

Press release
2026-10-19

Update regarding the Indian transfer pricing audit

Truecaller AB (“Truecaller” or “the Company”) today provides an update on the ongoing transfer pricing audit in India. The first formal transfer pricing order, relating to the Indian financial year 2022/2023 (FY 22/23), regarding the allocation of Truecallers revenues between Group entities, has been received.

Truecaller firmly reiterates that all claims are unfounded, as its transfer pricing policy complies with arm’s-length principles verified by external experts. The Company will vigorously challenge the claims while remaining fully backed by a strong financial position to manage all procedural requirements.

Dispute Resolution & Timeline

The transfer pricing order will soon be followed by an assessment order that will contain a formal tax demand, including interest, for the period FY 2022/2023.

To resolve the matter, Truecaller is executing a coordinated two-pronged strategy:

1. **Indian legal appeals:** Appealing through Indian tax tribunals and courts.
2. **Bilateral MAP Process:** Initiating a Mutual Agreement Procedure (MAP) between the Swedish and Indian tax authorities to eliminate double taxation, expected to take 2–3 years to reach a final resolution.

Financial Exposure & Net Tax Impact

Any claims by the Indian tax authorities remaining after the MAP process are expected to be substantially offset by Swedish double-taxation relief.

- **FY 22/23 Assessment:** The order proposes an adjustment corresponding to additional tax and interest of ~SEK 270 million.
- **Total gross claim (FY 18/19–FY 23/24):** Extrapolating the same methodology across all relevant financial years, the total potential gross tax claim (including interest) is estimated to be approximately SEK 900 million. Remaining orders are expected gradually until the end of Q1 2027.
- **Swedish tax offset:** Any additional final tax paid in India would be subject to double-taxation relief, enabling Truecaller to seek a corresponding tax repayment in Sweden estimated at ~SEK 350 million, based on the initial claim from the Indian tax authorities.
- **Net Potential Exposure:** Consequently, the net potential tax impact including interest across all audited years is estimated at ~SEK 550 million.

The Company expects any final claim to ultimately be settled through the bilateral MAP process, and anticipates that the ultimate settled amount, if any, will be substantially lower than the initial tax authority assertions.

Bank Guarantee Requirements

Standard Indian tax litigation procedures require posting bank guarantees while appeals are active. Truecaller expects to receive bank guarantees as below:

- **FY 22/23 Guarantee:** Estimated at ~SEK 270 million, expected to be arranged in Q4 2026, within one month of receiving the formal assessment order.
- **Total bank guarantee:** Scaling as subsequent assessment orders arrive through Q1 or Q2 2027, the total required bank guarantee is estimated at ~SEK 900 million, **including the first guarantee.**

Robust Liquidity

Truecaller is well-positioned to handle all bank guarantee requirements without impacting operations, or growth initiatives:

- **Cash & Equivalents:** ~SEK 1.3 billion as of September 30, 2026.
- **Credit Facilities:** Undrawn SEK 500 million revolving credit facility (RCF) with SEB, extended through 2028.
- **Cash Flow:** Truecaller is a highly profitable company with a strong operational cash flow that continues to reinforce liquidity.

“The amount stated in this first transfer pricing order from the Indian tax authorities is within the interval we have expected. Therefore the total bank guarantee amount we expect to have to put up until this transfer pricing issue is resolved, through the bilateral process, can be managed well with our existing liquidity, including the term loan we raised this summer. It will not have any negative effects on our operations or our ability to invest in important revenue-driving opportunities going forward.” says Odd Bolin CFO of Truecaller.

For more information, please contact:

Andreas Frid, Head of IR & Communication

+46 705 29 08 00

andreas.frid@truecaller.com

This information is information that Truecaller is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2026-10-19 06:00 CET.

About Truecaller:

Truecaller is an essential part of everyday communication for 500 million active users worldwide, with more than one billion downloads since launch and 68 billion spam and fraud calls identified in 2025 alone. The company is headquartered in Stockholm, is a member of the GSMA, and has been publicly listed on Nasdaq Stockholm since October 2021. For more information, visit truecaller.com.