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Truecaller

Q4 2025



Speakers



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Prepared Remarks



Rishit Jhunjunwala

CEO | Truecaller

Hello, everyone, and welcome to our Q4 Report Webcast. I'm Rishit Jhunjunwala, the CEO of Truecaller, and with me, I have Odd Bolin, our CFO. Today, I'll talk about how we performed in the quarter in a few important areas. Then I'll hand over to Odd to talk about the financial performance, and after that, I'll talk about our next phase of growth, and then, and then we'll open up for Q&A. So let's get started with the highlights of the quarter. The average MAU in Q4 was 454 million, which is a growth of 14% year-on-year. Growth has been steady all through the year, and we have increased our DAU MAU ratio during the year, reaching 86% by the end of 2025. Net sales decreased 14% year-on-year in SEK.



Rishit Jhunjunwala

CEO | Truecaller

In constant currency, it was a decrease of 1%. EBITDA decreased by 49%, and we reported a margin of 23%. Excluding items of a one-off nature, our EBITDA margin was 30%. As you are aware, our headline numbers during the year have been significantly negatively affected by the strengthening SEK, which is something Odd will cover more in detail in his presentation. Other notable highlights in this quarter were the sustained growth rate of recurring revenues. Excluding one-off items, we grew our recurring revenues with 46%, and the annualized run rate of our recurring revenues is now around 750 million SEK. Premium revenues showed the strongest growth as we continued to grow both on iOS and Android, and this quarter we reached an all-time high when it comes to subscriber intake on Android.



Rishit Jhunjunwala

CEO | Truecaller

We're growing steady in all regions as more users understand the strength of our premium offering. Our other recurring revenue stream, Truecaller for Business, grew strongly in constant currency, and all three product areas: Verified Business, Business Messaging, and the risk products we have contributed. I would especially like to highlight the strong growth we're experiencing in TFB outside of India. For ads, we have not been able to solve the algorithm issue with our largest demand partner. We continue to work on the problem, but we do not expect the revenues from this partner to rebound, and we instead focus more on our efforts on delivering our revamped strategy, which will decrease the dependency on any single programmatic partner in advertising.



Rishit Jhunjunwala

CEO | Truecaller

When it comes to our core product offering, Q4 was an intense period with the launch of Family Protection, a vastly improved core data product, more contextual data points, and the launch of an intelligent voicemail function in India, as well as the updated assistant solution that can warn users about potential fraud attempts in real time. Moving on to user growth. In terms of user growth, we continue to grow steadily. In India, there has been much talk about the imminent rollout of CNAP. CNAP is partially been rolled out, and so far, the impact on our user growth is limited. As we have said in the past, we expect that CNAP might have some impact on user growth, but that remains to be seen as CNAP reaches a full rollout.



Rishit Jhunjunwala

CEO | Truecaller

Our focus continues to be on delivering a superior product, and as you are aware, the consumer can choose to have CNAP and Truecaller in parallel, where we provide a lot more information and a lot more context and various other solutions, for the consumer. We have, over the last couple of years, focused more on global growth, and we now see really good growth rates in many large markets, with good unit economics and high propensity to buy premium services as well. This is visible in our geographic distribution of revenues, where revenues from Middle East, Africa, and the rest of the world show strong growth. Now, let's have a look at some of the important product updates in this quarter as well. What may visually look like a small update is actually the biggest addition to caller ID that we've done in many years.



Rishit Jhunjunwala
CEO | Truecaller

Two updates here. Firstly, we added contextual signals for calls. For instance, first time caller. We add this value in real time using AI by processing calling patterns on the device, and this provides a very important piece of context to incoming calls. But that isn't it. What we also did was we added really strong signals that we get from the community alongside the name, showing new, relevant information about a caller that our users have contributed with. So if John Smith calls you, we can now also say that this was, for instance, a plumber, which gives a distinct signal to the generic name. Compared to CNAP and other such, you know, Telco or OEM solutions, which only show a name, we think this is the gold standard of caller ID and leverages Truecaller's largest moat, its community.



Rishit Jhunjunwala
CEO | Truecaller

Another big release in Q4 was Family Protection. This is an important step we've taken in providing an elevated protection for your loved ones. Members of the family can be added into a group where status, protection level, and insights are shared. For instance, the group admin is able to see information such as battery level, as well as remotely setting the max protection level and even share block lists. The key feature here is that we can send live alerts when there's a bad call, you know, an elder is on, and we then give the ability for the family CTO to remotely hang up that call. Of course, we're just getting started in this space. We've had a very encouraging release in a few markets.



Rishit Jhunjunwala
CEO | Truecaller

We will, and I'm sure we'll grow this product into a very important part of Truecaller, and we can protect the entire family for our users. With that, I'll let Odd walk you through on the financial performance.



Odd Bolin
CFO | Truecaller

Thank you, Rishit. Okay, let me, as usual, walk you through our financials. This quarter has been characterized by three major factors, namely continuing very growth, growth for our recurring revenues, substantial, some substantial ads, headwinds, and then currency effects. Like before, to make it easier to understand the underlying development for our business, we will give you the net sales and EBITDA development in both Swedish crowns and in constant currencies this quarter. The constant currency figures are our best estimates based on the information available to us. We don't have full information about how partners like Google are managing exchange effects, which limits the precision we can achieve. In Swedish crowns, our net sales decreased by 14% this quarter, but looking at it in constant currencies, the decrease was 1%.



Odd Bolin
CFO | Truecaller

EBITDA decreased by 49% in SEK and 36% in constant currencies. The EBITDA margin was 22.8% in SEK, but slightly higher, 24.8% in constant currencies. We're obviously not happy with these figures. I'll give you the causes for these mediocre results, while Rishit then will talk about how we intend to move forward to a position of stronger growth and profitability. Now, our ads revenues saw a 31% decline in SEK, 22% in constant currencies. This is obviously something we are fundamentally unhappy about, and like Rishit has described, we are taking a number of actions to mitigate this, both short and long term. However, let me just reiterate the main causes for the weak ads revenue.



Odd Bolin
CFO | Truecaller

Our largest ad demand partner in mid-August, August 13th, to be specific, made a change to their ads algorithm, meaning that our click-through rates via that demand partner tanked. We initially believed this was an issue that could be resolved quite quickly, but we have now learned otherwise. We have worked diligently to mitigate this change in a number of ways, but we have now reached a point where we have concluded that we are better off spending that energy on developing the rest of their, our ads business. While we will continue to work on the problem, it strengthens us in our belief that we must continue diversifying our demand partner network and decrease dependency on a few large players that tend to set and change the rules as suits them.

**Odd Bolin**

CFO | Truecaller

The ban on real money gaming in India reduced action, auction pressure on demand in the overall ads market, and thereby reducing both fill and prices. This then came on top of the general uncertainty we have seen since the present tariff controversies that very much involves India. Now, like I've already mentioned, we're on a path to become less dependent on external factors outside of our control. Rishit will give you a more in, more in-depth description on what we do in this respect. Our recurring revenues continue to grow well, 46% in constant currencies. I believe we have some... the recurring revenues grew 46% in constant currencies, both Truecaller for Business and Premium subscriptions contributed.

**Odd Bolin**

CFO | Truecaller

The ARR was approximately SEK 750 million during the fourth quarter. When excluding one-offs, recurring revenues now make up 45% of our overall revenues, and this share has been growing constantly for the last few years. We continue to have this as a core focus area to create a more resilient revenue distribution going forward. Looking at subscription revenue, specifically, it grew by a very good 53% in constant currencies, 37% in SEK. We reached 3.7 million users on average, with the conversion rate increasing from 0.61% to 0.75%. Although this figure still is small, we continue to believe very strongly in the growth potential in this business and aim to grow the conversion rate substantially over the time based on ever more important functionality for our users.

**Odd Bolin**

CFO | Truecaller

Monthly revenue per user also continues to grow, with more iOS users being a contributing factor. So for subscriptions, all underlying metrics are pointing in the right direction at this time. We already have a strong product, product market fit, which is obvious from their growth rates on both iOS and Android. The geographical revenue distribution is healthy, with all regions growing well. We see good growth rates in markets with high potential, both short and long term, such as Nigeria, South Africa, LATAM, Brazil, Europe, and the U.S. We also have a number of markets where our conversion rates already are up between 5 and 7, 8%, such as the U.S., Chile, the U.K., and Indonesia. This motivates us to work ever harder in increasing conversion in markets where it still is low or very low.

**Odd Bolin**

CFO | Truecaller

It is obvious to us that our product is such that the potential for further monetization is large. iOS revenue growth continued to be good, and iOS now makes up 48% of our premium revenues. Over to Truecaller for Business. TFB also grew at a good rate during the fourth quarter. The growth rate in Q4 was a healthy 48% year-over-year in constant currencies, although in Swedish krona it came out at 22%. Truecaller for Business gets all revenues in INR and USD, which has been hard hit by the strengthening of the Swedish Krona. The growth in TFB revenues came from good growth numbers for all the revenue streams. Verified Business is growing rapidly outside of India. This quarter, the growth rate outside of India is 75%. We also launched Truecaller for Business in Europe in October.

**Odd Bolin**

CFO | Truecaller

We are in the process of creating a full customer experience platform, where we manage a larger share of our customers' user interactions. 75% of our larger customers have now added Call Reason to the services they buy from us, and both Call Me Back and Video Caller ID is gaining traction. Customers using these add-on services almost double year-over-year. However, competition in India is growing in this business. Simpler but cheaper operator-based solutions such as Business CNAP and 1800 numbers have been introduced. We see customers wanting to benchmark those services against our offerings. We are confident that our superior functionality will withstand those attacks, but we acknowledge that the growth rate for our Indian Verified Business calls will be substantially lower this year as alternative solutions are being tried out by many enterprises.

**Odd Bolin**

CFO | Truecaller

Outside of India, we see no such effects at this time and continue to grow at a very healthy pace, although from rather low levels. Our Number Intelligence product offering continues to scale up well, so far, primarily in India, but we are having discussions on international expansion. Business messaging is an area where we are in the process of broadening our footprint by signing up more partners. We have had an exclusive agreement for a few years, but we have now decided to move on. Canceling the exclusivity arrangement will have some initial impact on our traffic volumes, but we see this as a necessary step in order to expand our market potential. Moving over to gross profit. Our gross profit declined by 20% year-over-year, while the gross margin decreased to 71.2%.

**Odd Bolin**

CFO | Truecaller

The primary reason for this, pretty large, decrease in gross margin is that we couldn't compensate for the decrease in revenue by adjusting, server and verification costs during the quarter, so they had a larger impact on gross margin than they've had previously. Moving to the cost side, apart from incentive costs, employee expenses were stable. Other external expenses, including user acquisition, preloads, marketing, et cetera, decreased somewhat versus the previous quarter as an effect of the cost reduction program we put in place, which we, in certain sense, started already during the fourth quarter by decreasing investments in user acquisition and preloads. The quarterly tax rate was 35.6%, substantially higher than previously. The reason is, once again, the issue with our largest programmatic partner.

**Odd Bolin**

CFO | Truecaller

Revenue from that partner is being recognized in Sweden, and when it dropped from mid-August, the profit level in our Swedish entity dropped, too. That tilted the profit balance sharply towards India, and consequently, the Indian tax rate dominated the group tax rate mix. Note that this hasn't caused us to pay a lot more tax than we would have done otherwise, but the tax rate changes dramatically. Incentive costs. The IFRS part of our incentive cost increased by SEK 30 million in the fourth quarter. The reason is that is fulfilled performance criteria that resulted in a higher provision for our 2022 incentive program. This effect covers the entire time span of the 2022 program, and it is, in that sense, a one-off cost.

**Odd Bolin**

CFO | Truecaller

The total incentive costs are expected to come down from Q3 in 2026, when the 2022 program has exercised. It is important to remember that although incentive costs have a substantial impact on our bottom line, they give limited material insight into our operational performance. Part of the cost are accounting figures that reflects the potential dilution that options and RSU eventually may have. Part are accrued Social Security fees that only will impact the cash flow when and if these instruments are in the money at exercise. Our operational performance and our operational leverage is best understood by also looking at our profit, excluding these costs. Looking at EBITDA including the incentive costs, decreased by SEK 203 million from SEK 202 million and SEK 201 million. In constant currencies, the decrease was 36%.

**Odd Bolin**

CFO | Truecaller

EBITDA margins was 22.8%, and without the items of one-off character, the margin was 30%. EBITDA, excluding incentive costs, decreased to SEK 160 million from SEK 231 million. In constant currencies, the decrease was 20%. The EBITDA margin, excluding incentive costs, came in at 35.4%. Cash Flow. Cash flow conversion continues to be good, with no financial costs and a working capital that develops in a manageable way. As our direct ad sales and Truecaller business grows, more of our revenue comes from end customers and partners other than Google, Apple, and Meta. This has increased our DSO compared to the situation two to three years ago, since payment terms are most of our markets generally are longer than what we have with Google, et cetera.

**Odd Bolin**

CFO | Truecaller

However, we are in a good control of our accounts, receivables, and they are not growing any faster than revenue from these customers and partners. We still have no financial debt and approximately SEK 1 billion in cash and short-term investments. Our revolving credit facility of SEK 500 million is not yet utilized, but available for interesting M&A opportunities. We continue to actively evaluate such opportunities, either when we get inbounds coming our way or due to the fact that we see areas where we could further strengthen our product and services portfolio and reduce time to market for important initiatives, if we can find the right fits.

**Odd Bolin**

CFO | Truecaller

This year, the board has decided to propose to the AGM a dividend in line with our dividend policy, 25% of profit after tax, approximately SEK 0.21-SEK 0.28 per share. Now, it's time for a little bit of an outlook. The revenue, like I've said, from our largest programmatic partner that was hit by the algorithmic change that they made in August, is not likely to rebound. I mentioned that already earlier, but I want to reiterate that we don't see that as a likely outcome. We're still working on the issue, but we have seen no meaningful change since it happened in August. What we do instead is we focus very strongly on building our wider ads business, and Rishit will take you through that, those initiatives very soon.

**Odd Bolin**

CFO | Truecaller

Truecaller for Business revenue growth rate is expected to be lower in 2026. The discontinued partner exclusivity for Business Messaging that we've had is lowering revenues short term. We are building relationships with many other players than the one we have been using so far. And we believe that the total market potential becomes much larger that way. But as an effect of canceling the exclusivity, we will see initial impact on our revenues from Business Messaging while we're building the new revenue sources with new partners. Increase in competition in India from considerably less comprehensive but also cheaper solutions is having an impact on our verified business calls operations.

**Odd Bolin**

CFO | Truecaller

We see that there are enterprises and also customers of ours that want to benchmark what we do and what we can deliver with these cheaper or free solutions. We are confident that our solutions will prove to be superior, but we also acknowledge the fact that there will be a phase now when some enterprises will do this sort of benchmarking, and that will impact our growth rate. We are continuously building stronger functionality to ensure long-term product superiority. We do see very strong growth outside of India, although from low levels. For Premium for Business, we see a continuing growth trend. We don't see anything right now that should impact that one. We grow both on Android and iOS in many countries, and we're seeing high con...

**Odd Bolin**

CFO | Truecaller

higher and higher conversion numbers in multiple markets, some of them, some of them already being very high. So we consider a lot of potential here. With that being said, I give you the word back to Rishit.

**Rishit Jhunjunwala**

CEO | Truecaller

Thanks, Odd. I want to talk about the next phase of growth for the company. We have a really strong foundation with almost 500 million users globally. We add around 1 million more users per week. We are growing very well in several different regions. We are well profitable, we are well capitalized, and therefore, there is a need now to enter into the next phase of growth of Truecaller, a phase that capitalizes on this global reach that we have and capitalizes on the problems that we already solve for our users. I've been in my role for a year now, and I now believe that I have the clarity and conviction on how we will get the exponential growth that we strive for in Truecaller. I'll unpack that a bit for you in the following slides.

**Rishit Jhunjunwala**

CEO | Truecaller

So I'll talk about three different areas and what is the focus area in each of them: on product, on user growth, and on revenues. So firstly, on product, while we've added a lot of value to our large user base over several years, I believe we've only scratched the surface even now. There are three needs that we are building the product for now. The first one is that the phone number is become the central point of everyone's identity, and communicating using this phone number is becoming increasingly important in everyone's lives. We're all seeing that. I'm sure a lot of you are seeing that as well. However, the phone number hasn't evolved with the times. There is a need for powerful tools to supercharge mobile phone communication.

**Rishit Jhunjunwala**

CEO | Truecaller

For instance, in the past, we've added Assistant, which answers the calls on your behalf, an AI-powered voicemail that we launched in India in Q4. We also have an existing roadmap of capabilities, which supercharges your phone number. Now, as this happens, the second focus area emerges. Scams and fraud continue to rise at a global scale at unprecedented rates. Surfaces of attack are growing, and Truecaller is perfectly well positioned to continue building on this and solving the problem at scale. For instance, Family Protection that we launched in Q4 to protect elders in your family, and also SMS scams, which is something we're actively working on right now. We're going to work really hard on solving the problem of scams and fraud that are growing across the world. The third one is AI.

**Rishit Jhunjunwala**

CEO | Truecaller

AI is creating a new set of challenges for us, as well as opportunities around communication. AI voice deepfakes, for example, which our AI voice scanner aims to protect users against, but also solutions like AI voicemail and AI-powered digital assistant, which leverage AI to improve your communication. So it's both a challenge as well as an opportunity. This expansion of our core product will continue with more focus and urgency because we're seeing the opportunity grow every day for us. Sorry, technical glitch. Okay. Right, then moving on to user growth. We're a household name in India, as we well know, we're in various other countries that we're a household name as well, but there are many large and lucrative markets that we're very excited about. Brazil, Mexico, Colombia, United Arab Emirates are a good example of this.

**Rishit Jhunjunwala**

CEO | Truecaller

We've been focusing on new market growth for a while now by seeding and facilitating growth, which has given us some results. Now we have the clarity that the next phase of growth will come from our product. We will be focusing on creating product variants that suit countries better, obsess about finer details, and make a significant difference in people's lives, like we do in India. For example, in India, we have special functionality for blocking unwanted calls, and in Colombia, too, now we have the same. This focus of creating strong product-market fit is what will eventually give us the real growth we want from markets outside of India. Now, coming to revenues. Recurring revenues has been a focus area for a while now, and we've seen solid growth, as Odd described, in this stream of a higher quality of revenue.

**Rishit Jhunjunwala**

CEO | Truecaller

At the same time, we've seen cracks in our ads business because of our reliance on programmatic revenue and a single large ads partner. It is now evident that our next phase will be driven by recurring revenues, reducing the relative contribution from advertising eventually. On Truecaller for Business, we've scaled up globally, we've diversified our product into several areas of value to enterprises becoming an entire CX platform. Like Odd mentioned earlier, we are seeing some competition from telco-powered Business CNAP, coupled with the 1600 reserved number series in India. We are confident that our platform has competitive advantages. We're very focused on building our platform to go deeper into the enterprise, build tools for them to grow faster and make them more efficient.

**Rishit Jhunjunwala**

CEO | Truecaller

We're also focused on growing globally because we've seen great traction in several markets, and businesses can see a lot of value in our Truecaller for Business platform. On business messaging, sorry. We had an exclusive partnership which had hit a ceiling. We had to open up the platform to other partners to unlock the full potential, and already other partners have been signed. Additionally, we continue to build capabilities to further differentiate our business messaging offering from other mediums. Overall, this is an important phase to go through to really capture the true scale that Truecaller for Business can achieve. In moving on to the consumer subscription business, we've seen strong acceptance of our premium offering.

**Rishit Jhunjunwala**

CEO | Truecaller

We've also seen that globally, the propensity to pay for mobile services is growing, and therefore, we believe that focusing on premium is the right strategy. We're going to constantly build more product around the areas that we've spoke about, and, and grow the premium offering over the course of 2026 as well. On the advertising business, our focus is now clearly on revamping it. The issue with our programmatic partners since August that we've had, that Odd spoke about as well, hasn't been resolved, although we continue to work on it. It is now time to operate in the mode that it won't fully get resolved. It might or might not, and instead focus heavily on creating the Truecaller Ad Exchange. Now, what does this Truecaller Ad Exchange really mean? It means, firstly, to have an inventory auction that has no dependency on any single partner.

**Rishit Jhunjunwala**

CEO | Truecaller

This is very different from where we are today. Then we expand and we create sophistication in our direct sales offering. This means having products that are suited for direct sales that cannot be bought programmatically. That means restructuring the teams to be more in tune with the markets. That means signing up resellers across the globe where they have specialization in certain important advertiser categories. All of this combined with our first-party data, which is something that only Truecaller holds. It is powered by phone numbers that are verified on Truecaller and using our AI platform AdVantage to match the right audience to the right brand. Once all of this comes together and creates an exchange, we can then further look at opening up this exchange to other publishers as well. This is the direction that we're heading in on ads.



Rishit Jhunjhunwala

CEO | Truecaller

We will talk more about this, entire strategy that I'm laying out, for growth, for the next phase of growth in an investor day that we plan to hold in Q2 this year. To reiterate and kind of summarize, we have the clarity now on how we are going to get to the next phase of growth. 2026 is going to be a formative year for us, where we're going to build on our foundation to create more value for our users, our customers, and our shareholders as well. With that, thank you very much. We will open up for Q&A.

Q&A



Operator

If you wish to ask a question, please dial pound key five on your telephone keypad to enter the queue. If you wish to withdraw your question, please dial pound key six on your telephone keypad. The next question comes from Predrag Savinovic from DNB Carnegie. Please go ahead.



Predrag Savinovic

Equity Research Analyst | DNB Carnegie

Hi. Afternoon, guys. Thanks for taking my questions. I think first off, if you can discuss the long-term investments that you mentioned in the report, if this will be an increase in overall cost or more of a reallocation of cost, and where will you target those? Maybe it's for what you just said, Rishit, on the long-term strategy, but some more clarity on that would be helpful.



Rishit Jhunjunwala

CEO | Truecaller

Absolutely. So you're right, it is about reallocation of costs. It might mean a marginal increase in costs as well, but nothing dramatic. The areas of the investment are going to be primarily in three different areas. Product development, where we believe we can add many more capabilities for our users, and create a larger moat for Truecaller and create this entire ecosystem of Truecaller that users have already been loving for the last 16 years. The second area of investment will be growth once again on product towards markets that are beyond India. We believe there is a lot to be unlocked in those markets. We're already seeing great organic traction. We have seeded them with marketing activities and user acquisition activities. The next phase of growth will come from product variants suited to these markets.



Rishit Jhunjunwala

CEO | Truecaller

The third area of investment is going to be in our revenues, which is going to be primarily driven by the Truecaller for Business product and its expansion, the business messaging product and its expansion. The premium business has been doing really well. We believe that's going to be a continued area of focus. On the ads business, where we're heading towards building an entire ad exchange. Those are going to be the primary areas of investment for us, but it's more reallocation and clarity and focus that we need to focus on these investments for the long term to create the kind of scale of Truecaller that we desire to have.



Predrag Savinovic

Equity Research Analyst | DNB Carnegie

Okay, great. Thank you. And then, double-checking a bit on, on Truecaller for Business. I mean, what is the reason you, you gave us quite a few arguments, but is it so that you are seeing a slowdown already in the first quarter, which is why you call it out? And what kind of level here are you suggesting? Because the wording considerable slowdown can mean a lot of things, you know, coming from roughly 40% growth now in, in the fourth quarter.



Rishit Jhunjunwala

CEO | Truecaller

Yeah.



Predrag Savinovic

Equity Research Analyst | DNB Carnegie

Even 25% growth is a considerable slowdown, but it's a good figure. Is it 20, 10, 15, 5? What?



Rishit Jhunjunwala

CEO | Truecaller

Yeah.



Predrag Savinovic

Equity Research Analyst | DNB Carnegie

What figures are you looking at?



Rishit Jhunjunwala
CEO | Truecaller

Yeah, I would love... We would have loved to give you a sharper number on that, on what we mean by considerable slowdown. But the honest truth is that it's very early in the year. It's hard to say how much of a slowdown that we will see in Truecaller for Business's growth. We do believe we will still have growth in Truecaller for Business, but I don't think we'll have the same blistering pace of growth we have, because we have seen that business messaging, we used to have a partner that we don't currently have an exclusive arrangement with anymore.



Rishit Jhunjunwala
CEO | Truecaller

We have to see how the other partners shape up, and we have seen that the 1600 series and the CNAP offering, while it's much cheaper, it's also very limited. But enterprises do want to—some enterprises do definitely want to attempt to try that other offering and see the impact over, you know, a quarter or two, because that's the time it takes to judge the impact and then decide. There are also second-order impacts of the Business CNAP that we're seeing. For example, when contracts come up for renewal, there is generally pricing pressure now because there is a cheaper offering. Even though it's limited, there is a cheaper offering available. So we have second-order impacts also on TFB, and it's therefore important...



Rishit Jhunjunwala
CEO | Truecaller

It's quite impossible to quantify this, as this is the amount of growth slowdown we will see.



Predrag Savinovic
Equity Research Analyst | DNB Carnegie

Okay, very good. Thank you so much.



Rishit Jhunjunwala
CEO | Truecaller

Thanks for your time.



Operator

The next question comes from John Karidis from Deutsche Bank. Please go ahead.



John Karidis
Equity Research Analyst | Deutsche Bank

Thank you. Good afternoon. Firstly, can I ask, what is the revenue mix for TFB between verified calls, business messaging, and risk products? And also, what's the mix geographically, India and non-India? Thank you.



Rishit Jhunjunwala
CEO | Truecaller

The mix in TFB, most of the revenue is the core verified business offering as opposed to the risk products. The risk products are growing really well on a smaller scale, though. We're optimistic about it, but at the moment, it is a smaller share of TFB revenues. The second question was the revenue mix between India and rest of the world. It is about close to 90% of Truecaller for Business revenues are India. So it's the major chunk of it. 10% from rest of the world, where once again, we're seeing high growth rates.



Odd Bolin
CFO | Truecaller

And also to clarify a little bit, John, the business messaging makes up roughly a quarter of the Truecaller business revenue, while verified business calls makes up most of the remaining 75%, roughly.



John Karidis
Equity Research Analyst | Deutsche Bank

Okay. Thank you. Secondly, when you talk about reallocating costs in answer to the first question, where are you taking these costs away from, please?

**Rishit Jhunjunwala**

CEO | Truecaller

That's a great question, John. So, focus comes from defocusing from something else, and there were various aspects that we were doing in product development that were focused more on short-term gains. They were optimizations that we used to do to grow engagement by a few% or, you know, smaller activities like that. We've come to the realization that we should be focusing on the forest, not on the trees. Even if it takes us time, let's focus on the bigger product developments that we need to do because we believe that is what will give us the gain. So it is defocusing from a lot of the other aspects of product and focusing specifically on building superchargers for communication and solving the fraud problem.

**Odd Bolin**

CFO | Truecaller

So it's really focusing within the organization, more than anything else, where we take people from certain development projects that we feel have limited long-term value and put them into other projects where we see much more long-term value. Simple as that.

**John Karidis**

Equity Research Analyst | Deutsche Bank

Okay, thank you. And then I guess related to this and your cost efficiency measures, in a sense, I'm interested in two things, sort of, examples of this, but also some assurance that essentially by cutting your costs now, whether it's preloading or whatever, you're not jeopardizing your growth, your user growth prospects from year 3, 4 onwards. Can you talk about that as well, please? And then I have one,

**Rishit Jhunjunwala**

CEO | Truecaller

Absolutely.

**John Karidis**

Equity Research Analyst | Deutsche Bank

Tiny question remaining. Thank you.

**Rishit Jhunjunwala**

CEO | Truecaller

No, we would never jeopardize long-term growth at the cost of, you know, a few percentage of profit. We would never do that. The cost cuts were not about that. And what user acquisition, marketing, preloads do is they facilitate and seed markets. And now that we have done that seeding, we will still continue to have spends on user acquisition and marketing and preloads. We're not. They haven't fallen to zero. We've just cut those spends. But we believe product will actually get us the next phase of growth that we need.

**John Karidis**

Equity Research Analyst | Deutsche Bank

Okay, thank you. Then, I guess lastly, I totally understand that it's very difficult to keep sort of trying to work with your largest programmatic partner if you don't know what the rules of engagement are? And, I sort of tip my hat to you for trying for as long as you have to battle this. I just want some sort of comfort or assurance, if you can give it, that you've done as best as you can, but you-- there are sort of weeks or months where you seem to be taking a big step backwards. So it's all to do with essentially the proportion of your inventory that gets flagged.

**John Karidis**

Equity Research Analyst | Deutsche Bank

Is it now at a level, but it, it doesn't sort of change massively from week to week or from period to period?

**Rishit Jhunjunwala**

CEO | Truecaller

Good question. So just to clarify, it's not that we're not going to work on solving the problem. We still engage with the partner in whatever limited manner we can. We still run experiments, but that is not a focus area for us anymore. Me and the management team are not tracking that track as closely as we're tracking the revamped ad strategy and the Truecaller Ad Exchange track. That is our focus area now, but it's not like we're forgetting about the problem completely. We're just letting it chip away at it. Your second question was about the levels and do they vary week on week? They do vary week on week. Some weeks dramatically, some weeks not so dramatically.



Rishit Jhunjunwala
CEO | Truecaller

But the levels are a fraction of a very small fraction of what they used to be in August. But that hasn't moved the needle as such for us, right? It's not, it's not improved our revenue as such. So we've conducted experiments, we've learned from this, we've applied our learnings, and we'll continue to chip away. But we have to operate, we literally have to operate under the assumption that this will not get fixed. This is, this is the new normal, is how we should be operating. That's what I'm trying to convey in this message.



John Karidis
Equity Research Analyst | Deutsche Bank

Understood. Thank you both very much.



Rishit Jhunjunwala
CEO | Truecaller

Thank you, John.



Odd Bolin
CFO | Truecaller

Thank you, John.



Operator

The next question comes from Thomas Nilsson from Nordea. Please go ahead.



Thomas Nilsson
Equity Research Analyst | Nordea

Thank you for taking my questions. Two questions, if I may. First, can you tell us what percentage of growth that comes from direct... or of ad revenues that comes from direct sales versus programmatic, and what is the targeted mix?



Thomas Nilsson
Equity Research Analyst | Nordea

Of direct sales versus programmatic going forward.



Rishit Jhunjunwala
CEO | Truecaller

Sure.



Thomas Nilsson
Equity Research Analyst | Nordea

Second, how do you think about recruiting in 2026? Will you slow the pace of hiring to protect margins and profitability after Truecaller?



Rishit Jhunjunwala
CEO | Truecaller

Got it. So the first part of your question is direct sales versus programmatic. Currently the ratio, I think about between 10% and 15% of our revenues on ads are from direct. We definitely aspire to change this mix quite dramatically. We believe that we have taken very important steps over several years now to set up the foundation for transforming this mix, and we believe in 2026 we should be seeing fruit of that. To set a target to it is hard. I mean, honestly, we would love all our revenue on advertising to come from direct sales, which I believe is a tough ask, but we definitely want the share of direct sales to keep growing over time.



Rishit Jhunjunwala
CEO | Truecaller

Sorry, was there a second part of the question?



Thomas Nilsson
Equity Research Analyst | Nordea

Yeah. My second question was that-



Rishit Jhunjhunwala
CEO | Truecaller

Recruiting



Thomas Nilsson
Equity Research Analyst | Nordea

How do you think about recruiting in 2026?



Rishit Jhunjhunwala
CEO | Truecaller

Got it.



Thomas Nilsson
Equity Research Analyst | Nordea

Will you slow hiring to protect margins and profitability at Truecaller?



Rishit Jhunjhunwala
CEO | Truecaller

Yeah. Philosophically, Truecaller has been a slow recruiter. We don't believe that throwing people at the problem necessarily fixes the problem or creates speed on it. We believe in efficiency, and we don't necessarily see that we'll be a very large recruiter in 2026 either.



Odd Bolin
CFO | Truecaller

But if you're questioning-



Thomas Nilsson
Equity Research Analyst | Nordea

Okay, thank you very much.



Odd Bolin
CFO | Truecaller

Specifically about margins and profitability, what Rishit has been pointing out here is that we are investing for the future. Although we think we can do much of that within the existing cost base, we don't exclude the option of making, for example, critical recruitments in order to achieve the targets, the longer term targets that we have. There is no question about it that profitability is a core value for us, but when we look at the situation over the coming year, we will not shy away from important investments that we believe will create more shareholder value in the longer term, in order to protect the short term to a larger extent.



Thomas Nilsson
Equity Research Analyst | Nordea

Okay, thank you very much.



Odd Bolin
CFO | Truecaller

Thank you.



Operator

The next question comes from Bharath Nagaraj from Cantor Fitzgerald. Please go ahead.

**Bharath Nagaraj**

Sell-side Equity Research Analyst and VP in the Equity Research | Cantor Fitzgerald

Hi, thank you for taking my questions. For the first time, you actually mentioned about these CNAP solutions impacting your business, starting with TFB. What's kind of changed in the CNAP solutions? Have they become incrementally better? Because at the Q3 results, I didn't... maybe I missed it, but didn't really hear much about it. And also, are you seeing any impact from these CNAP businesses on your user growth or the premium business as well? Because just like how the businesses are trying out these new solutions, even these even the users may try it out. So any impact in 2026 so far? Because I don't see any impacts in 2025 from your numbers. That's the first question.

**Rishit Jhunjunwala**

CEO | Truecaller

All right.

**Bharath Nagaraj**

Sell-side Equity Research Analyst and VP in the Equity Research | Cantor Fitzgerald

Start there, if that's okay.

**Rishit Jhunjunwala**

CEO | Truecaller

So, Business CNAP, as well as the 1600 reserved series, that is what is... We, we've started seeing enterprises try out that solution. Business CNAP was launched on Jio, which, as you know, is the country's, is India's largest operator. Launched their Business CNAP service only in October 2025, and the 1600 number series adoption has also gradually taken up only in Q4 2025. That's when we have started seeing the solution coming to life in the form of 1600 plus Business CNAP. The second part of your question is the impact on consumer. Like I've reiterated, we, we haven't seen any impact on our on the consumer side of our business.

**Rishit Jhunjunwala**

CEO | Truecaller

We believe we have a superior product, and we've greatly expanded and, you know, rejigged caller ID in Q4, like we spoke about in the product update. However, I've said it for several quarters before, we remain watchful because CNAP is still a partial rollout in India. It has not been fully rolled out. It's significant rollout. It's not insignificant at all. We can see that, you know, anecdotally on our phones as well. But also what the regulators are saying. The launch is imminent. The full launch is supposed to roll out all the way up to the end of March. Essentially, it's not too far away. So we definitely remain watchful about the impact, if any, on the consumer side of the business.

**Rishit Jhunjunwala**

CEO | Truecaller

I've said again before that we could possibly see an impact in the short term, but we believe consumers will understand the difference between just showing a name and using Truecaller, and they would come back to us.

**Bharath Nagaraj**

Sell-side Equity Research Analyst and VP in the Equity Research | Cantor Fitzgerald

Okay. Thank you. The second question I have is around the ad exchange that you referred to. So where are you with the ad exchange? Has it already been fully built? Do you need to make further tech investments to get there? And also separately, I know you mentioned you're just rearranging your costs, et cetera, so do you need to spend more on a direct sales force to stabilize your ad revenues? And could you quantify any of the investments that you're making, either with the tech or with the direct sales force?

**Rishit Jhunjunwala**

CEO | Truecaller

Definitely, tech is the investment that we're making. To answer your question, specifically, the Ad Exchange, a lot of the parts of the Ad Exchange were existing in the form of the Truecaller Ad Server. This was doing an orchestration among all our demand partners, right? However, some partners were getting a higher priority than others for various reasons, and we need to conduct a real auction on our inventory, and that is definitely the tech investment that we're significantly focused on this year. I can also say that we have been working on the Truecaller Ad Server for several years now.

**Rishit Jhunjunwala**
CEO | Truecaller

This was always known to us that we need to get to a point when we can build some sort of an ad exchange out. But the last few quarters have accelerated this belief and now we're single-mindedly focused on building out this ad exchange. Some parts of it are already built. Some very key components have been built in January and rolled out as well, actually. And you'll see more of this in Q1, Q2, as we go forward. To your question about the direct sales team itself, we will eventually reach a point when we will need to expand our own direct sales team and invest in that area.

**Rishit Jhunjunwala**
CEO | Truecaller

However, at the moment, and for the last few years, our focus has been on creating our own proprietary direct sales offering, bolstering that with AdVantage, our AI platform, and using resellers and agencies as an extended sales team, essentially. There will probably come a time when we've grown direct sales on the back of resellers, that we might want to expand our own direct sales team, but it would be too early right now to expand. Our problem is not necessarily how many people are going out in the market right now.

**Bharath Nagaraj**
Sell-side Equity Research Analyst and VP in the Equity Research | Cantor Fitzgerald

Okay. Okay. The last one, a quick one, a clarification, really. How much of your Q4 revenue, ad revenues, actually has come from Google now? Is that expected to... I know you said it's a fraction of what it was in August. Is that expected to kind of go to zero? And who are the newer partners that you've added, that you mentioned earlier in the call? Thanks.

**Odd Bolin**
CFO | Truecaller

Well, I'm sorry if we expressed this so you misunderstood. It's not that our largest partner revenue is a fraction now of what it was in August. It's still 70% of the business that we had in August from this partner is still there. We lost approximately one third of the traffic from this partner in August. And altogether, it still makes up more than one third of our total, total revenue. Now, in terms of other partners, we have signed up a number of other programmatic ads partners, both in India and outside of India. I don't know if we had been public with any of the names.

**Rishit Jhunjunwala**
CEO | Truecaller

No, we haven't. But, I mean, it's not hard to look at which are those programmatic partners that operate in most geographies in the market. But we have a huge slew of them, actually.

**Bharath Nagaraj**
Sell-side Equity Research Analyst and VP in the Equity Research | Cantor Fitzgerald

Okay. Sorry, you said one-third of the group revenues are still coming from this partner. Do you expect that to go down further or is it kind of like a ... I know you said you don't expect the issue to be resolved, so is it going to be at similar sort of level or continue to decline? Sorry, I don't know if you clarified this earlier, but-

**Rishit Jhunjunwala**
CEO | Truecaller

Yeah, good question also.

**Bharath Nagaraj**
Sell-side Equity Research Analyst and VP in the Equity Research | Cantor Fitzgerald

Thank you.

**Rishit Jhunjunwala**
CEO | Truecaller

We definitely don't expect it to go to zero. There is no signal of that at all. Firstly, let me clarify. If we have given any signal like that, it's wrong. We don't have signals at the moment that it will go, you know, sharply lower from here. Like I said, we continue to chip away at the problem. It's a track that we do have, but it's not a focused track right now. It's not where we believe we will get our growth from. But we definitely don't expect it to go to zero. We expect it to, I would say, if I can go out on a limb, I would expect it to stay flat.



Bharath Nagaraj

Sell-side Equity Research Analyst and VP in the Equity Research | Cantor Fitzgerald

Okay. All right. Thank you very much.



Rishit Jhunjunwala

CEO | Truecaller

Thank you.



Odd Bolin

CFO | Truecaller

Thank you.



Operator

There are no more questions at this time, so I hand the conference back to the speakers for any closing comments.



Rishit Jhunjunwala

CEO | Truecaller

Thanks, everyone, for joining, as always. I just want to reiterate that, 2026, we're looking at it as a transformative year for us. We're gonna build on this really strong foundation that we have. And I'm really excited to take the company through this journey. I have a lot of conviction and a lot of confidence now that we can truly change the trajectory, of where this company is heading. Thank you so much, and, see you next time.