8 million. Net cash for the period was SEK 338.0 million (147.2). Truecaller had cash and cash equivalents of SEK 1,578.3 million (342.7) at the end of the quarter. The debt-to-equity ratio was 82.1 percent (45.6).

Truecaller has a revolving credit facility of SEK 500 million (0). None of the RCF had been drawn down as of the reporting date.

Consolidated total assets amounted to SEK 2,126.9 million (593.5) at 30 June 2022. The carrying amounts of financial assets and financial liabilities are estimated to coincide with fair value in all material respects.

**Employees**

There were 351 (266) employees at the end of the period. The average number of employees during the period of January-June was 329 (254). Truecaller is in a phase of strong growth and the company has identified a need to continue adding skills to the organization.

**Investments**

The Group began capitalizing development costs in 2021 when certain initiated projects were assessed as meeting the criteria under IAS 38. Development costs for these project have therefore been capitalized. SEK 5.7 million (0.9) was capitalized as internally generated intangible assets during the period of January-June.

**Currency exposure**

The majority of Truecaller's revenues are denominated in Swedish kronor (SEK) via partners including Google and Apple. Accordingly, there is little direct currency exposure. In turn, these partners bill users of Truecaller's services partly in local currency, which entails indirect currency exposure. Truecaller does not, however, have access to complete information about how currency effects are managed by partners and thus cannot presently quantify the indirect currency exposure. A depreciation of SEK against currencies including USD and INR, however, has positive impact on the company's sales and profit. Analysis is in progress to quantify currency exposure more precisely.

**Parent company**

Truecaller AB became the parent company of the Group in the third quarter of 2021. Until that point, it was a dormant shelf company and comparative figures are not yet relevant due to the change in Truecaller AB's operations.

Parent company income for the period amounted to SEK 2.9 million (-) which refers to billing of subsidiaries for services rendered. Truecaller AB is reporting a loss before tax of SEK -12.6 million (-) and a loss after tax of SEK -10.0 million (-). Cash and cash equivalents at 30 June 2022 amounted to SEK 721.7 million (-). There were no significant investments in intangible assets or property, plant and equipment. The parent company had 2 (-) employees at the end of the reporting period.



# Product updates

## Improvements to core communications offering

Truecaller continues to develop its core offering in order to provide users with a smarter, safer, and more efficient communications experience. The app redesign that came with the latest version of Truecaller on Android facilitated more opportunities for users to leave feedback on unknown numbers in the form of comments and up/down votes. Since its recent launch, this initiative has increased user engagement and contributed over 30 million community feedback points. Building on the growing volume of community feedback, Truecaller developed AI Identity further in the second quarter to extract intelligent, actionable insights and offer even more context on a number. The new Truecaller website rolled out in the previous quarter—which included a revamped search results page—now also includes the same comments functionality available on Android devices,



*AI Identity*

*Simplified and Instant  
Call Reason*

including the extraction of the most relevant feedback on a specific number from users.

Truecaller continues to improve performance across the app. In the second quarter, several technical enhancements were implemented, allowing for smoother operation and greatly improving battery optimization by occupying less resources on the user's device. Performance of the calling functionality in particular was also upgraded, as reflected in up to 13X improvement in the speed of call logs and a more than 5X increase in the number of call log entries supported. Improvements to existing features were also implemented in the second quarter, making it much easier for users to access and engage with Call Reason and Truecaller Voice (VoIP offering). Call Reason has been simplified to make it much easier for users to provide context for the reason they are calling across a wider range of use cases. Users can now instantly (without setting up the functionality in advance) select a default message or customize a call reason message at any point before the person they are calling picks

up. Truecaller Voice now has a dedicated tab, making it much easier for a user to identify contacts who are currently online and available to speak on the VoIP platform.

Enhancements to the messaging experience rolled out in previous quarters have begun to show strong traction, notably through increased engagement with our messaging capabilities. A number of new messaging and SMS features were also introduced in the second quarter. Users who want to add an extra layer of protection for any transactional or other personal information received on this channel, now have the option to set a Passcode Lock on their messaging tab. Truecaller's Passcode Lock is easy to set up and supports biometric or fingerprint authentication when supported by the user's device. Smart SMS, which categorizes the most important messages and highlights the most useful information from lengthy messages, developed even further during the quarter. The search experience within Smart SMS is now more intuitive, as search results are displayed in an easy-to-read card format with more relevant information, making it much easier to find what a user is looking for. Truecaller has made improvements to better accommodate coupon codes sent on SMS, an incredibly popular marketing channel used by businesses in emerging markets. Users who engage with Smart SMS to take advantage of the latest business promotions can now view and redeem coupon codes more efficiently.

To support users who are new to the app, Truecaller completed the development of a revamped user onboarding flow in the second quarter. The new onboarding experience provides more informational content adapted to local context, educating users on how they can make the most out of the app as well as highlighting the value Truecaller places on privacy upfront

## Investments in premium offering and overall Truecaller experience on iPhone

In the second quarter, Truecaller launched Instant Messaging Caller ID, a new feature available to premium users on Android. Instant Messaging Caller ID brings Truecaller's ability to identify unknown numbers to different messaging platforms, extending our core capability beyond the Truecaller ecosystem. To add even more value to the paid experience, Truecaller also developed and implemented a dedicated support channel and automated chatbot exclusively for premium users on Android, helping subscribers to get support more quickly than ever. Truecaller's chat support has been fully operational for the Indian market as of the second quarter and will be scaled to serve additional markets as well.

Truecaller continues to prioritize revamping its offering on iPhone for both free users and subscribers, and efforts to deliver a brand-new experience on iOS systems progressed significantly in the second quarter. Truecaller for iPhone has been rebuilt from the ground up using the latest technologies and is planned for release to the market during the third quarter. The new iPhone experience offers a refreshed look and fundamentally better user experience from end-to-end, including a faster, smoother search experience and Caller ID functionality much

closer to that on Android. The upgraded app will also provide a new premium experience on iPhone to support new plans and will include the Truecaller Assistant.

The integration of Truecaller Assistant—a new offering enabled by the acquisition of CallHero in the first quarter—also progressed according to plan in the second quarter and will be made available to premium users in select markets in H2. Truecaller Assistant is an enhanced call screening solution for Android and iPhone that automatically answers calls, filters spam and shows the user what the caller wants in real time. The introduction of a digital assistant enabled by cloud telephony takes call screening to the next level and is expected to drive a compelling case for Truecaller's premium offering.

## Continued investment in AdTech

Truecaller continued to invest and improve the Ads business with focus on three main aspects—availability of quality demand; provision of high quality and quantity ad opportunities and effective demand/supply matching to drive ROI for demand partners; and maximizing yield for Truecaller.

On the demand side, Truecaller continued to improve its ability to work with a wide range of demand partners by supporting diverse integration protocols (e.g., S2S API, OpenRTB, SDK, Tags), ensuring a steady supply of relevant ad campaigns at scale. Truecaller continues to onboard additional global and regional partners to improve its ability to fill ad opportunities. This has demonstrated particularly promising progress in markets beyond India, creating improved monetization opportunities based on efforts conducted over previous quarters.

On the supply side, Truecaller continues to work with its demand partners to test more innovative, performance-driven ad units that facilitate more engagement in a user-friendly way in order to drive more advertiser value. Investments in interaction/inventory analytics have begun to bear fruit, providing deeper insights that enable Truecaller to design ad opportunities in ways that further improve supply side KPIs. Efforts to better utilize ad opportunities in low/no connectivity scenarios have also been scaling well.

In addition to scaling initiatives on the supply and demand side, Truecaller has also actively worked on matching such demand and supply in order to maximize revenue and drive ROI for its advertising partners. As the core focus of Truecaller's ad product stack, this is achieved through the support of wider integration protocols, data-led demand orchestration, controlled trafficking capabilities and a constantly improving auction set up. On the third-party programmatic demand side, Truecaller now offers the ability to onboard virtually any demand partner, irrespective of their integration preference, buying type or geographical strength. From a data perspective, Truecaller continues to invest in advanced analytics and machine learning in order to improve user understanding based on a range of signals around their product usage as well as ad engagement. This feeds into better user targeting, trafficking, yield management to further optimize different aspects of the Ads business.

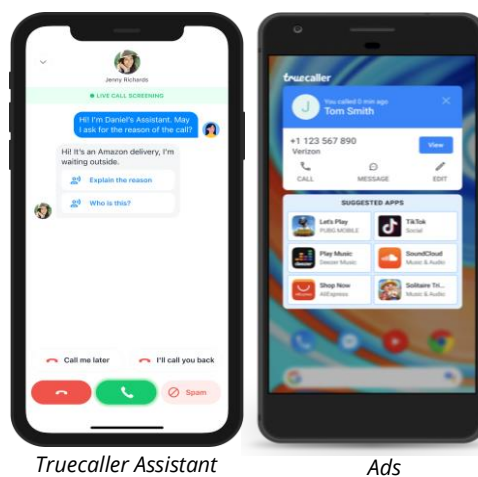
Brands that publish advertisements through Truecaller come from a wide range of verticals, indicating the versatility and industry-agnostic nature of its advertising platform. Truecaller's Ads product continues to deliver on a wider range of advertising

objectives across the funnel, widening the addressable advertising pool.

## Further development of Truecaller for Business

Demand for Truecaller for Business (TfB) continues to grow, and the composition of our business customer base indicates the relevance of our offerings to a wide range of industries and use cases. Notable companies onboarded in the second quarter include a number of global brands wanting to take advantage of our scale in India, including Google, American Express and DHL Express, among others. Demand for Truecaller's business-facing solutions in markets beyond India, such as South Africa, Egypt, Israel, and Malaysia, continued to grow as well across verticals, with particular interest from locally recognized players in the financial services, real estate, and e-commerce sectors, to name a few.

The second quarter also marked a significant improvement in TfB's engagement model with business customers. Although TfB is the most nascent business line, the notable growth in the number of customers committing to longer-term agreements demonstrates the long-term value delivered by Truecaller's B2B offering.

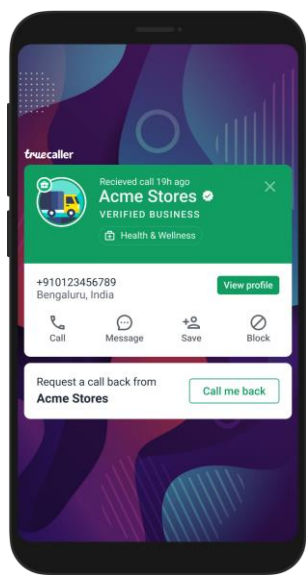


Truecaller continues to explore innovative use cases and develop more value-added services in addition to its core business offering in parallel. The exclusive reseller partnership for business messaging with Tanla was commercially launched in the second quarter. Within one month of commercial launch, the partnership has successfully facilitated the delivery of millions of business instant messages and is expected to ramp up significantly in volume over the year. The Early Access Program, a new initiative launched in the first quarter that provides participating customers the opportunity to test offerings in early stages of development, has demonstrated strong potential as an incubator for new commercial opportunities. Following the strong traction seen in end user adoption of Video Caller ID, this feature was piloted for business customer use cases within the Early Access Program in the first quarter and has progressed with over 50 business customers onboarded on beta. Other relevant offerings continue to be tested through the Early Access Program, and this initiative has already demonstrated substantial added value to both the customer experience and the product development process. For example, a Call Me Back feature designed around business needs is also currently being developed

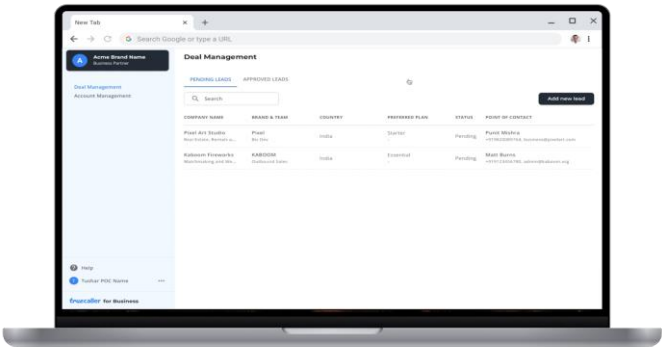
through the Early Access Program, with almost 100 existing business customers onboarded for this feature.

Truecaller continues to invest in improving its operational capabilities in order to serve growing demand for its business offering. Building on previous investments made to introduce self-serve capabilities for both resellers and direct sales, Truecaller

developed and launched additional features to its new Reseller Portal in the second quarter, giving resellers more comprehensive control and visibility over the deal management cycle. Additionally, Truecaller invested in automated market intelligence capabilities in the second quarter, enabling more effective and efficient sales operations.



Call Me Back



Reseller portal

# Other disclosures

## Annual General Meeting 2022

The annual general meeting of shareholders in Truecaller was held Tuesday, 24 May 2022 in Stockholm. The resolutions passed by the meeting included:

- Adoption of the income statement and balance sheet
- That no distribution of profits would be carried out for 2021
- Reelection of the entire board of directors
- Authorization of the board of directors to decide on new issues of Class B shares corresponding to a maximum dilution of 10 percent
- Authorization of the board of directors to buy back Class B shares corresponding to a maximum of 5 percent of the total number of shares
- Establishment of a long-term incentive program (LTIP 2022), consisting of a long-term share ownership program and two stock option programs. See Note 6 for more information.

The complete year-end report and detailed information about the annual general meeting is available online at [corporate.truecaller.com](https://corporate.truecaller.com).

## Risks and uncertainties

Like all companies, Truecaller is exposed to various types of risk in the course of business. These include risks related to currency movements, dependence upon certain strategic partners, the general economic trend and developments in the financial market, technical progress, dependence on key individuals, legal risks and risks associated with personal privacy, as well as tax risks and political risks. Risk management is an integrated component of the management of Truecaller. The risks described for the Group could also have indirect impact on the parent company. A complete description of risks and uncertainties associated with Truecaller is provided in the 2021 annual report for Truecaller AB.

## Impact of the war in Ukraine

The war in Ukraine and its global economic repercussions have had minimal impact on Truecaller's business. Truecaller's focus has been to take care of our employees from Ukraine, Russia and the Baltic countries who have family and friends in Ukraine.

## Impact of Covid-19

In the company's assessment, Truecaller will be able to operate efficiently even if there is a rise in virus transmission as is currently being seen in areas including Europe, and there is still a great need for businesses and people to communicate with each other, even in a scenario where transmission continues in India and other markets where the company has numerous users.

## Forward-looking statements

The report presents statements pertaining to matters including Truecaller's financial position and performance as well as statements on market conditions that may be forward-looking. Truecaller believes the expectations reflected in these forward-looking statements are based on reasonable assumptions. Forward-looking statements are, however, associated with risks and uncertainties and actual outcomes or consequences may differ materially from those presented here. In addition to that required under applicable law, forward-looking statements apply only on the date presented and Truecaller disclaims any obligation to update them in the light of new information or future events.

## Outlook

Truecaller does not publish forecasts.

## Parent company

Truecaller AB, CRN 559278-2774, is a Swedish public company whose registered office is in Stockholm, Sweden.

## Future reporting dates

Interim report, January-September 2022: 11 November 2022

Year-end report January-December 2022: 23 February 2023

## Contact details

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### Auditor's review

This interim report has not been reviewed by the company's auditor.

*This information constitutes insider information that Truecaller AB is required to disclose under the EU Market Abuse Regulation. The information was released for publication, through the agency of the contact persons above, on 22 July 2022 at 07.30 CEST.*



# Condensed consolidated statement of profit or loss

Amounts in SEK 000s	Note	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	2021 Jan-Dec
Operating revenue	3	480,363	240,037	878,663	424,078	1,128,888
Other income		14	-242	23	114	2,738
Work performed by the entity and capitalized		2,091	558	4,336	558	1,045
Third party fees		-106,177	-60,372	-193,227	-112,679	-272,807
Other external costs		-79,191	-42,020	-152,621	-79,267	-248,049
Employee costs		-78,646	-52,849	-137,347	-103,579	-266,752
Depreciation, amortization and impairments		-5,554	-4,072	-11,481	-8,161	-16,844
<b>EBIT (operating profit)</b>		<b>212,900</b>	<b>81,039</b>	<b>388,346</b>	<b>121,064</b>	<b>328,219</b>
Net financial income or expense		9,245	-6,318	3,866	-3,547	-28,511
<b>Profit or loss after net financial income or expense</b>		<b>222,145</b>	<b>74,721</b>	<b>392,212</b>	<b>117,517</b>	<b>299,708</b>
Tax		-49,444	62	-85,816	106	-41,398
<b>Profit for the period <sup>1)</sup></b>		<b>172,701</b>	<b>74,783</b>	<b>306,396</b>	<b>117,622</b>	<b>258,310</b>
<b>Earnings per share <sup>2)</sup></b>						
Basic earnings per share (SEK)		0.46	0.34	0.82	0.54	1.01
Diluted earnings per share (SEK)		0.46	0.21	0.82	0.33	0.72
Average number of shares before dilution <sup>3)</sup>		373,959,710	218,374,400	373,829,040	218,374,400	254,718,955
Average number of shares after dilution		374,108,866	355,806,300	374,805,085	355,806,300	357,708,466

1) The profit for the period is attributable entirely to shareholders in the parent company.

<sup>2)</sup> The extraordinary general meeting held 22 July 2021 resolved to execute a non-cash issue in which one share in True Software Scandinavia AB carried the right to subscribe for 100 shares in Truecaller AB. Payment was made through issue in kind of shares in True Software Scandinavia AB, whereby Truecaller AB also acquired True Software Scandinavia AB. Due to the increased number of shares, earnings per share from earlier periods have been adjusted downwards by adjusting the historical number of shares upwards in order to make earnings per share comparable over time.

<sup>3)</sup> In connection with Truecaller's IPO, all preference shares were converted to Class B shares, which explains the large differences in the number of shares included in "Average number of shares before dilution" in the various periods.

# Consolidated statement of comprehensive income

Amounts in SEK 000s	Note	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	2021 Jan-Dec
Profit or loss for the period		172,701	74,783	306,396	117,622	258,310
<b>Other comprehensive income for the period</b>						
<i>Items that will be reclassified to profit and loss in subsequent periods</i>						
Foreign exchange translation differences		897	1,364	595	-989	-1,529
<i>Items that will not be reclassified to profit and loss in subsequent periods</i>						
Remeasurement of defined-benefit pension plans		-	-	-	-	-89
<b>Other comprehensive income for the period</b>		<b>897</b>	<b>1,364</b>	<b>595</b>	<b>-989</b>	<b>-1,618</b>
<b>Comprehensive income for the period <sup>1)</sup></b>		<b>173,598</b>	<b>76,146</b>	<b>306,992</b>	<b>116,634</b>	<b>256,692</b>

1) The profit for the period is attributable entirely to shareholders in the parent company.

# Condensed consolidated statement of financial position

Amounts in SEK 000s	Note	2022 30 Jun	2021 30 Jun	2021 31 Dec
<b>ASSETS</b>				
<b>Non-current assets</b>				
Goodwill		34,367	-	-
Other intangible assets		16,340	731	1,350
Property, plant and equipment		1,721	1,311	1,429
Right-of-use assets		84,980	91,987	86,196
Deferred tax assets		41,261	58,388	35,077
Other non-current receivables	4	17,704	444	999
<b>Total non-current assets</b>		<b>196,373</b>	<b>152,861</b>	<b>125,051</b>
<b>Current assets</b>				
Current receivables	4	203,704	97,958	179,336
Short-term placements	4	148,553	-	150,066
Cash and cash equivalents	4	1,578,285	342,704	1,238,443
<b>Total current assets</b>		<b>1,930,542</b>	<b>440,662</b>	<b>1,567,845</b>
<b>TOTAL ASSETS</b>		<b>2,126,915</b>	<b>593,523</b>	<b>1,692,896</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity attributable to owners of the parent		1,745,931	270,702	1,411,410
<b>Total equity</b>		<b>1,745,931</b>	<b>270,702</b>	<b>1,411,410</b>
<b>Non-current liabilities</b>				
Liability arising from defined-benefit pension plans		5,111	3,285	4,538
Lease liabilities		71,848	79,070	72,393
Deferred tax liability		19,887	19,832	18,030
Other non-current liabilities	4	12,975	-	-
<b>Total non-current liabilities</b>		<b>109,821</b>	<b>102,187</b>	<b>94,961</b>
<b>Current liabilities</b>				
Liability arising from synthetic options	4	-	110,032	22,509
Lease liability		12,009	14,618	15,985
Other current liabilities	4	259,153	95,984	148,030
<b>Total current liabilities</b>		<b>271,163</b>	<b>220,634</b>	<b>186,524</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,126,915</b>	<b>593,523</b>	<b>1,692,896</b>

# Condensed consolidated statement of cash flows

Amounts in SEK 000s	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	2021 Jan-Dec
<b>Operating activities</b>					
Profit or loss after net financial income or expense	222,145	74,721	392,212	117,517	299,708
Adjustments for non-cash items	741	18,378	9,433	24,741	119,545
Income tax paid	-3,735	-	-13,858	-	-4,717
<b>Net cash from operating activities before changes in working capital</b>	<b>219,151</b>	<b>93,099</b>	<b>387,787</b>	<b>142,258</b>	<b>414,536</b>
<b>Net cash from changes in working capital</b>					
Change in operating receivables	8,531	1,392	-26,069	-18,083	-97,183
Change in operating liabilities	53,239	-1,607	40,716	22,677	63,538
<b>Net cash from operating activities</b>	<b>280,920</b>	<b>92,884</b>	<b>402,434</b>	<b>146,851</b>	<b>380,891</b>
<b>Investing activities</b>					
Acquisitions of Group companies, net effect on cash and cash equivalents	-52	-	-26,875	-	-
Purchases of property, plant and equipment	-523	-	-523	-	-351
Disposals of property, plant and equipment	-	-	-	-	-
Purchases of intangible assets	-2,985	-	-5,745	-	-1,470
Purchases of short-term investments	-	-	-	-	-150,000
Change in financial receivables	1,052	-	1,513	-	-66
<b>Net cash used in investing activities</b>	<b>-2,508</b>	<b>-</b>	<b>-31,631</b>	<b>-</b>	<b>-151,887</b>
<b>Financing activities</b>					
Share issue	-	2	-	7,789	982,904
Funds received for warrants	772	-	772	-	17,364
Repurchase of warrants	-345	-	-719	-	-
Amortization of lease liability	-4,535	-3,726	-9,683	-7,425	-15,280
Payout synthetic options	-	-	-23,140	-	-172,016
<b>Net cash from (-used in) financing activities</b>	<b>-4,108</b>	<b>-3,723</b>	<b>-32,770</b>	<b>365</b>	<b>812,972</b>
<b>Net cash flow for the period</b>	<b>274,304</b>	<b>89,161</b>	<b>338,033</b>	<b>147,215</b>	<b>1,041,976</b>
Cash and cash equivalents at the beginning of the period	1,302,180	254,374	1,238,443	195,224	195,224
Foreign exchange differences in cash and cash equivalents	1,801	-831	1,810	265	1,243
<b>Cash and cash equivalents at the end of the period</b>	<b>1,578,285</b>	<b>342,704</b>	<b>1,578,285</b>	<b>342,704</b>	<b>1,238,443</b>



# Condensed consolidated statement of changes in equity

Amounts in SEK 000s	Equity attributable to owners of the parent				
	Share capital	Other capital contributions	Reserves	Retained earnings including profit for the period	Total equity attributable to owners of the parent
<b>Opening balance at 1 Jan 2021</b>	<b>353</b>	<b>702,511</b>	<b>4,682</b>	<b>-561,612</b>	<b>145,933</b>
Profit or loss for the period	-	-	-	117,622	117,622
Other comprehensive income for the period	-	-	-989	-	-989
<b>Comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-989</b>	<b>117,622</b>	<b>116,634</b>
<i>Transactions with owners of the Group</i>					
Share issue after transaction costs	2	7,789	-	-	7,791
Share-based payment	-	-	-	344	344
<b>Total</b>	<b>2</b>	<b>7,789</b>	<b>-</b>	<b>344</b>	<b>8,134</b>
<b>Closing balance at 30 June 2021</b>	<b>355</b>	<b>710,300</b>	<b>3,693</b>	<b>-443,645</b>	<b>270,702</b>
<b>Opening balance at 1 Jan 2022</b>	<b>747</b>	<b>1,707,864</b>	<b>3,153</b>	<b>-300,354</b>	<b>1,411,410</b>
Profit or loss for the period	-	-	-	306,396	306,396
Other comprehensive income for the period	-	-	595	-	595
<b>Comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>595</b>	<b>306,396</b>	<b>306,992</b>
<i>Transactions with owners of the Group</i>					
Share issue	1	-	-	18,152	18,153
Warrants	-	53	-	-	53
Share-based payment	-	-	-	9,324	9,324
<b>Total</b>	<b>1</b>	<b>53</b>	<b>-</b>	<b>27,475</b>	<b>27,529</b>
<b>Closing balance at 30 June 2022</b>	<b>748</b>	<b>1,707,918</b>	<b>3,748</b>	<b>33,517</b>	<b>1,745,931</b>

# Condensed parent company income statement

Amounts in SEK 000s	Note	2022 Apr-Jun	2021 Apr-Jun <sup>1)</sup>	2022 Jan-Jun	2021 Jan-Jun <sup>1)</sup>	2021 Jan-Dec <sup>1)</sup>
Operating revenue		1,827	-	2,860	-	1,318
Other external costs		-3,745	-	-6,751	-	-52,446
Employee costs		-2,898	-	-4,595	-	-2,752
<b>EBIT (operating profit)</b>		<b>-4,816</b>	<b>-</b>	<b>-8,486</b>	<b>-</b>	<b>-53,880</b>
Net financial income or expense		-2,340	-	-4,085	-	-1,733
<b>Profit or loss before tax</b>		<b>-7,155</b>	<b>-</b>	<b>-12,571</b>	<b>-</b>	<b>-55,613</b>
Tax		1,473	-	2,589	-	11,456
<b>Profit or loss for the period</b>		<b>-5,682</b>	<b>-</b>	<b>-9,982</b>	<b>-</b>	<b>-44,157</b>

<sup>1)</sup> Truecaller AB became the parent company of the Group in the third quarter of 2021. Until that point, it was a dormant shelf company and comparative figures are not yet relevant due to the change in Truecaller AB's operations.

# Condensed parent company balance sheet

Amounts in SEK 000s	Note	2022 30 Jun	2021 30 Jun <sup>1)</sup>	2021 31 Dec
<b>ASSETS</b>				
<b>Non-current assets</b>				
Investments in Group companies		10,247,177	-	10,182,046
Deferred tax assets		19,114	-	16,582
<b>Total non-current assets</b>		<b>10,266,291</b>	<b>-</b>	<b>10,198,628</b>
<b>Current assets</b>				
Current receivables		14,385	25	16,132
Receivables from Group companies		4,575	-	650
Short-term placements		148,553	-	150,066
Cash and cash equivalents		721,642	-	830,776
<b>Total current assets</b>		<b>889,155</b>	<b>25</b>	<b>997,624</b>
<b>TOTAL ASSETS</b>		<b>11,155,446</b>	<b>25</b>	<b>11,196,252</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity and liabilities</b>				
Equity		11,150,759	25	11,135,495
Liabilities to Group companies		74	-	31,509
Current liabilities		4,614	-	29,249
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>11,155,446</b>	<b>25</b>	<b>11,196,252</b>

<sup>1)</sup> Truecaller AB became the parent company of the Group in the third quarter of 2021. Until that point, it was a dormant shelf company and comparative figures are not yet relevant due to the change in Truecaller AB's operations.

# Notes

## Note 1. Significant accounting policies

This interim report covers the Swedish parent company Truecaller AB ("Truecaller"), company registration number 559278-2774, and its subsidiaries. The principal business of the Group is to develop and publish software, primarily mobile Caller ID applications, under the Truecaller brand. The parent is a limited liability company registered and domiciled in Stockholm, Sweden. The address of the head office is Mäster Samuelsgatan 56, 111 21 Stockholm, Sweden.

Truecaller restructured the Group in 2021, whereby the former parent company, True Software Scandinavia AB, became a wholly owned subsidiary of the new parent, Truecaller AB. Truecaller AB was previously a dormant shelf company. The restructuring was accomplished through a non-cash issue directed at shareholders in True Software Scandinavia AB, who retained their relative ownership interests in Truecaller AB. The newly formed Group is a direct continuation of the True Software Scandinavia Group and Truecaller has thus assumed the

financial history of the True Software Scandinavia Group unencumbered.

Truecaller applies International Financial Reporting Standards (IFRS), as adopted by the EU. The interim report for the Group was prepared in compliance with IAS 34 Interim Financial Reporting and applicable sections of the Swedish Annual Accounts Act (1995:1554). Disclosures according to IAS 34 are provided in other parts of the interim report, in addition to the financial statements. The interim report for the parent company was prepared in accordance with the Annual Accounts Act, Chapter 9 Interim Financial Reporting, and recommendation RFR 2 Accounting of Legal Entities issued by the Swedish Financial Accounting Standards Council. The accounting principles, basis for measurement and estimates and judgements applied to the interim report for the Group and the parent are identical to those applied in Truecaller's annual report. Accordingly, refer to the most recently published annual report for a description of applied accounting policies.

## Note 2. Key judgements and estimates

Preparation of the interim report requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the recognized amounts of assets, liabilities, revenues and costs. Actual

outcomes may differ from these judgements and estimates. The key judgements and sources of estimation uncertainty are unchanged from those described in the most recently published annual report.

## Note 3. Revenue from contracts with customers

### DISTRIBUTION OF REVENUE FROM CONTRACTS WITH CUSTOMERS

Amounts in SEK 000s	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	2021 Jan-Dec
<b>Geographical region</b>					
India	378,741	164,623	675,413	289,866	787,120
Middle East and Africa	55,860	40,517	112,211	71,711	184,114
Rest of the world	45,762	34,897	91,039	62,500	157,654
<b>Revenue from contracts with customers</b>	<b>480,363</b>	<b>240,037</b>	<b>878,663</b>	<b>424,078</b>	<b>1,128,888</b>

The geographical distribution is based on where the customer has their mobile subscription.

Amounts in SEK 000s	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	2021 Jan-Dec
<b>Type of service</b>					



Advertising revenues	414,247	198,837	753,202	344,339	948,925
User revenues	41,391	34,498	80,274	68,453	138,985
Other income	24,725	6,702	45,187	11,286	40,978
<b>Revenue from contracts with customers</b>	<b>480,363</b>	<b>240,037</b>	<b>878,663</b>	<b>424,078</b>	<b>1,128,888</b>

## Note 4. Financial instruments

### Measurement of financial assets and liabilities at 30 June 2022

<b>FINANCIAL ASSETS</b>	Financial assets measured at fair value through profit or loss	Financial assets measured at amortized cost	Total carrying amount
Other non-current receivables	-	17,704	17,704
Claims on advertising networks and platform owners	-	97,222	97,222
Trade receivables	-	40,159	40,159
Short-term placements	148,553	-	148,553
Cash and cash equivalents	-	1,578,285	1,578,285
<b>Total</b>	<b>148,553</b>	<b>1,733,371</b>	<b>1,881,924</b>
<b>FINANCIAL LIABILITIES</b>			
Trade payables	-	38,129	38,129
Conditional consideration (earnout)	17,998	-	17,998
<b>Total</b>	<b>17,998</b>	<b>38,129</b>	<b>56,127</b>

### Measurement of financial assets and liabilities at 30 June 2021

<b>FINANCIAL ASSETS</b>	Financial assets measured at fair value through profit or loss	Financial assets measured at amortized cost	Total carrying amount
Other non-current receivables	-	444	444
Claims on advertising networks and platform owners	-	69,031	69,031
Trade receivables	-	9,854	9,854
Cash and cash equivalents	-	342,704	342,704
<b>Total</b>	<b>-</b>	<b>422,034</b>	<b>422,034</b>
<b>FINANCIAL LIABILITIES</b>			
Liability arising from synthetic options	110,032	-	110,032
Trade payables	-	29,670	29,670
<b>Total</b>	<b>110,032</b>	<b>29,670</b>	<b>139,702</b>

### Measurement of financial assets and liabilities at 31 December 2021

<b>FINANCIAL ASSETS</b>	Financial assets measured at fair value through profit or loss	Financial assets measured at amortized cost	Total carrying amount
Other non-current receivables	-	999	999
Claims on advertising networks and platform owners	-	100,353	100,353
Trade receivables	-	31,160	31,160
Short-term placements	150,066	-	150,066
Cash and cash equivalents	-	1,238,433	1,238,433
<b>Total</b>	<b>150,066</b>	<b>1,370,954</b>	<b>1,521,020</b>

#### FINANCIAL LIABILITIES

Liability arising from synthetic options	22,509	-	22,509
Trade payables	-	39,544	39,544
<b>Total</b>	<b>22,509</b>	<b>39,544</b>	<b>62,053</b>

The carrying amount is considered a good estimate of the fair value of current receivables and liabilities, such as claims on advertising networks and platform owners, trade receivables and trade payables. The maximum credit risk of the assets comprises the net amounts of the carrying amounts shown in the table above.

The Group has short-term placements, liability arising from synthetic options and conditional consideration (earnouts) that are measured at fair value through profit or loss. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement methods are classified in a hierarchy consisting of three levels defined as follows:

- Level 1 Quoted prices in active markets
- Level 2 Inputs other than quoted prices that are observable directly (prices) or indirectly (derived from prices)
- Level 3 Non-observable market data

There were no transfers between the levels during the period. The Group has no financial assets or liabilities that have been offset in the accounts or which are covered by a legally binding netting agreement.

#### Short-term placements

Truecaller has SEK 150 million placed in short-term fixed income funds. The fair value of the holding is determined by using market prices on the reporting date according to Level 1. The effect of the measurement at fair value is recognized in profit or loss. The adjustment to the fair value of these instruments is reflected directly in "Short-term placements" in the statement of financial position.

<b>Short-term placements</b>	2022 Jan-Jun	2021 Jan-Jun	2021 Jan-Dec
Opening balance at 1 January	150,066	-	-
Investment in short-term placements	-	-	150,000
Change in value recognized in profit and loss	-1,513	-	66
<b>Closing balance</b>	<b>148,553</b>	<b>-</b>	<b>150,066</b>

#### Conditional consideration (earnout)

Conditional consideration is categorized at level 3 of the fair value hierarchy. The fair value of conditional consideration is calculated by discounting future cash flows by a risk-adjusted discount rate. The conditional consideration for CallHero has been classified as a current and non-current liability.

<b>Conditional consideration (earnout)</b>	2022 Jan-Jun	2021 Jan-Jun	2021 Jan-Dec
Opening balance at 1 January	-	-	-
Cost	16,785	-	-
Change in value recognized in profit and loss	1,213	-	-
<b>Closing balance</b>	<b>17,998</b>	<b>-</b>	<b>-</b>

#### Liability arising from synthetic options

In connection with the acquisition of Backwater Technologies Private Limited in 2019, Truecaller entered into an option agreement with the former owners of the acquired company. The measurement was at level 3 of the fair value hierarchy and the outcome of the liability has been dependent upon whether the vesting conditions were met and Truecaller's share price, which consisted of non-observable inputs.

The liability has been recognized as a separate item on the statement of financial position and measured at fair value through profit or loss as an employee cost and in net financial income and expenses. The debt was settled in its entirety in January 2022 and there will be no further costs attributable to the synthetic options.

<b>Liability arising from synthetic options</b>	2022 Jan-Jun	2021 Jan-Jun	2021 Jan-Dec
Opening balance at 1 January	22,509	91,019	91,019
Paid	-23,140	-	-172,016
Change in value recognized in profit and loss	631	19,013	103,506
<b>Closing balance</b>	<b>-</b>	<b>110,032</b>	<b>22,509</b>

## Note 5. Related party transactions

Nothing to report

## Note 6. Incentive programs

Shareholders at the annual general meeting held 24 May 2022 endorsed the board's proposal regarding an incentive program directed at key management personnel, key individuals and employees of the Truecaller Group. The incentive program comprises a maximum of 500,000 warrants and a maximum of 5,100,000 performance-based share rights.

Participants buy the warrants at market value and the price per warrant (the warrant premium) is calculated using the Black & Scholes valuation model.

Performance-based share rights give participants the right to receive Class B shares in the company against no monetary consideration after the fixed vesting period has ended, provided that participants remained employed by the company during the vesting period and that certain specific performance targets were met by Truecaller regarding revenue growth and adjusted EBITDA. The Group applies IFRS 2 Share-based Payment to performance-based share rights, where the cost is measured at fair value and allocated over the term of the program and recognized in equity. The Group recognizes a reserve for accrued social insurance costs for the program based on the estimated benefit value for participants. Approximately 57% of the program is included in the reserve due to local differences.

The Group has a previously implemented incentive program, LTIP 2021. Refer to the 2021 annual report for detailed information about the program.

<b>Costs of LTIP 21 and LTIP 22, SEKm</b>	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	2021 Jan-Dec
Cost of vested warrants per IFRS 2	5.9	-	9.4	-	2.9
Social insurance contributions	1.0	-	1.0	-	-
<b>Costs of LTIP 21 and LTIP 22</b>	<b>6.9</b>	<b>-</b>	<b>10.4</b>	<b>-</b>	<b>2.9</b>

## Note 7. Events after the reporting date

Nothing to report.

# Assurance

**The CEO and the Board of Directors hereby certify that the interim report provides a true and fair view of the operations, position and earnings of the parent company and the Group and describes the material risks and uncertainties faced by the parent company and the companies included in the Group.**

Stockholm, 22 July 2022

Bing Gordon  
Board Chair

Alan Mamedi  
Director and CEO

Annika Poutiainen  
Director

Helena Svancar  
Director

Nami Zarringhalam  
Director

Shailesh Lakhani  
Director

# Alternative performance measures

In accordance with ESMA (European Securities and Markets Authority) Guidelines on Alternative Performance Measures, the definition and reconciliation of alternative performance measures used by Truecaller are presented here. The guidelines entail additional disclosures regarding financial measures not defined under IFRS. The performance measures shown below are presented in the interim report. They are used for the purposes of internal control and monitoring. As all companies do not calculate financial measures in the same way, these measures are not always comparable to measures used by other companies. The following measures are measures used by Truecaller to clarify the company's performance and simplify evaluation for users of the company's financial reports.

Key performance measurements	Definition	Purpose
Gross profit	Net sales minus brokerage costs.	Gross profit is used to analyze profit minus direct costs (costs related directly to brokerage of ad space and the costs to onboard 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	EBIT before interest, taxes, depreciation and amortization (EBITDA) and adjusted for items affecting comparability. Items affecting comparability consist of costs related to the IPO and synthetic options from the acquisition of Backwater Technologies.	Adjusted EBITDA is a measurement Truecaller uses to show how current operations develop over time.
Adjusted EBITDA margin	Adjusted EBITDA as a percentage of net sales.	Adjusted EBIT margin is used to illustrate the profitability of current operations excluding items affecting comparability and before amortization.
EBIT (operating profit)	Operating profit (earnings) before interest and taxes	EBIT is used to analyze the profit generated by the operating entity.
EBIT margin	EBIT as a percentage of net sales.	The EBIT margin is used to illustrate the profitability of current operations.
Adjusted EBIT	Operating profit (earnings) before interest and taxes (EBIT) and adjusted for items affecting comparability. Items affecting comparability consist of costs related to the IPO and synthetic options from the acquisition of Backwater Technologies.	Adjusted EBIT is used to analyze the profit generated by the operating entity, adjusted for items affecting comparability.
Adjusted EBIT margin	Adjusted EBIT as a percentage of net sales.	The adjusted EBIT margin is used to illustrate the profitability of current operations adjusted for items affecting comparability.
OPEX (operating expense)	OPEX illustrates the other external costs of the business that are not directly attributable to acquisition of revenues, as well as employee costs.	Truecaller uses OPEX to clarify the costs required for the ongoing maintenance of the company's services.
Debt to equity ratio	Equity divided by total assets.	A measure to illustrate financial risk, expressed as the percentage of total assets financed by shareholders' equity.
Monthly Active Users (MAU)	The number of users that have a Truecaller profile and are active on the platform on a monthly basis. Calculated as an average of all days in the period.	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. Calculated as an average of all days in the period.	Used to illustrate the volume of active users of Truecaller's services.



Cost per thousand impressions (CPM)

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 recurring paying user (Truecaller Premium)

Used to illustrate how revenues per user develop over time.

## RECONCILIATION OF SELECTED KEY FIGURES, NON-IFRS MEASUREMENTS

Group, SEK 000s	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	2021 Jan-Dec
<b>Gross profit and gross margin</b>					
Net sales	480,363	240,037	878,663	424,078	1,128,888
Minus brokerage costs	-106,177	-60,372	-193,227	-112,679	-272,807
<b>Gross profit</b>	<b>374,186</b>	<b>179,665</b>	<b>685,436</b>	<b>311,399</b>	<b>856,081</b>
Divided by net sales	480,363	240,037	878,663	424,078	1,128,888
<b>Gross margin</b>	<b>77.9%</b>	<b>74.8%</b>	<b>78.0%</b>	<b>73.4%</b>	<b>75.8%</b>

### Adjusted EBITDA and Adjusted EBITDA margin

Profit before tax	222,145	74,721	392,212	117,517	299,708
Excluding net financial income or expense	-9,245	6,318	-3,866	3,547	28,511
Excluding depreciation, amortization and impairments	5,554	4,072	11,481	8,161	16,844
<b>EBITDA</b>	<b>218,454</b>	<b>85,112</b>	<b>399,828</b>	<b>129,225</b>	<b>345,063</b>
Excluding items affecting comparability	-	19,287	-	29,404	127,443
<b>Adjusted EBITDA</b>	<b>218,454</b>	<b>104,399</b>	<b>399,828</b>	<b>158,629</b>	<b>472,506</b>
Divided by total net sales	480,363	240,037	878,663	424,078	1,128,888
<b>Adjusted EBITDA margin</b>	<b>45.5%</b>	<b>43.5%</b>	<b>45.5%</b>	<b>37.4%</b>	<b>41.9%</b>

### EBIT (operating profit) and EBIT margin

Profit before tax	222,145	74,721	392,212	117,517	299,708
Excluding net financial income or expense	-9,245	6,318	-3,866	3,547	28,511
<b>EBIT (operating profit)</b>	<b>212,900</b>	<b>81,039</b>	<b>388,346</b>	<b>121,064</b>	<b>328,219</b>
Divided by total net sales	480,363	240,037	878,663	424,078	1,128,888
<b>EBIT margin</b>	<b>44.3%</b>	<b>33.8%</b>	<b>44.2%</b>	<b>28.5%</b>	<b>29.1%</b>

### Adjusted EBIT and Adjusted EBIT margin

EBIT (operating profit)	212,900	81,039	388,346	121,064	328,219
Excluding items affecting comparability	-	19,287	-	29,404	127,443
<b>Adjusted EBIT</b>	<b>212,900</b>	<b>100,326</b>	<b>388,346</b>	<b>150,468</b>	<b>455,662</b>
Divided by total net sales	480,363	240,037	878,663	424,078	1,128,888
<b>Adjusted EBIT margin</b>	<b>44.3%</b>	<b>41.8%</b>	<b>44.2%</b>	<b>35.5%</b>	<b>40.4%</b>

**Debt to equity ratio**

Total equity	1,745,931	270,702	1,745,931	270,702	1,411,410
Divided by total assets	2,126,915	593,523	2,126,915	593,523	1,692,896
<b>Debt to equity ratio</b>	<b>82.1%</b>	<b>45.6%</b>	<b>82.1%</b>	<b>45.6%</b>	<b>83.4%</b>

## Adjustment of definitions of KPIs

Minor adjustments to definitions and calculation methods were made in the interim report for January-March 2022 for the key performance indicators of Monthly Active Users (MAU), Daily Active Users (DAU), Cost per thousand impressions (CPM) and Average Revenue per Paying User (ARPU). The adjustments were made to further improve and refine the ability to analyze Truecaller's operations. The historical comparative figures have been recalculated.

MAU refers to the number of users who use the app and are active on a monthly basis and DAW refers to the number of users who use the app and are active on the platform on a daily basis. MAU and DAU are now calculated as the quarterly average, with all days in the quarter included in the calculation (the average was previously calculated based on the last 7 days of each month).

	2021 Oct-Dec	2021 Jul-Sep	2021 Apr-Jun	2021 Jan-Mar	2020 Oct-Dec	2020 Jul-Sep	2020 Apr-Jun	2020 Jan-Mar	2021 Jan-Dec
MAU (new definition)	299.9	291.1	279.6	271.4	260.6	242.8	227.2	222.9	285.6
MAU (previous definition)	301.2	292.1	278.1	270.3	259.3	242.9	226.0	222.1	285.4
DAU (new definition)	237.5	227.2	218.2	210.9	200.8	188.3	176.9	172.6	223.5
DAU (previous definition)	238.8	228.6	219.1	211.8	201.4	190.4	177.8	173.9	224.6

CPM refers to the cost of displaying one ad one thousand times. Free ads (for charitable purposes, for example), which were included in the calculation of CPM according to the previous definition, have now been excluded.

	2021 Oct-Dec	2021 Jul-Sep	2021 Apr-Jun	2021 Jan-Mar	2020 Oct-Dec	2020 Jul-Sep	2020 Apr-Jun	2020 Jan-Mar	2021 Jan-Dec
CPM (new definition)	1.34	1.18	1.05	0.89	1.24	1.28	0.94	1.50	1.14
CPM (previous definition)	1.34	1.13	0.99	0.87	1.14	1.28	0.89	1.48	1.11

ARPU is now calculated as average revenue per recurring premium user (one-time purchases have been excluded).

	2021 Oct-Dec	2021 Jul-Sep	2021 Apr-Jun	2021 Jan-Mar	2021 Jan-Dec
ARPU (new definition)	8.20	8.29	7.56	7.39	7.85
ARPU (previous definition)	8.43	8.82	8.11	7.84	8.29