



INTERIM REPORT

January–March 2024

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 2024

January–March 2024 (Q1)

Comparative figures refer to January–March 2023

- **Net sales** increased by 10 percent to SEK 427.2m (387.1).
- **EBITDA** amounted to SEK 151.0m (150.0), corresponding to an EBITDA margin of 35.4 (38.8) percent. Excluding the costs of incentive programs, EBITDA would have been SEK 162.3m (161.1), equivalent to an EBITDA margin of 38.0 (41.6) percent.
- **Profit after tax** increased with 22 percent and amounted to SEK 133.0m (109.1).
- **Earnings per share** increased by 27 percent and were SEK 0.38 (0.30) and diluted earnings per share were SEK 0.38 (0.30).
- **The average number of active users** (MAU) increased by 39.0 million to approximately 383.4 million (344.4).
- **Net sales** increased by 8 percent in India, by 9 percent in the Middle East and Africa and by 24 percent in the rest of the world.
- **Truecaller's board of Directors** introduced a dividend policy saying that 25 percent of net profit after tax should be distributed as a dividend.
- **For the Annual General Meeting at 23rd of May Truecaller's board of Directors proposes a dividend of 1.70 SEK per share for the financial year 2023, to cancel all repurchased B-shares which is equivalent to 7.5% of the outstanding share capital and asks for a new mandate to repurchase of up to 10 percent of outstanding shares. Read more at page 13.**

FINANCIAL KEY FIGURES

	2024	2023	2023
Group, SEKm (unless otherwise stated)	Jan-Mar	Jan-Mar	Jan-Dec
Net sales	427.2	387.1	1,728.9
Gross profit	322.8	291.0	1,307.7
Gross margin (%)	75.6%	75.2%	75.6%
EBITDA	151.0	150.0	702.9
EBITDA margin (%)	35.4%	38.8%	40.7%
EBIT (operating profit)	138.0	139.8	657.7
EBIT margin (%)	32.3%	36.1%	38.0%
Profit or loss after net financial income or expense	173.5	147.0	712.3
Basic earnings per share (SEK)	0.38	0.30	1.49
Diluted earnings per share (SEK)	0.38	0.30	1.49
Equity	1,823.3	1,738.4	1,743.7
Total assets	2,204.1	2,123.5	2,160.3
Equity to assets ratio (%)	82.7%	81.9%	80.7%
Employees at the end of the period	420	400	419

Significant events during the quarter

Truecaller continued to invest in product development by launching new products and functions and by further improvements of the user experience.


- **Continued user growth.** During the quarter, the number of monthly active users (MAU) increased to 383.4 million, which was an addition of approximately 39.0 million users in comparison to the first quarter 2023. The daily active users grew with 36 million in 2024, reaching an average of 314 million during the quarter. In 2024, monthly active users increased by 23.3 million in India and by 15.7 million outside of India. MAU's and DAU's increased by a bit more than 9 million compared to the fourth quarter of 2023.
- **Truecallers growth initiatives in selected growth regions developed well.** During the first quarter the annualized growth rate in Colombia was about 50 percent, in Nigeria almost 40 percent and in Chile almost 30 percent. In US, where the strategy is focused on attracting more subscribers, income from subscriptions increased with more than 60 percent compared to the first quarter of 2023.
- **Truecallers Ad Revenues increased by 5 percent compared to the first quarter of 2023.** Contribution to growth came from increased number of users, increased engagement per user, new ad formats, improvement of the ad platform, and income from the IPL-season in cricket in India which started earlier in 2024 compared to 2023.
- **Truecaller's strategy to increase the conversion to paying users continued to show a positive development.** The number of paying users increased by 15 percent compared to the same period the previous year, exhibiting a higher growth rate than for the total number of users. More advanced features, such as the digital AI-based Truecaller Assistant and Call Recording, had a positive impact on the average price per paying user, which reached an all-time-high level during the quarter. Subscription revenues increased by 25 percent compared to the first quarter of 2023 and the development was especially strong on iOS and in markets like US, Latin America, Malaysia and India.
- **The robust growth for Truecaller for Business continued.** Overall, revenues for Truecaller for Business increased by 44 percent compared to the first quarter of 2023. The growth was driven by growth within verified business calls, business messaging, as well as revenues from the newer risk products. Demand for verified business calls remains strong, and the average revenue per customer reached a new record level during the quarter. Business Messaging increased volumes by 50 percent compared to the same quarter the previous year, and during the quarter, a new collaboration agreement was signed with Tanla, which also opens up for more CPaaS companies to use the service. The first customers were onboarded for the risk intelligence product, and revenues were reported towards the end of the quarter.

Other significant events.

- **During the quarter Truecaller bought back 2.6 million B-shares** bringing the total repurchased B-shares to 27,904,571 as of March 31. Additionally, a total of 5,600,000 C-shares were issued and repurchased to facilitate outstanding incentive programs. See note 6 for further information.

Events after the period

- **Truecaller repurchased an additional 0.7 million shares after the quarter ended** and in total 28,647,115 B-shares have been repurchased. Additionally, a total of 5,600,000 C-shares were issued and repurchased to facilitate outstanding incentive programs. The total number of shares that can be repurchased under the authorization from the 2023 Annual General Meeting amounts to 37,905,971 shares, valid until the AGM in May 2024. See note 6 for further information.
- **Truecaller's board has proposed to the shareholders' meeting on May 23 that all repurchased B-shares shall be cancelled, corresponding to approximately 7.5 percent of the outstanding capital. Truecaller's board also proposes that the annual general meeting authorizes the board to repurchase up to 10 percent of the outstanding share capital until the annual general meeting in 2025.** Read more on page 13.
- **Truecaller's board introduced a dividend policy stating that 25 percent of the year's net profit should be distributed to the shareholders and proposes a dividend of 1.70 SEK per share for the financial year 2023. The regular dividend according to the newly established dividend policy is 0.40 SEK per share, and in addition to that, the board proposes an extra dividend of 1.30 SEK per share.** Read more on page 13.



FIRST QUARTER 2024

Improved earnings and robust profitability with increased investments

Truecaller continued to grow strongly in the first quarter. We added more than nine million monthly and daily active users, and on average the number of monthly users was 383 million. Conversion of paying users continued to increase, and with the launch of more advanced premium features, the average revenue per paying user reached a new record level.

Net sales increased by 10 percent compared to the first quarter of 2023 to SEK 427,2 million (387,1). Ads, subscription and business revenue contributed to the increase. Our recurring revenue, from subscriptions and business, grew in total by 33 percent.

Our profit also improved. Earnings per share increased by 27 percent to SEK 0.38 (0.30). EBITDA increased by 1 percent to SEK 151,0 million (150,0) and the EBITDA margin was 35.4 percent (38.8).

We have seen positive results from our increased growth investments in selected markets. The investments in Nigeria and Latin America are designed to strengthen our market position and accelerate user growth. In the U.S., the strategy is mainly to grow the number of paying users. In Nigeria, Colombia and Chile, annualized user growth in the quarter amounted to between 30 and 50 percent, and in the U.S., subscription revenue rose by more than 60 percent. Average revenue per paying user in the U.S. is currently 100 times higher than the average for a free user of Truecaller globally.

Our ad revenue increased by 5 percent compared to the first quarter of 2023. Although the quarter started off slow, revenues gradually improved. This uptick was driven by a higher level of user engagement with the Truecaller app and an increased availability of ad space within the app. While overall ad demand remains subdued, the timing of events like the Indian Premier League (IPL) cricket tournament, which began in the first quarter of 2024 as opposed to 2023, also contributed positively to this quarter's performance. Our expectation is that income from the full IPL season will be significantly lower in 2024 compared to 2023, with revenue evenly distributed between Q1 and Q2. This is in contrast to last year, when the majority of IPL-related income was almost entirely recorded in Q2.

In the long term, we see an opportunity to introduce more engaging ad formats in the product such as video to all our users which would broaden our ads business further. As a first step this requires that we increase the number of app interactions per user by improving the user experience and building further value into the product. Small but meaningful improvements make a difference, and this has been a major focus internally since last year. The number of app interactions from our daily engaged users has until today increased by more than 50 percent compared to the first quarter in 2023. This work is progressing and the next step is to test our new video format in the coming quarters before we scale up.

Revenue from paying subscribers increased by 25 percent and the number of paying users grew by 15 percent compared to the first quarter of 2023. Our AI-driven communication services continue to contribute positively to both conversion and average price per paying user. Among the launches during the quarter was Call Recording in India, and in coming quarters we have more exciting new services to introduce. The focus is on among other things strengthening fraud protection for users. We are positive about further increasing the conversion and the average price per paying user.

Truecaller for Business (TfB) continued to perform strongly and the number of verified companies is growing at a solid pace. Average revenue per customer was record high in the quarter and we see good opportunities to raise the price of this very popular product going forward. In total, TfB revenue increased by 44 percent to SEK 49.6 million (34.4) with contributions coming from Verified Business calls, business messaging, and the recently launched risk intelligence product.

”The need for Truecaller globally is greater than ever. I am proud to say that the number of users grew by almost the size of Sweden’s population in a single quarter.”

Truecaller is a company with high profitability, strong cash flow, and a balance sheet with no financial debt. Our profitability enables us to finance both further growth investments and earnings distributions to our shareholders in the form of share repurchases and dividends. We have since the end of September 2022 repurchased shares for just under SEK 1 billion, corresponding to 7.5 percent of the outstanding share capital, which we have financed in its entirety with our cash flow from operating activities. Against this backdrop we have decided to introduce a dividend policy of 25 percent of the annual profit, combined with an extra dividend for 2023. The proposal to the annual general meeting at the end of May is to distribute a total of SEK 1.70 per share. Provided that the annual general meeting resolves to pay a dividend, this would mean that Truecaller's cash at hand and short-term investments will be reduced to approximately SEK 1 billion. The board of directors is also proposing that the shares repurchased so far, corresponding to 7.5 percent of the share capital, be canceled. In return, the board is asking for a new mandate to repurchase an additional 10 percent of the outstanding shares after the shareholders' meeting.

The need for Truecaller globally is greater than ever. I am proud to say that the number of users grew by almost the size of Sweden's population in a single quarter. I look forward to continuing to create more secure communication for even more people in the future. Financially, our goal is to achieve a balance between profitability and strong growth of recurring revenue over time. With a solid financial foundation to build on, we look forward to continuing to invest in our long-term growth initiatives at the same time that we continue to return value to our shareholders through share buybacks and dividends.

Alan Mamedi, CEO and Co-founder

Truecaller at a glance

Quarterly review, financial data

FINANCIAL KEY FIGURES

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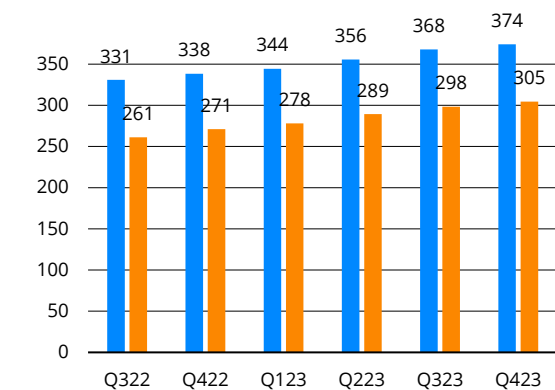
OPERATIONAL KEY FIGURES

	Total	India	Middle East & Africa	Rest of the world
January–March 2024				
Monthly Active Users (MAU), quarterly average (millions)	383.4	272.6	78.1	32.7
Daily Active Users (DAU), quarterly average (millions)	314.0	234.4	58.6	21.0
Cost per mille impressions (CPM) for ad sales (SEK)	0.75	0.65	1.28	2.70
Average monthly revenue per user (ARPU) for premium subscriptions (SEK)	9.04	5.75	9.11	15.13
January–March 2023				
Monthly Active Users (MAU), quarterly average (millions)	344.4	249.3	69.9	25.2
Daily Active Users (DAU), quarterly average (millions)	278.0	208.8	52.3	16.9
Cost per mille impressions (CPM) for ad sales (SEK)	0.94	0.84	1.37	3.15
Average monthly revenue per user (ARPU) for premium subscriptions (SEK)	8.34	4.77	10.95	13.37

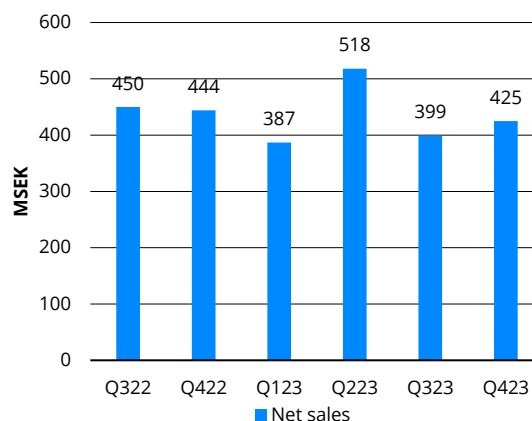
January–December 2023

Monthly Active Users (MAU), quarterly average (millions)
Daily Active Users (DAU), quarterly average (millions)
Cost per mille impressions (CPM) for ad sales (SEK)
Average monthly revenue per user (ARPU) for premium subscriptions (SEK)

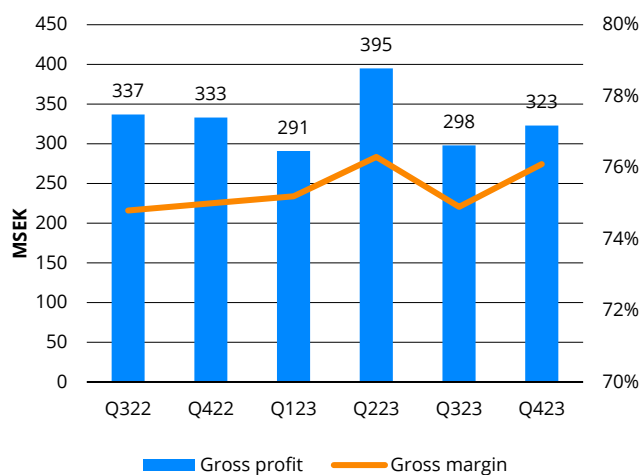
	Total	India	Middle East & Africa	Rest of the world
Monthly Active Users (MAU), quarterly average (millions)	360.6	259.0	73.3	28.9
Daily Active Users (DAU), quarterly average (millions)	292.6	218.6	55.2	18.7
Cost per mille impressions (CPM) for ad sales (SEK)	1.00	0.89	1.38	3.35
Average monthly revenue per user (ARPU) for premium subscriptions (SEK)	8.63	5.28	10.27	14.02



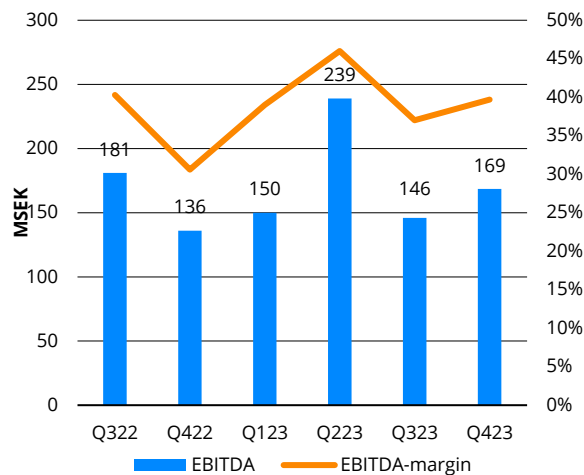
■ Monthly Active Users (MAU), avg ■ Daily Active Users (DAU), avg



■ Net sales



■ Gross profit ■ Gross margin



■ EBITDA ■ EBITDA-margin

Financial performance

First quarter 2024 (January–March)

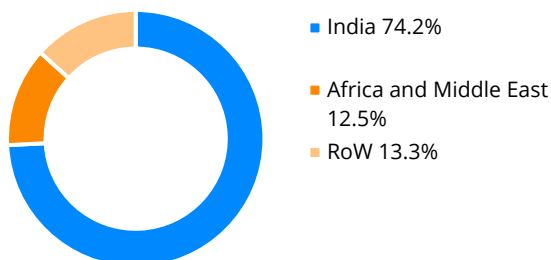
Revenues

Total revenues during the first quarter increased by 11 percent compared to the corresponding quarter last year and amounted to SEK 431.0 (388.1) million. Other income, in addition to net sales amounted to SEK 3.8 (1.0) million.

Net sales during the first quarter increased by 10 percent compared to the corresponding quarter last year and amounted to SEK 427.2 (387.1) million. All revenue streams contributed to the growth. Currency effects had a negative effect on revenues during the quarter, see Currency exposure below.

Net sales distributed by region

Net sales in India increased by 8 percent to SEK 316.8 (292.2), with 9 percent to SEK 53.5 (49.2) million in the Africa and the Middle East and by 24 percent in the rest of the world to SEK 56.8 (45.7) million. Weaker currencies in some of Truecaller's largest markets in the Middle East and Africa region had a negative impact on net sales.



Net sales distributed by service

Ad revenues increased by 5 percent to SEK 317.6 (303.9) million. A lower demand in the wake of weak global macroeconomic development and a larger supply in the Indian market resulted in lower average pricing for Truecallers ads products (CPM) which decreased by approximately 20 percent. Truecaller continues to maximize revenue per user instead of CPM or fill rates.

The number of impressions increased by almost 30 percent compared to the same period last year. Truecaller continues to enhance its ability to display ads more efficiently for users by improving the quality of ad requests and rendering capabilities (render rate). A contributing factor to number of impressions has also been increased engagement with the Truecaller-app from the user base.

Revenue from premium subscriptions increased by 25 percent to SEK 58.4 (46.5) million. The conversion rate to becoming a paid subscriber continued to improve.

Truecaller has also added more advanced features to the premium offering in the past year, which has had a positive impact on both revenue per user and the growth of paying users. The growth has been particularly strong among iOS users.

Revenue from Truecaller for Business (TfB) increased by 44 percent to SEK 49.6 (34.4) million. The number of connected customers continues to show good growth both in India and in other markets, and in total Truecaller for Business now has active customers in 37 countries. In collaboration with CPAAS company Tanla, Truecaller also sends B2C messages to Truecaller's users. The volumes of business messages have gradually increased and have also contributed to income growth.

Other income in net sales amounted to SEK 1.6 (2.3) million.

Gross profit

The gross profit increased by 11 percent to SEK 322.8 (291.0) million compared to the same period last year. The gross margin amounted to 75.6 (75.2) percent. The gross margin is mainly determined by fees to partners such as Google and Apple, and by costs for verification of new users and for servers used for the company's services.

Operating profit

EBITDA amounted to SEK 151.0 (150.0) million and the EBITDA margin amounted to 35.4 (38.8) percent.

Operating profit (EBIT) decreased somewhat to SEK 138.0 (139.8) million, corresponding to an operating margin of 32.3 (36.1) percent.

Staff costs during the quarter increased to SEK 94.9 (84.8) million. Salary costs increased as an effect of increased number of employees and the yearly salary adjustment. The group's long-term incentive program entailed a salary cost for the period of SEK 10.5 (10.6) million with a corresponding increase in equity and social security contributions of SEK 0.8 (0.4) million reported as a provision in the balance sheet. Salary costs are valued at fair value and amortized over the term of the program. The social security contributions are affected by the share price at the end of each accounting period and may therefore amount to significantly higher amounts in the future and create volatility in the income statement.

Excluding costs for incentive programs, the EBITDA margin during the quarter would have increased by 2.6 (2.9) percentage points and been 38.0 (41.6) percent. See more info in note 5.

Other external costs increased to SEK 80.7 (57.1) million compared to the same period last year. The increase in costs is mainly due to increased growth investments in several growth regions. Costs have primarily increased due to increased investments in user acquisition through digital marketing and increased expenses for agreements with phone manufacturers where the Truecaller app comes pre-installed.

Profit and earnings per share for the period

Profit before tax amounted to SEK 173.5 (147.0) million. Profit after tax for the period was SEK 133.0 (109.1) million. Net financial income amounted to SEK 35.5 (7.2) million and comprises positive exchange rate differences of SEK 10.2 (-3.0) million, an effect on result from valuation to fair value of SEK 13.4 (7.5) million, interest income of SEK 13.5 (4.1) million and other financial expenses of SEK -1.6 (-1.3) million.

The total tax amounted to SEK 40.5 (37.9) million which corresponds to an effective tax rate of 23.3 (25.8) percent for the Group.

Basic earnings per share were SEK 0.38 (0.30) and diluted earnings per share were SEK 0.38 (0.30).

Cash flow and financial position

Net cash from operating activities amounted to SEK 55.9 (80.1) million of which SEK -61.6 (-31.2) million was attributable to changes in working capital and SEK -57.7 (-46.6) million was attributable to income tax paid. Net cash from investing activities amounted to SEK -3.5 (-519.1) million and included an investment in short-term interest rate funds of SEK - (-500.0) million. Net cash used in financing activities was SEK -100.9 (-189.1) million and included purchase of treasury shares SEK -74.8 (-182.2) million and repurchase of warrants of SEK -18.2 (-) million. Net cash for the period was SEK -48.6 (-628.1) million.

Truecaller had cash and cash equivalents of SEK 591.9 (699.5) million at the end of the quarter and SEK 954.6 (907.9) million invested in short-term interest rate funds. The equity to assets ratio was 82.7 (81.9) percent.

Truecaller have a revolving credit facility of SEK 500.0 (500.0) million. SEK 0.0 (0.0) million had been utilized as of the reporting date. Consolidated total assets amounted to SEK 2,204.1 (2,123.5) million at 31 March 2024. The carrying amounts of financial assets and financial liabilities are estimated to coincide with fair value in all material respects.

Trade receivables for the Group amounted to SEK 86.2 (60.0) million and claims on advertising networks and platform owners was SEK 127.6 (93.8) million. The increase in trade receivables is attributable mainly to the increase in direct sales in the advertising business and growth in Truecaller for Business. Payment terms for the company's customers are normally 30-60 days. Recognized but unrealized customer credit losses amounted to SEK 5.3 (2.2) million as of 31 March 2024. The claims on advertising networks and platform owners is mainly linked to outstanding claims against Google and Meta.

Investments

During the first quarter of 2024, SEK 2,8 (1,1) million were capitalized as internally developed intangible assets.

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 complete information concerning currency exposure or how currency effects are managed by partners and thus cannot at present accurately quantify indirect currency exposure. A depreciation of SEK against currencies including USD and INR, however, has a positive impact on the company's sales and profit, although it also increases the company's costs. The largest currency exposures are against INR and USD. The company estimates that exchange rate changes had a negative impact on sales during the first quarter of 2024 compared to the corresponding quarter in 2023. The company's estimate is that exchange rates also had a negative effect on the EBITDA margin.

Parent company

Parent company income for the quarter amounted to SEK 1.9 (1.6) million which refers to billing of subsidiaries for services rendered. The profit before tax amounted to SEK -4.0 (1.4) million. The profit after tax amounted to SEK -3.3 (1.2) million. Cash and cash equivalents on 31 March 2024 amounted to SEK 91.4 (173.5) million. In excess to the cash and cash equivalents the parent company has SEK 400.0 (400.0) million invested in short-term interest rate funds. No investments have taken place in intangible or tangible assets. At the end of the period, 2 (2) people were employed in the parent company.

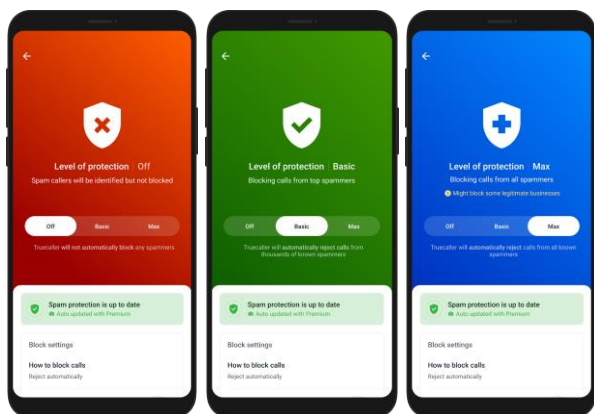
Product update

Core product enhancements for stronger fraud and spam protection

Truecaller continues to improve the core offering in order to deliver a smarter, safer, and more efficient communication experience for its users. In the first quarter, Truecaller improved data quality further by expanding its scope of partnerships with external data providers, especially in markets of strategic importance such as the US. In parallel, Truecaller continues to advance its AI and machine learning capabilities to ensure that users receive the most relevant information about unknown numbers, across business, spam, and fraudulent callers.

To give more context on communications from businesses, machine learning efforts have facilitated more precise business categorization. Leveraging calling patterns and name suggestions from user contributions, Truecaller's algorithms now assign tags to inform the user of exactly what type of business is calling. In the first quarter, this capability was expanded to cover 19 languages.

Truecaller also significantly enhanced its spam protection features in the first quarter, offering users greater control over their preferences. Android users now have the choice between basic spam protection, which automatically blocks calls from a limited number of top spammers in their region, and Max protection, a premium feature that blocks all known spammers. With the introduction of Max protection as a paid subscription offering, calls from any recognized spammer are automatically blocked, offering users a solution that saves time and reduces frustration. This enhancement builds on the ongoing development of Truecaller's AI; as the system accumulates more spam call data and user feedback, it is expected to continually improve over time.



On the fraud side, Truecaller strengthened AI-driven fraud protection for SMS, a feature introduced in early 2023 that leverages machine learning algorithms to actively identify

and flag fraudulent messages. In the first quarter, Truecaller expanded this capability through a combination of community feedback and machine learning initiatives. Utilizing a fully automated flywheel system, Truecaller detects fraudulent messages by analyzing sender signals and message patterns. By the end of the quarter, Truecaller was sending over nine million fraud alerts on a daily basis with an accuracy rate of 99%, and the number of users protected from SMS fraud through this feature grew 13X compared to the previous quarter.

User experience improvements across platforms and devices

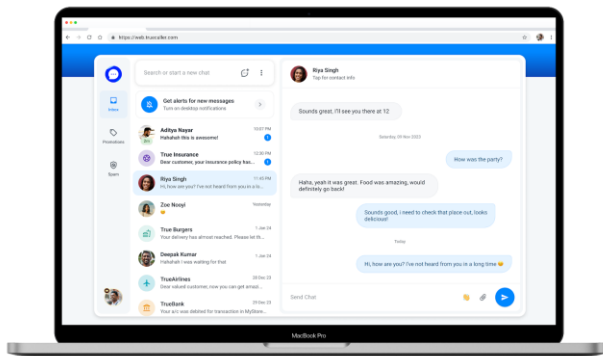
Truecaller continues to enhance the overall experience by delivering product and performance improvements for even greater convenience for users, and in the first quarter in-app engagement grew by 19%. Among these enhancements were improvements to managing contacts, which not only streamlined the flow, but also introduced a simpler method for users to contribute suggested names, fostering a new channel for community feedback. Truecaller continued refining such feedback mechanisms on both Android and iOS platforms, making it easier for users to contribute in the form of spam reports, fraud alerts, survey responses, and more. By the end of the first quarter, over 20% of users were actively contributing insights.

Other improvements enable greater efficiency and convenience for users. For iPhone users in the US, SMS filtering was optimized using machine learning to more accurately sort messages into relevant inboxes (e.g., junk, coupons, etc.). These optimizations, implemented locally on the user's device, ensure complete privacy protection while improving algorithmic accuracy, ensuring messages are correctly sorted.

Truecaller also achieved a significant milestone, continuing to extend its service beyond mobile devices. Launched at the end of the first quarter, Truecaller for Web expands the app's features to desktop users, offering SMS and chat, call alerts, and number search functionalities. Truecaller Android users globally can now link their devices, bridging the gap between mobile and desktop communication preferences. This not only enhances user convenience but also opens up opportunities for additional features, business integration and other use cases.

Truecaller continued leveraging machine learning to elevate user experience by expanding its applications beyond caller ID and spam detection. The rollout of ZipZip, Truecaller's AI chatbot that manages support errands, was launched for desktop in the previous quarter, and in the

first quarter it was expanded for use on Android and iOS. With the ability to respond to customer questions in over 50 languages and continually improving its capabilities through machine learning, ZipZip offers users the convenience of immediate customer support while simultaneously reducing support ticket volumes. Within one month of mobile integration, Truecaller observed a marked improvement in customer satisfaction, accompanied by a notable decline in support tickets from users across mobile platforms by 25%.



At the end of the first quarter, Truecaller introduced TrueTalks, a dedicated online community serving as a global hub for Truecaller users. This platform fosters connections among users, provides insights from the Truecaller team, offers early access to new features and updates, and enables direct user influence on future product developments through suggestions and feedback.

Unlocking revenue potential on iPhone and Premium offerings

On iPhone, the company continues to focus on driving revenue growth across both free and paid versions of the app, converting more users into subscribers while finding innovative ways to monetize free users more effectively. One key avenue for revenue growth is the introduction of more engaging ad inventory throughout the app, which continued to scale well. Advertising revenue from iPhone users witnessed substantial growth in the first quarter, increasing by almost 200% compared to the same period last year. Truecaller continues to explore additional opportunities to monetize the free offering on the iPhone app without compromising user experience. On the subscriptions front, targeted initiatives aimed at converting iPhone users into paid subscribers have yielded positive results. These efforts have led to significant growth in both subscribers and recurring revenues from the iOS platform across markets. Revenue from iPhone subscribers in the US demonstrated particularly good performance, growing by 100% year on year. As the share of iPhone users continues to expand, Truecaller remains committed to investing in product enhancements on the platform to deliver the best search and Caller ID experience globally.

Consumer subscriptions more broadly continue to demonstrate robust growth, with year-on-year increases in revenue and subscriber, at 25% and 15% respectively, across both iPhone and Android. The growth of paying users continues to outpace the overall user base, underscoring the increasing relevance of the Premium experience as Truecaller's offerings evolve. Truecaller continues to develop new packages and refine existing Premium offerings; the introduction of the aforementioned Max spam protection, for example, has shown strong conversion potential, with the average daily new subscribers increasing by 40% from this sales funnel since its launch.

Truecaller's investments in Call Recording and Assistant, powered by cloud telephony technology, continue to bear fruit. Call Recording, enriched with voice-to-text transcriptions and LLM-facilitated summaries, saw further enhancements during the quarter, including support for more languages and expansion into seven additional markets, including India, which demonstrated strong early adoption. The Assistant offering also demonstrated positive developments in product localization, revenue growth, and subscriber retention, with the latter witnessing remarkable growth from 40% to 70% on Android since its launch. New offerings leveraging cloud telephony technology are in development, harnessing cloud telephony technology to tackle a range of communication challenges, including combating fraudulent activities. With a focus on leveraging AI to address various forms of fraud, these upcoming offerings aim to enhance user security by detecting suspicious communication.



Further investments in advertising capabilities

Truecaller continues to enhance its advertising capabilities through strategic investments spanning across the supply, demand, and AdTech areas.

On the supply side, Truecaller has introduced new ad formats aimed at monetizing user attention while better serving advertiser objectives across the funnel. These

formats include mobile rich media ad interface definitions (MRAID) compatible rich media and video, tailored for top-of-the-funnel objectives such as branding and awareness. Additionally, ad units like carousels, microsites, and suggested apps are being optimized to drive enhanced ROI on performance objectives. The adoption of these formats by advertisers and their initial performance results have been promising, setting the stage for further scalability. Foundational metrics such as ad request efficiency, render rate, viewability, and ad engagement—critical to monetization efforts—continue to demonstrate incremental gains. These improvements not only bolster Truecaller's ability to monetize each user interaction effectively but also enhance advertiser ROI on their advertising spends. The enhancements in inventory quality have garnered recognition from Pixelate, a prominent publisher measurement platform, which ranked Truecaller as the top Google Play Store app for Open Programmatic advertising in the EMEA market in February 2024. On the iOS side, monetization efforts have outpaced the growth in iOS users and engagement, driven by high CPM ad formats and markets with higher ARPU. Demand from the ongoing IPL season demonstrated the potential of these supply-side changes when the market recovers.

On the demand side, Truecaller continues to execute its two-pronged strategy, leveraging both direct sales and third party programmatic partners to enhance access to demand. The first quarter witnessed a record number of third party programmatic partners integrated into Truecaller's ad stack, encompassing global and regional AdTech players. This effort is poised to catalyze demand for the billions of ads opportunities generated daily in India and other global markets. Simultaneously, direct sales initiatives are advancing, forging stronger relationships with advertisers and agencies to augment access to demand. Such progress is facilitated by the expansion of Truecaller's product offerings and use cases, catering to diverse advertiser needs and scenarios.

Investments in AdTech drive the development of supply and demand side capabilities aimed at achieving revenue objectives. A flexible integration path for programmatic partners, improved auction orchestration, and efficient traffic channeling continued to propel third-party programmatic demand scale up through Truecaller's in-house ad server. Enhanced features such as pacing and targeting, a wider variety of ad formats, first-party data refinement, and improved collaboration with ecosystem partners such as mobile measurement partner solutions further enhance direct advertiser offerings, strengthening Truecaller's position as a full stack advertising solution.

Continued enterprise expansion and product development

Truecaller for Business (TfB) continued to demonstrate strong revenue growth, primarily driven by healthy demand for the Verified Business product. In parallel, TfB's portfolio of accounts grew by 37% year on year, while the average

revenue per account also reached an all-time high, underscoring the growing significance and value proposition of Truecaller's enterprise solutions. Notably, Truecaller continues to secure larger deals and enjoys strong retention among its major accounts. The enterprise offering demonstrates a clear product-market fit within the banking and financial services sector, with an expanding customer base from various industries. Outside of India, adoption of TfB is steadily gaining traction, with prominent brands such as WOM Chile (a major telecom operator in LATAM) and Talabat Egypt (the largest food delivery brand in MENA) onboarded during the first quarter.

Truecaller's business messaging solution, delivered in partnership with leading CPaaS provider Tanla, facilitates secure, reliable, and cost-efficient distribution of messages to end customers. During the first quarter, implementation continued to scale, with over 2.3 billion messages delivered to end users on this channel — a 49% growth in volume compared to the same period last year. The company continues to enhance its business messaging capabilities, introducing rich media functionalities to the market in the first quarter. This advancement enables businesses to deliver dynamic and engaging messages, including, for example, various attachment types and customized calls to action. This lays the groundwork to drive even higher user engagement through capabilities that enable two-way communication between users and businesses.

Truecaller continues to invest strategically in product development for the enterprise offering to address the evolving needs of business customers. Truecaller's Call Management APIs, which help businesses to deliver personalized calling experiences to their end users, continue to evolve and strengthen the Verified Business experience.

Risk intelligence, Truecaller's most recently commercialized enterprise offering, is a scoring engine leveraging proprietary machine learning technology to evaluate the risk associated with phone numbers. Early business customers have already been onboarded, and the pipeline for the new product is developing well. Truecaller continues to invest in improving the service by adding analytics and more data signals to deliver even more valuable insights to business customers.

In line with its commitment to meeting the evolving needs of enterprise customers, Truecaller implemented several enhancements in the first quarter to streamline the post-sales experience. By automating processes such as reseller invoicing and subscription scheduling, Truecaller aims to empower business customers to maximize their TfB experience seamlessly. These changes underscore Truecaller's dedication to providing unparalleled support and value to its enterprise customers.

Other disclosures

Notice of Annual General Meeting

Truecaller's AGM will take place on Thursday, May 23 at 10:30 am at Truecaller's premises at Mäster Samuelsgatan 56, 6th floor. The complete notice, full proposals, and more information are available on Truecaller's website <https://corporate.truecaller.com/governance/general-meetings>.

Selection of proposals for the Annual General Meeting

The Board proposes:

- A dividend of 1.70 SEK per A-share and B-share. The record date for the dividend is proposed to be May 27, 2024. If the Annual General Meeting resolves in accordance with the proposal, the dividend is expected to be paid through Euroclear Sweden AB on May 30, 2024.
- That the Annual General Meeting authorizes the Board to decide on the issuance of new B shares, convertibles, and/or subscription warrants entitling to the subscription or conversion of B- shares. The total number of B-shares that may be issued corresponds to a dilution of a maximum of approximately ten percent of the number of issued shares after the proposed share buyback.
- That the Annual General Meeting authorizes the Board to repurchase B-shares up to the point where the company's holdings of shares, at any time, do not exceed ten (10) percent of the total number of outstanding shares in the company.
- To decide on a reduction of the share capital through a buyback of the 28,647,115 repurchased B-shares (approximately 7.5% of the outstanding share capital) and a corresponding increase in the share capital through a bonus issue.
- Decision on the introduction of incentive programs with a maximum dilution of approximately 2.4 percent of the outstanding capital.

The Nomination Committee proposes:

- Re-election of all board members except Bing Gordon, who has declined re-election to the board.

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 2023 annual report.

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

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

Financial calendar

Annual General Meeting: 23 May 2024

Interim report January-June 2024: 19 July 2024

Interim report January-September 2024: 7 November 2024

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

Contact details

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Auditor's review

This year-end report has not been reviewed by the company's auditor.

This interim report 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 7 May 2024 at 07.30 CET.

Condensed consolidated statement of profit or loss

Amounts in SEK 000s	Note	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
Net sales	3	427,188	387,064	1,728,895
Other income		1,088	21	2,598
Work performed by the entity and capitalized		2,754	1,018	8,930
Third party fees		-104,354	-96,108	-421,203
Other external costs		-80,735	-57,118	-255,209
Employee costs		-94,897	-84,830	-361,127
Depreciation, amortization and impairments		-13,018	-10,220	-45,207
EBIT (operating profit)		138,025	139,827	657,677
Net financial income or expense		35,498	7,199	54,616
Profit or loss after net financial income or expense		173,523	147,026	712,293
Tax		-40,474	-37,906	-175,960
Profit for the period ¹⁾		133,049	109,120	536,333
Earnings per share				
Basic earnings per share (SEK)		0.38	0.30	1.49
Diluted earnings per share (SEK)		0.38	0.30	1.49
Average number of shares before dilution		349,479,244	367,572,311	359,728,698
Average number of shares after dilution		349,479,244	367,572,311	359,728,698

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

Consolidated statement of comprehensive income

Amounts in SEK 000s	Note	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
Profit or loss for the period		133,049	109,120	536,333
Other comprehensive income for the period				
<i>Items that will be reclassified to profit and loss in subsequent periods</i>				
Foreign exchange translation differences		10,647	-952	-10,533
<i>Items that will not be reclassified to profit and loss in subsequent periods</i>				
Remeasurements of defined-benefit pension plans		-	-	3,140
Other comprehensive income for the period		10,647	-952	-7,393
Comprehensive income for the period ¹⁾		143,696	108,168	528,941

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	2024 31 Mar	2023 31 Mar	2023 31 Dec
ASSETS				
Non-current assets				
Goodwill		47,624	33,653	45,432
Other intangible assets		25,630	14,567	24,993
Property, plant and equipment		18,172	17,642	18,352
Right-of-use assets		121,246	136,932	118,805
Non-current financial assets	4	32,698	-	32,698
Deferred tax assets		38,772	38,022	34,878
Other non-current receivables	4	15,096	14,777	26,584
Total non-current assets		299,239	255,592	301,742
Current assets				
Current receivables	4	358,327	260,415	285,995
Short-term placements	4	954,638	907,941	941,256
Cash and cash equivalents	4	591,856	699,510	631,347
Total current assets		1,904,821	1,867,865	1,858,599
TOTAL ASSETS		2,204,060	2,123,457	2,160,340
EQUITY AND LIABILITIES				
Equity				
Equity attributable to owners of the parent		1,823,264	1,738,400	1,743,703
Total equity		1,823,264	1,738,400	1,743,703
Non-current liabilities				
Liability arising from defined-benefit pension plans		7,609	6,345	6,608
Lease liabilities		98,491	115,559	98,176
Deferred tax liability		42,923	33,532	38,731
Other non-current liabilities	4	10,497	8,568	9,150
Total non-current liabilities		159,520	164,003	152,665
Current liabilities				
Lease liability		25,586	21,820	22,763
Other current liabilities	4	195,689	199,234	241,208
Total current liabilities		221,275	221,055	263,972
TOTAL EQUITY AND LIABILITIES		2,204,060	2,123,457	2,160,340

Condensed consolidated statement of cash flows

Amounts in SEK 000s	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
Operating activities			
Profit or loss after net financial income or expense	173,523	147,026	712,293
Adjustments for non-cash items	1,670	10,935	26,047
Income tax paid	-57,717	-46,586	-213,822
Cash flow from operating activities before changes in working capital	117,475	111,374	524,519
Net cash from changes in working capital			
Change in operating receivables	-39,131	-6,616	19,066
Change in operating liabilities	-22,481	-24,623	38,377
Net cash from operating activities	55,863	80,136	581,962
Investing activities			
Acquisitions of Group companies, net effect on cash and cash equivalents	-	-	-27,422
Purchases of property, plant and equipment	-779	-10,551	-17,070
Purchases of intangible assets	-2,754	-1,141	-8,930
Purchases of short-term investments	-	-500,000	-500,000
Change in financial receivables	-	-7,450	-40,766
Investment in non-current financial assets	-	-	-32,679
Net cash used in investing activities	-3,533	-519,143	-626,868
Financing activities			
New share issue	-	-	66
Funds received for warrants	-	-	46,718
Repurchase of warrants	-18,235	-	-450
Amortization of lease liability	-7,931	-6,926	-29,869
Buyback of treasury shares	-74,751	-182,164	-659,548
Net cash from (-used in) financing activities	-100,917	-189,090	-643,082
Net cash flow for the period	-48,587	-628,098	-687,988
Cash and cash equivalents at the beginning of the period	631,347	1 327,801	1,327,801
Foreign exchange differences in cash and cash equivalents	9,096	-194	-8,466
Cash and cash equivalents at the end of the period	591,856	699,510	631,347

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 profits including profit for the period	Total equity attributable to owners of the parent
Opening balance at 1 January 2023	758	1,710,139	2,400	90,797	1,804,093
Profit for the period	-	-	-	109,120	109,120
Other comprehensive income for the period	-	-	-952	-	-952
Comprehensive income for the period	-	-	-952	109,120	108,168
<i>Transactions with owners of the Group</i>					
Treasury shares after transaction costs	-	-	-	-184,470	-184,470
Share-based payment	-	-	-	10,610	10,610
Total	-	-	-	-173,861	-173,861
Closing balance at 31 March 2023	758	1,710,139	1,448	26,056	1,738,400
Opening balance at 1 January 2024	762	1,738,298	-8,133	12,776	1,743,703
Profit for the period	-	-	-	133,049	133,049
Other comprehensive income for the period	-	-	10,647	-	10,647
Comprehensive income for the period	-	-	10,647	133,049	143,696
<i>Transactions with owners of the Group</i>					
Share issue	-	-	-	-	-
Treasury shares after transaction costs	-	-	-	-74,751	-74,751
Warrants	-	-	-	-	-
Share-based payment	-	-	-	10,616	10,616
Total	-	-	-	-64,135	-64,135
Closing balance at 31 March 2024	762	1,738,298	2,514	81,691	1,823,264

Condensed parent company income statement

Amounts in SEK 000s	Note	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
Operating revenue		1,929	1,566	8,191
Other external costs		-2,724	-2,541	-9,918
Employee costs		-2,972	-2,763	-11,675
EBIT (operating profit)		-3,766	-3,738	-13,403
Net financial income or expense		-272	5,181	400,695
Profit or loss after financial items		-4,038	1,443	387,292
Appropriations		-	-	13,000
Profit or loss before tax		-4,038	1,443	400,292
Tax		774	-295	-131
Profit or loss for the period		-3,264	1,148	400,162

Condensed parent company balance sheet

Amounts in SEK 000s	Note	2024 31 Mar	2023 31 Mar	2023 31 Dec
ASSETS				
Non-current assets				
Investments in Group companies		10,297,177	10,297,177	10 297 177
Deferred tax receivable		824		
Total non-current assets		10,298,001	10,297,177	10 297 177
Current assets				
Current receivables		6,915	12,739	6,124
Receivables from Group companies		11,185	12,471	13,688
Short-term placements		400,000	405,193	400,000
Cash and cash equivalents		91,401	173,472	176,479
Total current assets		509,502	603,875	596,291
TOTAL ASSETS		10,807,503	10,901,053	10,893,468
EQUITY AND LIABILITIES				
Equity and liabilities				
Equity		10,802,866	10,886,786	10 870 265
Current liabilities		4,637	14,226	23 203
TOTAL EQUITY AND LIABILITIES		10,807,503	10,901,053	10 893 468

Notes

Note 1. Significant accounts 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 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 on 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.

Equity

Shares issued by the company are classified as equity. Additional costs arising directly from the issue of common shares and stock options are recognized as a debit item in equity after deducting tax effects, if any. When Truecaller's shares classified as equity are repurchased, the amount of consideration paid is recognized as a reduction in equity, after deducting tax effects, if any. Repurchased shares are classified as treasury shares and recognized as a debit item under equity. When treasury shares are subsequently sold or reissued, the amount received is recognized as an increase in equity and the surplus or deficit resulting from the transaction is transferred to or from other capital contributions.

Financial instruments at fair value

The group has non-current financial assets consisting of the investment in Mayhem Studios. The non-current financial assets are valued at fair value through the income statement. As no market quotation exists for the investment, its fair value is determined through other observable data (level 2)

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	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
Geographical region			
India	316,847	292,158	1,309,882
Middle East and Africa	53,500	49,159	206,366
Rest of the world	56,841	45,747	212,647
Revenue from contracts with customers	427,188	387,064	1,728,895

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

Amounts in SEK 000s	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
Type of service			
Advertising revenues	317,664	303,924	1,346,114
User revenues	58,405	46,546	206,219
Truecaller for Business	49,548	34,375	170,198
Other revenues	1,571	2,219	6,363
Revenue from contracts with customers	427,188	387,064	1,728,895

Note 4. Financial instruments

Measurement of financial assets and liabilities at 31 March 2024

FINANCIAL ASSETS	Financial assets measured at fair value through profit and loss	Financial assets measured at amortized cost	Total carrying amount
Other non-current receivables	-	15,096	15,096
Non-current financial assets	32,698	-	32,698
Claims on advertising networks and platform owners	-	127,584	127,584
Trade receivables	-	86,149	86,149
Short-term placements	954,638	-	954,638
Cash and cash equivalents	-	591,856	591,856
Total	987,336	820,685	1,808,021
FINANCIAL LIABILITIES			
Trade payables	-	39,922	39,922
Conditional consideration (earnout)	9,161	-	9,161
Total	9,161	39,922	49,083

Measurement of financial assets and liabilities at 31 March 2023

FINANCIAL ASSETS	Financial assets measured at fair value through profit and loss	Financial assets measured at amortized cost	Total carrying amount
Other non-current receivables	-	14,777	14,777
Non-current financial assets	-	-	-
Claims on advertising networks and platform owners	-	93,826	93,826
Trade receivables	-	59,984	59,984

Short-term placements	907,941	-	907,941
Cash and cash equivalents	-	699,510	699,510
Total	907,941	868,096	1,776,037

FINANCIAL LIABILITIES

Trade payables	-	58,872	58,872
Conditional consideration (earnout)	13,520	-	13,520
Total	13,520	58,872	72,392

Measurement of financial assets and liabilities at 31 December 2023

FINANCIAL ASSETS	Financial assets measured at fair value through profit and loss	Financial assets measured at amortized cost	Total carrying amount
Other non-current receivables	-	26,584	26,584
Non-current financial assets	32,698	-	32,698
Claims on advertising networks and platform owners	-	86,020	86,020
Trade receivables	-	75,965	75,965
Short-term placements	941,256	-	941,256
Cash and cash equivalents	-	631,347	631,347
Total	973,954	819,916	1,793,870
FINANCIAL LIABILITIES			
Trade payables	-	46,149	46,149
Conditional consideration (earnout)	8,404	-	8,404
Total	8,404	46,149	54,553

The carrying amount is considered a good estimate of the fair value of current receivables and liabilities. 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, conditional consideration (earnouts) and non-current financial assets 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 investments 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.

Short-term placements, SEK 000s	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
Balance at 1 January	941,256	400,490	400,490
Investment in short-term placements	-	500,000	500,000
Change in value recognized in profit and loss	13,382	7,451	40,766
Closing balance	954,638	907,941	941,256

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 is classified as a non-current liability.

Conditional consideration (earnout), SEK 000s	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
Balance at 1 January	8,404	13,301	13,301
Acquisition value	-	-	-
Payout	-	-	-5,550
Change in value recognized in profit and loss	757	219	653
Closing balance	9,161	13,520	8,404

Non-current financial assets

The group's non-current financial assets consist of the investment in Mayhem Studios that was made in 2023. The non-current financial assets belong to level 2 in the valuation hierarchy.

Note 5. Incentive programs

The group has three outstanding incentive programs, LTIP 2021, LTIP 2022 and LTIP 2023.

LTIP 2023 was approved on The Annual General Meeting on 26 May 2023 and refers to an employee stock option program and share program for senior executives, key individuals and employees of the Truecaller Group. LTIP 2023 consists of a maximum of 2,800,000 employee stock options and a maximum of 500,000 performance-based share rights. For detailed information about LTIP 2021 and LTIP 2022, refer to the 2022 annual report.

The Group applies IFRS 2 Share-based Payment to employee stock options and 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.

Costs of incentive programs, SEKm	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
Cost of vested warrants per IFRS 2	-10.5	-10.6	-35.1
Social insurance contributions	-0.8	-0.4	-4.8
Costs of incentive programs	-11.3	-11.1	-39.9

Note 6. Treasury shares

Through the share buyback program that was decided on at the annual general meeting on May 26, 2023, Truecaller has bought back 2,637,368 of its own B shares for SEK 74.8 million including transaction costs during the first quarter. Truecaller's total holding of own shares thus amounts to 27,904,571 B shares and 5,600,000 C shares.

Note 7. Contingent liabilities

The Group's contingent liabilities consist of a tax matter in the previously acquired subsidiary Backwater Technologies related to determination of income for FY 2016-17. The ongoing matter refers to a period prior to the acquisition date. The Group has determined that it is likely that the outcome will be in its favor and has therefore not recognized a provision in relation to this matter.

Note 8. Related party transactions

No transactions with related parties have been made during the period.

Note 9. Events after the reporting date

After the end of the reporting period Truecaller has repurchased an additional 742,544 Class B shares for SEK 23.5 million including transaction costs. Truecaller's total holding of treasury Class B shares thus amounts to 28,647,115.

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, 2024-05-06

Nami Zarringhalam
Board Chair

Alan Mamedi
Director and CEO

Annika Poutiainen
Director

Helena Svancar
Director

Bing Gordon
Director

Shailesh Lakhani
Director

Alternative performance measurements

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.
EBITDA	EBIT before interest, taxes, depreciation and amortization.	EBITDA is a measurement Truecaller uses to show how current operations develop over time.
EBITDA margin	EBITDA as a percentage of net sales.	EBITDA margin is used to illustrate the profitability of current operations excluding items affecting comparability and before amortization.
EBIT (operating profit)	Operating profit (earnings) before interest and taxes	EBIT is used to analyze the profit generated by the operating entity.
EBIT margin	EBIT as a percentage of net sales.	The EBIT margin is used to illustrate the profitability of current operations.
Equity to assets 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 THAT ARE NOT DEFINED UNDER IFRS

Group, SEKm	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
Gross profit and gross margin			
Net sales	427.2	387.1	1,728.9
Minus third party fees	-104.4	-96.1	-421.2
Gross profit	322.8	291.0	1,307.7
Divided by Net sales	427.2	387.1	1,728.9
Gross margin	75.6%	75.2%	75.6%
EBITDA and EBITDA margin			
EBIT (operating profit)	138.0	139.8	657.7
Excluding depreciation and amortization	13.0	10.2	45.2
EBITDA	151.0	150.0	702.9
Divided by Net sales	427.2	387.1	1,728.9
Adjusted EBITDA margin	35.4%	38.8%	40.7%
EBIT (operating profit) and EBIT margin			
EBIT (operating profit)	138.0	139.8	657.7
Divided by Net sales	427.2	387.1	1,728.9
EBIT margin	32.3%	36.1%	38.0%
Equity to assets ratio			
Total equity	1,823.3	1,738.4	1,743.7
Divided by Total assets	2,204.1	2,123.5	2,160.3
Equity to assets ratio	82.7%	81.9%	80.7%