UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2025

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from____________to_____________

Commission File Number: 001-40482

TaskUs, Inc.
(Exact name of registrant as specified in its charter)

Delaware **(State or other jurisdiction of incorporation or organization)**	**83-1586636** **(I.R.S. Employer Identification No.)**
1650 Independence Drive, Suite 100 **New Braunfels, Texas** **(Address of principal executive offices)**	**78132** **(Zip Code)**

(888) 400-8275
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, par value $0.01 per share	**TASK**	**The Nasdaq Stock Market LLC**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐		Accelerated filer	☒
Non-accelerated filer	☐		Smaller reporting company	☒
			Emerging growth company	☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

As of May 2, 2025, the number of shares outstanding of the registrant’s common stock was as follows: Class A common stock, par value $0.01 per share: 18,837,801; Class B common stock, par value $0.01 per share: 70,032,694.

TASKUS, INC.
Quarterly Report on Form 10-Q
For Quarterly Period Ended March 31, 2025
Table of Contents

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (this "Quarterly Report") contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward looking statements may also be contained in our other reports filed under Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which involve certain known and unknown risks and uncertainties. Forward-looking statements include all statements that are not historical facts. In some cases, you can identify these forward-looking statements by the use of words such as "outlook," "believes," "expects," "potential," "continues," "may," "will," "should," "could," "seeks," "predicts," "intends," "trends," "plans," "estimates," "anticipates," "position us," or the negative version of these words or other comparable words. Such forward-looking statements are subject to various risks and uncertainties. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statement was made. We assume no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Our actual results may differ significantly from any results expressed or implied by any forward-looking statements. A summary of the principal risk factors that might cause our actual results to differ from our forward-looking statements is set forth below. The following is only a summary of the principal risks that may materially adversely affect our business, financial condition and results of operations. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this Quarterly Report and the Company's other filings with the Securities and Exchange Commission (the "SEC"), and the more complete discussion of the risk factors we face, which are set forth under Part I, Item 1A, "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2024 (our "Annual Report") as filed with the SEC, as such risk factors may be updated from time to time in our periodic filings with the SEC, which are accessible on the SEC's website at www.sec.gov. Such risks and uncertainties include, but are not limited to, the following:

- Our business is dependent on key clients, and the loss of a key client could have an adverse effect on our business, financial condition or results of operations.
- Our clients may terminate contracts before completion or choose not to renew contracts and a loss of business or non-payment from clients could materially affect our results of operations.
- We may fail to cost-effectively acquire and retain new clients, which would adversely affect our business, financial condition or results of operations.
- If we provide inadequate service or cause disruptions in our clients' businesses, or if we fail to comply with the quality standards required by our clients under our agreements, it could result in significant costs to us, the loss of our clients and damage to our corporate reputation.
- Our business prospects will suffer if we are unable to continue to anticipate our clients' needs by adapting to market and technology trends, investing in technology as it develops, and adapting our services and solutions to changes in technology and client expectations.
- Utilization of artificial intelligence by our clients or our failure to incorporate artificial intelligence into our operations could adversely affect our business, reputation, or financial results.
- Unauthorized or improper disclosure of personal or other sensitive information, or security breaches and incidents, whether inadvertent or purposeful, including as the result of a cyber-attack, could result in liability and harm our reputation, each of which could adversely affect our business, financial condition, results of operations and prospects.
- Trust + Safety, including content moderation and monitoring services, is a large and growing portion of our business. The long-term impacts on the mental health and well-being of our employees doing this work are unknown. This work may lead to stress disorders and may create liabilities for us. This work is also subject to significant press and regulatory scrutiny. As a result, we may be subject to negative publicity or liability, or face difficulties recruiting and retaining employees, any of which could have an adverse effect on our reputation, business, financial condition or results of operations.
- Our failure to detect and deter criminal or fraudulent activities or other misconduct by our employees, or third parties such as contractors and consultants that may have access to our data, could result in loss of trust from our clients and negative publicity, which would have an adverse effect on our business, financial condition or results of operations.
- Global economic and political conditions, especially in the social media and meal delivery and transport industries from which we generate significant revenue, could adversely affect our business, financial condition, results of operations or prospects.
- Our business is heavily dependent upon our international operations, particularly in the Philippines and India, and any disruption to those operations would adversely affect us.
- Our business is subject to a variety of state, federal and international laws, including those related to data privacy and security, and we or our clients may be subject to regulations related to the processing of certain types of personal and sensitive information. These laws impose strict requirements on the collection, storage and sharing of personal and sensitive data. Non-compliance by us or our clients could result in legal consequences, including fines, penalties and reputational damage. Additionally, breaches of regulatory requirements could result in litigation, increased scrutiny from regulatory bodies, and loss of customer trust, all of which may adversely affect our business, financial condition, operational results and long-term prospects.
- Fluctuations against the U.S. dollar in the local currencies in the countries in which we operate could have a material effect on our business, financial condition or results of operations.
- Our business depends on a strong brand and corporate reputation, and if we are not able to maintain and enhance our brand, our ability to maintain and expand our client base will be impaired and our business, financial condition and results of operations will be adversely affected.
- Pricing pressure may reduce our revenue or gross profits and adversely affect our business, financial condition or results of operations.
- Our business, financial condition and results of operations have been, and could in the future be, adversely affected by volatile, unfavorable or uncertain economic and political conditions, particularly in the markets in which our clients and operations are concentrated, and the effects of these conditions on our clients' businesses.
- The success of our business depends on our senior management and key employees.
- Increases in employee expenses as well as changes to labor laws could reduce our profit margin.

- We may fail to attract, hire, train and retain sufficient numbers of skilled employees in a timely fashion at our sites to support our operations, which could have a material adverse effect on our business, financial condition, results of operations and prospects.
- We may face difficulties as we expand our operations into countries or industries in which we have no prior operating experience and in which we may be subject to increased business, economic and regulatory risks that could impact our business, financial condition or results of operations.
- Our business relies heavily on owned and third-party technology and computer systems, which subjects us to various uncertainties.
- Our profitability will suffer if we are not able to maintain asset utilization levels, price appropriately and control our costs.
- Certain investment funds associated with Blackstone Inc. and our Co-Founders control us and their interests may conflict with ours or yours in the future.
- The dual class structure of our common stock has the effect of concentrating voting control with those stockholders who held our common stock prior to the completion of our June 2021 initial public offering, and it may depress the trading price of our Class A common stock.
- The market price of shares of our Class A common stock has been, and may continue to be, volatile and may decline regardless of our operating performance, which could cause the value of your investment to decline.

We urge you to carefully consider the foregoing summary together with the risks discussed under "Risk Factors" in the Annual Report, and in Part I, Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations in this Quarterly Report.

WEBSITE AND SOCIAL MEDIA DISCLOSURE

We use our website (www.taskus.com) and our social media outlets, such as Facebook, Instagram, LinkedIn, YouTube and X as channels of distribution of Company information. The information we post through these channels may be deemed material. Financial and other important information regarding the Company is routinely posted on and accessible through the Company's website at ir.taskus.com, its Facebook page at facebook.com/TaskUs/, its Instagram page at instagram.com/taskus/, its LinkedIn page at linkedin.com/company/taskus/, its YouTube account at youtube.com/c/Taskus/, and its X account at x.com/taskus. Accordingly, investors should monitor these channels, in addition to following our press releases, SEC filings and public conference calls and webcasts. In addition, you may automatically receive email alerts and other information about the Company when you enroll your email address by visiting the "Shareholder Resources—Email Alerts" section of our investor relations website at ir.taskus.com. The contents of our website and social media channels are not, however, a part of this Quarterly Report.

PART I — FINANCIAL INFORMATION

Item 1. Financial Statements

TASKUS, INC.
Unaudited Condensed Consolidated Balance Sheets
(in thousands, except share data)

	March 31, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	$ 196,852	$ 192,166
Accounts receivable, net of allowance for credit losses of $1,582 and $1,299, respectively	206,011	198,996
Income tax receivable	784	912
Prepaid expenses and other current assets	52,025	43,278
Total current assets	455,672	435,352
Noncurrent assets:		
Property and equipment, net	77,175	66,775
Operating lease right-of-use assets	50,854	47,334
Deferred tax assets	8,496	8,431
Intangibles	167,859	172,525
Goodwill	217,670	216,791
Other noncurrent assets	7,738	6,090
Total noncurrent assets	529,792	517,946
Total assets	$ 985,464	$ 953,298
Liabilities and Shareholders' Equity		
Liabilities:		
Current liabilities:		
Accounts payable and accrued liabilities	$ 56,127	$ 53,403
Accrued payroll and employee-related liabilities	50,936	54,160
Current portion of debt	16,497	14,809
Current portion of operating lease liabilities	17,800	16,087
Current portion of income tax payable	13,902	9,839
Deferred revenue	3,506	3,727
Total current liabilities	158,768	152,025
Noncurrent liabilities:		
Income tax payable	9,141	6,496
Long-term debt	236,389	241,357
Operating lease liabilities	35,433	32,946
Accrued payroll and employee-related liabilities	6,963	6,425
Deferred tax liabilities	18,457	17,046
Other noncurrent liabilities	2	84
Total noncurrent liabilities	306,385	304,354
Total liabilities	465,153	456,379
Commitments and Contingencies (See Note 9)		
Shareholders' equity:		
Class A common stock, $0.01 par value. Authorized 2,500,000,000; 34,076,321 issued and 20,001,653 outstanding and 33,215,441 issued and 19,891,464 outstanding, respectively	341	332
Class B convertible common stock, $0.01 par value. Authorized 250,000,000; 70,032,694 and 70,032,694 shares issued and outstanding, respectively	700	700
Additional paid-in capital	730,761	726,917
Accumulated deficit	(22,966)	(44,114)
Accumulated other comprehensive loss	(16,891)	(25,389)
Treasury stock, at cost. 14,074,668 and 13,323,977 shares, respectively	(171,634)	(161,527)
Total shareholders' equity	520,311	496,919
Total liabilities and shareholders' equity	$ 985,464	$ 953,298

See accompanying notes to unaudited condensed consolidated financial statements.

TASKUS, INC.
Unaudited Condensed Consolidated Statements of Income
(in thousands, except share and per share data)

	Three months ended March 31,	
	2025	**2024**
Service revenue	$ 277,792	$ 227,470
Operating expenses:		
Cost of services	171,181	135,411
Selling, general and administrative expense	57,424	52,904
Depreciation	10,003	10,789
Amortization of intangible assets	4,976	4,985
Gain on disposal of assets	(30)	(177)
Total operating expenses	243,554	203,912
Operating income	34,238	23,558
Other income, net	(173)	(202)
Financing expenses	4,663	5,538
Income before income taxes	29,748	18,222
Provision for income taxes	8,600	6,508
Net income	$ 21,148	$ 11,714
Net income per common share:		
Basic	$ 0.23	$ 0.13
Diluted	$ 0.23	$ 0.13
Weighted-average number of common shares outstanding:		
Basic	90,040,348	88,795,211
Diluted	93,655,539	91,849,886

See accompanying notes to unaudited condensed consolidated financial statements.

TASKUS, INC.
Unaudited Condensed Consolidated Statements of Comprehensive Income
(in thousands)

	Three months ended March 31,	
	2025	**2024**
Net income	$ 21,148	$ 11,714
Unrealized gain on derivative contracts, net	5,282	—
Retirement benefit reserves, net	(21)	5
Foreign currency translation adjustments	3,237	(3,313)
Comprehensive income	$ 29,646	$ 8,406

See accompanying notes to unaudited condensed consolidated financial statements.

TASKUS, INC.
Unaudited Condensed Consolidated Statements of Shareholders' Equity
(in thousands, except share data)

	Capital stock and additional paid-in capital									
	Class A common stock		Class B convertible common stock		Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive loss	Treasury stock		Total shareholders' equity
	Shares	Amount	Shares	Amount				Shares	Amount	
Balance as of December 31, 2023	30,522,570	$ 305	70,032,694	$ 700	$ 683,117	$ (89,984)	$ (9,551)	11,796,623	$ (143,876)	$ 440,711
Issuance of common stock for settlement of equity awards	620,835	6	—	—	189	—	—	—	—	195
Shares withheld related to net share settlement	(122,480)	(1)	—	—	(1,573)	—	—	—	—	(1,574)
Repurchase of common stock	—	—	—	—	—	—	—	285,611	(3,379)	(3,379)
Stock-based compensation expense	—	—	—	—	10,235	—	—	—	—	10,235
Net income	—	—	—	—	—	11,714	—	—	—	11,714
Other comprehensive loss	—	—	—	—	—	—	(3,308)	—	—	(3,308)
Balance as of March 31, 2024	31,020,925	$ 310	70,032,694	$ 700	$ 691,968	$ (78,270)	$ (12,859)	12,082,234	$ (147,255)	$ 454,594

	Capital stock and additional paid-in capital									
	Class A common stock		Class B convertible common stock		Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive loss	Treasury stock		Total shareholders' equity
	Shares	Amount	Shares	Amount				Shares	Amount	
Balance as of December 31, 2024	33,215,441	$ 332	70,032,694	$ 700	$ 726,917	$ (44,114)	$ (25,389)	13,323,977	$ (161,527)	$ 496,919
Issuance of common stock for settlement of equity awards	1,237,630	12	—	—	206	—	—	—	—	218
Shares withheld related to net share settlement	(376,750)	(3)	—	—	(5,111)	—	—	—	—	(5,114)
Repurchase of common stock	—	—	—	—	—	—	—	750,691	(10,107)	(10,107)
Stock-based compensation expense	—	—	—	—	8,749	—	—	—	—	8,749
Net income	—	—	—	—	—	21,148	—	—	—	21,148
Other comprehensive income	—	—	—	—	—	—	8,498	—	—	8,498
Balance as of March 31, 2025	34,076,321	$ 341	70,032,694	$ 700	$ 730,761	$ (22,966)	$ (16,891)	14,074,668	$ (171,634)	$ 520,311

See accompanying notes to unaudited condensed consolidated financial statements.

TASKUS, INC.
Unaudited Condensed Consolidated Statements of Cash Flows
(in thousands)

	Three months ended March 31,	
	2025	2024
Cash flows from operating activities:		
Net income	$ 21,148	$ 11,714
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	10,003	10,789
Amortization of intangibles	4,976	4,985
Amortization of debt financing fees	149	149
Gain on disposal of assets	(30)	(177)
Provision for (benefit from) credit losses	283	(258)
Unrealized foreign exchange losses on forward contracts	—	1,497
Deferred taxes	74	(1,094)
Stock-based compensation expense	8,749	10,235
Changes in operating assets and liabilities:		
Accounts receivable	(6,657)	11,296
Prepaid expenses and other current assets	(5,489)	(331)
Operating lease right-of-use assets	4,668	3,941
Other noncurrent assets	(1,613)	207
Accounts payable and accrued liabilities	1,380	(3,866)
Accrued payroll and employee-related liabilities	(3,695)	805
Operating lease liabilities	(4,020)	(4,374)
Income tax payable	6,659	5,614
Deferred revenue	(228)	47
Other noncurrent liabilities	(81)	(2)
Net cash provided by operating activities	36,276	51,177
Cash flows from investing activities:		
Purchase of property and equipment	(14,480)	(3,572)
Net cash used in investing activities	(14,480)	(3,572)
Cash flows from financing activities:		
Payments on long-term debt	(3,375)	(1,688)
Proceeds from employee stock plans	218	195
Payments for taxes related to net share settlement	(5,114)	(1,574)
Payments for stock repurchases	(9,684)	(2,597)
Net cash used in financing activities	(17,955)	(5,664)
Increase in cash and cash equivalents	3,841	41,941
Effect of exchange rate changes on cash	845	(2,367)
Cash and cash equivalents at beginning of period	192,166	125,776
Cash and cash equivalents at end of period	$ 196,852	$ 165,350

See accompanying notes to unaudited condensed consolidated financial statements.

TASKUS, INC.
Notes to Unaudited Condensed Consolidated Financial Statements

1. Description of Business and Organization

TaskUs, Inc. ("TaskUs," together with its subsidiaries, the "Company," "we," "us" or "our") was formed by investment funds affiliated with Blackstone Inc. ("Blackstone") as a vehicle for the acquisition of TaskUs Holdings, Inc. ("TaskUs Holdings") on October 1, 2018 (the "Blackstone Acquisition"). Prior to the Blackstone Acquisition, TaskUs had no operations and TaskUs Holdings operated as a standalone entity. TaskUs, Inc. was incorporated in Delaware in July 2018, and is headquartered in New Braunfels, Texas.

The Company is a provider of outsourced digital services and next-generation customer experience to the world's most innovative companies, helping its clients represent, protect and grow their brands. The Company's global, omni-channel delivery model is focused on providing its clients three key services – Digital Customer Experience, Trust + Safety and Artificial Intelligence ("AI") Services. The Company has designed its platform to enable it to rapidly scale and benefit from its clients' growth. Through its agile and responsive operational model, the Company delivers services from multiple delivery sites that span globally from the United States, the Philippines, India and other parts of the world.

The Company's major service offerings are described in more detail below:

- *Digital Customer Experience*: Principally consists of omnichannel customer care services, primarily delivered through digital (non-voice) channels. Also included in this offering are learning experience and sales and customer acquisition services.
- *Trust + Safety*: Principally consists of monitoring, reviewing and managing user and advertiser-generated content on online platforms to ensure it complies with community guidelines, legal regulations and platform specific policies. Also included in this offering are our services for risk management, compliance, identity management and fraud.
- *AI Services*: Principally consists of large language model support and high-quality data labeling services, annotation, context relevance and transcription services performed for the purpose of training and tuning machine learning algorithms, enabling them to develop cutting-edge AI systems.

2. Summary of Significant Accounting Policies

(a) Basis of Presentation

The accounting and reporting policies of the Company are in accordance with accounting principles generally accepted in the United States of America ("US GAAP"). Our Annual Report on Form 10-K for the year ended December 31, 2024 (the "Annual Report"), as filed with the Securities and Exchange Commission (the "SEC"), includes a discussion of the significant accounting policies used in the preparation of our consolidated financial statements. There have been no changes to the Company's significant accounting policies described in the Annual Report that have had a material impact on the Company's condensed consolidated financial statements and related notes.

These unaudited condensed consolidated financial statements and accompanying notes have been prepared in accordance with US GAAP for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and notes required by US GAAP for complete financial statements and should be read in conjunction with the Company's audited consolidated financial statements and notes thereto for the year ended December 31, 2024 included in the Annual Report. In the opinion of the Company, the accompanying unaudited condensed consolidated financial statements contain all adjustments, consisting of only normal recurring adjustments, necessary for a fair statement of its financial position as of March 31, 2025 and its statements of income, comprehensive income, shareholders' equity and cash flows for the three months ended March 31, 2025 and 2024. The condensed consolidated balance sheet as of December 31, 2024, was derived from audited annual financial statements but does not contain all of the footnote disclosures from the annual financial statements.

(b) Use of Estimates

The preparation of consolidated financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Significant items subject to such estimates and assumptions include the determination of useful lives and impairment of fixed assets; allowances for credit losses; the valuation of deferred tax assets; the measurement of lease liabilities and right-of-use assets; valuation of forward contracts; valuation of stock-based compensation; valuation of acquired intangible assets and goodwill, as well as related impairment assessments, and reserves for income tax uncertainties and other contingencies.

(c) Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation. The Company has no variable interest entities in its corporate structure.

(d) Concentration Risk

Most of the Company’s clients are located in the United States. Clients outside of the United States are concentrated in Europe.

For the three months ended March 31, 2025 and 2024, the following client represented greater than 10% of the Company’s service revenue:

	Service revenue percentage	
	Three months ended March 31,	
Client	2025	2024
A	26 %	19 %

As of March 31, 2025 and December 31, 2024, the following clients represented greater than 10% of the Company’s accounts receivable:

	Accounts receivable percentage	
Client	March 31, 2025	December 31, 2024
A	21 %	19 %
B	Less than 10%	11 %

The Company’s principal operations, including the majority of its employees and the fixed assets owned by its wholly owned subsidiaries, are located in the Philippines.

(e) Recent Accounting Pronouncements

The Company currently qualifies as an "emerging growth company" under the Jumpstart Our Business Startups Act of 2012 (the “JOBS Act”). Accordingly, the Company is provided the option to adopt new or revised accounting guidance either (i) within the same periods as those otherwise applicable to non-emerging growth companies or (ii) within the same time periods as private companies. The Company has elected to adopt new or revised accounting guidance within the same time period as private companies.

Recently issued accounting pronouncements

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. This standard improves the transparency of rate reconciliation and income taxes paid disclosures by requiring (1) consistent categories and greater disaggregation of information in the rate reconciliation and (2) income taxes paid disaggregated by jurisdiction. The standard also improves the effectiveness and comparability of disclosures by (1) adding disclosures of pretax income (loss) and income tax expense (benefit) and (2) removing disclosures that no longer are considered cost beneficial or relevant. This ASU will be effective for the Company for fiscal years beginning after December 15, 2025. Early adoption is permitted. This ASU will be applied prospectively, with retrospective application permitted. The Company does not expect the adoption of this ASU to have a material impact on its consolidated financial statements.

In November 2024, the FASB issued ASU 2024-03, Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expense. The amendments in this Update require (1) disclosure of employee compensation, depreciation and intangible asset amortization included in each expense caption presented on the face of the income statement within continuing operations ("relevant expense captions"); (2) certain amounts that are already required to be disclosed under current GAAP to be included in the same disclosure as the other disaggregation requirements; (3) a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated quantitatively; and (4) disclosure of the total amount of selling expenses and, in annual reporting periods, the Company's definition of selling expenses. This ASU will be effective for the Company for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted. This ASU should be applied either prospectively or retrospectively. The Company is currently reviewing this ASU.

3. Revenue from Contracts with Customers

Disaggregation of Revenue

The Company's revenues are derived from contracts with customers related to business outsourcing services that it provides. The following table presents the breakdown of the Company's revenues by service offering:

	Three months ended March 31,	
(in thousands)	**2025**	**2024**
Digital Customer Experience	$ 159,862	$ 143,491
Trust + Safety	72,407	55,272
AI Services	45,523	28,707
Service revenue	$ 277,792	$ 227,470

The majority of the Company's revenues are derived from contracts with customers who are located in the United States. However, the Company delivers its services from geographies outside of the United States. The following table presents the breakdown of the Company's revenues by geographical location, based on where the services are provided from:

	Three months ended March 31,	
(in thousands)	**2025**	**2024**
Philippines	$ 151,717	$ 131,213
United States	33,221	25,590
India	35,428	28,909
Rest of World	57,426	41,758
Service revenue	$ 277,792	$ 227,470

Contract Balances

Accounts receivable, net of allowance for credit losses includes $107.2 million and $92.7 million of unbilled revenue as of March 31, 2025 and December 31, 2024, respectively.

4. Forward Contracts

The Company transacts business in various foreign currencies and has international sales and expenses denominated in foreign currencies, subjecting the Company to foreign currency exchange rate risk. During 2025 and 2024, the Company entered into foreign currency exchange rate forward contracts, with five commercial banks as the counterparties, with maturities of generally 12 months or less, to reduce the volatility of cash flows, primarily related to forecasted costs denominated in Philippine pesos, Indian rupees, Mexican pesos and Colombian pesos. In addition, the Company utilizes foreign currency exchange rate contracts to mitigate foreign currency exchange rate risk associated with foreign currency-denominated assets and liabilities, primarily intercompany balances. The Company does not use foreign currency exchange rate contracts for trading purposes.

Cash Flow Hedges

The following table presents the Company's realized losses associated with our cash flow hedges reclassified from accumulated other comprehensive loss ("AOCL") to earnings:

	Three months ended March 31,	
(in thousands)	**2025**	**2024**
Cost of services	$ 433	$ —
Selling, general and administrative expense	89	—
Depreciation expense	26	—
Total amount reclassified from AOCL	$ 548	$ —

The following table presents the Company's settled forward contracts designated as cash flow hedges:

	Three months ended March 31,	
(in thousands)	**2025**	**2024**
Notional amount of settled forward contracts in Philippine pesos	$ 45,935	$ —
Notional amount of settled forward contracts in Indian rupees	11,799	—
Notional amount of settled forward contracts in Mexican pesos	4,381	—
Notional amount of settled forward contracts in Colombian pesos	10,158	—
Total notional amount of settled forward contracts designated as cash flow hedges	$ 72,273	$ —

The following table presents the Company's outstanding forward contracts designated as cash flow hedges:

(in thousands)	**March 31, 2025**	**December 31, 2024**
Notional amount of outstanding forward contracts in Philippine pesos	$ 130,607	$ 152,803
Notional amount of outstanding forward contracts in Indian rupees	38,364	41,819
Notional amount of outstanding forward contracts in Mexican pesos	9,999	14,380
Notional amount of outstanding forward contracts in Colombian pesos	24,983	35,141
Total notional amount of outstanding forward contracts designated as cash flow hedges	$ 203,953	$ 244,143

All cash flow hedges were determined to be highly effective, with no component of any gain or loss excluded from the assessment of hedge effectiveness, for the periods presented. Net unrealized gains on cash flow hedges for the three months ended March 31, 2025 were $6.1 million. As of March 31, 2025, the net accumulated gain on our foreign currency cash flow hedges expected to be reclassed from AOCL into earnings within the next 12 months was $2.4 million. See Note 13, “Accumulated Other Comprehensive Loss” for additional information regarding changes in accumulated other comprehensive loss.

Derivatives Not Designated as Hedging Instruments

The following table presents the Company's settled forward contracts and realized and unrealized losses (gains) associated with derivative contracts not designated as hedging instruments:

(in thousands)	Three months ended March 31, 2025	Three months ended March 31, 2024
Notional amount of settled forward contracts in Philippine pesos	$ —	$ 45,964
Notional amount of settled forward contracts in Indian rupees	—	12,405
Total notional amount of settled forward contracts	$ —	$ 58,369
Realized losses from settlement of forward contracts	$ —	$ 693
Unrealized losses on forward contracts	$ —	$ 1,497

There were no outstanding forward contracts not designated as hedging instruments as of March 31, 2025 and December 31, 2024.

Fair Value Measurements

The Company's derivatives are carried at fair value using various pricing models that incorporate observable market inputs, such as interest rate yield curves and currency rates, which are Level 2 inputs. By entering into derivative contracts, the Company is exposed to counterparty credit risk, or the failure of the counterparty to perform under the terms of the derivative contract. Derivative valuations incorporate credit risk adjustments that are necessary to reflect the probability of default by the counterparty or by the Company. For the periods presented, the non-performance risk of the Company and the counterparties did not have a material impact on the fair value of the derivative instruments.

For financial statement presentation purposes, the Company does not offset assets and liabilities under master netting arrangements. The following table presents information about the Company's assets and liabilities that are measured at fair value on a recurring basis at March 31, 2025 and December 31, 2024 and indicates the fair value hierarchy of the valuation techniques utilized to determine such fair value:

	March 31, 2025					
	Fair value measurements using					
(in thousands)	Level 1 inputs	Level 2 inputs	Level 3 inputs	Total Gross Fair Value	Effect of Master Netting Arrangements	Net Amounts
Assets						
Money market funds	$ 27,352	$ —	$ —	$ 27,352	$ —	$ 27,352
Derivatives designated as hedging instruments:						
Forward contracts receivable	$ —	$ 2,682	$ —	$ 2,682	$ (150)	$ 2,532
Liabilities						
Derivatives designated as hedging instruments:						
Forward contracts payable	$ —	$ 257	$ —	$ 257	$ (150)	$ 107

	December 31, 2024					
	Fair value measurements using					
(in thousands)	Level 1 inputs	Level 2 inputs	Level 3 inputs	Total Gross Fair Value	Effect of Master Netting Arrangements	Net Amounts
Assets						
Money market funds	$ 60,346	$ —	$ —	$ 60,346	$ —	$ 60,346
Derivatives designated as hedging instruments:						
Forward contracts receivable	$ —	$ 2	$ —	$ 2	$ (2)	$ —
Liabilities						
Derivatives designated as hedging instruments:						
Forward contracts payable	$ —	$ 4,221	$ —	$ 4,221	$ (2)	$ 4,219

5. Property and Equipment, net

The components of property and equipment, net as of March 31, 2025 and December 31, 2024, were as follows:

(in thousands)	March 31, 2025	December 31, 2024
Leasehold improvements	$ 85,306	$ 76,171
Technology and computers	124,898	115,816
Furniture and fixtures	9,611	8,480
Construction in process	5,633	5,476
Other property and equipment	18,453	16,260
Property and equipment, gross	243,901	222,203
Accumulated depreciation	(166,726)	(155,428)
Property and equipment, net	$ 77,175	$ 66,775

The Company's principal operations are in the Philippines where the majority of property and equipment resides under its wholly owned subsidiaries. The table below presents the Company's total property and equipment by geographic location as of March 31, 2025 and December 31, 2024:

(in thousands)	March 31, 2025	December 31, 2024
Philippines	$ 29,588	$ 22,888
United States	6,677	7,116
India	11,773	11,830
Colombia	16,864	12,950
Rest of World	12,273	11,991
Property and equipment, net	$ 77,175	$ 66,775

6. Goodwill and Intangibles

The changes in the carrying amount of goodwill during the period were as follows:

(in thousands)	
Balance as of December 31, 2024	$ 216,791
Foreign currency translation	879
Balance as of March 31, 2025	$ 217,670

Intangible assets consisted of the following as of March 31, 2025 and December 31, 2024:

	March 31, 2025			December 31, 2024		
(in thousands)	Intangibles, Gross	Accumulated Amortization	Intangibles, Net	Intangibles, Gross	Accumulated Amortization	Intangibles, Net
Customer relationships	$ 251,682	$ (107,566)	$ 144,116	$ 251,245	$ (103,162)	$ 148,083
Trade names	41,900	(18,157)	23,743	41,900	(17,458)	24,442
Other intangibles	140	(140)	—	158	(158)	—
Total	$ 293,722	$ (125,863)	$ 167,859	$ 293,303	$ (120,778)	$ 172,525

7. Long-Term Debt

The balances of current and noncurrent portions of debt consisted of the following as of March 31, 2025 and December 31, 2024:

	March 31, 2025			December 31, 2024		
(in thousands)	Current	Noncurrent	Total	Current	Noncurrent	Total
Term Loan	$ 16,875	$ 236,925	$ 253,800	$ 15,188	$ 241,988	$ 257,176
Less: Debt financing fees	(378)	(536)	(914)	(379)	(631)	(1,010)
Total	$ 16,497	$ 236,389	$ 252,886	$ 14,809	$ 241,357	$ 256,166

2022 Credit Agreement

On September 7, 2022, the Company amended and restated its prior credit agreement (as amended and restated the "2022 Credit Agreement"), which includes a $270.0 million term loan (the "2022 Term Loan Facility") and a $190.0 million revolving credit facility (the "2022 Revolving Credit Facility" and, together with the 2022 Term Loan Facility, the "2022 Credit Facilities").

The 2022 Term Loan Facility matures on September 7, 2027. We have elected to pay interest on borrowings under the 2022 Term Loan Facility based on the SOFR rate. The interest rate in effect for the 2022 Term Loan Facility as of March 31, 2025 was 6.649% per annum. Due to its variable interest rates, the carrying amount of debt approximates fair value based on the present value of future cash flows using Level 2 inputs.

The 2022 Revolving Credit Facility terminates on September 7, 2027. As of March 31, 2025, the Company had no balance outstanding and $190.0 million of borrowing availability under the 2022 Revolving Credit Facility.

The Company was in compliance with all debt covenants as of March 31, 2025.

8. Leases

The following table presents operating lease costs recorded to cost of services:

	Three months ended March 31,	
(in thousands)	2025	2024
Operating lease costs - Cost of services	$ 5,726	$ 4,477

Operating lease costs recorded to selling, general and administrative expenses were immaterial.

The following table presents the weighted average remaining lease term and weighted average discount rate for the Company's operating leases as of March 31, 2025 and December 31, 2024:

	March 31, 2025	December 31, 2024
Weighted average remaining lease term	3.5 years	3.5 years
Weighted average discount rate	7.2 %	6.6 %

The following table presents supplemental cash flow information related to the Company's operating leases:

	Three months ended March 31,	
(in thousands)	2025	2024
Cash paid for amounts included in the measurement of operating lease liabilities	$ 5,265	$ 4,831
ROU assets obtained in exchange for operating lease liabilities	11,949	812

The future lease payments on the Company's operating lease liabilities as of March 31, 2025 were as follows:

(in thousands)	
2025-remainder of year	$ 15,835
2026	17,401
2027	11,944
2028	7,785
2029	6,476
Thereafter	948
Total lease payments	60,389
Less: imputed interest	(7,156)
Total lease liabilities	$ 53,233

9. Commitments and Contingencies

Legal Proceedings

The Company is subject to various legal proceedings, claims, and litigation arising in the ordinary course of business. Although the outcomes of such matters cannot be predicted with certainty, the Company believes that resolution of all such pending matters will not, either individually or in the aggregate, have a material adverse effect on its business, operating results, cash flows, or financial condition. However, given the inherent unpredictability of litigations, arbitrations, claims, inquiries, investigations and proceedings, it is possible that an adverse outcome in certain matters could have a material adverse effect on our business, operating results, cash flows, or financial condition in any future period. In addition, there can be no assurance that material losses will not be incurred from claims where potential losses have not yet been determined to be probable or possible and reasonably estimable.

On February 23, 2022, a purported class action lawsuit captioned Lozada v. TaskUs, Inc. et al. (No. 22-cv-1479-JPC), was filed in the United States District Court for the Southern District of New York against the Company, our Chief Executive Officer, our President, and our Chief Financial Officer. The complaint alleges that the registration statement filed in connection with the Company's initial public offering ("IPO") and the Company's second and third quarter 2021 earnings calls contained materially false and misleading information in violation of the federal securities laws. On October 20, 2022, the court entered an order appointing Humberto Lozada as lead plaintiff in the lawsuit. On December 16, 2022, lead plaintiff filed an amended complaint, alleging additional misstatements in certain of the Company's 2021 earnings releases filed on Form 8-K and at an investor conference, and asserting additional securities claims, including against members of TaskUs's board of directors as well as BCP FC Aggregator L.P. The complaint seeks unspecified damages and an award of costs and expenses, including reasonable attorneys' fees, as well as equitable relief. On February 17, 2023, TaskUs and the other named defendants filed a motion to dismiss. On October 16, 2023, the plaintiffs voluntarily dismissed with prejudice certain claims based on certain theories of liability. On February 24, 2025, the Company entered into a Stipulation and Agreement of Settlement (the "Settlement Agreement"), which is subject to approval by the court. The Settlement Agreement contemplates a combined payment by defendants of $17.5 million, inclusive of plaintiffs' attorneys' fees and expenses, and a full and complete release of all claims. The Company expects its insurance retention and policies to fund the settlement amount. The defendants have entered into the Settlement Agreement solely to eliminate the burden, expense, uncertainty, and risk of further litigation and have denied, and continue to deny, any and all allegations of liability or wrongdoing.

On January 15, 2025, putative TaskUs stockholder James Eaton filed a derivative lawsuit in the Court of Chancery of the State of Delaware, captioned Eaton v. Maddock, et al. (C.A. No. 2025-0043-NAC), purportedly on behalf of the Company against certain current and former members of its board of directors. Eaton previously delivered a demand pursuant to 8 Del. C. §220 on TaskUs on July 3, 2024, which the Company responded to on September 16, 2024. The Eaton complaint includes allegations similar to those in the Lozada case and asserts a claim for breach of fiduciary duty. In particular, the complaint alleges that TaskUs's public filings included misstatements regarding its low employee attrition rate and high Glassdoor rating in the lead-up periods to the Company's IPO and secondary public offering in October 2021 ("SPO"). The complaint includes one count for breach of fiduciary duty and alleges that because of TaskUs's breach, the Company has suffered damages in the form of: (1) legal fees associated with the Lozada litigation; (2) loss of reputation and goodwill; (3) costs associated with investigations into the misstatement allegations; (4) money used to facilitate the IPO and SPO; (5) insider profits derived from the IPO and SPO; and (6) loss of Company revenue and profits. The Company is unable to predict, with a reasonable degree of certainty, the likely outcome of this litigation.

On March 6, 2025, putative TaskUs stockholder Kalvin Tucker filed a derivative lawsuit in the United States District Court for the Southern District of New York, captioned Tucker v. Dixit, et al. (No. 25-cv-01875), purportedly on behalf of the Company against certain current and former members of its board of directors. The Tucker complaint includes allegations that are substantially similar to those in the Eaton case and asserts claims for contribution, breach of fiduciary duty, aiding and abetting breaches of fiduciary duty, unjust enrichment, and waste. The Company is unable to predict, with a reasonable degree of certainty, the likely outcome of this litigation.

The Company is also currently defending three lawsuits that present in large degree the same legal or factual issues, with allegations that are similar in nature. We believe that these three lawsuits are without merit and intend to defend each vigorously. The Company cannot predict at this point the length of time that these actions will be ongoing or the liability, if any, which may arise therefrom. As these actions are still in preliminary phases, any potential loss or impact on financial position or results of operations cannot yet be estimated.

On April 1, 2022, a purported class action lawsuit captioned Gregory Forsberg, Christopher Gunter, Samuel Kissinger, and Scott Sipprell vs. TaskUs, Inc. and Shopify, Inc., Shopify Holdings (USA), Inc., Shopify (USA) Inc. (No. 1:22-cv-00436-UNA), was filed in the United States District Court for the District of Delaware. The complaint alleges the named defendants failed to exercise reasonable care in securing and safeguarding consumer information in connection with a 2020 data breach impacting Ledger SAS cryptocurrency hardware wallets, resulting in the unauthorized public release of approximately 272,000 pieces of detailed personally identifiable information, including Plaintiffs' and class members' full names, email addresses, postal addresses, and telephone numbers. The four named plaintiffs allege aggregate losses of approximately $140,000, and allege that the damages exceed $5 million for purposes of class action jurisdiction. On April 8, 2022, the Company filed a motion to dismiss, which is currently pending. On April 24, 2025, the parties reached an agreement in principle to settle all of the plaintiffs' individual claims for an immaterial amount and requested an additional thirty-day stay to finalize the agreement.

On September 16, 2022, a lawsuit captioned My Choice Software, LLC vs. TaskUs, Inc., Tassilo Heinrich, Shopify, Inc., Shopify Holdings (USA) Inc., Shopify (USA) Inc., Does 1-50, No. 22-cv-1710 was filed in the United States District Court, Central District of California. The complaint alleges the defendants profited off of the plaintiff's information. The complaint seeks unspecified damages and an award of costs and expenses, including reasonable attorneys' fees, as well as equitable and injunctive relief. On February 13, 2023, the Company filed a motion to dismiss the amended complaint. In May 2023, the Court issued an Order dismissing certain parties, staying the case as to the Company and denying as moot the Company's previously filed motion to dismiss. This case is currently stayed.

On November 22, 2023, TaskUs was added as an additional defendant in a lawsuit captioned Naeem Seirafi, Edward Baton, Anthony Comilla, Brett Deeney, and Abraham Vilinger, individually and on behalf of all others similarly situated v. Ledger SAS, Shopify (USA) Inc., Shopify Inc., and TaskUs, Inc., No. 21-cv-02470 pending in the United States District Court, Northern District of California. The complaint alleges defendants failed to exercise reasonable care in securing and safeguarding consumer information in connection with a 2020 data breach impacting Ledger cryptocurrency hardware wallets, resulting in the unauthorized public release of approximately 272,000 pieces of detailed personally identifiable information, including Plaintiffs' and "Class" members' full names, email addresses, postal addresses, and telephone numbers. The complaint asserts claims against TaskUs for negligence, negligence per se, declaratory and injunctive relief, and for violations of the New York Deceptive Trade Practices Act. The named plaintiffs' alleged damages of approximately $557,000 and an award of costs and expenses, including reasonable attorneys' fees, as well as declaratory and injunctive relief, and other damages. On February 5, 2024, TaskUs filed a motion to dismiss. On July 16, 2024, the Court granted in part and denied in part the motion to dismiss. On August 23, 2024, the plaintiffs filed an amended complaint. On September 19, 2024, TaskUs filed a motion to dismiss, which the court granted on February 6, 2025.

Indemnification

In addition, in the ordinary course of business, the Company enters into agreements of varying scope and terms pursuant to which it agrees to indemnify clients, vendors and other business partners with respect to certain matters, including, but not limited to, losses arising out of breach of such agreements, cybersecurity breach, services to be provided by us or from intellectual property infringement claims made by third parties. Historically, we have not experienced significant losses on these types of indemnification obligations.

10. Stock-Based Compensation

The following table summarizes the stock option, restricted stock unit ("RSU") and performance stock unit ("PSU") activity for the three months ended March 31, 2025:

	Options		RSUs		PSUs	
	Number of options	Weighted - average exercise price	Number of RSUs	Weighted - average grant date fair value	Number of PSUs	Weighted - average grant date fair value
Outstanding at January 1, 2025	4,846,497	$ 18.58	4,309,358	$ 17.50	3,693,417	$ 4.67
Granted	—	$ —	1,675,686	$ 13.18	396,198	$ 13.15
Exercised or released	(53,703)	$ 4.09	(1,157,260)	$ 16.05	(26,667)	$ 14.67
Forfeited, cancelled, or expired	—	$ —	(140,635)	$ 15.79	—	$ —
Outstanding at March 31, 2025	4,792,794	$ 18.75	4,687,149	$ 16.37	4,062,948	$ 5.43

The PSUs granted during the three months ended March 31, 2025 vest contingently over three years subject to continued service and the achievement of certain Revenue and Adjusted EBITDA targets (performance conditions).

The following table summarizes the components of stock-based compensation expense recognized for the periods presented:

	Three months ended March 31,	
(in thousands)	2025	2024
Cost of services	$ 202	$ 680
Selling, general and administrative expense	8,547	9,555
Total	$ 8,749	$ 10,235

As of March 31, 2025, there was $1.4 million, $38.4 million and $3.9 million of unrecognized compensation expense related to the Company's unvested stock options, RSUs and PSUs, respectively, that is expected to be recognized over a weighted-average period of 0.8 years, 1.7 years and 1.6 years, respectively. Certain PSUs contain performance conditions, which may result in a different amount of expense recognized over the term of the awards.

11. Income Taxes

In determining its interim provision for income taxes, the Company used an estimated annual effective tax rate, which is based on expected income before taxes, statutory tax rates and tax planning opportunities available in the various jurisdictions in which the Company operates. Certain significant or unusual items are separately recognized in the period in which they occur and can be a source of variability in the effective tax rate from quarter to quarter.

The Company recorded provision for income taxes of $8.6 million and $6.5 million in the three months ended March 31, 2025 and 2024, respectively. The effective tax rate was 28.9% and 35.7% for the three months ended March 31, 2025 and 2024, respectively. The difference between the effective tax rate and the 21% federal statutory rate in the three months ended March 31, 2025 was primarily due to nondeductible compensation of officers, Global Intangible Low-Taxed Income ("GILTI") inclusion, and tax benefits of income tax holidays in foreign jurisdiction. The difference between the effective tax rate and the 21% federal statutory rate in the three months ended March 31, 2024 was primarily due to nondeductible compensation of officers and GILTI inclusion.

12. Earnings Per Share

The Company has Class A common stock and Class B common stock outstanding. Because the only difference between the two classes of common stock are related to voting, transfer and conversion rights, the Company has not presented earnings per share under the two-class method, as earnings per share are the same for both Class A common stock and Class B common stock.

The following table summarizes the computation of basic and diluted earnings per share for the three months ended March 31, 2025 and 2024:

(in thousands, except share and per share data)	Three months ended March 31, 2025	Three months ended March 31, 2024
Numerator:		
Net income	$ 21,148	$ 11,714
Denominator:		
Weighted-average common shares outstanding – basic	90,040,348	88,795,211
Effect of dilutive securities	3,615,191	3,054,675
Weighted-average common shares outstanding – diluted	93,655,539	91,849,886
Net income per common share:		
Basic	$ 0.23	$ 0.13
Diluted	$ 0.23	$ 0.13

The Company excluded 3,191,688 potential common stock equivalents from the computation of diluted EPS for the three months ended March 31, 2025, and 3,414,870 potential common stock equivalents from the computation of diluted EPS for the three months ended March 31, 2024, because the effect would have been anti-dilutive. There were 4,062,948 and 4,672,564 potential common stock equivalents outstanding as of March 31, 2025 and 2024, respectively, with market or performance conditions which were not met at the relevant date, that were excluded from the calculation of diluted EPS.

13. Accumulated Other Comprehensive Loss

Accumulated other comprehensive loss consisted of the following:

(in thousands)	Foreign Currency Translation Adjustments	Retirement Benefit Reserves	Unrealized Gains (Losses) on Cash Flow Hedges	Accumulated Other Comprehensive Loss
Balance as of December 31, 2023	$ (9,705)	$ 154	$ —	$ (9,551)
Other comprehensive income (loss) before reclassifications	(3,313)	5	—	(3,308)
Other comprehensive income (loss)	(3,313)	5	—	(3,308)
Balance as of March 31, 2024	$ (13,018)	$ 159	$ —	$ (12,859)

(in thousands)	Foreign Currency Translation Adjustments	Retirement Benefit Reserves	Unrealized Gains (Losses) on Cash Flow Hedges	Accumulated Other Comprehensive Loss
Balance as of December 31, 2024	$ (21,659)	$ (397)	$ (3,333)	$ (25,389)
Other comprehensive income (loss) before reclassifications	3,237	(23)	6,096	9,310
Income tax effects	—	2	(1,250)	(1,248)
Amounts reclassified from accumulated other comprehensive income	—	—	548	548
Income tax effects	—	—	(112)	(112)
Other comprehensive income (loss)	3,237	(21)	5,282	8,498
Balance as of March 31, 2025	$ (18,422)	$ (418)	$ 1,949	$ (16,891)

14. Segment Information

Our chief executive officer is our chief operating decision maker, who allocates resources to, and assesses the performance of, each operating segment using information based on factors including client demand and capacity and consolidated net income. Therefore, the Company has determined that it operates in a single operating and reportable segment.

The following table presents the significant expenses for the Company's single segment:

	Three months ended March 31,	
	2025	2024
Operating expenses:		
Personnel costs (Cost of services)[(1)]	$ 143,946	$ 115,639
Operating costs (Selling, general, and administrative expense)[(2)]	48,116	42,730
Stock-based compensation expense[(3)]	9,218	10,564
Non-operating costs (Selling, general, and administrative expense)[(4)]	303	300
Other (Cost of services)[(5)]	27,022	19,082
Depreciation	10,003	10,789
Amortization of intangible assets	4,976	4,985
Gain on disposal of assets	(30)	(177)
Total operating expenses	$ 243,554	$ 203,912

(1) Represents salaries and wages and employee welfare costs, excluding stock-based compensation expense, of employees that can be directly attributed to the delivery of services.

(2) Represents operating costs related to sales and marketing and other administrative departments, including personnel costs, professional fees, travel expenses, cloud-based capabilities, insurance premiums and other corporate expenses.

(3) Represents stock-based compensation expense for cost of services and selling, general and administrative expense, as well as associated payroll tax.

(4) Includes operational efficiency costs in 2025 and certain litigation costs that are considered non-recurring and outside of the ordinary course of business in 2024.

(5) Represents other costs that can be directly attributed to delivery of services, including the costs for sites and technology, recruiting, professional development and employee engagement.

15. Subsequent Events

On May 8, 2025, the Company entered into a definitive agreement (the "Merger Agreement") to be acquired by an affiliate of Blackstone, the Company's Co-Founder and Chief Executive Officer Bryce Maddock, and the Company's Co-Founder and President Jaspar Weir (the "Buyer Group"), pursuant to which the Buyer Group agreed to acquire 100% of the outstanding shares of the Company's Class A common stock that it does not already own (the "Merger"). Pursuant to the Merger Agreement and subject to the satisfaction or waiver of certain closing conditions and on the terms set forth therein, Company stockholders are to receive $16.50, in cash, per share. Completion of the Merger is subject to certain closing conditions and approvals, including the receipt of required regulatory and stockholder approvals (including the approval of the holders of common stock of the Company not owned by the Buyer Group).

The Merger Agreement also includes certain covenants of the Company, including with respect to the non-solicitation of alternative acquisition proposals, as well as other customary representations, warranties and covenants by the Company and Breeze Merger Corporation, a Delaware corporation (the "Merger Corporation"). Completion of the Merger is not subject to a financing condition. The Merger is expected to close in the second half of 2025. Upon completion, the Company's common stock will no longer be listed on any public market.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the unaudited condensed consolidated financial statements and related notes included in Part I, Item 1 of this Quarterly Report on Form 10-Q (this "Quarterly Report"), the financial statements and related notes included in our Annual Report on Form 10-K for the year ended December 31, 2024 (the "Annual Report"), as filed with the Securities and Exchange Commission (the "SEC") and the information included under "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Annual Report. In addition to historical data, the following discussion contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those discussed in our forward-looking statements as a result of various factors, including but not limited to those discussed under "Cautionary Note Regarding Forward-Looking Statements" in this Quarterly Report and under Part I, Item 1A, "Risk Factors" in the Annual Report.

This Quarterly Report includes certain historical consolidated financial and other data for TaskUs, Inc. ("we," "us," "our" or the "Company"). The following discussion provides a narrative of our results of operations and financial condition for the three months ended March 31, 2025 and 2024.

Overview

We are a provider of outsourced digital services and next-generation customer experience to the world's most innovative companies, helping our clients represent, protect and grow their brands. We serve our clients by supporting their end customers' urgent needs, helping them navigate an increasingly-complex compliance landscape, handling sensitive tasks, including online content moderation, and enabling artificial intelligence technology and automation.

Our global, omnichannel delivery model is focused on providing our clients with three key services – Digital Customer Experience ("Digital CX"), Trust + Safety, and Artificial Intelligence ("AI") Services.

We have designed our platform to enable us to rapidly scale and benefit from our clients' growth. We believe our ability to deliver "ridiculously good" outsourcing will enable us to continue growing our client base. We use our strong reputation and expertise serving the digital economy to attract new innovators and enterprise-class brands looking to transform.

At TaskUs, culture is at the heart of everything we do. Many of the companies operating in the digital economy are well-known for their obsession with creating a world-class employee experience. We believe clients choose TaskUs in part because they view our company culture as aligned with their own, which enables us to act as a natural extension of their brands and gives us an advantage in the recruitment of highly engaged frontline teammates who produce better results.

Recent Financial Highlights

For the three months ended March 31, 2025, we recorded service revenue of $277.8 million, a 22.1% increase from $227.5 million for the three months ended March 31, 2024.

Net income for the three months ended March 31, 2025 increased to $21.1 million from $11.7 million for the three months ended March 31, 2024. This increase is due primarily to revenue growth, partially offset by higher cost of services and selling, general and administrative expense. Adjusted Net Income for the three months ended March 31, 2025 increased 31.8% to $35.9 million from $27.3 million for the three months ended March 31, 2024. Adjusted EBITDA for the three months ended March 31, 2025 increased 17.1% to $59.3 million from $50.6 million for the three months ended March 31, 2024. Adjusted Net Income and Adjusted EBITDA are non-GAAP financial measures. For definitions and reconciliations to net income, the most directly comparable measure in accordance with GAAP, see "Non-GAAP Financial Measures."

Our operating results in any period are not necessarily indicative of the results that may be expected for any future period.

Results of Operations

Comparison of the Three Months Ended March 31, 2025 and 2024

The following tables set forth certain historical consolidated financial information for the three months ended March 31, 2025 and 2024:

(in thousands, except %)	Three months ended March 31, 2025	Three months ended March 31, 2024	Period over Period Change ($)	Period over Period Change (%)
Service revenue	$ 277,792	$ 227,470	$ 50,322	22.1 %
Operating expenses:				
Cost of services	171,181	135,411	35,770	26.4 %
Selling, general and administrative expense	57,424	52,904	4,520	8.5 %
Depreciation	10,003	10,789	(786)	(7.3)%
Amortization of intangible assets	4,976	4,985	(9)	(0.2)%
Gain on disposal of assets	(30)	(177)	147	(83.1)%
Total operating expenses	243,554	203,912	39,642	19.4 %
Operating income	34,238	23,558	10,680	45.3 %
Other income, net	(173)	(202)	29	(14.4)%
Financing expenses	4,663	5,538	(875)	(15.8)%
Income before income taxes	29,748	18,222	11,526	63.3 %
Provision for income taxes	8,600	6,508	2,092	32.1 %
Net income	$ 21,148	$ 11,714	$ 9,434	80.5 %

Service revenue

Service revenue by service offering

The following table presents the breakdown of our service revenue by service offering for each period:

(in thousands, except %)	Three months ended March 31, 2025	Three months ended March 31, 2024	Period over Period Change ($)	Period over Period Change (%)
Digital Customer Experience	$ 159,862	$ 143,491	$ 16,371	11.4 %
Trust + Safety	72,407	55,272	17,135	31.0 %
AI Services	45,523	28,707	16,816	58.6 %
Service revenue	$ 277,792	$ 227,470	$ 50,322	22.1 %

Digital Customer Experience was primarily driven by an increase from existing clients, including Technology, Financial Services, and Professional Services + Industry, partially offset by a decrease in On Demand Travel + Transportation. The remaining increase was primarily driven by new clients in Technology and Healthcare.

Trust + Safety was primarily driven by an increase from existing clients, primarily Social Media, partially offset by On Demand Travel + Transportation.

AI Services was primarily driven by an increase from existing clients in Social Media, as well as new clients in Social Media.

Service revenue by delivery geography

We deliver our services from multiple locations around the world; however, the majority of our service revenues are derived from contracts that require payment in United States dollars, regardless of whether the clients are located in the United States.

The following table presents the breakdown of our service revenue by geographical location, based on where the services are provided, for each period:

(in thousands, except %)	Three months ended March 31, 2025	Three months ended March 31, 2024	Period over Period Change ($)	Period over Period Change (%)
Philippines	$ 151,717	$ 131,213	$ 20,504	15.6 %
United States	33,221	25,590	7,631	29.8 %
India	35,428	28,909	6,519	22.6 %
Rest of World	57,426	41,758	15,668	37.5 %
Service revenue	$ 277,792	$ 227,470	$ 50,322	22.1 %

Philippines: Digital Customer Experience contributed 7.3% of the total increase primarily driven by clients in Financial Services, Technology, and Healthcare, partially offset by clients in Retail + E-Commerce. AI Services contributed 4.3% of the total increase primarily driven by clients in Social Media. Trust + Safety contributed 4.0% of the total increase primarily driven by clients in Social Media.

United States: AI Services contributed 25.3% of the total increase driven by clients in Social Media. Trust + Safety contributed 6.1% of the total increase driven by clients in Social Media. The increase was partially offset by a 1.6% decrease contributed by Digital Customer Experience, primarily driven by clients in Technology.

India: AI Services contributed 12.0% of the total increase primarily driven by clients in Social Media. Digital Customer Experience contributed 11.5% of the total increase primarily driven by clients in Retail + E-Commerce, partially offset by clients in Financial Services. The increase was partially offset by a 0.9% decrease contributed by Trust + Safety, primarily driven by clients in On Demand Travel + Transportation.

Rest of World: Trust + Safety contributed 25.4% of the total increase, primarily driven by clients in Social Media. Digital Customer Experience contributed 9.2% of the total increase primarily driven by clients in Technology and Professional Services + Industry, partially offset by clients in On Demand Travel + Transportation. AI Services contributed 2.9% of the total increase, primarily driven by clients in Social Media. Growth in the Rest of World was led by Latin America and Europe.

Operating expenses

Cost of services

The increase was primarily driven by higher personnel costs of $27.8 million associated with increased headcount. The remaining increase included facilities and recruiting costs associated with site expansion and increasing headcount associated with accelerating growth.

Selling, general and administrative expense

The increase was primarily driven by higher personnel costs of $3.1 million associated with increased headcount and bonus expense, associated with higher company performance, partially offset by a $1.0 million reduction in stock-based compensation expense. The remaining increase included employee engagement expenses.

Other income, net

Changes are driven by our exposure to foreign currency exchange risk resulting from our operations in foreign geographies, primarily the Philippines, including economic hedges using foreign currency exchange rate forward contracts, as well as higher interest income. See Part I, Item 3., "Quantitative and Qualitative Disclosures About Market Risk" in this Quarterly Report for additional information on how foreign currency impacts our financial results.

Financing expenses

Changes in financing expense are primarily driven by payments on long-term debt and the rate of SOFR used to calculate the interest rate of our debt.

Provision for income taxes

The effective tax rate for the three months ended March 31, 2025 and 2024 was 28.9% and 35.7%, respectively. Costs related to the issuance of stock-based compensation, operational efficiency costs, litigation costs and severance within the provision for income taxes calculation are adjusted for Non-GAAP purposes. If those costs are removed, the provision for income taxes would have been $10.3 million and $8.1 million and the effective tax rate would have been 25.7% and 27.5% for the three months ended March 31, 2025 and 2024, respectively.

Revenue by Top Clients

The table below sets forth the percentage of our total service revenue derived from our largest clients for the three months ended March 31, 2025 and 2024:

	Three months ended March 31,	
	2025	2024
Top ten clients	57 %	56 %
Top twenty clients	70 %	67 %

For the three months ended March 31, 2025 and 2024, we generated 26% and 19%, respectively, of our service revenue from our largest client.

Many of our clients are part of the rapidly growing digital economy and they rely on our suite of digital solutions to drive their continued success. For our existing clients, we benefit from our ability to cross sell new solutions and provide service in multiple geographies, further deepening our entrenchment. We continue to identify and target high growth industry verticals and clients. Our strategy is to win new clients and further grow with our existing ones in order to achieve meaningful client and revenue diversification over time.

Foreign Currency

As a global company, we face exposure to movements in foreign currency exchange rates. Fluctuations in foreign currencies impact the amount of total assets, liabilities, revenue, operating expenses and cash flows that we report for our foreign subsidiaries upon the translation of these amounts into U.S. dollars. See Part I, Item 3., "Quantitative and Qualitative Disclosures About Market Risk" in this Quarterly Report for additional information on how foreign currency impacts our financial results.

Non-GAAP Financial Measures

We use Adjusted Net Income, Adjusted Earnings Per Share ("EPS"), EBITDA, Adjusted EBITDA, Free Cash Flow and Conversion of Adjusted EBITDA to Free Cash Flow, as key measures to assess the performance of our business.

Each of the measures are not recognized under accounting principles generally accepted in the United States of America ("GAAP") and do not purport to be an alternative to net income or cash flow as a measure of our performance. Such measures have limitations as analytical tools, and you should not consider any of such measures in isolation or as substitutes for our results as reported under GAAP. Additionally, Adjusted Net Income, Adjusted EPS, EBITDA, and Adjusted EBITDA exclude items that can have a significant effect on our profit or loss and should, therefore, be used in conjunction with profit or loss for the period. Our management compensates for the limitations of using non-GAAP financial measures by using them to supplement GAAP results to provide a more complete understanding of the factors and trends affecting the business than GAAP results alone. Because not all companies use identical calculations, these measures may not be comparable to other similarly titled measures of other companies.

Adjusted Net Income

Adjusted Net Income is a non-GAAP profitability measure that represents net income or loss for the period before the impact of amortization of intangible assets and certain items that are considered to hinder comparison of the performance of our businesses on a period-over-period basis or with other businesses. During the periods presented, we excluded from Adjusted Net Income amortization of intangible assets, operational efficiency costs, the effect of foreign currency gains and losses, gains and losses on disposals of assets, certain severance costs, certain non-recurring litigation costs, stock-based compensation expense and associated employer payroll tax and the related effect on income taxes of certain pre-tax adjustments, which include costs that are required to be expensed in accordance with GAAP. Our management believes that the inclusion of supplementary adjustments to net income applied in presenting Adjusted Net Income are appropriate to provide additional information to investors about certain material non-cash items and about unusual items that we do not expect to continue at the same level in the future.

The following table reconciles net income, the most directly comparable GAAP measure, to Adjusted Net Income for the three months ended March 31, 2025 and 2024:

	Three months ended March 31,		Period over Period Change	
(in thousands, except %)	2025	2024	($)	(%)
Net income	$ 21,148	$ 11,714	$ 9,434	80.5 %
Amortization of intangible assets	4,976	4,985	(9)	(0.2)%
Operational efficiency costs[1]	303	—	303	100.0 %
Foreign currency losses[2]	1,310	1,014	296	29.2 %
Gain on disposal of assets	(30)	(177)	147	(83.1)%
Severance costs[3]	679	487	192	39.4 %
Litigation costs[4]	—	300	(300)	(100.0)%
Stock-based compensation expense[5]	9,218	10,564	(1,346)	(12.7)%
Tax impacts of adjustments[6]	(1,666)	(1,615)	(51)	3.2 %
Adjusted Net Income	$ 35,938	$ 27,272	$ 8,666	31.8 %
Net Income Margin[7]	7.6 %	5.1 %		
Adjusted Net Income Margin[7]	12.9 %	12.0 %		

(1) Represents professional service fees related to certain efforts to enhance efficiency of client delivery and operations support.

(2) Realized and unrealized foreign currency losses include the effect of fair market value changes of forward contracts not designated as hedging instruments and remeasurement of U.S. dollar-denominated accounts to foreign currency.

(3) Represents severance payments as a result of certain cost optimization measures we undertook during the period to restructure support roles.

(4) Represents only those litigation costs that are considered non-recurring and outside of the ordinary course of business.

(5) Represents stock-based compensation expense, as well as associated payroll tax.

(6) Represents tax impacts of adjustments to net income which resulted in a tax benefit during the period, including stock-based compensation expense and litigation costs. After these adjustments, we applied a non-GAAP effective tax rate of 25.7% and 27.5% for the three months ended March 31, 2025 and 2024, respectively, to non-GAAP income before income taxes.

(7) Net Income Margin represents net income divided by service revenue and Adjusted Net Income Margin represents Adjusted Net Income divided by service revenue.

Adjusted EPS

Adjusted EPS is a non-GAAP profitability measure that represents earnings available to shareholders excluding the impact of certain items that are considered to hinder comparison of the performance of our business on a period-over-period basis or with other businesses. Adjusted EPS is calculated as Adjusted Net Income divided by our diluted weighted-average number of shares outstanding. Our management believes that the inclusion of supplementary adjustments to earnings per share applied in presenting Adjusted EPS are appropriate to provide additional information to investors about certain material non-cash items and about unusual items that we do not expect to continue at the same level in the future.

The following table reconciles GAAP diluted EPS, the most directly comparable GAAP measure, to Adjusted EPS for the three months ended March 31, 2025 and 2024:

	Three months ended March 31,	
	2025	2024
GAAP diluted EPS	$ 0.23	$ 0.13
Per share adjustments to net income[1]	0.15	0.17
Adjusted EPS	$ 0.38	$ 0.30
Weighted-average common shares outstanding – diluted	93,655,539	91,849,886

(1) Reflects the aggregate adjustments made to reconcile net income to Adjusted Net Income, as noted in the above table, divided by the GAAP diluted weighted-average number of shares outstanding for the relevant period.

EBITDA and Adjusted EBITDA

EBITDA is a non-GAAP profitability measure that represents net income or loss for the period before the impact of the benefit from or provision for income taxes, financing expenses, depreciation, and amortization of intangible assets. EBITDA eliminates potential differences in performance caused by variations in capital structures (affecting financing expenses), tax positions (such as the availability of net operating losses against which to relieve taxable profits), the cost and age of tangible assets (affecting relative depreciation expense) and the extent to which intangible assets are identifiable (affecting relative amortization expense).

Adjusted EBITDA is a non-GAAP profitability measure that represents EBITDA before certain items that are considered to hinder comparison of the performance of our business on a period-over-period basis or with other businesses. During the periods presented, we excluded from Adjusted EBITDA operational efficiency costs, the effect of foreign currency gains and losses, gains and losses on disposals of assets, certain severance costs, certain non-recurring litigation costs, stock-based compensation expense and associated employer payroll tax and interest income, which include costs that are required to be expensed in accordance with GAAP. Our management believes that the inclusion of supplementary adjustments to EBITDA applied in presenting Adjusted EBITDA are appropriate to provide additional information to investors about certain material non-cash items and about unusual items that we do not expect to continue at the same level in the future.

The following table reconciles net income, the most directly comparable GAAP measure, to EBITDA and Adjusted EBITDA for the three months ended March 31, 2025 and 2024:

	Three months ended March 31,		Period over Period Change	
(in thousands, except %)	2025	2024	($)	(%)
Net income	$ 21,148	$ 11,714	$ 9,434	80.5 %
Provision for income taxes	8,600	6,508	2,092	32.1 %
Financing expenses	4,663	5,538	(875)	(15.8)%
Depreciation	10,003	10,789	(786)	(7.3)%
Amortization of intangible assets	4,976	4,985	(9)	(0.2)%
EBITDA	$ 49,390	$ 39,534	$ 9,856	24.9 %
Operational efficiency costs[1]	303	—	303	100.0 %
Foreign currency losses[2]	1,310	1,014	296	29.2 %
Gain on disposal of assets	(30)	(177)	147	(83.1)%
Severance costs[3]	679	487	192	39.4 %
Litigation costs[4]	—	300	(300)	(100.0)%
Stock-based compensation expense[5]	9,218	10,564	(1,346)	(12.7)%
Interest income[6]	(1,598)	(1,117)	(481)	43.1 %
Adjusted EBITDA	$ 59,272	$ 50,605	$ 8,667	17.1 %
Net Income Margin[7]	7.6 %	5.1 %		
Adjusted EBITDA Margin[7]	21.3 %	22.2 %		

(1) Represents professional service fees related to certain efforts to enhance efficiency of client delivery and operations support.

(2) Realized and unrealized foreign currency losses include the effect of fair market value changes of forward contracts not designated as hedging instruments and remeasurement of U.S. dollar-denominated accounts to foreign currency.

(3) Represents severance payments as a result of certain cost optimization measures we undertook during the period to restructure support roles.

(4) Represents only those litigation costs that are considered non-recurring and outside of the ordinary course of business.

(5) Represents stock-based compensation expense, as well as associated payroll tax.

(6) Represents interest earned on short-term savings, time-deposits and money market funds.

(7) Net Income Margin represents net income divided by service revenue and Adjusted EBITDA Margin represents Adjusted EBITDA divided by service revenue.

Free Cash Flow

Free Cash Flow is a non-GAAP liquidity measure that represents our ability to generate additional cash from our business operations. Free Cash Flow is calculated as net cash provided by operating activities in the period minus cash used for purchase of property and equipment in the period. Our management believes that the inclusion of this non-GAAP measure, when considered with our GAAP results, provides management and investors with an additional understanding of our ability to generate additional cash for ongoing business operations and other capital deployment.

The following table reconciles net cash provided by operating activities, the most directly comparable GAAP measure, to Free Cash Flow for the three months ended March 31, 2025 and 2024:

	Three months ended March 31,	
	2025	2024
Net cash provided by operating activities	$ 36,276	$ 51,177
Purchase of property and equipment	(14,480)	(3,572)
Free Cash Flow	$ 21,796	$ 47,605
Conversion of Adjusted EBITDA to Free Cash Flow[1]	36.8 %	94.1 %

(1) Conversion of Adjusted EBITDA to Free Cash Flow represents Free Cash Flow divided by Adjusted EBITDA.

Liquidity and Capital Resources

As of March 31, 2025, our principal sources of liquidity were cash and cash equivalents totaling $196.9 million, which were held for working capital purposes, as well as the borrowing availability under the 2022 Revolving Credit Facility of $190.0 million.

As of March 31, 2025, our total indebtedness, net of debt financing fees was $252.9 million. The interest rate in effect for the 2022 Term Loan Facility as of March 31, 2025 was 6.649% per annum. We were in compliance with all debt covenants as of March 31, 2025. See Note 7, "Long-Term Debt" in the Notes to Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report for additional information regarding our debt.

During the three months ended March 31, 2025, we repurchased 750,691 shares of our Class A common stock under the share repurchase program for $10.1 million, which we funded principally with available cash. As of March 31, 2025, $29.5 million remained available for share repurchases under our share repurchase program. For additional information about our share repurchase program, see Part II, Item 2., "Unregistered Sales of Equity Securities and Use of Proceeds—Issuer Purchases of Equity Securities" in this Quarterly Report.

Historically, we have financed our operations and made investments in supporting the growth of our business primarily through cash provided by operations. We expect to continue to make similar investments in the future. We believe our existing cash and cash equivalents and our 2022 Credit Facilities will be sufficient to meet our working capital and capital expenditure needs for at least the next 12 months.

To the extent additional funds are necessary to meet our long-term liquidity needs as we continue to execute our business strategy, we anticipate that they will be obtained through the incurrence of additional indebtedness, additional equity financings or a combination of these potential sources of funds; however, such financing may not be available on favorable terms, or at all. If we are unable to raise additional funds when desired, our business, financial condition and results of operations could be adversely affected.

Cash Flows

The following table presents a summary of our consolidated cash flows from operating, investing and financing activities for the periods indicated:

	Three months ended March 31,	
(in thousands)	**2025**	**2024**
Net cash provided by operating activities	$ 36,276	$ 51,177
Net cash used in investing activities	(14,480)	(3,572)
Net cash used in financing activities	(17,955)	(5,664)

Operating Activities

Net cash provided by operating activities for the three months ended March 31, 2025 was $36.3 million compared to net cash provided by operating activities of $51.2 million for the three months ended March 31, 2024. Net cash provided by operating activities for the three months ended March 31, 2025 reflects net income of $21.1 million and the add back for non-cash charges totaling $24.2 million, partially offset by changes in operating assets and liabilities of $9.1 million. Non-cash charges primarily consisted of $10.0 million of depreciation, $8.7 million in stock-based compensation expense and $5.0 million of amortization related to intangibles. Net cash provided by operating activities for the three months ended March 31, 2024 reflects net income of $11.7 million, the add back for non-cash charges totaling $26.1 million, as well as changes in operating assets and liabilities of $13.3 million. Non-cash charges primarily consisted of $10.8 million of depreciation, $10.2 million in stock-based compensation expense and $5.0 million of amortization related to intangibles.

Investing Activities

Net cash used in investing activities for the three months ended March 31, 2025 was $14.5 million compared to net cash used in investing activities of $3.6 million for the three months ended March 31, 2024. Purchase of property and equipment increased primarily due to higher site build-out costs and technology and computer purchases.

Financing Activities

Net cash used in financing activities for the three months ended March 31, 2025 was $18.0 million compared to net cash used by financing activities of $5.7 million for the three months ended March 31, 2024. The increase was due primarily to the additional shares acquired under our share repurchase program and payments for taxes related to net share settlement.

Critical Accounting Estimates

There have been no material changes to our critical accounting estimates as reported in our Annual Report.

Recent Accounting Pronouncements

For additional information regarding recent accounting pronouncements adopted and under evaluation, refer to Note 2, "Summary of Significant Accounting Policies" in the Notes to Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Our activities expose us to a variety of financial risks: market risk (includes foreign currency), interest rate risk and credit risk.

Foreign Currency Risk

Our exposure to market risk arises principally from exchange rate risk. Although substantially all of our revenues are denominated in U.S. dollars, a substantial portion of our expenses were incurred and paid in the Philippine peso, Indian rupee, Mexican peso, and the Colombian peso, in the three months ended March 31, 2025 and 2024. We also incur expenses in U.S. dollars, and currencies of the other countries in which we have operations. The exchange rates among the Philippine peso, Indian rupee, Mexican peso, Colombian peso and the U.S. dollar have changed substantially in recent years and may fluctuate substantially in the future.

The following table presents a summary of foreign currency exchange rates and changes for the periods indicated:

	Philippine Peso	Indian Rupee	Mexican Peso	Colombian Peso
Average exchange rate against the U.S. dollar				
Three months ended March 31, 2025	57.97	86.61	20.44	4,189.99
Three months ended March 31, 2024	55.97	83.04	16.98	3,915.72
Depreciation	3.6 %	4.3 %	20.4 %	7.0 %

Based on our level of operations during the three months ended March 31, 2025, and excluding any forward contract arrangements that we had in place during that period, a 10% appreciation (depreciation) of each foreign currency against the U.S. dollar would have increased (decreased) our expenses incurred and paid in that foreign currency as follows:

(in thousands)	Philippine Peso	Indian Rupee	Mexican Peso	Colombian Peso
10% appreciation	$ 11,042	$ 3,159	$ 1,031	$ 2,386
10% depreciation	$ (9,035)	$ (2,585)	$ (844)	$ (1,952)

In order to mitigate our exposure to foreign currency fluctuation risks and minimize the earnings and cash flow volatility associated with forecasted transactions denominated in certain foreign currencies, and economically hedge our intercompany balances and other monetary assets and liabilities denominated in currencies other than functional currencies, we enter into foreign currency forward contracts.

These contracts must be settled on the day of maturity or may be canceled subject to the receipts or payments of any gains or losses, respectively, equal to the difference between the contract exchange rate and the market exchange rate on the date of cancellation. We do not enter into foreign currency forward contracts for speculative or trading purposes. These derivative instruments do not subject us to material balance sheet risk due to exchange rate movements because gains and losses on the settlement of these derivatives are intended to offset revaluation losses and gains on the assets and liabilities being hedged.

See Note 4, "Forward Contracts" in the Notes to Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report for additional information regarding our forward contracts.

Interest Rate Risk

Our exposure to market risk is influenced by the changes in interest rates paid on any outstanding balance on our borrowings, mainly under our 2022 Credit Facilities. All of our borrowings outstanding under the 2022 Credit Facilities as of March 31, 2025 accrue interest at SOFR plus 2.25%. As of March 31, 2025 our total principal balance outstanding was $253.8 million and the interest rate in effect was 6.649% per annum. Based on the outstanding balances and interest rates under the 2022 Credit Facilities as of March 31, 2025, a hypothetical 10% increase or decrease in SOFR would cause an increase or decrease in interest expense of approximately $1.1 million over the next 12 months.

Credit Risk

As of March 31, 2025, we had accounts receivable, net of allowance for credit losses, of $206.0 million, of which $44.4 million was owed by one of our clients. Collectively, this client represented approximately 21% of our gross accounts receivable as of March 31, 2025.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures (as that term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) that are designed to ensure that information required to be disclosed in the Company's reports under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to the Company's management, including it's Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures. In designing and evaluating the disclosure controls and procedures and internal control over financial reporting, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives.

The Company's management has evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures as of March 31, 2025. Based upon that evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that, as of March 31, 2025, the design and operation of the Company's disclosure controls and procedures were effective to accomplish their objectives at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

There has been no change in our internal control over financial reporting during our most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

The information required with respect to this item can be found under Note 9, "Commitments and Contingencies" in the Notes to Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report and is incorporated by reference into this Item 1.

Item 1A. Risk Factors

We are subject to various risks that could have a material adverse impact on our financial position, results of operations or cash flows. Although it is not possible to predict or identify all such risks and uncertainties, they may include, but are not limited to, the factors discussed under "Risk Factors" in the Annual Report. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially adversely affect our financial position, results of operations or cash flows. There have been no material changes to the risk factors included in the Annual Report. You should carefully consider the risk factors set forth in the Annual Report and the other information set forth elsewhere in this Quarterly Report.

Risks Related to the Proposed Merger

The Merger may not be completed on the terms or timeline currently contemplated or at all, which could adversely affect our stock price, business, financial condition and results of operations.

As previously disclosed, on May 8, 2025, the Company entered into the Merger Agreement, providing for our acquisition by an affiliate of Blackstone and our Co-Founders. The completion of the Merger is subject to the satisfaction of various conditions, including, among other things: (i)(w) the approval of the majority of outstanding voting power of our common stock, (x) the approval of the majority of outstanding voting power of our Class A common stock, voting as a separate class, (y) the approval of the majority of outstanding voting power of our Class B common stock, voting as a separate class, and (z) the approval by a majority of the votes cast by stockholders other than Blackstone or the Co-Founders and their affiliates (collectively, the “Company Stockholder Approvals”); (ii) the absence of any law that enjoins, restrains or otherwise prohibits or makes illegal the consummation of the Merger; (iii) the termination or expiration of any required waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended; (iv) the accuracy of the other party’s representations and warranties (subject to certain materiality qualifiers); (v) the other party’s compliance in all material respects with its pre-closing covenants; and (vi) for the benefit of the Merger Corporation, no material adverse effect having occurred since the date of the Merger Agreement and being continuing as of the closing of the Merger (subject to certain exceptions). While it is currently anticipated that the Merger will be consummated in the second half of 2025, there can be no assurance that the foregoing conditions will be satisfied in a timely manner or at all, or that an effect, event, development or change will not transpire that could delay or prevent these conditions from being satisfied.

If the Merger is not consummated for any reason, the trading price of our common stock may decline to the extent that the market price of the common stock reflects positive market assumptions that the Merger will be consummated and the related benefits will be realized. We may also be subject to additional risks if the Merger is not completed, including:

- the requirement in the Merger Agreement that, under certain circumstances, we pay the Merger Corporation a termination fee of $39.0 million in cash;
- incurring substantial costs related to the Merger, such as legal, accounting, financial advisory, integration costs and other professional services fees that have already been incurred or will continue to be incurred until closing;
- limitations on our ability to retain and hire key personnel;
- reputational harm including relationships with investors, customers and business partners due to the adverse perception of any failure to successfully complete the Merger; and
- potential disruption to our business and distraction of our workforce and management team to pursue other opportunities that could be beneficial to us, in each case without realizing any of the benefits of having the Merger completed.

Further, we or the Merger Corporation may terminate the Merger Agreement if the Merger has not been consummated by December 8, 2025 (the "Outside Date"). We or the Merger Corporation also may terminate the Merger Agreement (i) by mutual written consent; (ii) if any governmental authority of competent jurisdiction has enacted, issued, promulgated, enforced or entered any law permanently restraining, enjoining, prohibiting or making illegal the consummation of the Merger and such law shall have become final and nonappealable; (iii) if the Company Stockholder Approvals have not been obtained at our stockholder's meeting (including any adjournments or postponements thereof), at which a vote on the approval of the Merger Agreement was taken; or (iv) if the other party has breached its representations or warranties or failed to perform any of its covenants or agreements in a way that would prevent satisfaction of a closing condition by the Outside Date and such breach or failure to perform cannot be cured within the earlier of (x) 30 days following the receipt of written notice of such breach or failure to perform and (y) one business day prior to the Outside Date. The Merger Corporation also may terminate the Merger Agreement if our Board (acting upon the recommendation of the Special Committee of the Board (the "Special Committee")) or the Special Committee withdraws or modifies in a manner adverse to the Merger Corporation its recommendation to our stockholders in favor of the adoption of the Merger Agreement, authorizes or recommends any acquisition proposal or takes certain actions in connection with or recommends any acquisition proposal that is a tender offer or exchange offer. We also may terminate the Merger Agreement if, prior to the receipt of the Company Stockholder Approvals, our Board (acting upon the recommendation of the Special Committee) or the Special Committee determines to enter into an acquisition agreement with respect to a superior proposal, subject to certain conditions. The occurrence of the aforementioned could adversely affect our stock price, business, financial condition and results of operations.

The announcement of the Merger Agreement and pendency of the Merger could negatively impact our business, financial condition and results of operations.

The announcement or pendency of the Merger could adversely affect our business, financial condition and results of operations and may result in our inability to hire or the departure of key personnel. In connection with the Merger, some of our customers and business partners may delay or defer decisions or may end their relationships with us, which could negatively affect our revenues, earnings and cash flows, regardless of whether the Merger is completed. In addition, we have undertaken certain covenants in the Merger Agreement restricting the conduct of our business during the pendency of the Merger, including restrictions on undertaking certain significant financing transactions and certain other actions, even if such actions would prove beneficial to us. Similarly, our current and prospective employees may experience uncertainty about their future roles with us following the Merger, which may materially adversely affect our ability to attract and retain key personnel during the pendency of the Merger.

Additionally, the Merger Agreement requires us to escrow excess cash at the request of the Merger Corporation, subject to the Company maintaining certain minimum cash amounts specified therein, which could impact the Company's liquidity and ability to fund its operations prior to the consummation of the Merger.

The Merger Agreement contains provisions that could discourage a potential competing acquirer of the Company or could result in a competing acquisition proposal being at a lower price than it might otherwise be.

The Merger Agreement contains provisions that, subject to limited exceptions, restrict the Company's ability to solicit or negotiate any alternative acquisition proposal. With respect to any written, bona fide acquisition proposal that the Company receives, the Merger Corporation generally has an opportunity to offer to modify the terms of the Merger Agreement in response to such proposal before our Board may withdraw or modify its recommendation to stockholders in response to such acquisition proposal or terminate the Merger Agreement to enter into a definitive agreement with respect to such acquisition proposal. Under the terms of the Merger Agreement, we may be required to pay a termination fee of $39.0 million to Merger Corporation (i) in the event we or Merger Corporation terminate the Merger Agreement before receipt of the Company Stockholder Approvals due to a change in recommendation by our Board or (ii) in the event we terminate the Merger Agreement to enter into a definitive agreement with respect to a superior proposal.

These provisions could discourage a potential competing acquirer that might have an interest in acquiring all or a significant part of the Company's business from considering or making a competing acquisition proposal, even if the potential competing acquirer was prepared to pay consideration with a higher per share cash value than the per share value proposed to be received or realized in the Merger, or might cause a potential competing acquirer to propose to pay a lower price than it might otherwise have proposed to pay because of the added expense of the termination fee and expense reimbursement that may become payable in certain circumstances under the Merger Agreement.

We have incurred, and will continue to incur, direct and indirect costs as a result of the Merger.

We have incurred, and will continue to incur, significant costs and expenses, including regulatory costs, fees for professional services and other transaction costs in connection with the Merger, for which we will have received little or no benefit if the Merger is not completed. There are a number of factors beyond our control that could affect the total amount or the timing of these costs and expenses. Many of these fees and costs will be payable by us even if the Merger is not completed and may relate to activities that we would not have undertaken other than to complete the Merger.

Our directors and executive officers have interests in the Merger that may be different from, or in addition to, the interests of our other stockholders.

Our directors and executive officers have financial interests in the Merger that may be different from, or in addition to, the interests of our other stockholders. These interests may include:

- the treatment of Company equity awards under the Company's equity plans and award agreements provided for under the Merger Agreement;
- severance and other benefits in the case of certain qualifying terminations under the terms of an individual employment arrangements or the Company's severance plans; and
- continued indemnification and insurance coverage under the Merger Agreement, the Company's organizational documents and indemnification agreements the Company has entered into with each of its directors and executive officers.

Litigation challenging the Merger Agreement may prevent the Merger from being consummated within the expected timeframe or at all.

Lawsuits may be filed against us, our Board, the Special Committee or other parties to the Merger Agreement, challenging our acquisition by the Merger Corporation, adequacy of the proxy and Schedule 13E-3 disclosures or making other claims in connection therewith. Such lawsuits may be brought by our purported stockholders or other interested parties and may seek, among other things, to enjoin consummation of the Merger. One of the conditions to the consummation of the Merger is that the consummation of the Merger is not restrained, made illegal, enjoined or prohibited by any law, whether temporary, preliminary or permanent that is in effect. As such, if the plaintiffs in such potential lawsuits are successful in obtaining an injunction prohibiting the defendants from completing the Merger on the agreed upon terms, then such injunction may prevent the Merger from becoming effective within the expected timeframe or at all.

If the Merger is completed, our stockholders will forgo the opportunity to benefit from potential future appreciation in the value of the Company.

The Merger Agreement provides for the stockholders of record who are not a part of the Buyer Group to receive consideration of $16.50, in cash, per share of Class A common stock, without interest, upon the closing of the transactions contemplated by the Merger Agreement. If the transactions are consummated, our stockholders will no longer hold interests in the Company and, therefore, will not be entitled to benefit from any potential future appreciation in the value of the Company. In the absence of the transactions contemplated by the Merger Agreement, we could have various opportunities to enhance the Company's value, including, but not limited to, entering into a transaction that values the shares of our Class A common stock higher than the value provided for in the Merger Agreement. Therefore, if the Merger is completed, stockholders will forgo future appreciation, if any, in the value of the Company and the opportunity to participate in any other potential transactions that may have resulted in a higher price per share than the price to be paid in the transactions contemplated by the Merger Agreement.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities

During the three months ended March 31, 2025, our purchases of Class A common stock were as follows:

Period	Total Number of Shares Purchased(1)	Average Price Paid per Share(2)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs (in thousands)
January 1, 2025 through January 31, 2025	—	$ —	—	$ —
February 1, 2025 through February 28, 2025	—	—	—	—
March 1, 2025 through March 31, 2025	750,691	13.44	750,691	29,547
Total	750,691	$ 13.44	750,691	

(1) On December 6, 2024, the Company announced a one-year extension of its share repurchase authorization, extending the previously authorized $200.0 million authorization through December 31, 2025. The share repurchase program was initially announced in September 2022 for up to $100.0 million of shares of our Class A common stock and capacity was increased to a total authorization of $200.0 million of shares of our Class A common stock (exclusive of any commissions, fees or excise taxes) in May 2023. Pursuant to our share repurchase program, we may repurchase shares of our Class A common stock from time to time through open market purchases, in privately negotiated transactions or by other means, including through the use of trading plans intended to qualify under Rule 10b5-1 under the Exchange Act. Open market repurchases are expected to be structured to occur within the pricing volume requirements of Rule 10b-18. The timing and total amount of stock repurchases will depend upon, business, economic and market conditions, corporate and regulatory requirements, prevailing stock prices, restrictions under the terms of our loan agreements and other relevant considerations. The repurchase program may be modified, suspended or discontinued at any time at the Company's discretion and does not obligate the Company to acquire any amount of Class A common stock.

(2) Average price paid per share excludes commissions and other costs associated with the repurchases.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Rule 10b5-1 Trading Arrangements

On March 14, 2025, Jarrod Johnson, our Chief Customer Officer, adopted a Rule 10b5-1 trading arrangement (the "Johnson 10b5-1 Plan"), which provides for the potential sale of up to 145,986 shares of the Company's Class A Common Stock obtained from the vesting of restricted stock units and performance stock units, subject to reduction, such that the covered amount will be a maximum of 50% of the shares obtained upon satisfaction of vesting criteria, after taking into account shares withheld to satisfy tax withholding obligations. The Johnson 10b5-1 Plan is intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Exchange Act and unless otherwise terminated pursuant to its terms, provides for sales from August 8, 2025 to December 31, 2025 or an earlier date on which all shares thereunder are sold.

Item 6. Exhibits

Exhibit No.	Description
2.1	Agreement and Plan of Merger, dated as May 8, 2025, by and between TaskUs, Inc. and Breeze Merger Corporation (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed on May 9, 2025).
3.1	Second Amended and Restated Certificate of Incorporation of TaskUs, Inc., dated as of June 10, 2021 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on June 15, 2021).
3.2	Certificate of Change of Registered Agent and Registered Office of the Company (incorporated by reference to Exhibit 3.2 to the Company's Annual Report on Form 10-K filed on March 8, 2024).
3.3	Third Amended and Restated Bylaws of TaskUs, Inc., dated as of March 2, 2023 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on March 7, 2023).
10.1	Voting and Support Agreement, dated as of May 8, 2025, by and between TaskUs, Inc. and BCP FC Aggregator L.P. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 9, 2025).
10.2	Voting and Support Agreement, dated as of May 8, 2025, by and among TaskUs, Inc., Bryce Maddock, The Maddock 2015 Irrevocable Trust, The Bryce Maddock Family Trust and The Maddock 2015 Exempt Irrevocable Trust (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on May 9, 2025).
10.3	Voting and Support Agreement, dated as of May 8, 2025, by and among TaskUs, Inc., Jaspar Weir, The Weir 2015 Irrevocable Trust, The Jaspar Weir Family Trust and The Weir 2015 Exempt Irrevocable Trust (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed on May 9, 2025).
31.1*	Certification of Principal Executive Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document– the instance document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.
** Furnished herewith.

The agreements and other documents filed as exhibits to this Quarterly Report are not intended to provide factual information or other disclosure, other than with respect to the terms of the agreements or other documents themselves, and you should not rely on them for that purpose. In particular, any representations and warranties made by us in these agreements or other documents were made solely within the specific context of the relevant agreement or document and may not describe the actual state of affairs as of the date they were made or at any other time.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TASKUS, INC.
(Registrant)

Date:	May 12, 2025	By:	/s/ Balaji Sekar
			Balaji Sekar Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer) (Authorized Signatory)

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Bryce Maddock, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended March 31, 2025 of TaskUs, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 12, 2025

/s/ Bryce Maddock
Bryce Maddock
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Balaji Sekar, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended March 31, 2025 of TaskUs, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 12, 2025

/s/ Balaji Sekar
Balaji Sekar
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of TaskUs, Inc. (the "Company") for the quarter ended March 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Bryce Maddock, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Bryce Maddock
Bryce Maddock
Chief Executive Officer
(Principal Executive Officer)

May 12, 2025

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of TaskUs, Inc. (the "Company") for the quarter ended March 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Balaji Sekar, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Balaji Sekar
Balaji Sekar
Chief Financial Officer
(Principal Financial Officer)

May 12, 2025