

**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 September 30, 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)

1650 Independence Drive, Suite 100
New Braunfels, Texas
(Address of principal executive offices)

83-1586636
(I.R.S. Employer Identification No.)

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
Non-accelerated filer

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 October 31, 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: 35,384,927; Class B common stock, par value \$0.01 per share: 55,032,694.

TASKUS, INC.
Quarterly Report on Form 10-Q
For Quarterly Period Ended September 30, 2025
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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 further 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.
- Risks relating to the termination of the merger we originally announced on May 8, 2025, including the risk that the termination could adversely affect our stock price, business, financial condition and results of operations.
- 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, X, and TikTok, 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/@taskus, its X account at x.com/taskus, and its TikTok account at tiktok.com/@taskusph. 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)

	September 30, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 209,981	\$ 192,166
Accounts receivable, net of allowance for credit losses of \$841 and \$1,299, respectively	238,472	198,996
Income tax receivable	1,773	912
Prepaid expenses and other current assets	41,417	43,278
Total current assets	491,643	435,352
Noncurrent assets:		
Property and equipment, net	91,404	66,775
Operating lease right-of-use assets	58,016	47,334
Deferred tax assets	9,422	8,431
Intangibles	158,494	172,525
Goodwill	219,527	216,791
Other noncurrent assets	8,860	6,090
Total noncurrent assets	545,723	517,946
Total assets	\$ 1,037,366	\$ 953,298
Liabilities and Shareholders' Equity		
Liabilities:		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 50,710	\$ 53,403
Accrued payroll and employee-related liabilities	69,825	54,160
Current portion of debt	19,872	14,809
Current portion of operating lease liabilities	20,777	16,087
Current portion of income tax payable	5,946	9,839
Deferred revenue	3,266	3,727
Total current liabilities	170,396	152,025
Noncurrent liabilities:		
Income tax payable	9,054	6,496
Long-term debt	226,453	241,357
Operating lease liabilities	40,551	32,946
Accrued payroll and employee-related liabilities	7,754	6,425
Deferred tax liabilities	15,636	17,046
Other noncurrent liabilities	2	84
Total noncurrent liabilities	299,450	304,354
Total liabilities	469,846	456,379
Commitments and Contingencies (See Note 9)		
Shareholders' equity:		
Class A common stock, \$0.01 par value. Authorized 2,500,000,000; 50,800,317 issued and 35,364,093 outstanding and 33,215,441 issued and 19,891,464 outstanding, respectively	508	332
Class B convertible common stock, \$0.01 par value. Authorized 250,000,000; 55,032,694 and 70,032,694 shares issued and outstanding, respectively	550	700
Additional paid-in capital	748,874	726,917
Retained earnings (Accumulated deficit)	28,456	(44,114)
Accumulated other comprehensive loss	(21,559)	(25,389)
Treasury stock, at cost. 15,436,224 and 13,323,977 shares, respectively	(189,309)	(161,527)
Total shareholders' equity	567,520	496,919
Total liabilities and shareholders' equity	\$ 1,037,366	\$ 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 September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Service revenue	\$ 298,713	\$ 255,345	\$ 870,591	\$ 720,743
Operating expenses:				
Cost of services	185,420	153,765	537,169	433,052
Selling, general and administrative expense	59,699	62,650	185,529	171,830
Depreciation	10,553	9,758	30,423	30,525
Amortization of intangible assets	5,005	4,988	14,978	14,955
Loss (gain) on disposal of assets	95	(10)	(49)	(93)
Total operating expenses	260,772	231,151	768,050	650,269
Operating income	37,941	24,194	102,541	70,474
Other expense (income), net	(8,407)	898	(9,907)	(2,007)
Financing expenses	4,627	5,504	13,925	16,532
Income before income taxes	41,721	17,792	98,523	55,949
Provision for income taxes	10,346	5,093	25,953	18,938
Net income	\$ 31,375	\$ 12,699	\$ 72,570	\$ 37,011
Net income per common share:				
Basic	\$ 0.35	\$ 0.14	\$ 0.81	\$ 0.42
Diluted	\$ 0.34	\$ 0.14	\$ 0.78	\$ 0.40
Weighted-average number of common shares outstanding:				
Basic	90,128,176	88,978,159	89,887,246	88,701,787
Diluted	93,057,417	92,579,919	93,096,587	92,019,911

See accompanying notes to unaudited condensed consolidated financial statements.

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

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Net income	\$ 31,375	\$ 12,699	\$ 72,570	\$ 37,011
Unrealized gain (loss) on derivative contracts, net	(4,588)	247	3,467	247
Retirement benefit reserves, net	9	(20)	(40)	2
Foreign currency translation adjustments	(7,563)	7,025	403	(4,022)
Comprehensive income	<u>\$ 19,233</u>	<u>\$ 19,951</u>	<u>\$ 76,400</u>	<u>\$ 33,238</u>

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					Accumulated deficit	Accumulated other comprehensive loss	Treasury stock		Total shareholders' equity
	Class A common stock		Class B convertible common stock		Additional paid-in capital			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
Issuance of common stock for settlement of equity awards	722,711	7	—	—	1,849	—	—	—	—	1,856
Shares withheld related to net share settlement	(40,437)	—	—	—	(500)	—	—	—	—	(500)
Repurchase of common stock	—	—	—	—	—	—	—	1,024,556	(11,759)	(11,759)
Stock-based compensation expense	—	—	—	—	11,121	—	—	—	—	11,121
Net income	—	—	—	—	—	12,598	—	—	—	12,598
Other comprehensive loss	—	—	—	—	—	—	(7,717)	—	—	(7,717)
Balance as of June 30, 2024	31,703,199	\$ 317	70,032,694	\$ 700	\$ 704,438	\$ (65,672)	\$ (20,576)	13,106,790	\$ (159,014)	\$ 460,193
Issuance of common stock for settlement of equity awards	977,511	10	—	—	1,240	—	—	—	—	1,250
Shares withheld related to net share settlement	(125,503)	(1)	—	—	(1,805)	—	—	—	—	(1,806)
Repurchase of common stock	—	—	—	—	—	—	—	32,987	(396)	(396)
Stock-based compensation expense	—	—	—	—	10,598	—	—	—	—	10,598
Net income	—	—	—	—	—	12,699	—	—	—	12,699
Other comprehensive income	—	—	—	—	—	—	7,252	—	—	7,252
Balance as of September 30, 2024	32,555,207	\$ 326	70,032,694	\$ 700	\$ 714,471	\$ (52,973)	\$ (13,324)	13,139,777	\$ (159,410)	\$ 489,790

	Capital stock and additional paid-in capital					Retained earnings (Accumulated deficit)	Accumulated other comprehensive loss	Treasury stock		Total shareholders' equity
	Class A common stock		Class B convertible common stock		Additional paid-in capital			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
Issuance of common stock for settlement of equity awards	1,126,778	11	—	—	6,898	—	—	—	—	6,909
Shares withheld related to net share settlement	(53,350)	(1)	—	—	(822)	—	—	—	—	(823)
Conversion of common stock	15,000,000	150	(15,000,000)	(150)	—	—	—	—	—	—
Repurchase of common stock	—	—	—	—	—	—	—	1,361,556	(17,675)	(17,675)
Stock-based compensation expense	—	—	—	—	8,307	—	—	—	—	8,307
Net income	—	—	—	—	—	20,047	—	—	—	20,047
Other comprehensive income	—	—	—	—	—	—	7,474	—	—	7,474
Balance as of June 30, 2025	50,149,749	\$ 501	55,032,694	\$ 550	\$ 745,144	\$ (2,919)	\$ (9,417)	15,436,224	\$ (189,309)	\$ 544,550
Issuance of common stock for settlement of equity awards	882,953	9	—	—	1,326	—	—	—	—	1,335
Shares withheld related to net share settlement	(232,385)	(2)	—	—	(3,968)	—	—	—	—	(3,970)
Stock-based compensation expense	—	—	—	—	6,372	—	—	—	—	6,372
Net income	—	—	—	—	—	31,375	—	—	—	31,375
Other comprehensive loss	—	—	—	—	—	—	(12,142)	—	—	(12,142)
Balance as of September 30, 2025	50,800,317	\$ 508	55,032,694	\$ 550	\$ 748,874	\$ 28,456	\$ (21,559)	15,436,224	\$ (189,309)	\$ 567,520

See accompanying notes to unaudited condensed consolidated financial statements.

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

	Nine months ended September 30,	
	2025	2024
Cash flows from operating activities:		
Net income	\$ 72,570	\$ 37,011
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	30,652	30,525
Amortization of intangibles	14,978	14,955
Amortization of debt financing fees	447	447
Gain on disposal of assets	(49)	(93)
Provision for (benefit from) credit losses	678	(25)
Unrealized foreign exchange gains on forward contracts	—	(166)
Deferred taxes	(3,231)	(1,813)
Stock-based compensation expense	23,428	31,954
Changes in operating assets and liabilities:		
Accounts receivable	(38,781)	(23,452)
Prepaid expenses and other current assets	6,035	(5,807)
Operating lease right-of-use assets	15,306	11,883
Other noncurrent assets	(2,798)	(809)
Accounts payable and accrued liabilities	(10,633)	3,318
Accrued payroll and employee-related liabilities	15,717	20,904
Operating lease liabilities	(13,759)	(12,423)
Income tax payable	(2,455)	(7,592)
Deferred revenue	(475)	(442)
Other noncurrent liabilities	(81)	(145)
Net cash provided by operating activities	<u>107,549</u>	<u>98,230</u>
Cash flows from investing activities:		
Purchase of property and equipment	(43,753)	(18,821)
Net cash used in investing activities	<u>(43,753)</u>	<u>(18,821)</u>
Cash flows from financing activities:		
Payments for deferred business acquisition consideration	(150)	(144)
Payments on long-term debt	(10,125)	(5,063)
Proceeds from employee stock plans	8,462	3,301
Payments for taxes related to net share settlement	(9,907)	(3,880)
Payments for stock repurchases	(27,783)	(15,468)
Net cash used in financing activities	<u>(39,503)</u>	<u>(21,254)</u>
Increase in cash and cash equivalents	24,293	58,155
Effect of exchange rate changes on cash	(6,478)	(3,550)
Cash and cash equivalents at beginning of period	192,166	125,776
Cash and cash equivalents at end of period	<u>\$ 209,981</u>	<u>\$ 180,381</u>

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 September 30, 2025 and its statements of income, comprehensive income and shareholders' equity for the three and nine months ended September 30, 2025 and 2024, and cash flows for the nine months ended September 30, 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 and nine months ended September 30, 2025 and 2024, the following client represented greater than 10% of the Company's service revenue:

Client	Service revenue percentage			
	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
A	27 %	23 %	26 %	21 %

As of September 30, 2025 and December 31, 2024, the following clients represented greater than 10% of the Company's accounts receivable:

Client	Accounts receivable percentage	
	September 30, 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.

In July 2025, the FASB issued ASU 2025-05, Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets. The amendments in this Update simplify the measurement of credit losses by providing a practical expedient which permits an entity, when estimating expected credit losses for current accounts receivable and contract assets, to make an election to assume that current conditions as of the balance sheet date will remain unchanged for the asset's remaining life. This ASU will be effective for the Company for fiscal years beginning after December 15, 2025, and interim periods within those fiscal years. Early adoption is permitted. This ASU should be applied prospectively. The Company does not expect the adoption of this ASU to have a material impact on its consolidated financial statements.

In September 2025, the FASB issued ASU 2025-06, Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software. This standard modernizes the accounting for internal-use software by (1) removing the previous stage-based development model, (2) requiring capitalization to begin when management commits to funding and it is probable the project will be completed, and (3) clarifying that the probability threshold is not met if significant development uncertainty exists. The amendments also supersede the separate guidance for website development costs, incorporating those requirements into the internal-use software subtopic. This ASU will be effective for the Company for fiscal years beginning after December 15, 2027, and interim periods within those years. Early adoption is permitted. This ASU may be applied on either a prospective or retrospective basis. 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:

<i>(in thousands)</i>	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Digital Customer Experience	\$ 164,209	\$ 155,170	\$ 489,153	\$ 447,013
Trust + Safety	75,826	63,676	224,737	178,014
AI Services	58,678	36,499	156,701	95,716
Service revenue	<u>\$ 298,713</u>	<u>\$ 255,345</u>	<u>\$ 870,591</u>	<u>\$ 720,743</u>

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:

<i>(in thousands)</i>	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Philippines	\$ 160,942	\$ 143,300	\$ 472,850	\$ 412,821
United States	32,310	31,238	97,924	82,095
India	38,973	31,088	111,480	89,465
Rest of World	66,488	49,719	188,337	136,362
Service revenue	<u>\$ 298,713</u>	<u>\$ 255,345</u>	<u>\$ 870,591</u>	<u>\$ 720,743</u>

Contract Balances

Accounts receivable, net of allowance for credit losses includes \$112.1 million and \$92.7 million of unbilled revenue as of September 30, 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 seven 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, Colombian pesos and euros. 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 gains associated with our cash flow hedges reclassified from accumulated other comprehensive loss ("AOCL") to earnings:

(in thousands)	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Cost of services	\$ (1,989)	\$ —	\$ (3,055)	\$ —
Selling, general and administrative expense	(349)	—	(568)	—
Depreciation expense	(164)	—	(229)	—
Total amount reclassified from AOCL	<u>\$ (2,502)</u>	<u>\$ —</u>	<u>\$ (3,852)</u>	<u>\$ —</u>

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

(in thousands)	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Notional amount of settled forward contracts in Philippine pesos	\$ 47,066	\$ —	\$ 139,843	\$ —
Notional amount of settled forward contracts in Indian rupees	14,474	—	38,575	—
Notional amount of settled forward contracts in Mexican pesos	4,392	—	12,990	—
Notional amount of settled forward contracts in Colombian pesos	11,832	—	32,677	—
Total notional amount of settled forward contracts designated as cash flow hedges	<u>\$ 77,764</u>	<u>\$ —</u>	<u>\$ 224,085</u>	<u>\$ —</u>

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

(in thousands)	September 30, 2025	December 31, 2024
	Notional amount of outstanding forward contracts in Philippine pesos	\$ 170,609
Notional amount of outstanding forward contracts in Indian rupees	55,550	41,819
Notional amount of outstanding forward contracts in Mexican pesos	16,780	14,380
Notional amount of outstanding forward contracts in Colombian pesos	41,370	35,141
Notional amount of outstanding forward contracts in euros	23,290	—
Total notional amount of outstanding forward contracts designated as cash flow hedges	<u>\$ 307,599</u>	<u>\$ 244,143</u>

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 (losses) on cash flow hedges for the three and nine months ended September 30, 2025 were \$(3.3) million and \$8.2 million, respectively. As of September 30, 2025, the net accumulated gain on our foreign currency cash flow hedges expected to be reclassified from AOCL into earnings within the next 12 months was \$0.2 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 associated with derivative contracts not designated as hedging instruments:

(in thousands)	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Notional amount of settled forward contracts in Philippine pesos	\$ —	\$ 40,447	\$ —	\$ 128,101
Notional amount of settled forward contracts in Indian rupees	—	10,217	—	33,110
Total notional amount of settled forward contracts	\$ —	\$ 50,664	\$ —	\$ 161,211
Realized losses from settlement of forward contracts	\$ —	\$ 1,131	\$ —	\$ 3,900
Unrealized gains on forward contracts	\$ —	\$ (3,629)	\$ —	\$ (166)

There were no outstanding forward contracts not designated as hedging instruments as of September 30, 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 September 30, 2025 and December 31, 2024 and indicates the fair value hierarchy of the valuation techniques utilized to determine such fair value:

		September 30, 2025					
		Fair value measurements using			Total Gross Fair Value	Effect of Master Netting Arrangements	Net Amounts
(in thousands)		Level 1 inputs	Level 2 inputs	Level 3 inputs			
Assets							
	Money market funds	\$ 139,177	\$ —	\$ —	\$ 139,177	\$ —	\$ 139,177
Derivatives designated as hedging instruments:							
	Forward contracts receivable	\$ —	\$ 3,069	\$ —	\$ 3,069	\$ (1,778)	\$ 1,291
Liabilities							
Derivatives designated as hedging instruments:							
	Forward contracts payable	\$ —	\$ 2,901	\$ —	\$ 2,901	\$ (1,778)	\$ 1,123

		December 31, 2024					
		Fair value measurements using			Total Gross Fair Value	Effect of Master Netting Arrangements	Net Amounts
(in thousands)		Level 1 inputs	Level 2 inputs	Level 3 inputs			
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 September 30, 2025 and December 31, 2024, were as follows:

(in thousands)		September 30, 2025	December 31, 2024
	Leasehold improvements	\$ 103,496	\$ 76,171
	Technology and computers	131,900	115,816
	Furniture and fixtures	12,774	8,480
	Construction in process	4,510	5,476
	Other property and equipment	23,156	16,260
	Property and equipment, gross	275,836	222,203
	Accumulated depreciation	(184,432)	(155,428)
	Property and equipment, net	\$ 91,404	\$ 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 September 30, 2025 and December 31, 2024:

<i>(in thousands)</i>	September 30, 2025	December 31, 2024
Philippines	\$ 30,391	\$ 22,888
United States	7,182	7,116
India	22,180	11,830
Colombia	19,744	12,950
Rest of World	11,907	11,991
Property and equipment, net	<u>\$ 91,404</u>	<u>\$ 66,775</u>

6. Goodwill and Intangibles

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

<i>(in thousands)</i>	
Balance as of December 31, 2024	\$ 216,791
Foreign currency translation	2,736
Balance as of September 30, 2025	<u>\$ 219,527</u>

Intangible assets consisted of the following as of September 30, 2025 and December 31, 2024:

<i>(in thousands)</i>	September 30, 2025			December 31, 2024		
	Intangibles, Gross	Accumulated Amortization	Intangibles, Net	Intangibles, Gross	Accumulated Amortization	Intangibles, Net
Customer relationships	\$ 252,603	\$ (116,456)	\$ 136,147	\$ 251,245	\$ (103,162)	\$ 148,083
Trade names	41,900	(19,553)	22,347	41,900	(17,458)	24,442
Other intangibles	117	(117)	—	158	(158)	—
Total	<u>\$ 294,620</u>	<u>\$ (136,126)</u>	<u>\$ 158,494</u>	<u>\$ 293,303</u>	<u>\$ (120,778)</u>	<u>\$ 172,525</u>

7. Long-Term Debt

The balances of current and noncurrent portions of debt consisted of the following as of September 30, 2025 and December 31, 2024:

<i>(in thousands)</i>	September 30, 2025			December 31, 2024		
	Current	Noncurrent	Total	Current	Noncurrent	Total
Term Loan	\$ 20,250	\$ 226,800	\$ 247,050	\$ 15,188	\$ 241,988	\$ 257,176
Less: Debt financing fees	(378)	(347)	(725)	(379)	(631)	(1,010)
Total	<u>\$ 19,872</u>	<u>\$ 226,453</u>	<u>\$ 246,325</u>	<u>\$ 14,809</u>	<u>\$ 241,357</u>	<u>\$ 256,166</u>

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 September 30, 2025 was 6.352% 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 September 30, 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 September 30, 2025.

8. Leases

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

<i>(in thousands)</i>	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Operating lease costs - Cost of services	\$ 6,547	\$ 5,069	\$ 18,433	\$ 14,188

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 September 30, 2025 and December 31, 2024:

	September 30, 2025	December 31, 2024
Weighted average remaining lease term	3.4 years	3.5 years
Weighted average discount rate	6.9 %	6.6 %

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

<i>(in thousands)</i>	Nine months ended September 30,	
	2025	2024
Cash paid for amounts included in the measurement of operating lease liabilities	\$ 17,067	\$ 14,779
ROU assets obtained in exchange for operating lease liabilities	23,958	17,724

The future lease payments on the Company's operating lease liabilities as of September 30, 2025 were as follows:

<i>(in thousands)</i>	
2025-remainder of year	\$ 5,782
2026	23,380
2027	17,711
2028	11,731
2029	8,525
Thereafter	1,636
Total lease payments	68,765
Less: imputed interest	(7,437)
Total lease liabilities	\$ 61,328

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 the Court preliminarily approved on June 13, 2025. A settlement hearing took place on October 16, 2025 and approval is pending. The Settlement Agreement includes 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's insurance retention and policies fully funded the settlement amount in July 2025. 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. On June 5, 2025, the parties moved to stay the action, which the Court granted on June 6, 2025. 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 Calvin 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. On June 10, 2025, the parties moved to stay the action, which the Court granted on June 11, 2025. The Company is unable to predict, with a reasonable degree of certainty, the likely outcome of this litigation.

On May 27, 2025, a purported class action captioned Nelson Estrada, individually and on behalf of all others similarly situated v. TaskUs, Inc., was filed in the United States District Court for the Southern District of New York against the Company. An amended complaint was filed on September 16, 2025 that added additional plaintiffs Allen Joo, Tiba Parsa, Tim Reynolds, and Craig Burson. The amended complaint alleges that plaintiffs' data was implicated in a Coinbase data breach announced on May 14, 2025, that the breach involved TaskUs employees providing overseas support services to Coinbase who improperly accessed information related to his account, and that a subset of the plaintiffs had cryptocurrency assets stolen in ways that they allege was related to the breach. The amended complaint asserts claims for negligence, negligent hiring/supervision, conversion, fraud, breach of implied contract, unjust enrichment, declaratory and injunctive relief, violation of the unfair and deceptive trade law statutes of various states, and violation of the California Consumer Privacy Act. Plaintiff seeks to certify a class of all persons in the United States whose personally identifiable information was compromised in the Coinbase data breach, as well as a similarly defined California sub-class, and a sub-class of individuals whose cryptocurrency assets were stolen by those who received personally identifiable information as a result of the breach. Plaintiffs request damages, pre- and post-judgment interest, attorneys' fees, and any other relief allowable under law. On October 30, 2025, the Company filed a motion to dismiss the amended complaint. The Company is unable to predict, with a reasonable degree of certainty, the likely outcome of this litigation.

On October 24, 2025, an amended complaint was filed in the consolidated proceedings captioned In re Coinbase Customer Data Security Breach Litigation in the United States District Court for the Southern District of New York. This action contains multiple proceedings that were originally filed against Coinbase and were subsequently consolidated into a single multi-district litigation. The amended complaint now names the Company as a defendant, in addition to Coinbase Global, Inc., Coinbase, Inc., and ten "John Doe" defendants to represent currently unknown other entities. The amended complaint alleges that plaintiffs' data was implicated in a Coinbase data breach announced on May 14, 2025 and that the breach involved TaskUs employees providing overseas support services to Coinbase who improperly accessed information related to his account. The amended complaint asserts claims against both the Company and Coinbase for negligence, gross negligence, breach of implied contract, unjust enrichment, violations of the statutes of various states that require timely notice be provided following a data breach, and violations of the consumer protection statutes of various states. The amended complaint also brings claims for breach of fiduciary duty and declaratory judgment that are directed at Coinbase. Plaintiffs seek to certify a class of all persons in the United States whose personally identifiable information was compromised in the Coinbase data breach, as well as similarly defined sub-classes for California, Colorado, Maine, Massachusetts, New York, South Carolina, Texas, Washington, and Wisconsin. Plaintiffs request damages, pre- and post-judgment interest, attorneys' fees, and any other relief allowable under law. The Company's response to the amended complaint is due in December 2025. The Company is unable to predict, with a reasonable degree of certainty, the likely outcome of this litigation.

The Company is also currently defending two lawsuits that present in large degree the same legal or factual issues, with allegations that are similar in nature. We believe that these two 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 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 in connection with a 2020 Shopify data breach. 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 September 19, 2024, TaskUs filed a motion to dismiss, which the Court granted on February 6, 2025. On July 17, 2025, plaintiffs filed a petition for interlocutory review with the Ninth Circuit Court of Appeals, seeking immediate review of the February 6, 2025 Order, which the Court declined on September 24, 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; however, the Company may incur significant losses related to such indemnification obligations in the future.

10. Stock-Based Compensation

The following table summarizes the stock option, restricted stock unit ("RSU") and performance stock unit ("PSU") activity for the nine months ended September 30, 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	—	\$ —	1,788,044	\$ 13.42	396,198	\$ 13.15
Exercised or released	(1,172,384)	\$ 7.22	(1,994,977)	\$ 20.14	(80,000)	\$ 11.92
Forfeited, cancelled, or expired	(8,544)	\$ 29.76	(444,844)	\$ 15.48	(3,373,417)	\$ 4.02
Outstanding at September 30, 2025	<u>3,665,569</u>	<u>\$ 22.19</u>	<u>3,657,581</u>	<u>\$ 14.31</u>	<u>636,198</u>	<u>\$ 12.51</u>

The PSUs granted during the nine months ended September 30, 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:

<i>(in thousands)</i>	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Cost of services	\$ 261	\$ 560	\$ 713	\$ 1,741
Selling, general and administrative expense	6,111	10,038	22,715	30,213
Total	<u>\$ 6,372</u>	<u>\$ 10,598</u>	<u>\$ 23,428</u>	<u>\$ 31,954</u>

As of September 30, 2025, there was \$0.4 million, \$23.4 million and \$1.9 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 0.4 years, 1.4 years and 1.3 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 \$10.3 million and \$5.1 million in the three months ended September 30, 2025 and 2024, respectively. The effective tax rate was 24.8% and 28.6% for the three months ended September 30, 2025 and 2024, respectively.

The Company recorded provision for income taxes of \$26.0 million and \$18.9 million in the nine months ended September 30, 2025 and 2024, respectively. The effective tax rate was 26.3% and 33.8% for the nine months ended September 30, 2025 and 2024, respectively. The difference between the effective tax rate and the 21% federal statutory rate in the nine months ended September 30, 2025 was primarily due to state taxes, Global Intangible Low-Taxed Income ("GILTI") inclusion and nondeductible compensation of officers partially offset by Foreign-Derived Intangible Income. The difference between the effective tax rate and the 21% federal statutory rate in the nine months ended September 30, 2024 was primarily due to GILTI inclusion, nondeductible compensation of officers, nondeductible costs and state taxes, partially offset by tax benefits from foreign jurisdictions.

The One Big Beautiful Bill Act ("OBBBA") was enacted on July 4, 2025 with no material impact on Company's financial position, effective tax rate or cash flows in the current fiscal year.

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 and nine months ended September 30, 2025 and 2024:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
<i>(in thousands, except share and per share data)</i>				
Numerator:				
Net income	\$ 31,375	\$ 12,699	\$ 72,570	\$ 37,011
Denominator:				
Weighted-average common shares outstanding – basic	90,128,176	88,978,159	89,887,246	88,701,787
Effect of dilutive securities	2,929,241	3,601,760	3,209,341	3,318,124
Weighted-average common shares outstanding – diluted	93,057,417	92,579,919	93,096,587	92,019,911
Net income per common share:				
Basic	\$ 0.35	\$ 0.14	\$ 0.81	\$ 0.42
Diluted	\$ 0.34	\$ 0.14	\$ 0.78	\$ 0.40

The Company excluded 3,118,173 and 3,156,602 potential common stock equivalents from the computation of diluted EPS for the three and nine months ended September 30, 2025, respectively, and 3,195,006 and 3,339,438 potential common stock equivalents from the computation of diluted EPS for the three and nine months ended September 30, 2024, respectively, because the effect would have been anti-dilutive. There were 511,753 and 3,693,417 potential common stock equivalents outstanding as of September 30, 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

The following tables summarize the changes in accumulated balances of other comprehensive income (loss) for the three and nine months ended September 30, 2025:

<i>(in thousands)</i>	Foreign Currency Translation Adjustments	Retirement Benefit Reserves	Unrealized Gains (Losses) on Cash Flow Hedges	Accumulated Other Comprehensive Loss
Balance as of June 30, 2025	\$ (13,693)	\$ (446)	\$ 4,722	\$ (9,417)
Other comprehensive income (loss) before reclassifications	(7,563)	20	(3,309)	(10,852)
Income tax effects	—	(11)	698	687
Amounts reclassified from accumulated other comprehensive income	—	—	(2,502)	(2,502)
Income tax effects	—	—	525	525
Other comprehensive income (loss)	(7,563)	9	(4,588)	(12,142)
Balance as of September 30, 2025	<u>\$ (21,256)</u>	<u>\$ (437)</u>	<u>\$ 134</u>	<u>\$ (21,559)</u>

<i>(in thousands)</i>	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	403	(34)	8,239	8,608
Income tax effects	—	(6)	(1,729)	(1,735)
Amounts reclassified from accumulated other comprehensive income	—	—	(3,852)	(3,852)
Income tax effects	—	—	809	809
Other comprehensive income (loss)	403	(40)	3,467	3,830
Balance as of September 30, 2025	<u>\$ (21,256)</u>	<u>\$ (437)</u>	<u>\$ 134</u>	<u>\$ (21,559)</u>

The following tables summarize the changes in accumulated balances of other comprehensive income (loss) for the three and nine months ended September 30, 2024:

<i>(in thousands)</i>	Foreign Currency Translation Adjustments	Retirement Benefit Reserves	Unrealized Gains (Losses) on Cash Flow Hedges	Accumulated Other Comprehensive Loss
Balance as of June 30, 2024	\$ (20,752)	\$ 176	\$ —	\$ (20,576)
Other comprehensive income (loss) before reclassifications	7,025	(20)	247	7,252
Other comprehensive income (loss)	7,025	(20)	247	7,252
Balance as of September 30, 2024	<u>\$ (13,727)</u>	<u>\$ 156</u>	<u>\$ 247</u>	<u>\$ (13,324)</u>

<i>(in thousands)</i>	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	(4,022)	2	247	(3,773)
Other comprehensive income (loss)	(4,022)	2	247	(3,773)
Balance as of September 30, 2024	<u>\$ (13,727)</u>	<u>\$ 156</u>	<u>\$ 247</u>	<u>\$ (13,324)</u>

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 September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Operating expenses:				
Personnel costs (Cost of services) ⁽¹⁾	\$ 155,376	\$ 128,081	\$ 452,076	\$ 364,395
Operating costs (Selling, general, and administrative expense) ⁽²⁾	50,746	48,060	148,004	134,123
Stock-based compensation expense ⁽³⁾	6,513	10,742	24,159	32,434
Non-operating costs (Selling, general, and administrative expense) ⁽⁴⁾	2,710	4,412	14,101	7,030
Other (Cost of services) ⁽⁵⁾	29,774	25,120	84,358	66,900
Depreciation	10,553	9,758	30,423	30,525
Amortization of intangible assets	5,005	4,988	14,978	14,955
Loss (gain) on disposal of assets	95	(10)	(49)	(93)
Total operating expenses	\$ 260,772	\$ 231,151	\$ 768,050	\$ 650,269

- (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 (excluding stock-based compensation expense), 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 and transaction 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 October 8, 2025, the Company held a special meeting of stockholders (the "Special Meeting") to consider a proposal (the "Merger Agreement Proposal") to adopt the Agreement and Plan of Merger (the "Merger Agreement"), dated May 8, 2025, by and between the Company and Breeze Merger Corporation, a Delaware corporation (the "Merger Corporation"), pursuant to which, subject to the terms and conditions thereof, the Merger Corporation would merge with and into the Company (the "Merger"), with the Company surviving the Merger, collectively owned, directly or indirectly, by (i) BCP FC Aggregator L.P., (ii) The Maddock 2015 Irrevocable Trust, The Bryce Maddock Family Trust, The Maddock 2015 Exempt Irrevocable Trust and Bryce Maddock, (iii) The Weir 2015 Irrevocable Trust, The Jaspas Weir Family Trust, The Weir 2015 Exempt Irrevocable Trust and Jaspas Weir and (iv) the other holders of Continuing Shares (as defined in the Merger Agreement) (if any).

At the Special Meeting, the requisite Company stockholders did not approve the Merger Agreement Proposal. As a result, on October 9, 2025, the Merger Corporation and the Company entered into a mutual agreement to terminate the Merger Agreement, effective immediately (the "Termination Agreement"). The Termination Agreement provides for the mutual release by each of the Merger Corporation and the Company of all claims relating to or arising out of the Merger Agreement and the transactions contemplated thereby. No termination fee is payable by either party in connection with the Termination Agreement.

Upon the termination of the Merger Agreement, each of the Voting and Support Agreement, dated as of May 8, 2025, by and between the Company and BCP FC Aggregator L.P., the Voting and Support Agreement, dated as of May 8, 2025, by and among the Company, Bryce Maddock, The Maddock 2015 Irrevocable Trust, The Bryce Maddock Family Trust and The Maddock 2015 Exempt Irrevocable Trust and the Voting and Support Agreement, dated as of May 8, 2025, by and among the Company, Jaspas Weir, The Weir 2015 Irrevocable Trust, The Jaspas Weir Family Trust and The Weir 2015 Exempt Irrevocable Trust terminated pursuant to its respective terms.

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 and nine months ended September 30, 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, 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.

2025 Developments

AI Investments

Certain of our clients, including our largest client, have announced automation initiatives which include significant investments in generative AI. In some cases, TaskUs is supporting these initiatives, which may lead to revenue growth in the near term but may ultimately result in the automation of some services that TaskUs currently provides for these clients. We continue to pursue opportunities to transform our business, and create new, enduring revenue streams, in response to these developments. This includes our partnerships with developers of agentic AI technologies to help our clients seamlessly integrate advanced AI technologies into their customer experience operations. While certain of our clients’ initiatives have driven revenue growth in recent quarters, there can be no assurance that our revenue will continue at the same level, or that revenue in other service offerings will not be negatively impacted by our clients’ automation investments.

Termination of Merger Agreement

On October 8, 2025, the Company held a special meeting of stockholders (the “Special Meeting”) to consider a proposal (the “Merger Agreement Proposal”) to adopt the Agreement and Plan of Merger (the “Merger Agreement”), dated May 8, 2025, by and between the Company and Breeze Merger Corporation, a Delaware corporation (the “Merger Corporation”), pursuant to which, subject to the terms and conditions thereof, the Merger Corporation would merge with and into the Company (the “Merger”), with the Company surviving the Merger, collectively owned, directly or indirectly, by (i) BCP FC Aggregator L.P., (ii) The Maddock 2015 Irrevocable Trust, The Bryce Maddock Family Trust, The Maddock 2015 Exempt Irrevocable Trust and Bryce Maddock, (iii) The Weir 2015 Irrevocable Trust, The Jaspar Weir Family Trust, The Weir 2015 Exempt Irrevocable Trust and Jaspar Weir and (iv) the other holders of Continuing Shares (as defined in the Merger Agreement) (if any).

At the Special Meeting, the requisite Company stockholders did not approve the Merger Agreement Proposal. As a result, on October 9, 2025, the Merger Corporation and the Company entered into a mutual agreement to terminate the Merger Agreement, effective immediately (the “Termination Agreement”). The Termination Agreement provides for the mutual release by each of the Merger Corporation and the Company of all claims relating to or arising out of the Merger Agreement and the transactions contemplated thereby. No termination fee is payable by either party in connection with the Termination Agreement.

Upon the termination of the Merger Agreement, each of the Voting and Support Agreement, dated as of May 8, 2025, by and between the Company and BCP FC Aggregator L.P., the Voting and Support Agreement, dated as of May 8, 2025, by and among the Company, Bryce Maddock, The Maddock 2015 Irrevocable Trust, The Bryce Maddock Family Trust and The Maddock 2015 Exempt Irrevocable Trust and the Voting and Support Agreement, dated as of May 8, 2025, by and among the Company, Jaspar Weir, The Weir 2015 Irrevocable Trust, The Jaspar Weir Family Trust and The Weir 2015 Exempt Irrevocable Trust terminated pursuant to its respective terms.

Recent Financial Highlights

For the three months ended September 30, 2025, we recorded service revenue of \$298.7 million, a 17.0% increase from \$255.3 million for the three months ended September 30, 2024. For the nine months ended September 30, 2025, we recorded service revenue of \$870.6 million, a 20.8% increase from \$720.7 million for the nine months ended September 30, 2024.

Net income for the three months ended September 30, 2025 increased to \$31.4 million from \$12.7 million for the three months ended September 30, 2024. This increase is due primarily to revenue growth and foreign currency gains, partially offset by higher cost of services. Adjusted Net Income for the three months ended September 30, 2025 increased 13.7% to \$39.0 million from \$34.3 million for the three months ended September 30, 2024. Adjusted EBITDA for the three months ended September 30, 2025 increased 17.0% to \$63.5 million from \$54.2 million for the three months ended September 30, 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.”

Net income for the nine months ended September 30, 2025 increased to \$72.6 million from \$37.0 million for the nine months ended September 30, 2024. This increase is due primarily to revenue growth and foreign currency gains, partially offset by higher cost of services and selling, general and administrative expense. Adjusted Net Income for the nine months ended September 30, 2025 increased 27.1% to \$114.6 million from \$90.2 million for the nine months ended September 30, 2024. Adjusted EBITDA for the nine months ended September 30, 2025 increased 20.2% to \$187.7 million from \$156.1 million for the nine months ended September 30, 2024.

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 September 30, 2025 and 2024

The following tables set forth certain historical consolidated financial information for the three months ended September 30, 2025 and 2024:

(in thousands, except %)	Three months ended September 30,		Period over Period Change	
	2025	2024	(\$)	(%)
Service revenue	\$ 298,713	\$ 255,345	\$ 43,368	17.0 %
Operating expenses:				
Cost of services	185,420	153,765	31,655	20.6 %
Selling, general and administrative expense	59,699	62,650	(2,951)	(4.7)%
Depreciation	10,553	9,758	795	8.1 %
Amortization of intangible assets	5,005	4,988	17	0.3 %
Loss (gain) on disposal of assets	95	(10)	105	NM
Total operating expenses	260,772	231,151	29,621	12.8 %
Operating income	37,941	24,194	13,747	56.8 %
Other expense (income), net	(8,407)	898	(9,305)	NM
Financing expenses	4,627	5,504	(877)	(15.9)%
Income before income taxes	41,721	17,792	23,929	134.5 %
Provision for income taxes	10,346	5,093	5,253	103.1 %
Net income	\$ 31,375	\$ 12,699	\$ 18,676	147.1 %

NM = not meaningful

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 September 30,		Period over Period Change	
	2025	2024	(\$)	(%)
Digital Customer Experience	\$ 164,209	\$ 155,170	\$ 9,039	5.8 %
Trust + Safety	75,826	63,676	12,150	19.1 %
AI Services	58,678	36,499	22,179	60.8 %
Service revenue	\$ 298,713	\$ 255,345	\$ 43,368	17.0 %

Digital Customer Experience was primarily driven by an increase from existing clients, including Technology and Healthcare, partially offset by a decrease in On Demand Travel + Transportation, Entertainment + Gaming and Retail + E-Commerce. The remaining increase was primarily driven by new clients, including Technology and Retail + E-Commerce.

Trust + Safety was primarily driven by an increase from existing clients, primarily in Social Media, partially offset by a decrease in Financial Services and On Demand Travel + Transportation.

AI Services was primarily driven by an increase from existing clients, primarily in Social Media, as well as On Demand Travel + Transportation.

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 September 30,		Period over Period Change	
	2025	2024	(\$)	(%)
Philippines	\$ 160,942	\$ 143,300	\$ 17,642	12.3 %
United States	32,310	31,238	1,072	3.4 %
India	38,973	31,088	7,885	25.4 %
Rest of World	66,488	49,719	16,769	33.7 %
Service revenue	\$ 298,713	\$ 255,345	\$ 43,368	17.0 %

Philippines: AI Services contributed 7.4% of the total increase primarily driven by clients in Social Media. Digital Customer Experience contributed 4.3% of the total increase primarily driven by clients in Technology, Financial Services and Healthcare, partially offset by clients in Entertainment + Gaming and Retail + E-Commerce. Trust + Safety contributed 0.6% of the total increase primarily driven by clients in Social Media, partially offset by clients in Financial Services.

United States: AI Services contributed 21.7% of the total increase primarily driven by clients in Social Media and On Demand Travel + Transportation. This increase was partially offset by a 16.1% decrease contributed by Digital Customer Experience, primarily driven by clients in Technology, Financial Services and On Demand Travel + Transportation, and a 2.2% decrease contributed by Trust + Safety primarily driven by clients in Social Media.

India: Digital Customer Experience contributed 29.1% of the total increase primarily driven by clients in On Demand Travel + Transportation, Retail + E-Commerce and Healthcare. AI Services contributed 6.9% of the total increase primarily driven by clients in Social Media. These increases were partially offset by a 10.6% decrease contributed by Trust + Safety primarily driven by clients in Social Media.

Rest of World: Trust + Safety contributed 30.8% of the total increase primarily driven by clients in Social Media. AI Services contributed 5.0% of the total increase primarily driven by clients in Social Media. These increases were partially offset by a 2.1% decrease contributed by Digital Customer Experience primarily driven by clients in On Demand Travel + Transportation and Retail +E-Commerce, partially offset by clients in Technology. 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 \$27.0 million associated with increased headcount. The remaining increase included facilities costs associated with site expansion and enhanced security measures. These increases were partially offset by a reduction in recruiting and professional development costs.

Selling, general and administrative expense

The decrease was primarily driven by a reduction of litigation costs of \$4.4 million. The remaining increase was primarily driven by lower personnel costs of \$1.0 million, due to a \$3.9 million reduction in stock-based compensation expense, partially offset by increased headcount. These decreases were partially offset by higher transaction costs of \$1.8 million and operational efficiency costs of \$0.9 million.

Other expense (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. 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 September 30, 2025 and 2024 was 24.8% and 28.6%, respectively. Costs related to the issuance of stock-based compensation, operational efficiency costs, litigation costs, transactions 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 \$10.7 million and \$6.1 million and the effective tax rate would have been 20.9% and 18.6% for the three months ended September 30, 2025 and 2024, respectively.

Comparison of the Nine Months Ended September 30, 2025 and 2024

The following tables set forth certain historical consolidated financial information for the nine months ended September 30, 2025 and 2024:

(in thousands, except %)	Nine months ended September 30,		Period over Period Change	
	2025	2024	(\$)	(%)
Service revenue	\$ 870,591	\$ 720,743	\$ 149,848	20.8 %
Operating expenses:				
Cost of services	537,169	433,052	104,117	24.0 %
Selling, general and administrative expense	185,529	171,830	13,699	8.0 %
Depreciation	30,423	30,525	(102)	(0.3)%
Amortization of intangible assets	14,978	14,955	23	0.2 %
Gain on disposal of assets	(49)	(93)	44	(47.3)%
Total operating expenses	768,050	650,269	117,781	18.1 %
Operating income	102,541	70,474	32,067	45.5 %
Other income, net	(9,907)	(2,007)	(7,900)	393.6 %
Financing expenses	13,925	16,532	(2,607)	(15.8)%
Income before income taxes	98,523	55,949	42,574	76.1 %
Provision for income taxes	25,953	18,938	7,015	37.0 %
Net income	\$ 72,570	\$ 37,011	\$ 35,559	96.1 %

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 %)	Nine months ended September 30,		Period over Period Change	
	2025	2024	(\$)	(%)
Digital Customer Experience	\$ 489,153	\$ 447,013	\$ 42,140	9.4 %
Trust + Safety	224,737	178,014	46,723	26.2 %
AI Services	156,701	95,716	60,985	63.7 %
Service revenue	\$ 870,591	\$ 720,743	\$ 149,848	20.8 %

Digital Customer Experience was primarily driven by an increase from existing clients, including Technology, Healthcare, 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 Healthcare, Retail + E-Commerce and Technology.

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

AI Services was primarily driven by an increase from existing clients, primarily in Social Media, as well as On Demand Travel + Transportation.

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:

<i>(in thousands, except %)</i>	Nine months ended September 30,		Period over Period Change	
	2025	2024	(\$)	(%)
Philippines	\$ 472,850	\$ 412,821	\$ 60,029	14.5 %
United States	97,924	82,095	15,829	19.3 %
India	111,480	89,465	22,015	24.6 %
Rest of World	188,337	136,362	51,975	38.1 %
Service revenue	\$ 870,591	\$ 720,743	\$ 149,848	20.8 %

Philippines: AI Services contributed 6.7% of the total increase primarily driven by clients in Social Media. Digital Customer Experience contributed 5.7% of the total increase primarily driven by clients in Technology, Financial Services and Healthcare, partially offset by clients in Retail + E-Commerce and On Demand Travel + Transportation. Trust + Safety contributed 2.1% of the total increase primarily driven by clients in Social Media, partially offset by clients in Financial Services.

United States: AI Services contributed 23.5% of the total increase primarily driven by clients in Social Media and On Demand Travel + Transportation. Trust + Safety contributed 2.6% of the total increase primarily driven by clients in Social Media. These increases were partially offset by a 6.8% decrease contributed by Digital Customer Experience primarily driven by clients in Technology.

India: Digital Customer Experience contributed 20.4% of the total increase primarily driven by clients in Retail + E-Commerce, On Demand Travel + Transportation, Healthcare, Professional Services + Industry and Technology, partially offset by clients in Financial Services. AI Services contributed 9.8% of the total increase primarily driven by clients in Social Media, Professional Services + Industry and Technology. These increases were partially offset by a 5.6% decrease contributed by Trust + Safety primarily driven by clients On Demand Travel + Transportation and Social Media, partially offset by clients in Retail + E-Commerce.

Rest of World: Trust + Safety contributed 30.0% of the total increase primarily driven by clients in Social Media. Digital Customer Experience contributed 4.2% of the total increase primarily driven by clients in Technology, Financial Services and Professional Services + Industry, partially offset by clients in On Demand Travel + Transportation and Retail + E-Commerce. AI Services contributed 3.9% 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 \$86.7 million associated with increased headcount and facilities costs associated with site expansion. The remaining increase includes employee engagement and transportation costs. These increases were partially offset by realized gains on cash flow hedges of \$3.1 million.

Selling, general and administrative expense

The increase was primarily driven by transaction costs of \$12.0 million and operational efficiency costs of \$2.1 million. The remaining increase includes higher personnel costs of \$4.0 million associated with increased headcount, including a \$7.5 million reduction in stock-based compensation expense, and employee engagement expenses. These increases were partially offset by a reduction of litigation costs of \$7.0 million.

Other income, net

Changes are primarily driven by our exposure to foreign currency exchange risk resulting from our operations in foreign geographies, primarily the Philippines, offset by economic hedges using foreign currency exchange rate forward contracts. The remaining increase is associated with 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 nine months ended September 30, 2025 and 2024 was 26.3% and 33.8%, respectively. Costs related to the issuance of stock-based compensation, operational efficiency costs, litigation costs, transactions 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 \$33.1 million and \$22.8 million and the effective tax rate would have been 24.0% and 23.7% for the nine months ended September 30, 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 and nine months ended September 30, 2025 and 2024:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Top ten clients	60 %	56 %	58 %	56 %
Top twenty clients	71 %	68 %	71 %	68 %

For the three months ended September 30, 2025 and 2024, we generated 27% and 23%, respectively, of our service revenue from our largest client. For the nine months ended September 30, 2025 and 2024, we generated 26% and 21%, 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, transaction costs, 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 September 30, 2025 and 2024:

(in thousands, except %)	Three months ended September 30,		Period over Period Change	
	2025	2024	(\$)	(%)
Net income	\$ 31,375	\$ 12,699	\$ 18,676	147.1 %
Amortization of intangible assets	5,005	4,988	17	0.3 %
Transaction costs ⁽¹⁾	1,829	—	1,829	100.0 %
Operational efficiency costs ⁽²⁾	881	—	881	100.0 %
Foreign currency losses (gains) ⁽³⁾	(6,678)	2,490	(9,168)	NM
Loss (gain) on disposal of assets	95	(10)	105	NM
Severance costs ⁽⁴⁾	362	—	362	100.0 %
Litigation costs ⁽⁵⁾	—	4,412	(4,412)	(100.0)%
Stock-based compensation expense ⁽⁶⁾	6,513	10,742	(4,229)	(39.4)%
Tax impacts of adjustments ⁽⁷⁾	(392)	(1,044)	652	(62.5)%
Adjusted Net Income	\$ 38,990	\$ 34,277	\$ 4,713	13.7 %
Net Income Margin ⁽⁸⁾	10.5 %	5.0 %		
Adjusted Net Income Margin ⁽⁸⁾	13.1 %	13.4 %		

NM = not meaningful

- (1) Represents non-recurring professional service fees related to the take-private transaction that have been expensed during the period.
- (2) Represents professional service fees related to certain efforts to enhance efficiency of client delivery and operations support.
- (3) Realized and unrealized foreign currency losses and gains 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.
- (4) Represents severance payments as a result of certain cost optimization measures we undertook during the period to restructure support roles.
- (5) Represents only those litigation costs that are considered non-recurring and outside of the ordinary course of business.
- (6) Represents stock-based compensation expense, as well as associated payroll tax.
- (7) Represents tax impacts of adjustments to net income which resulted in a tax benefit during the period, including stock-based compensation expense, transaction costs, operational efficiency costs, and litigation costs. After these adjustments, we applied a non-GAAP effective tax rate of 20.9% and 18.6% for the three months ended September 30, 2025 and 2024, respectively, to non-GAAP income before income taxes.
- (8) Net Income Margin represents net income divided by service revenue and Adjusted Net Income Margin represents Adjusted Net Income divided by service revenue.

The following table reconciles net income, the most directly comparable GAAP measure, to Adjusted Net Income for the nine months ended September 30, 2025 and 2024:

(in thousands, except %)	Nine months ended September 30,		Period over Period Change	
	2025	2024	(\$)	(%)
Net income	\$ 72,570	\$ 37,011	\$ 35,559	96.1 %
Amortization of intangible assets	14,978	14,955	23	0.2 %
Transaction costs ⁽¹⁾	11,993	—	11,993	100.0 %
Operational efficiency costs ⁽²⁾	2,108	—	2,108	100.0 %
Foreign currency losses (gains) ⁽³⁾	(5,229)	2,192	(7,421)	NM
Gain on disposal of assets	(49)	(93)	44	(47.3)%
Severance costs ⁽⁴⁾	1,197	487	710	145.8 %
Litigation costs ⁽⁵⁾	—	7,030	(7,030)	(100.0)%
Stock-based compensation expense ⁽⁶⁾	24,159	32,434	(8,275)	(25.5)%
Tax impacts of adjustments ⁽⁷⁾	(7,102)	(3,832)	(3,270)	85.3 %
Adjusted Net Income	\$ 114,625	\$ 90,184	\$ 24,441	27.1 %
Net Income Margin ⁽⁸⁾	8.3 %	5.1 %		
Adjusted Net Income Margin ⁽⁸⁾	13.2 %	12.5 %		

NM = not meaningful

- (1) Represents non-recurring professional service fees related to the take-private transaction that have been expensed during the period.
- (2) Represents professional service fees related to certain efforts to enhance efficiency of client delivery and operations support.
- (3) Realized and unrealized foreign currency losses and gains 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.
- (4) Represents severance payments as a result of certain cost optimization measures we undertook during the period to restructure support roles.
- (5) Represents only those litigation costs that are considered non-recurring and outside of the ordinary course of business.
- (6) Represents stock-based compensation expense, as well as associated payroll tax.
- (7) Represents tax impacts of adjustments to net income which resulted in a tax benefit during the period, including stock-based compensation expense, transaction costs, operational efficiency costs and litigation costs. After these adjustments, we applied a non-GAAP effective tax rate of 24.0% and 23.7% for the nine months ended September 30, 2025 and 2024, respectively, to non-GAAP income before income taxes.
- (8) 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 and nine months ended September 30, 2025 and 2024:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
GAAP diluted EPS	\$ 0.34	\$ 0.14	\$ 0.78	\$ 0.40
Per share adjustments to net income ⁽¹⁾	0.08	0.23	0.45	0.58
Adjusted EPS	\$ 0.42	\$ 0.37	\$ 1.23	\$ 0.98
Weighted-average common shares outstanding – diluted	93,057,417	92,579,919	93,096,587	92,019,911

- (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 transaction costs, 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 September 30, 2025 and 2024:

(in thousands, except %)	Three months ended September 30,		Period over Period Change	
	2025	2024	(\$)	(%)
Net income	\$ 31,375	\$ 12,699	\$ 18,676	147.1 %
Provision for income taxes	10,346	5,093	5,253	103.1 %
Financing expenses	4,627	5,504	(877)	(15.9)%
Depreciation	10,553	9,758	795	8.1 %
Amortization of intangible assets	5,005	4,988	17	0.3 %
EBITDA	\$ 61,906	\$ 38,042	\$ 23,864	62.7 %
Transaction costs ⁽¹⁾	1,829	—	1,829	100.0 %
Operational efficiency costs ⁽²⁾	881	—	881	100.0 %
Foreign currency losses (gains) ⁽³⁾	(6,678)	2,490	(9,168)	NM
Loss (gain) on disposal of assets	95	(10)	105	NM
Severance costs ⁽⁴⁾	362	—	362	100.0 %
Litigation costs ⁽⁵⁾	—	4,412	(4,412)	(100.0)%
Stock-based compensation expense ⁽⁶⁾	6,513	10,742	(4,229)	(39.4)%
Interest income ⁽⁷⁾	(1,456)	(1,461)	5	(0.3)%
Adjusted EBITDA	\$ 63,452	\$ 54,215	\$ 9,237	17.0 %
Net Income Margin ⁽⁸⁾	10.5 %	5.0 %		
Adjusted EBITDA Margin ⁽⁸⁾	21.2 %	21.2 %		

NM = not meaningful

(1) Represents non-recurring professional service fees related to the take-private transaction that have been expensed during the period.

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

(3) Realized and unrealized foreign currency losses and gains 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.

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

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

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

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

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

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The following table reconciles net income, the most directly comparable GAAP measure, to EBITDA and Adjusted EBITDA for the nine months ended September 30, 2025 and 2024:

(in thousands, except %)	Nine months ended September 30,		Period over Period Change	
	2025	2024	(\$)	(%)
Net income	\$ 72,570	\$ 37,011	\$ 35,559	96.1 %
Provision for income taxes	25,953	18,938	7,015	37.0 %
Financing expenses	13,925	16,532	(2,607)	(15.8)%
Depreciation	30,423	30,525	(102)	(0.3)%
Amortization of intangible assets	14,978	14,955	23	0.2 %
EBITDA	\$ 157,849	\$ 117,961	\$ 39,888	33.8 %
Transaction costs ⁽¹⁾	11,993	—	11,993	100.0 %
Operational efficiency costs ⁽²⁾	2,108	—	2,108	100.0 %
Foreign currency losses (gains) ⁽³⁾	(5,229)	2,192	(7,421)	NM
Gain on disposal of assets	(49)	(93)	44	(47.3)%
Severance costs ⁽⁴⁾	1,197	487	710	145.8 %
Litigation costs ⁽⁵⁾	—	7,030	(7,030)	(100.0)%
Stock-based compensation expense ⁽⁶⁾	24,159	32,434	(8,275)	(25.5)%
Interest income ⁽⁷⁾	\$ (4,352)	\$ (3,939)	(413)	10.5 %
Adjusted EBITDA	\$ 187,676	\$ 156,072	\$ 31,604	20.2 %
Net Income Margin ⁽⁸⁾	8.3 %	5.1 %		
Adjusted EBITDA Margin ⁽⁸⁾	21.6 %	21.7 %		

NM = not meaningful

(1) Represents non-recurring professional service fees related to the take-private transaction that have been expensed during the period.

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

(3) Realized and unrealized foreign currency losses and gains 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.

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

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

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

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

(8) 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 nine months ended September 30, 2025 and 2024:

	Nine months ended September 30,	
	2025	2024
Net cash provided by operating activities	\$ 107,549	\$ 98,230
Purchase of property and equipment	(43,753)	(18,821)
Free Cash Flow	\$ 63,796	\$ 79,409
Conversion of Adjusted EBITDA to Free Cash Flow ⁽¹⁾	34.0 %	50.9 %

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

Liquidity and Capital Resources

As of September 30, 2025, our principal sources of liquidity were cash and cash equivalents totaling \$210.0 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 September 30, 2025, our total indebtedness, net of debt financing fees was \$246.3 million. The interest rate in effect for the 2022 Term Loan Facility as of September 30, 2025 was 6.352% per annum. We were in compliance with all debt covenants as of September 30, 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 nine months ended September 30, 2025, we repurchased 2,112,247 shares of our Class A common stock under the share repurchase program for \$27.7 million, which we funded principally with available cash. As of September 30, 2025, \$11.9 million remained available for share repurchases under our share repurchase program. In connection with the execution of the Merger Agreement, the Company suspended purchases under its 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:

<i>(in thousands)</i>	Nine months ended September 30,	
	2025	2024
Net cash provided by operating activities	\$ 107,549	\$ 98,230
Net cash used in investing activities	(43,753)	(18,821)
Net cash used in financing activities	(39,503)	(21,254)

Operating Activities

Net cash provided by operating activities for the nine months ended September 30, 2025 was \$107.5 million compared to net cash provided by operating activities of \$98.2 million for the nine months ended September 30, 2024. Net cash provided by operating activities for the nine months ended September 30, 2025 reflects net income of \$72.6 million and the add back for non-cash charges totaling \$66.9 million, partially offset by changes in operating assets and liabilities of \$31.9 million. Non-cash charges primarily consisted of \$30.7 million of depreciation, \$23.4 million in stock-based compensation expense and \$15.0 million of amortization related to intangibles. Net cash provided by operating activities for the nine months ended September 30, 2024 reflects net income of \$37.0 million and the add back for non-cash charges totaling \$75.8 million, partially offset by changes in operating assets and liabilities of \$14.6 million. Non-cash charges primarily consisted of \$32.0 million in stock-based compensation expense, \$30.5 million of depreciation and \$15.0 million of amortization related to intangibles.

Investing Activities

Net cash used in investing activities for the nine months ended September 30, 2025 was \$43.8 million compared to net cash used in investing activities of \$18.8 million for the nine months ended September 30, 2024. Purchase of property and equipment increased primarily due to higher site build-out costs as well as technology and computer purchases due to growth.

Financing Activities

Net cash used in financing activities for the nine months ended September 30, 2025 was \$39.5 million compared to net cash used by financing activities of \$21.3 million for the nine months ended September 30, 2024. The increase was due primarily to the additional shares acquired under our share repurchase program, higher payments for taxes related to net share settlement and increased payments on long-term debt, partially offset by higher proceeds from employee stock plans.

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 nine months ended September 30, 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, euro 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	Euro
Average exchange rate against the U.S. dollar					
Nine months ended September 30, 2025	57.10	86.50	19.52	4,129.25	0.90
Nine months ended September 30, 2024	56.99	83.41	17.72	3,979.96	0.92
Depreciation (appreciation)	0.2 %	3.7 %	10.2 %	3.8 %	(2.2)%

Based on our level of operations during the nine months ended September 30, 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	Euro
10% appreciation	\$ 34,319	\$ 9,908	\$ 3,217	\$ 7,755	\$ 6,187
10% depreciation	\$ (28,079)	\$ (8,107)	\$ (2,632)	\$ (6,345)	\$ (5,062)

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 September 30, 2025 accrue interest at SOFR plus 2.25%. As of September 30, 2025 our total principal balance outstanding was \$247.0 million and the interest rate in effect was 6.352% per annum. Based on the outstanding balances and interest rates under the 2022 Credit Facilities as of September 30, 2025, a hypothetical 10% increase or decrease in SOFR would cause an increase or decrease in interest expense of approximately \$1.0 million over the next 12 months.

Credit Risk

As of September 30, 2025, we had accounts receivable, net of allowance for credit losses, of \$238.5 million, of which \$50.0 million was owed by one of our clients. Collectively, this client represented approximately 21% of our gross accounts receivable as of September 30, 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 its 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 September 30, 2025. Based upon that evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that, as of September 30, 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 Item 1A."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.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds*Issuer Purchases of Equity Securities*

During the three months ended September 30, 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)
July 1, 2025 through July 31, 2025	—	\$ —	—	\$ 11,899
August 1, 2025 through August 31, 2025	—	—	—	11,899
September 1, 2025 through September 30, 2025	—	—	—	11,899
Total	—	\$ —	—	—

(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. In connection with the execution of the Merger Agreement, the Company suspended purchases under its share repurchase program.

(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 September 15, 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 24,233 shares of the Company’s Class A Common Stock. 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 December 15, 2025 to March 31, 2026 or an earlier date on which all shares thereunder are sold.

Item 6. Exhibits

Exhibit No.	Description
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†	Amended and Restated Amendment to Restricted Stock Unit Grant Notice and Agreement dated as of July 15, 2025 by and between TaskUs, Inc. and Bryce Maddock (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q filed on August 7, 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.

† Management contract or compensatory plan or arrangement.

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: November 7, 2025

By: /s/ Balaji Sekar
Balaji Sekar
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)
(Authorized Signatory)

**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 September 30, 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: November 7, 2025

/s/ Bryce Maddock

Bryce Maddock

Chief Executive Officer

(Principal Executive Officer)

**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 September 30, 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: November 7, 2025

/s/ Balaji Sekar

Balaji Sekar
Chief Financial Officer
(Principal Financial Officer)

**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 September 30, 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)

November 7, 2025

**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 September 30, 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)

November 7, 2025