

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

Annual report for 2022

Adopted at the annual general meeting on  
7 June 2023

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Kari Tapio Koivisto  
chairman

CVR-nr. 41 83 61 99

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## 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 2022.

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 2022 and of the results of the company's operations for the financial year 1 January - 31 December 2022.

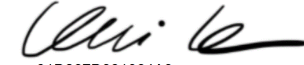
In my opinion, management's review includes a fair review of the matters dealt with in the management's review.

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

Copenhagen, 7 June 2023

**Executive board**

DocuSigned by:



91D267D881084A9  
Kari Tapio Kolvisto  
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 2022, 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 2022 and of the results of the company's operations for the financial year 1 January - 31 December 2022 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, 7 June 2023

## 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 2022  
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 2022 shows a profit of DKK 821.718, and the balance sheet at 31 December 2022 shows equity of DKK 1.542.501.

### **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 2022 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.

A reclassification has been made in relation to the presentation of items relative to last year. The effect of this is a reclassification between long term liabilities and short term liabilities.

The annual report for 2022 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	2022 DKK	2020/21 DKK
<b>Gross profit</b>		<b>12.485.926</b>	<b>12.105.977</b>
Staff costs	1	-11.414.535	-10.934.967
<b>Profit/loss before net financials</b>		<b>1.071.391</b>	<b>1.171.010</b>
Financial costs	2	-761	-296.915
<b>Profit/loss before tax</b>		<b>1.070.630</b>	<b>874.095</b>
Tax on profit/loss for the year	3	-248.912	-193.314
<b>Profit/loss for the year</b>		<b>821.718</b>	<b>680.781</b>
 Retained earnings		 821.718	 680.781
		<b>821.718</b>	<b>680.781</b>

## BALANCE SHEET 31 DECEMBER

	<u>Note</u>	<u>2022</u> DKK	<u>2021</u> DKK
<b>ASSETS</b>			
Deposits		233.440	0
<b>Fixed asset investments</b>		<b>233.440</b>	<b>0</b>
<b>Total non-current assets</b>		<b>233.440</b>	<b>0</b>
Receivables from group companies		3.457.374	1.835.597
Other receivables		270.156	29.354
Prepayments		184.116	114.369
<b>Receivables</b>		<b>3.911.646</b>	<b>1.979.320</b>
<b>Cash at bank and in hand</b>		<b>2.154.453</b>	<b>445.893</b>
<b>Total current assets</b>		<b>6.066.099</b>	<b>2.425.213</b>
<b>Total assets</b>		<b>6.299.539</b>	<b>2.425.213</b>

## BALANCE SHEET 31 DECEMBER

	<u>Note</u>	<u>2022</u> DKK	<u>2021</u> DKK
<b>EQUITY AND LIABILITIES</b>			
Share capital		40.000	40.000
Retained earnings		1.502.501	680.781
<b>Equity</b>		<b><u>1.542.501</u></b>	<b><u>720.781</u></b>
Trade payables		530.780	207.587
Payables to group companies		2.675.244	0
Corporation tax		235.539	193.314
Other payables		1.315.475	1.303.531
<b>Total current liabilities</b>		<b><u>4.757.038</u></b>	<b><u>1.704.432</u></b>
<b>Total liabilities</b>		<b><u>4.757.038</u></b>	<b><u>1.704.432</u></b>
<b>Total equity and liabilities</b>		<b><u><u>6.299.539</u></u></b>	<b><u><u>2.425.213</u></u></b>

## STATEMENT OF CHANGES IN EQUITY

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2022	40.000	680.783	720.783
Net profit/loss for the year	<u>0</u>	<u>821.718</u>	<u>821.718</u>
Equity at 31 December 2022	<u><u>40.000</u></u>	<u><u>1.502.501</u></u>	<u><u>1.542.501</u></u>

## NOTES

	2022 DKK	2020/21 DKK
<b>1 STAFF COSTS</b>		
Wages and salaries	10.531.259	10.149.606
Pensions	689.151	634.168
Other social security costs	194.125	122.871
Other staff costs	0	28.322
	11.414.535	10.934.967
 Average number of employees	 27	 26
 <b>2 FINANCIAL COSTS</b>		
Other financial costs	245	0
Exchange adjustments costs	516	296.915
	761	296.915
 <b>3 TAX ON PROFIT/LOSS FOR THE YEAR</b>		
Current tax for the year	235.539	193.314
Adjustment of tax concerning previous years	13.373	0
	248.912	193.314

#### 4 CONTINGENT LIABILITIES

##### **Discounted bills of exchange**

Rent and lease liabilities include a rent obligation totalling DKK 92.059 in interminable rent agreements with remaining contract terms of 1 months. 92.059 DKK.

##### **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