

TELUS INTERNATIONAL AI (DENMARK) APS
C/O Moalem Weitemeyer Advokatpartnerskab,
Amaliegade 3,
1256 Copenhagen

Annual report for 2023

Adopted at the annual general meeting on
4 June 2024

DocuSigned by:



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Kari Tapio Koivisto
chairman

CVR-nr. 41 83 61 99

TABLE OF CONTENTS

	Page
Statements	
Statement by management on the annual report	3
Independent auditor's report on extended review	4
Management's review	
Company details	6
Management's review	7
Financial statements	
Accounting policies	8
Income statement 1 January - 31 December	11
Balance sheet 31 December	12
Statement of changes in equity	14
Notes	15

STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The executive board has today discussed and approved the annual report of TELUS International AI (Denmark) ApS for the financial year 1 January - 31 December 2023.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In my opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2023 and of the results of the company's operations for the financial year 1 January - 31 December 2023.

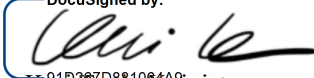
In my opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 4 June 2024

Executive board

DocuSigned by:



91D287D881084A9
Kari Tapio Koivisto
CEO

INDEPENDENT AUDITOR'S REPORT ON EXTENDED REVIEW

To the Shareholder of TELUS International AI (Denmark) ApS

Opinion

We have performed extended review of the financial statements of TELUS International AI (Denmark) ApS for the financial year 1 January - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

Based on the performed work it is our opinion, that the financial statements give a true and fair view of the company's financial position at 31 December 2023 and of the results of the company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our extended review in accordance with the Danish Business Authority's standard on auditor's report for small enterprises and FSR - danish auditors' standard on extended review of financial statements in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements, that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility for the extended review of the financial statements

Our responsibility is to express a conclusion on the accompanying financial statements. This requires us to perform procedures in order to obtain limited assurance for our conclusion on these financial statements, and in addition perform specifically required supplementary procedures in order to obtain additional assurance for our conclusion.

An extended review of financial statements includes procedures primarily consisting of making inquiries of management and others within the entity, as appropriate, applying analytical procedures and the specifically required supplementary procedures, and evaluating the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit and accordingly we do not express an audit opinion on these financial statements.

INDEPENDENT AUDITOR'S REPORT ON EXTENDED REVIEW

Statement on management's review

Management is responsible for management's review.

Our opinion on the financial statements does not cover management's review, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the financial statements or our knowledge obtained during the extended review, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of management's review.

Copenhagen, 4 June 2024

MAZARS

Statsautoriseret Revisionspartnerselskab

CVR no. 31 06 17 41

Karsten Vedel

State authorized public accountant

MNE no. mne47841

COMPANY DETAILS

The company	TELUS International AI (Denmark) ApS C/O Moalem Weitemeyer Advokatpartnerskab Amaliegade 3 1256 Copenhagen
	CVR no.: 41 83 61 99
	Reporting period: 1 January - 31 December 2023
	Incorporated: 10 November 2020
	Domicile: Copenhagen
Executive board	Kari Tapio Koivisto, CEO
Auditors	Mazars Statsautoriseret Revisionspartnerselskab Midtermolen 1, 2.tv. 2100 København Ø

MANAGEMENT'S REVIEW

Business review

The principal activities comprise of online testing, analysis and enhancement of digital advertising, search algorithms, speech applications, artificial intelligence and machine learning applications as well as any other related activities.

Financial review

The company's income statement for the year ended 31 December 2023 shows a loss of DKK 137.777, and the balance sheet at 31 December 2023 shows equity of DKK 1.404.724.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

ACCOUNTING POLICIES

The annual report of TELUS International AI (Denmark) ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected provisions for reporting class C.

The accounting policies applied are consistent with those of last year.

The annual report for 2023 is presented in DKK

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue and other operating income less other external expenses.

Revenue

Net revenue is accrued to cover the period up to the end of the financial year. Net revenue consists of the Group Transfer-Pricing model.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

ACCOUNTING POLICIES

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, , liabilities and foreign currency transactions as well as surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

Equity

Reserve for development costs

An amount corresponding to capitalised development costs is recognised in the reserve. The reserve is reduced as development costs are amortised.

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

ACCOUNTING POLICIES

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Liabilities

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, the financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest method. Accordingly, the difference between the net proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2023 DKK	2022 DKK
Gross profit		11.566.718	12.485.926
Staff costs	1	-10.497.295	-11.414.535
Profit/loss before net financials		1.069.423	1.071.391
Financial costs	2	-942.776	-761
Profit/loss before tax		126.647	1.070.630
Tax on profit/loss for the year	3	-264.424	-248.912
Profit/loss for the year		-137.777	821.718
Retained earnings		-137.777	821.718
		-137.777	821.718

BALANCE SHEET 31 DECEMBER

	<u>Note</u>	<u>2023</u> DKK	<u>2022</u> DKK
ASSETS			
Deposits		336.592	233.440
Fixed asset investments		336.592	233.440
Total non-current assets		336.592	233.440
Receivables from group companies		11.135.626	3.457.374
Other receivables		0	270.156
Prepayments		120.678	184.116
Receivables		11.256.304	3.911.646
Cash at bank and in hand		553.464	2.154.453
Total current assets		11.809.768	6.066.099
Total assets		12.146.360	6.299.539

BALANCE SHEET 31 DECEMBER

	<u>Note</u>	<u>2023</u> DKK	<u>2022</u> DKK
EQUITY AND LIABILITIES			
Share capital		40.000	40.000
Retained earnings		1.364.724	1.502.501
Equity		<u>1.404.724</u>	<u>1.542.501</u>
Trade payables		293.679	530.780
Payables to group companies		724.084	2.675.244
Corporation tax		168.608	235.539
Other payables		9.555.265	1.315.475
Total current liabilities		<u>10.741.636</u>	<u>4.757.038</u>
Total liabilities		<u>10.741.636</u>	<u>4.757.038</u>
Total equity and liabilities		<u><u>12.146.360</u></u>	<u><u>6.299.539</u></u>

STATEMENT OF CHANGES IN EQUITY

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2023	40.000	1.502.501	1.542.501
Net profit/loss for the year	<u>0</u>	<u>-137.777</u>	<u>-137.777</u>
Equity at 31 December 2023	<u>40.000</u>	<u>1.364.724</u>	<u>1.404.724</u>

NOTES

	2023	2022
	DKK	DKK
1 STAFF COSTS		
Wages and salaries	9.693.370	10.531.259
Pensions	631.736	689.151
Other social security costs	172.189	194.125
	10.497.295	11.414.535
 Average number of employees	 24	 27
 2 FINANCIAL COSTS		
Other financial costs	911.153	245
Exchange adjustments costs	31.623	516
	942.776	761
 3 TAX ON PROFIT/LOSS FOR THE YEAR		
Current tax for the year	264.424	235.539
Adjustment of tax concerning previous years	0	13.373
	264.424	248.912

4 CONTINGENT LIABILITIES

Rent and Lease liabilities

Rent and lease liabilities include a rent obligation totalling DKK 99.149 in interminable rent agreements with remaining contract terms of 1 months.

Other contingent liabilities not recognised in balance sheet

The company has no contingent liabilities.

5 RELATED PARTIES AND OWNERSHIP STRUCTURE

Consolidated financial statements

The company is reflected in the group report as the parent company TELUS International (Cda) Inc

The group report of TELUS International (Cda) Inc can be obtained at the following address:

Floor 7, 510 West Georgia Street
Vancouver, BC V6B 0M3
Canada