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

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2022

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 May 5, 2022, the number of shares outstanding of the registrant's common stock was as follows: Class A common stock, par value \$0.01 per share: 27,723,772; Class B common stock, par value \$0.01 per share: 70,032,694.

TASKUS, INC.
Quarterly Report on Form 10-Q
For Quarterly Period Ended March 31, 2022
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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 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” 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. Our actual results or outcomes may differ materially from those anticipated. 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. This summary should be read in conjunction with 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, 2021 (our “Annual Report”) as filed with the Securities and Exchange Commission (the “SEC”), as such risk factors may be updated from time to time in our periodic filings with the SEC, which are accessible on the SEC’s website at www.sec.gov. Such risks and uncertainties include, but are not limited to, the following:

- our business is dependent on key clients, and the loss of a key client could have an adverse effect on our business and results of operations;
- our contracts are typically one to three years in length with automatic renewal provisions, but certain contracts may provide for termination at the client’s convenience with advance notice and may or may not include penalties or required payments in the event the termination right is exercised. Our clients may terminate contracts before completion or choose not to renew contracts, and our clients may be unable or unwilling to pay for services we performed. A loss of business or non-payment from significant clients could materially affect our results of operations;
- we may fail to cost-effectively acquire new, high-growth clients, which would adversely affect our business, financial condition and results of operations;
- if we provide inadequate service or cause disruptions in our clients’ businesses or 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;
- 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;
- content security, including content monitoring and moderation services, is a large 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 retaining and recruiting employees, any of which could have an adverse effect on our reputation, business, financial condition and 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 and 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, results of operations, financial condition and prospects;
- our business is heavily dependent upon our international operations, particularly in the Philippines and India, and any disruption to those operations would adversely affect us;
- our business is subject to a variety of U.S. federal and state, as well as international laws and regulations, including those regarding privacy and data security, and we or our clients may be subject to regulations related to the processing of

certain types of sensitive and confidential information; any failure to comply with applicable privacy and data security laws and regulations could harm our business, results of operations and financial condition;

- our business depends in part on our capacity to invest in technology as it develops, and substantial increases in the costs of technology and telecommunications services or our inability to attract and retain the necessary technologists could have a material adverse effect on our business, financial condition, results of operations and prospects;
- our results of operations and ability to grow could be materially affected if we cannot adapt our services and solutions to changes in technology and client expectations;
- fluctuations against the U.S. dollar in the local currencies in the countries in which we operate could have a material effect on our 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 expand our client base will be impaired and our business and operating results will be adversely affected;
- competitive pricing pressure may reduce our revenue or gross profits and adversely affect our financial results;
- the success of our business depends on our senior management and key employees;
- the ongoing COVID-19 pandemic, including the resulting global economic uncertainty and measures taken in response to the pandemic, has adversely impacted our business, financial condition and results of operations;
- affiliates of Blackstone Inc. and our Co-Founders Bryce Maddock and Jaspar Weir 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 ("IPO"), and it may depress the trading price of our Class A common stock; and
- 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 and our social media outlets, such as Facebook, Instagram, YouTube, LinkedIn, and Twitter as channels of distribution of Company information. The information we post through these channels may be deemed material. Financial and other important information regarding the Company is routinely posted on and accessible through the Company's website at ir.taskus.com, its Facebook page at facebook.com/TaskUs/, its Instagram page at instagram.com/taskus/, its LinkedIn page at linkedin.com/company/taskus/, its YouTube account at youtube.com/c/Taskus/, and its Twitter account at twitter.com/taskus. Accordingly, investors should monitor these channels, in addition to following our press releases, SEC filings and public conference calls and webcasts. In addition, you may automatically receive email alerts and other information about the Company when you enroll your email address by visiting the "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)

Assets	March 31, 2022	December 31, 2021
Current assets:		
Cash	\$ 77,074	\$ 63,584
Accounts receivable, net of allowance for doubtful accounts of \$2,298 and \$1,819, as of March 31, 2022 and December 31, 2021, respectively	172,391	162,895
Other receivables	669	597
Prepaid expenses	12,498	10,939
Income tax receivable	160	3,863
Other current assets	5,218	4,428
Total current assets	268,010	246,306
Noncurrent assets:		
Property and equipment, net	87,639	80,046
Deferred tax assets	1,442	1,441
Intangibles	216,737	221,448
Goodwill	195,735	195,735
Other noncurrent assets	5,202	5,022
Total noncurrent assets	506,755	503,692
Total assets	\$ 774,765	\$ 749,998
Liabilities and Shareholders' Equity		
Liabilities:		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 39,774	\$ 40,890
Accrued payroll and employee-related liabilities	34,716	36,670
Current portion of debt	52,447	51,135
Current portion of income tax payable	3,348	2,416
Deferred revenue	4,873	4,095
Deferred rent	481	735
Total current liabilities	135,639	135,941
Noncurrent liabilities:		
Income tax payable	2,886	2,886
Long-term debt	183,441	187,240
Deferred rent	3,386	2,749
Accrued payroll and employee-related liabilities	2,078	1,813
Deferred tax liabilities	40,235	40,235
Total noncurrent liabilities	232,026	234,923
Total liabilities	367,665	370,864
Commitments and Contingencies (See Note 8)		
Shareholders' equity:		
Class A Common stock, \$0.01 par value. Authorized 2,500,000,000; 27,523,669 and 27,431,264 shares issued and outstanding as of March 31, 2022 and December 31, 2021, respectively	275	275
Class B Convertible Common stock, \$0.01 par value. Authorized 250,000,000; 70,032,694 shares issued and outstanding as of March 31, 2022 and December 31, 2021	700	700
Additional paid-in capital	574,554	556,418
Accumulated deficit	(164,510)	(176,096)
Accumulated other comprehensive loss	(3,919)	(2,163)
Total shareholders' equity	407,100	379,134
Total liabilities and shareholders' equity	\$ 774,765	\$ 749,998

See accompanying notes to unaudited condensed consolidated financial statements.

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

	Three months ended March 31,	
	2022	2021
Service revenue	\$ 239,680	\$ 152,871
Operating expenses:		
Cost of services	141,282	88,030
Selling, general, and administrative expense	64,247	31,498
Depreciation	8,901	6,203
Amortization of intangible assets	4,711	4,712
Loss (gain) on disposal of assets	(15)	27
Total operating expenses	219,126	130,470
Operating income	20,554	22,401
Other expense	1,053	754
Financing expenses	1,602	1,581
Income before income taxes	17,899	20,066
Provision for income taxes	6,313	3,559
Net income	\$ 11,586	\$ 16,507
Net income per common share:		
Basic	\$ 0.12	\$ 0.18
Diluted	\$ 0.11	\$ 0.18
Weighted-average number of common shares outstanding:		
Basic	97,481,412	91,737,020
Diluted	104,122,026	91,737,020

See accompanying notes to unaudited condensed consolidated financial statements.

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

	Three months ended March 31,	
	2022	2021
Net income	\$ 11,586	\$ 16,507
Retirement benefit reserves	9	(5)
Foreign currency translation adjustments	(1,765)	(850)
Comprehensive income	\$ 9,830	\$ 15,652

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 income	Total shareholders' equity
	Class A Common stock		Class B Common stock		Additional paid-in capital			
	Shares	Amount	Shares	Amount				
Balance as of December 31, 2020	—	\$ —	91,737,020	\$ 917	\$ 398,202	\$ (67,398)	\$ 3,416	\$ 335,137
Net income	—	—	—	—	—	16,507	—	16,507
Other comprehensive loss	—	—	—	—	—	—	(855)	(855)
Balance as of March 31, 2021	—	\$ —	91,737,020	\$ 917	\$ 398,202	\$ (50,891)	\$ 2,561	\$ 350,789

	Capital stock and additional paid-in capital					Accumulated deficit	Accumulated other comprehensive loss	Total shareholders' equity
	Class A Common stock		Class B Common stock		Additional paid-in capital			
	Shares	Amount	Shares	Amount				
Balance as of December 31, 2021	27,431,264	\$ 275	70,032,694	\$ 700	\$ 556,418	\$ (176,096)	\$ (2,163)	\$ 379,134
Issuance of common stock for settlement of RSUs	137,794	1	—	—	(1)	—	—	—
Shares withheld related to net share settlement	(45,389)	(1)	—	—	(1,468)	—	—	(1,469)
Stock-based compensation expense	—	—	—	—	19,605	—	—	19,605
Net income	—	—	—	—	—	11,586	—	11,586
Other comprehensive loss	—	—	—	—	—	—	(1,756)	(1,756)
Balance as of March 31, 2022	27,523,669	\$ 275	70,032,694	\$ 700	\$ 574,554	\$ (164,510)	\$ (3,919)	\$ 407,100

See accompanying notes to unaudited condensed consolidated financial statements.

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

	Three months ended March 31,	
	2022	2021
Cash flows from operating activities:		
Net income	\$ 11,586	\$ 16,507
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	8,901	6,203
Amortization of intangibles	4,711	4,712
Amortization of debt financing fees	139	114
Loss (gain) on disposal of assets	(15)	27
Provision for losses on accounts receivable	479	231
Unrealized foreign exchange losses on forward contracts	759	1,820
Deferred taxes	(19)	—
Stock-based compensation expense	19,605	—
Changes in operating assets and liabilities:		
Accounts receivable	(9,979)	(6,106)
Other receivables, prepaid expenses, and other current assets	(2,478)	1,558
Other noncurrent assets	(223)	(297)
Accounts payable and accrued liabilities	(1,071)	471
Accrued payroll and employee-related liabilities	(1,392)	8,755
Income tax payable	4,686	5,037
Deferred revenue	779	666
Deferred rent	422	224
Net cash provided by operating activities	<u>36,890</u>	<u>39,922</u>
Cash flows from investing activities:		
Purchase of property and equipment	(17,770)	(10,127)
Net cash used in investing activities	<u>(17,770)</u>	<u>(10,127)</u>
Cash flows from financing activities:		
Payments on long-term debt	(2,625)	(1,313)
Payments for taxes related to net share settlement	(1,469)	—
Net cash used in financing activities	<u>(4,094)</u>	<u>(1,313)</u>
Increase in cash and cash equivalents	15,026	28,482
Effect of exchange rate changes on cash	(1,536)	(717)
Cash and cash equivalents at beginning of period	63,584	107,728
Cash and cash equivalents at end of period	<u>\$ 77,074</u>	<u>\$ 135,493</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” and, 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 provides digital outsourced services, focused on serving high-growth technology companies to represent, protect and grow their brands. The Company's global, omni-channel delivery model is focused on Digital Customer Experience, Content Security and Artificial Intelligence (AI) Services (formerly known as AI Operations). 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, Philippines, and other parts of the world.

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

- *Digital Customer Experience*: Principally consists of omni-channel customer care services primarily delivered through digital (non-voice) channels.
- *Content Security*: Principally consists of review and disposition of user and advertiser generated content for purposes which include removal or labeling of policy violating, offensive or misleading content.
- *AI Services*: Principally consists of data labeling, annotation and transcription services performed for the purpose of training and tuning AI algorithms through the process of machine learning.

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, 2021 (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 were no material changes to our significant accounting policies during the three months ended March 31, 2022.

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, 2021 included in the Annual Report. In the opinion of the Company, the accompanying unaudited condensed consolidated financial statements contain all adjustments, consisting of only normal recurring adjustments, necessary for a fair statement of its financial position as of March 31, 2022 and its results of operations, comprehensive income (loss) and shareholders' equity for the three months ended March 31, 2022 and 2021, and cash flows for the three months ended March 31, 2022 and 2021. The condensed consolidated balance sheet as of December 31, 2021, was derived from audited annual financial statements but does not contain all of the footnote disclosures from the annual financial statements.

In connection with the Company's June 2021 initial public offering (“IPO”), on June 10, 2021, the Company amended and restated its certificate of incorporation to effect a ten-for-one forward stock split of its outstanding common stock and authorized two classes of ownership interests. The accompanying financial statements and related notes to the financial statements give retroactive effect to the stock split for all periods presented.

(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 doubtful accounts and other receivables; the valuation of deferred tax assets; valuation of foreign currency exchange rate forward contracts; valuation of

stock-based compensation; valuation and impairment of intangibles and goodwill and reserves for income tax uncertainties and other contingencies.

As of March 31, 2022, the impact of the novel coronavirus (“COVID-19”) pandemic, including as a result of new strains and variants of the virus and uncertainty of acceptance of vaccines and their effectiveness, continues to unfold. As a result, many of our estimates and assumptions required increased judgement and carry a higher degree of variability and volatility. We continue to closely monitor the outbreak and the impact on our operations and liquidity. As events continue to evolve and additional information becomes available, our estimates may change materially in the future.

(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 involvement with variable interest entities.

(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 and Canada.

For the three months ended March 31, 2022 and 2021, the following clients represented greater than 10% of the Company’s service revenue:

Client	Service revenue percentage	
	Three months ended March 31,	
	2022	2021
A	24 %	29 %
B	10 %	11 %

As of March 31, 2022 and December 31, 2021, the following clients represented greater than 10% of the Company’s accounts receivable:

Client	Accounts receivable percentage	
	March 31, 2022	December 31, 2021
A	18 %	22 %
B	Less than 10%	12 %
C	12 %	Less than 10%

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 February 2016, the Financial Accounting Standards Board (the "FASB") issued Accounting Standards Update ("ASU") ASU 2016-02, Leases (Topic 842), which supersedes FASB Accounting Standards Codification ("ASC"), Leases (Topic 840). The standard is intended to increase the transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. In June 2020, the FASB postponed the effective date for ASC 842 for private companies. This ASU will be effective for the Company beginning in fiscal year 2022, with early adoption permitted. The Company plans to adopt this standard during 2022, using the modified retrospective method and the effective date as the date of initial application. The Company currently expects to recognize right-of-use assets and lease liabilities of approximately \$43 million to \$51 million to the consolidated balance sheet. The Company expects to elect the "package of practical expedients," which permits the Company not to reassess under ASC842 any prior conclusions about lease identification, lease classification and initial direct costs. The Company does not expect to apply the short-term lease exception and will therefore recognize a right-of-use asset and lease liability for all leases. The Company does

not expect adoption of the lease standard to have a material impact on the consolidated statement of operations nor on its consolidated cash flow statements.

In June 2016, the FASB issued ASU 2016-13, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments. The revised standard relates to measurement of credit losses on financial instruments, and requires financial assets measured at amortized cost to be presented at the net amount expected to be collected. The guidance replaces the incurred loss model with an expected loss model referred to as current expected credit loss ("CECL"). The CECL model requires us to measure lifetime expected credit losses for financial instruments held at the reporting date using historical experience, current conditions and reasonable supportable forecasts. The guidance expands the disclosure requirements regarding an entity's assumptions, models, and methods for estimating credit losses and requires new disclosures of the amortized cost balance for each class of financial asset by credit quality indicator, disaggregated by the year of origination. This ASU will be effective for the Company beginning in fiscal year 2023 with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2016-13 on the Company's consolidated financial statements.

3. Revenue

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 March 31,	
	2022	2021
Digital Customer Experience	\$ 159,731	\$ 99,711
Content Security	45,852	36,127
AI Services	34,097	17,033
Service revenue	<u>\$ 239,680</u>	<u>\$ 152,871</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 March 31,	
	2022	2021
Philippines	\$ 120,080	\$ 84,578
United States	79,131	50,757
Rest of World	40,469	17,536
Service revenue	<u>\$ 239,680</u>	<u>\$ 152,871</u>

Contract Balances

Accounts receivable, net of allowance for doubtful accounts includes \$89.4 million and \$75.5 million of unbilled revenues as of March 31, 2022 and December 31, 2021, 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 2022 and 2021, the Company entered into foreign currency exchange rate forward contracts, with two 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. 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. The exchange rate forward contracts entered into by the Company are not designated as hedging instruments. Any gains or losses resulting from changes in the fair value of these contracts are recognized in other expense in the consolidated statements of operations. The forward contract payable resulting from changes in fair value was recorded under accounts payable and accrued liabilities.

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The following table presents the Company's settled forward contracts and realized and unrealized losses (gains) associated with our derivative contracts:

<i>(in thousands)</i>	Three months ended March 31,	
	2022	2021
Total notional amount of settled forward contracts	\$ 40,382	\$ 22,800
Realized losses (gains) from settlement of forward contracts	\$ 1,420	\$ (725)
Unrealized losses on forward contracts	\$ 759	\$ 1,820

The following table presents the Company's outstanding forward contracts:

<i>(in thousands)</i>	March 31, 2022	December 31, 2021
Total notional amount of outstanding forward contracts	\$ 152,980	\$ 127,200

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. 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.

The Company has implemented the fair value accounting standard for those assets and liabilities that are re-measured and reported at fair value at each reporting period. This standard establishes a single authoritative definition of fair value, sets out a framework for measuring fair value based on inputs used, and requires additional disclosures about fair value measurements. This standard applies to fair value measurements already required or permitted by existing standards.

In general, fair values determined by Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets. Fair values determined by Level 2 inputs utilize data points that are observable such as quoted prices, interest rates and yield curves. Fair values determined by Level 3 inputs are unobservable data points for the asset and include situations where there is little, if any, market activity for the asset.

The following table presents information about the Company's assets and liabilities that are measured at fair value on a recurring basis at March 31, 2022 and December 31, 2021 and indicates the fair value hierarchy of the valuation techniques utilized to determine such fair value:

<i>(in thousands)</i>	Fair value measurements using			
	March 31, 2022	Level 1 inputs	Level 2 inputs	Level 3 inputs
Forward contracts payable	\$ 3,552	\$ —	\$ 3,552	\$ —

<i>(in thousands)</i>	Fair value measurements using			
	December 31, 2021	Level 1 inputs	Level 2 inputs	Level 3 inputs
Forward contracts payable	\$ 2,793	\$ —	\$ 2,793	\$ —

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. Derivative valuations incorporate credit risk adjustments that are necessary to reflect the probability of default by the counterparty or by the Company.

5. Property and Equipment, net

The components of property and equipment, net as of March 31, 2022 and December 31, 2021 were as follows:

<i>(in thousands)</i>	March 31, 2022	December 31, 2021
Leasehold improvements	\$ 43,678	\$ 38,024
Technology and computers	90,463	81,679
Furniture and fixtures	5,214	4,814
Construction in process	11,479	10,892
Other property and equipment	8,585	8,405
Property and equipment, gross	159,419	143,814
Accumulated depreciation	(71,780)	(63,768)
Property and equipment, net	\$ 87,639	\$ 80,046

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The Company's principal operations are in the Philippines where the majority of property and equipment resides under its wholly owned subsidiaries. The table below presents the Company's total property and equipment by geographic location as of March 31, 2022 and December 31, 2021:

<i>(in thousands)</i>	March 31, 2022	December 31, 2021
Philippines	\$ 50,223	\$ 49,825
United States	11,427	10,273
Rest of World	25,989	19,948
Property and equipment, net	<u>\$ 87,639</u>	<u>\$ 80,046</u>

6. Goodwill and Intangibles

The carrying amount of goodwill as of March 31, 2022 and December 31, 2021 was \$195.7 million.

The components of intangible assets as of March 31, 2022 and December 31, 2021 were as follows:

<i>(in thousands)</i>	Life (Years)	March 31, 2022			December 31, 2021		
		Intangibles, Gross	Accumulated Amortization	Intangibles, Net	Intangibles, Gross	Accumulated Amortization	Intangibles, Net
Customer relationships	15	\$ 240,800	\$ (56,188)	\$ 184,612	\$ 240,800	\$ (52,175)	\$ 188,625
Trade name	15	41,900	(9,775)	32,125	41,900	(9,077)	32,823
Total		<u>\$ 282,700</u>	<u>\$ (65,963)</u>	<u>\$ 216,737</u>	<u>\$ 282,700</u>	<u>\$ (61,252)</u>	<u>\$ 221,448</u>

7. Long-Term Debt

The balances of current and non-current portions of debt consist of the following as of March 31, 2022 and December 31, 2021:

<i>(in thousands)</i>	March 31, 2022			December 31, 2021		
	Current	Noncurrent	Total	Current	Noncurrent	Total
Term Loan	\$ 13,125	\$ 184,275	\$ 197,400	\$ 11,813	\$ 188,212	\$ 200,025
Revolver	39,878	—	39,878	39,878	—	39,878
Less: Debt financing fees	(556)	(834)	(1,390)	(556)	(972)	(1,528)
Total	<u>\$ 52,447</u>	<u>\$ 183,441</u>	<u>\$ 235,888</u>	<u>\$ 51,135</u>	<u>\$ 187,240</u>	<u>\$ 238,375</u>

2019 Credit Agreement

On September 25, 2019, the Company entered into a credit agreement (the "2019 Credit Agreement") that included a \$210.0 million term loan (the "Term Loan Facility") and a \$40.0 million revolving credit facility (the "Revolving Credit Facility" and, together with the Term Loan Facility, the "2019 Credit Facilities"). On April 30, 2021, the Company entered into Amendment No. 1 to its 2019 Credit Agreement with the existing lenders providing for \$50.0 million incremental revolving credit commitments on the same terms as our existing revolving credit facility.

Principal payments on the Term Loan Facility are due quarterly in arrears equal to installments in an aggregate annual amount equal to (i) 1.0% per annum of the original principal amount in the first year, (ii) 2.5% per annum of the original principal amount in the second year, (iii) 5.0% per annum of the original principal amount in the third year, (iv) 7.5% per annum of the original principal amount in the fourth year and (v) 10.0% per annum of the original principal amount in the fifth year, with the remaining principal due in a lump sum at the maturity date of September 25, 2024. The interest rate in effect with respect to the Term Loan Facility as of March 31, 2022 was 2.707% per annum.

The Revolving Credit Facility provides the Company with access to a \$15.0 million letter of credit facility and a \$5.0 million swing line facility, each of which, to the extent used, reduces borrowing availability under the Revolving Credit Facility. The Revolving Credit Facility expires on September 25, 2024, and requires a commitment fee of 0.4% on undrawn commitments paid quarterly in arrears. As of March 31, 2022, the interest rate in effect was 2.707% on outstanding borrowings under the Revolving Credit Facility. As of March 31, 2022, the Company had \$50.1 million of borrowing availability under the Revolving Credit Facility.

The 2019 Credit Agreement contains certain restrictive financial covenants and also limits additional borrowings, capital expenditures, and distributions. The Company was in compliance with these covenants as of March 31, 2022. Substantially all

assets of the Company's direct wholly owned subsidiary TU Midco, Inc. and its material domestic subsidiaries are pledged as collateral under this agreement, subject to certain customary exceptions.

8. Commitments and Contingencies

We are 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, we believe that resolution of all such pending matters will not, either individually or in the aggregate, have a material adverse effect on the Company's business, operating results, cash flows, or financial condition.

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 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. The complaint seeks unspecified damages and an award of costs and expenses, including reasonable attorneys' fees, as well as equitable relief. We believe that the lawsuit is without merit and intend to defend the lawsuit vigorously. We cannot predict at this point the length of time that this action will be ongoing or the liability, if any, which may arise therefrom.

9. Employee Compensation

During the three months ended March 31, 2022, we granted 314,998 restricted stock units (the "RSUs") under the 2021 Omnibus Incentive Plan (the "2021 Plan") with a weighted-average grant date fair value of \$33.29. The majority of the RSUs vest ratably over a four-year period, subject to continued service.

During the three months ended March 31, 2022, we granted 153,398 options under the 2021 Plan with a weighted-average exercise price of \$32.99 and a weighted-average grant-date fair value of \$11.58. The majority of the stock options vest ratably over a three to four-year period, subject to continued service.

We recognize stock-based compensation expense for all awards using a graded vesting method. The following table summarizes the components of stock-based compensation expense recognized for the periods presented:

<i>(in thousands)</i>	Three months ended March 31,	
	2022	2021
Cost of services	\$ 703	\$ —
Selling, general, and administrative expense	18,902	—
Total	\$ 19,605	\$ —

As of March 31, 2022, there was \$18.5 million, \$87.9 million and \$8.6 million of unrecognized compensation expense related to the Company's unvested stock options, RSUs and performance stock units ("PSUs"), respectively, that is expected to be recognized over a weighted-average period of 1.6 years, 2.0 years and 2.0 years.

10. 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 (benefit from) income taxes of \$6.3 million and \$3.6 million in the three months ended March 31, 2022 and 2021, respectively. The effective tax rate was 35.3% and 17.7% for the three months ended March 31, 2022 and 2021. The difference between the effective tax rates and the 21% federal statutory rate in the three months ended March 31, 2022 was primarily due to global intangible low-taxed income ("GILTI") inclusion, Base Erosion and Anti-Abuse Tax ("BEAT"), tax benefits of income tax holidays in foreign jurisdiction, and nondeductible compensation of officers. The difference between the effective tax rate and the 21% federal statutory rate in the three months ended March 31, 2021 was primarily due to GILTI inclusion, foreign-derived intangible income ("FDII") deduction, tax benefits of income tax holidays in foreign jurisdiction and unrecognized tax benefits.

The Company is subject to income tax in the United States federal, state and various foreign jurisdictions. As of March 31, 2022, the tax years 2017 to 2020 are subject to examination by tax authorities.

The Company's practice and intention are to indefinitely reinvest the earnings of its non-U.S. subsidiaries. Determination of the amount of any unrecognized deferred income tax liability on the temporary difference is not practicable because of the complexities of the hypothetical calculation.

11. 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 accompanying financial statements and related notes to the financial statements give retroactive effect to the stock split for all periods presented. See Note 2(a), "Basis of Presentation" for additional information.

The computation of basic net income (loss) per share ("EPS") is based on the weighted-average number of shares that were outstanding during the period, including shares of common stock that are issuable at the end of the reporting period. The computation of diluted EPS is based on the number of basic weighted-average shares outstanding plus the number of common shares that would be issued assuming the exercise of all potentially dilutive common stock equivalents. Common stock equivalents consist of shares issuable upon the exercise of stock options and vesting of RSUs and PSUs.

The following table summarizes the computation of basic and diluted EPS for the three months ended March 31, 2022 and 2021:

<i>(in thousands, except share and per share data)</i>	Three months ended March 31,	
	2022	2021
Numerator:		
Net income available to common shareholders	\$ 11,586	\$ 16,507
Denominator:		
Weighted-average common shares outstanding – basic	97,481,412	91,737,020
Effect of dilutive securities	6,640,614	—
Weighted-average common shares outstanding – diluted	104,122,026	91,737,020
Net income per common share:		
Basic	\$ 0.12	\$ 0.18
Diluted	\$ 0.11	\$ 0.18

The Company excluded 1,152,816 potential common stock equivalents from the computation of diluted EPS for the three months ended March 31, 2022, because the effect would have been anti-dilutive. As of March 31, 2022, there were 5,292,857 potential common stock equivalents outstanding, with market conditions which were not met at that date, that were excluded from the calculation of diluted EPS.

12. Subsequent Events

Revolver Draw

On April 12, 2022, the Company drew \$32.5 million on its Revolving Credit Facility at an effective interest rate of 2.66% to fund cash payments relating to its acquisition of heloo. After the draw, the Company had \$17.6 million of borrowing availability under the Revolving Credit Facility.

Acquisition

On April 15, 2022, the Company acquired all of the equity interests of Parsec d.o.o. and Q Experience d.o.o. ("heloo"), a Croatia-based digital customer experience solutions provider to European technology companies supporting 20 languages across seven additional Eastern European countries, including Bosnia, Serbia, and Slovenia. The Company believes this acquisition will be complementary to its growth strategy by expanding its global delivery footprint with a suite of multi-lingual, cost-competitive Digital Customer Experience services. Under the terms of the sale and purchase agreement, the Company acquired heloo in exchange for approximately \$24 million in cash, subject to working capital adjustments, plus 200,103 shares of the Company's Class A common stock and up to approximately \$24 million in additional consideration with payment contingent upon the satisfaction of certain conditions. The closing cash consideration for the acquisition was funded by the April 12, 2022 draw under the Revolving Credit Facility. The Company also granted 90,030 RSUs to certain employees of heloo. The Company is in the process of finalizing its accounting for this transaction and expects to complete its preliminary allocation of the purchase consideration to the fair value of the assets acquired and liabilities assumed by the end of the second quarter of 2022.

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, 2021 (the Annual Report), as filed with the Securities and Exchange Commission (the “SEC”) and the information included under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in the Annual Report. In addition to historical data, the following discussion contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those discussed in our forward-looking statements as a result of various factors, including but not limited to those discussed under “Cautionary Note Regarding Forward-Looking Statements” in this Quarterly Report and under Part I, Item 1A, “Risk Factors” in the Annual Report.

This Quarterly Report includes certain historical consolidated financial and other data for TaskUs, Inc. (“we,” “us,” “our” or the “Company”). The following discussion provides a narrative of our results of operations and financial condition for the three months ended March 31, 2022 and 2021.

Overview

We provide digital outsourced services, focused on serving high-growth technology companies to represent, protect and grow their brands. Our global, omni-channel delivery model is focused on providing our clients three key services – Digital Customer Experience, Content Security and Artificial Intelligence (“AI”) Services (formerly known as AI Operations). 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 to grow our client base.

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

Recent Financial Highlights

For the three months ended March 31, 2022, we recorded service revenue of \$239.7 million, a 56.8% increase from \$152.9 million for the three months ended March 31, 2021.

Net income for the three months ended March 31, 2022 decreased to \$11.6 million from \$16.5 million for the three months ended March 31, 2021. This decrease included non-cash stock-based compensation expense which we began recognizing upon our initial public offering (“IPO”). Adjusted Net Income for the three months ended March 31, 2022 increased 24.0% to \$35.0 million from \$28.2 million for the three months ended March 31, 2021. Adjusted EBITDA for the three months ended March 31, 2022 increased 36.9% to \$54.1 million from \$39.5 million for the three months ended March 31, 2021.

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

Subsequent Events

For a description of subsequent events, see Note 12, “Subsequent Events” in the Notes to Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report.

Results of Operations

Comparison of the Three Months Ended March 31, 2022 and 2021

The following tables set forth certain historical consolidated financial information for the three months ended March 31, 2022 and 2021:

(in thousands, except %)	Three months ended March 31,		Period over Period Change	
	2022	2021	(\$)	(%)
Service revenue	\$ 239,680	\$ 152,871	\$ 86,809	56.8 %
Operating expenses:				
Cost of services	141,282	88,030	53,252	60.5 %
Selling, general, and administrative expense	64,247	31,498	32,749	104.0 %
Depreciation	8,901	6,203	2,698	43.5 %
Amortization of intangible assets	4,711	4,712	(1)	—
Loss (gain) on disposal of assets	(15)	27	(42)	(155.6)%
Total operating expenses	219,126	130,470	88,656	68.0 %
Operating income	20,554	22,401	(1,847)	(8.2)%
Other expense	1,053	754	299	39.7 %
Financing expenses	1,602	1,581	21	1.3 %
Income before income taxes	17,899	20,066	(2,167)	(10.8)%
Provision for income taxes	6,313	3,559	2,754	77.4 %
Net income	\$ 11,586	\$ 16,507	\$ (4,921)	(29.8)%

Service revenue

Service revenue for the three months ended March 31, 2022 and 2021 was \$239.7 million and \$152.9 million, respectively. Service revenue for the three months ended March 31, 2022 increased by \$86.8 million or 56.8% when compared to the three months ended March 31, 2021.

Service revenue by service offering

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

(in thousands, except %)	Three months ended March 31,		Period over Period Change	
	2022	2021	(\$)	(%)
Digital Customer Experience	\$ 159,731	\$ 99,711	\$ 60,020	60.2 %
Content Security	45,852	36,127	9,725	26.9 %
AI Services	34,097	17,033	17,064	100.2 %
Service revenue	\$ 239,680	\$ 152,871	\$ 86,809	56.8 %

The year over year growth in Digital Customer Experience, AI Services and Content Security contributed 39.2%, 11.2% and 6.4%, respectively, of the total increase of 56.8% for the three months ended March 31, 2022. The 60.2% growth in Digital Customer Experience was primarily driven by an increase in volume of services to our existing customers and new customer wins. The 100.2% growth in AI Services was driven by an increase in volume of services to our existing customers and new customer wins. The 26.9% growth in Content Security was primarily driven by an increase in volume of services to our existing customers.

Service revenue by delivery geography

The majority of our service revenues are derived from contracts with clients who are either located in the United States, or with clients who are located outside of the United States but whereby the contract specifies payment in United States dollars. However, we deliver our services from multiple locations around the world.

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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>	Three months ended March 31,		Period over Period Change	
	2022	2021	(\$)	(%)
Philippines	\$ 120,080	\$ 84,578	\$ 35,502	42.0 %
United States	79,131	50,757	28,374	55.9 %
Rest of World	40,469	17,536	22,933	130.8 %
Service revenue	\$ 239,680	\$ 152,871	\$ 86,809	56.8 %

Revenue generated from services provided from our delivery sites in the Philippines grew from expansion in all three of our service offerings, Digital Customer Experience, Content Security and AI Services, which contributed 30.0%, 7.4%, and 4.6% of the total increase of 42.0% in the Philippines, respectively.

Revenue generated from services provided from our delivery sites in the United States grew primarily from expansion in two of our service offerings, Digital Customer Experience and AI Services, which contributed 42.6% and 13.2% of the total increase of 55.9% in the United States, respectively, while Content Security remained mostly flat, contributing 0.1%, due to certain clients electing to shift work to the Philippines. We expect this shift to continue through the rest of the year as we work to deliver service out of our clients' optimal geography, which allows us to serve clients better in the long-term.

Revenue generated from services provided from our delivery sites in the Rest of World grew primarily from expansion in India and Latin America.

Operating expenses

Cost of services

Cost of services for the three months ended March 31, 2022 and 2021 was \$141.3 million and \$88.0 million, respectively. Cost of services for the three months ended March 31, 2022 increased by \$53.3 million, or 60.5%, when compared to the three months ended March 31, 2021. The increase was primarily driven by personnel costs of \$46.2 million related to an increase in headcount to meet the demand in services from our clients. The remaining increase included costs associated with site expansions, investments in software, as well as recruiting and professional development costs to support revenue growth as we expand into new geographies.

Selling, general, and administrative expense

Selling, general, and administrative expense for the three months ended March 31, 2022 and 2021 was \$64.2 million and \$31.5 million, respectively. Selling, general, and administrative expense for the three months ended March 31, 2022 increased by \$32.7 million, or 104.0%, when compared to the three months ended March 31, 2021. The increase was primarily driven by higher personnel costs of \$26.7 million due primarily to stock-based compensation expense for equity-classified awards of \$18.9 million and increased headcount across functions in support of our growth. The remaining increase included investments in software, insurance expense and recruiting and professional development.

Depreciation

Depreciation for the three months ended March 31, 2022 and 2021 was \$8.9 million and \$6.2 million, respectively. The increase in depreciation is a result of capital expenditures for additional technology and computers in support of our company-wide work-from-home policy, as well as leasehold improvements associated with site expansions to support revenue growth.

Amortization of intangible assets

Amortization of intangible assets for the three months ended March 31, 2022 and 2021 was \$4.7 million. Amortization can be attributed to the recognition of client relationship and trade name intangible assets recognized in connection with the Blackstone Acquisition that are being amortized on a straight-line basis.

Other expense

Other expense for the three months ended March 31, 2022 and 2021 was \$1.1 million and \$0.8 million, respectively. Changes are 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.

Financing expenses

Financing expense for the three months ended March 31, 2022 and 2021 was \$1.6 million and \$1.6 million, respectively. Changes in financing expense are primarily driven by the the rate of LIBOR used to calculate the interest rate of the term loan. See “—Liquidity and Capital Resources—Indebtedness—2019 Credit Agreement” for additional discussion on term loan.

Provision for income taxes

Provision for income taxes for the three months ended March 31, 2022 and 2021 was \$6.3 million and \$3.6 million, respectively. Our effective tax rate for the three months ended March 31, 2022 and 2021 was 35.3% and 17.7%, respectively. There are certain items included within the provision for income taxes calculation which are directly related to the IPO and not expected to recur in future periods, including equity awards made to officers which are not deductible under Section 162(m) of the Internal Revenue Code. Additionally, there are costs related to the issuance of stock-based compensation included within the provision for income taxes calculation. If those costs directly related to the IPO and stock-based compensation expense are removed, the provision for income taxes would have been \$8.7 million and the effective tax rate would have been 23.1% for the three months ended March 31, 2022.

Revenue by Top Clients

The table below sets forth the percentage of our total service revenue derived from our largest clients for the three months ended March 31, 2022 and 2021:

	Three months ended March 31,	
	2022	2021
Top ten clients	61 %	64 %
Top twenty clients	75 %	78 %

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 grow as they grow and to cross sell new solutions, further deepening our entrenchment.

For the three months ended March 31, 2022 and 2021, we generated 24% and 29%, respectively, of our service revenue from our largest client, and we generated 10% and 11%, respectively, of our service revenue from our second largest client.

We continue to identify and target high growth industry verticals and clients. Our strategy is to acquire 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 Item 3., “Quantitative and Qualitative Disclosures About Market Risk” 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 and Adjusted EBITDA as key profitability measures to assess the performance of our business.

Each of the profitability measures described below are not recognized under GAAP and do not purport to be an alternative to net income 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. 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 exclude from Adjusted Net Income amortization of intangible assets, transaction costs, the effect of foreign currency gains and losses, losses on disposals of assets, COVID-19 related expenses, natural disaster costs, stock-based compensation expense and employer payroll tax associated with equity-classified awards 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

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adjustments to net income applied in presenting Adjusted Net Income are appropriate to provide additional information to investors about certain material non-cash items and about unusual items that we do not expect to continue at the same level in the future.

The following table reconciles net income, the most directly comparable GAAP measure, to Adjusted Net Income for the three months ended March 31, 2022 and 2021:

<i>(in thousands, except %)</i>	Three months ended March 31,		Period over Period Change	
	2022	2021	(\$)	(%)
Net income	\$ 11,586	\$ 16,507	\$ (4,921)	(29.8)%
Amortization of intangible assets	4,711	4,712	(1)	— %
Transaction costs ⁽¹⁾	192	3,329	(3,137)	(94.2)%
Foreign currency losses ⁽²⁾	1,153	787	366	46.5 %
Loss (gain) on disposal of assets	(15)	27	(42)	(155.6)%
COVID-19 related expenses ⁽³⁾	—	2,394	(2,394)	(100.0)%
Natural disaster costs ⁽⁴⁾	—	442	(442)	(100.0)%
Stock-based compensation expense ⁽⁵⁾	19,688	—	19,688	100.0 %
Tax impacts of adjustments ⁽⁶⁾	(2,350)	—	(2,350)	(100.0)%
Adjusted Net Income	\$ 34,965	\$ 28,198	\$ 6,767	24.0 %
Net Income Margin ⁽⁷⁾	4.8 %	10.8 %		
Adjusted Net Income Margin ⁽⁷⁾	14.6 %	18.4 %		

- (1) Represents non-recurring professional service fees related to the acquisition of heloo in 2022 and the preparation for public offerings that have been expensed during the period in 2021.
- (2) Realized and unrealized foreign currency losses include the effect of fair market value changes of forward contracts and remeasurement of U.S. dollar-denominated accounts to foreign currency.
- (3) Represents incremental expenses incurred related to the transition to a virtual operating model and incentive and leave pay granted to employees that are directly attributable to the COVID-19 pandemic.
- (4) Represents one-time costs associated with emergency housing, transportation costs and bonuses for our employees in connection with the natural disaster related to the severe winter storm in Texas in February 2021.
- (5) Represents stock-based compensation expense and employer payroll tax associated with equity-classified awards.
- (6) Represents tax impacts of adjustments to net income which resulted in a tax benefit during the period, including stock-based compensation expense after the IPO.
- (7) Net Income Margin represents net income divided by service revenue and Adjusted Net Income Margin represents Adjusted Net Income divided by service revenue.

Adjusted EPS

Adjusted EPS is a non-GAAP profitability measure that represents earnings available to shareholders excluding the impact of certain items that are considered to hinder comparison of the performance of our business on a period-over-period basis or with other businesses. Adjusted EPS is calculated as Adjusted Net Income divided by our diluted weighted-average number of shares outstanding, including the impact of any potentially dilutive common stock equivalents that are anti-dilutive to GAAP net income (loss) per share – diluted (“GAAP diluted EPS”) but dilutive to Adjusted EPS. 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.

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The following table reconciles GAAP diluted EPS, the most directly comparable GAAP measure, to Adjusted EPS for the three months ended March 31, 2022 and 2021:

	Three months ended March 31,	
	2022	2021
GAAP diluted EPS	\$ 0.11	\$ 0.18
Per share adjustments to net income ⁽¹⁾	0.23	0.13
Adjusted EPS	\$ 0.34	\$ 0.31
Weighted-average common shares outstanding – diluted	104,122,026	91,737,020

(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 businesses on a period-over-period basis or with other businesses. During the periods presented, we exclude from Adjusted EBITDA transaction costs, the effect of foreign currency gains and losses, losses on disposals of assets, COVID-19 related expenses, natural disaster costs and stock-based compensation expense and employer payroll tax associated with equity-classified awards, 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.

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The following table reconciles net income, the most directly comparable GAAP measure, to EBITDA and Adjusted EBITDA for the three months ended March 31, 2022 and 2021:

(in thousands, except %)	Three months ended March 31,		Period over Period Change	
	2022	2021	(\$)	(%)
Net income	\$ 11,586	\$ 16,507	\$ (4,921)	(29.8)%
Provision for income taxes	6,313	3,559	2,754	77.4 %
Financing expenses	1,602	1,581	21	1.3 %
Depreciation	8,901	6,203	2,698	43.5 %
Amortization of intangible assets	4,711	4,712	(1)	— %
EBITDA	\$ 33,113	\$ 32,562	\$ 551	1.7 %
Transaction costs ⁽¹⁾	192	3,329	(3,137)	(94.2)%
Foreign currency losses ⁽²⁾	1,153	787	366	46.5 %
Loss (gain) on disposal of assets	(15)	27	(42)	(155.6)%
COVID-19 related expenses ⁽³⁾	—	2,394	(2,394)	(100.0)%
Natural disaster costs ⁽⁴⁾	—	442	(442)	(100.0)%
Stock-based compensation expense ⁽⁵⁾	19,688	—	19,688	100.0 %
Adjusted EBITDA	\$ 54,131	\$ 39,541	\$ 14,590	36.9 %
Net Income Margin ⁽⁶⁾	4.8 %	10.8 %		
Adjusted EBITDA Margin ⁽⁶⁾	22.6 %	25.9 %		

- (1) Represents non-recurring professional service fees related to the acquisition of heloo in 2022 and the preparation for public offerings that have been expensed during the period in 2021.
- (2) Realized and unrealized foreign currency losses include the effect of fair market value changes of forward contracts and remeasurement of U.S. dollar-denominated accounts to foreign currency.
- (3) Represents incremental expenses incurred related to the transition to a virtual operating model and incentive and leave pay granted to employees that are directly attributable to the COVID-19 pandemic.
- (4) Represents one-time costs associated with emergency housing, transportation costs and bonuses for our employees in connection with the natural disaster related to the severe winter storm in Texas in February 2021.
- (5) Represents stock-based compensation expense and employer payroll tax associated with equity-classified awards.
- (6) Net Income Margin represents net income divided by service revenue and Adjusted Net Income Margin represents Adjusted Net Income divided by service revenue.

Liquidity and Capital Resources

As of March 31, 2022, our principal sources of liquidity were cash and cash equivalents totaling \$77.1 million, which were held for working capital purposes, as well as the available balance of our 2019 Credit Facilities, described further below. Historically, we have made investments in supporting the growth of our business, which were enabled in part by our positive cash flows from operations during these periods. We expect to continue to make similar investments in the future.

We have financed our operations primarily through cash received from operations. We believe our existing cash and cash equivalents and our 2019 Credit Facilities will be sufficient to meet our working capital and capital expenditure needs for at least the next 12 months. Our future capital requirements will depend on several factors, including but not limited to our obligation to repay any amounts outstanding under our 2019 Credit Facilities, our revenue growth rate, timing of client billing and collections, the timing of expansion into new geographies, variability in the cost of delivering services in our geographies, the timing and extent of spending on technology innovation, the extent of our sales and marketing activities, and the introduction of new and enhanced service offerings and the continuing market adoption of our platform.

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. In particular, the widespread COVID-19 pandemic has resulted in, and may continue to result in, significant disruption of global financial markets, reducing our ability to access capital. If we are unable to raise additional funds when desired, our business, financial condition and results of operations could be adversely affected.

Although we are not currently a party to any material definitive agreement regarding potential investments in, or acquisitions of, complementary businesses, applications or technologies, we may enter into these types of arrangements, which could reduce our cash and cash equivalents, require us to seek additional equity or debt financing or repatriate cash generated by our international operations that could cause us to incur withholding taxes on any distributions. Additional funds from financing arrangements may not be available on terms favorable to us or at all.

As market conditions warrant, we and certain of our equity holders, including Blackstone and their respective affiliates, may from time to time seek to purchase our outstanding debt securities or loans, including borrowings under our 2019 Credit Facilities, in privately negotiated or open market transactions, by tender offer or otherwise. Subject to any applicable limitations contained in the agreements governing our indebtedness, any purchases made by us may be funded by the use of cash on our balance sheet or the incurrence of new secured or unsecured debt, including borrowings under our credit facilities. The amounts involved in any such purchase transactions, individually or in the aggregate, may be material. Any such purchases may be with respect to a substantial amount of a particular class or series of debt, with the attendant reduction in the trading liquidity of such class or series. In addition, any such purchases made at prices below the “adjusted issue price” (as defined for U.S. federal income tax purposes) may result in taxable cancellation of indebtedness income to us, which amounts may be material, and in related adverse tax consequences to us.

Indebtedness

As of March 31, 2022, our total indebtedness, net of debt financing fees was \$235.9 million, including outstanding borrowings under our Revolving Credit Facility (as defined below) of \$39.9 million.

2019 Credit Agreement

On September 25, 2019, we entered into a credit agreement (the “2019 Credit Agreement”) that included a \$210 million term loan (the “Term Loan Facility”) and a \$40 million revolving credit facility (the “Revolving Credit Facility” and, together with the Term Loan Facility, the “2019 Credit Facilities”). On April 30, 2021, the Company entered into Amendment No. 1 to its 2019 Credit Agreement with the existing lenders providing for \$50.0 million incremental revolving credit commitments on the same terms as our existing revolving credit facility. We accounted for this amendment as a debt modification and recorded \$0.3 million of debt financing fees which will be amortized, along with previously deferred fees, over the remaining term of the facility.

The Term Loan Facility matures on September 25, 2024 and requires quarterly principal payments of 0.25% of the original principal amount per quarter through September 30, 2020, 0.625% of the original principal amount through September 30, 2021, 1.25% of the original principal amount through September 30, 2022, 1.875% of the original principal amount through September 30, 2023 and 2.50% of the original principal amount thereafter, with any remaining principal due in a lump sum at the maturity date. As of March 31, 2022, \$197.4 million was outstanding under the Term Loan Facility. The interest rate in effect for the Term Loan Facility was 2.707% as of March 31, 2022.

The Revolving Credit Facility matures on September 25, 2024 and requires a commitment fee of 0.4% on undrawn commitments paid quarterly in arrears. As of March 31, 2022, the interest rate in effect was 2.707% on \$39.9 million of outstanding borrowings under the Revolving Credit Facility. As of March 31, 2022, we had \$50.1 million of borrowing availability under the Revolving Credit Facility.

The 2019 Credit Agreement contains certain affirmative and negative covenants applicable to us and our restricted subsidiaries, including, among other things, limitations on our Consolidated Total Net Leverage Ratio (as defined in the 2019 Credit Agreement) and restrictions on changes in the nature of our business, acquisitions and other investments, indebtedness, liens, fundamental changes, dispositions, prepayment of other indebtedness, repurchases of stock, cash dividends, and other distributions. The 2019 Credit Facilities are guaranteed by our material domestic subsidiaries and are secured by substantially all of our tangible and intangible assets, including our intellectual property, and the equity interests of our subsidiaries, subject to certain exceptions.

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.

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>	Three months ended March 31,	
	2022	2021
Net cash provided by operating activities	\$ 36,890	\$ 39,922
Net cash used in investing activities	(17,770)	(10,127)
Net cash used in financing activities	(4,094)	(1,313)

Operating Activities

Net cash provided by operating activities for the three months ended March 31, 2022 was \$36.9 million compared to net cash provided by operating activities of \$39.9 million for the three months ended March 31, 2021. Net cash provided by operating activities for the three months ended March 31, 2022 reflects the net income of \$11.6 million, as well as the add back for non-cash charges totaling \$34.6 million, primarily driven by \$19.6 million in stock-based compensation expense, \$8.9 million of depreciation and \$4.7 million of amortization related to intangibles. These changes were partially offset by changes in operating assets and liabilities of \$9.3 million. Net cash provided by operating activities for the three months ended March 31, 2021 reflects the net income of \$16.5 million, the add back for non-cash charges totaling \$13.1 million, primarily driven by \$6.2 million of depreciation and \$4.7 million of amortization related to intangibles, as well as changes in operating assets and liabilities of \$10.3 million.

Investing Activities

Net cash used in investing activities for the three months ended March 31, 2022 was \$17.8 million compared to net cash used in investing activities of \$10.1 million for the three months ended March 31, 2021. Net cash used in investing activities primarily consisted of investments in technology and computers as well as build-out costs associated with site expansions to support revenue growth.

Financing Activities

Net cash used in financing activities for the three months ended March 31, 2022 was \$4.1 million compared to net cash used in financing activities of \$1.3 million for the three months ended March 31, 2021. Net cash used in financing activities for the three months ended March 31, 2022 consisted of payments on long-term debt and payments for taxes related to net share settlement of equity awards. Net cash used in financing activities for the three months ended March 31, 2021 consisted primarily of payments on long-term debt.

Critical Accounting Policies and Estimates

Except as described in Note 2, “Summary of Significant Accounting Policies” in the Notes to Unaudited Condensed Consolidated Financial Statements, there have been no material changes to our critical accounting policies or in the underlying accounting assumptions and estimates used in such policies 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.

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 in the three months ended March 31, 2022 and 2021. 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 and the U.S. dollar have changed substantially in recent years and may fluctuate substantially in the future.

The average exchange rate of the Philippine peso against the U.S. dollar increased from 48.30 pesos during the three months ended March 31, 2021 to 51.56 pesos during the three months ended March 31, 2022, representing a depreciation of the Philippine peso of 6.7%. Based upon our level of operations during the three months ended March 31, 2022 and excluding any forward contract arrangements that we had in place during that period, a 10% appreciation/depreciation in the Philippine Peso against the U.S. dollar would have increased or decreased our expenses incurred and paid in the Philippine Peso by approximately \$9.0 million or \$7.3 million, respectively, in the three months ended March 31, 2022.

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 derivatives have not been designated as hedges under ASC No. Topic 815,

Derivatives and Hedging (“ASC 815”). Changes in the fair value of these derivatives are recognized in the consolidated statements of operations and are included in other expense.

For the three months ended March 31, 2022 and 2021, we realized losses (gains) of \$1.4 million and \$(0.7) million, respectively, resulting from the settlement of forward contracts were included within other expense.

For the three months ended March 31, 2022 and 2021, we had outstanding forward contracts. The forward contract payable resulting from changes in fair value was recorded under accounts payable and accrued liabilities. For the three months ended March 31, 2022 and 2021, the unrealized losses on the forward contracts of \$0.8 million and \$1.8 million, respectively, were included within other expense.

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.

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 2019 Credit Facilities. All of our borrowings outstanding under the 2019 Credit Facilities as of March 31, 2022 accrue interest at LIBOR plus 2.25%. Our total principal balance outstanding as of March 31, 2022 was \$237.3 million. Based on the outstanding balances and interest rates under the 2019 Credit Facilities as of March 31, 2022, a hypothetical 10% increase or decrease in LIBOR would cause an increase or decrease in interest expense of approximately \$0.1 million over the next 12 months.

Credit Risk

As of March 31, 2022, we had accounts receivable, net of allowance for doubtful accounts, of \$172.4 million, of which \$52.5 million was owed by two of our clients. Collectively, these clients represented approximately 30% of our gross accounts receivable as of March 31, 2022.

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 Securities Exchange Act of 1934, as amended (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, with the participation of the Company’s Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of the Company’s disclosure controls and procedures as of March 31, 2022. Based upon that evaluation, the Company’s Chief Executive Officer and Chief Financial Officer concluded that, as of March 31, 2022, 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 8, “Commitments and Contingencies” in the Notes to Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report and is incorporated by reference into this Item 1.

Item 1A. Risk Factors

We are subject to various risks that could have a material adverse impact on our financial position, results of operations or cash flows. Although it is not possible to predict or identify all such risks and uncertainties, they may include, but are not limited to, the factors discussed under “Risk Factors” in the Annual Report. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially adversely affect our financial position, results of operations or cash flows. There have been no material changes to the risk factors included in the Annual Report. You should carefully consider the risk factors set forth in the Annual Report and the other information set forth elsewhere in this Quarterly Report on Form 10-Q.

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

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit No.	Description
3.1	<u>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).</u>
3.2	<u>Second Amended and Restated Bylaws of TaskUs, Inc., dated as of June 10, 2021 (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed on June 15, 2021).</u>
10.1†	<u>Pay Change Memo, dated April 2, 2021, for Bryce Maddock.</u>
10.2†	<u>Founder Employment Agreement, dated as of June 2, 2015, by and between Jaspar Weir and TaskUs Holdings, Inc. (formerly known as TaskUs, Inc.).</u>
10.3†	<u>Pay Change Memo, dated April 2, 2021, for Jaspar Weir.</u>
10.4†	<u>Merit Memo, dated February 18, 2021, for Jarrod Johnson.</u>
10.5†	<u>Form of Restricted Stock Unit Agreement under TaskUs, Inc. 2021 Omnibus Incentive Plan.</u>
10.6†	<u>Form of Option Agreement under TaskUs, Inc. 2021 Omnibus Incentive Plan.</u>
31.1	<u>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.</u>
31.2	<u>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.</u>
32.1*	<u>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.</u>
32.2*	<u>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.</u>
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)

* Furnished herewith.

† Management contract or compensatory plan or arrangement.

The agreements and other documents filed as exhibits to this report are not intended to provide factual information or other disclosure except for the terms of the agreements or other documents themselves, and you should not rely on them for other than that purpose. In particular, any representations and warranties made by the Company in these agreements or other documents were made solely within the specific context of the relevant agreement or document and do not apply in any other context or at any time other than the date they were made.

SIGNATURES

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

TASKUS, INC.
(Registrant)

Date: May 10, 2022

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

Date: May 10, 2022

By: /s/ Steven Amaya
Steven Amaya
Senior Vice President—Finance
(Principal Accounting Officer)



CONFIDENTIAL

April 2, 2021

Change Memo

Dear Bryce,

In light of the continuing COVID-19 pandemic, you agree to accept a reduced base salary to \$30,000.00 effective December 21, 2020. You agree that you will reimburse TaskUs the overpayment of salary that you received between 12/21/2020 through 3/28/2021. The TaskUs Payroll team will provide repayment options, as well as applicable amendments for previous pay periods.

Below you will find details of this change:

Title	CEO
Current Base Salary	\$350,000.00
Effective as of 12/21/2020	\$30,000.00
Bonus	\$0.00

Your ROTH contributions are currently set up for a 5% deduction of your base salary. In order to obtain the \$17,500.00 at year end, your ROTH deduction should be changed to 58.33%. It is highly recommended that you review your contributions no later than April 8, 2021, and submit the necessary change on the mykplan site through ADP at <https://mykplan.adp.com/public/Login/index>, or by calling 1-866-695-7526.

Further, with the salary change, your Health Savings Account (HSA) deduction will need to be changed to \$84.61 bi-weekly. This will ensure you are still contributing the maximum for the year (2021) into your HSA. The TaskUs Benefits team will assist you with making this change to your HSA contributions.

Additionally, your company paid life insurance is adjusted to \$30,000.00, which is the maximum amount for your base salary.

You will be paid in accordance with TaskUs' standard payroll practices and subject to all withholdings and deductions required by law. All other terms and conditions of your employment remain the same.

I have read and understand the forgoing provisions of this Memo. Agreed to and accepted by:

/s/ Bryce Maddock

Bryce Maddock

4/4/2021

Date

TASKUS, INC.

FOUNDER EMPLOYMENT AGREEMENT

THIS FOUNDER EMPLOYMENT AGREEMENT (“*Agreement*”) is entered into as of the 2nd 2nd day of June, 2015, by and between Jasper Weir (the “*Executive*”) and TASKUS, INC., a Delaware corporation (the “*Company*”).

RECITALS

- A. The Company desires to compensate the Executive for his services to the Company.
- B. The Executive wishes to be employed by the Company and provide services to the Company in return for certain compensation.

AGREEMENT

In consideration of the mutual promises and covenants contained in this Agreement, the parties agree to the following:

1. EMPLOYMENT BY THE COMPANY.

1.1 Effective Date; Term. The effective date of this Agreement will be the date first set forth above (the “*Effective Date*”). This Agreement will continue in effect through the date on which this Agreement is terminated pursuant to Section 6 (the “*Term*”).

1.2 Position. Subject to terms set forth in this Agreement, the Company agrees to employ Executive in the position of [Chief Executive Officer][President] and the Executive hereby accepts such employment under the terms of this Agreement effective as of the Effective Date. During the term of his employment with the Company and except as otherwise contemplated by this Agreement, the Executive will devote his best efforts and all of his business time and attention (except for vacation periods and reasonable periods of illness or other incapacities permitted by the Company’s general employment policies) to the business of the Company.

1.3 Duties. The Executive will serve in an executive capacity and will perform such duties as are assigned to the Executive by the Company’s Board of Directors (the “*Board*”).

1.4 Other Employment Policies. The employment relationship between the parties will also be governed by the general employment policies and practices of the Company, including those relating to protection of confidential information and assignment of inventions, except that when the terms of this Agreement differ from or are in conflict with the Company’s general employment policies or practices, this Agreement will control.

2. COMPENSATION.**2.1 Base Salary.**

(a) The Executive will receive an initial annualized base salary for fiscal year 2015 of \$175,000, subject to standard federal and state withholding requirements, payable in accordance with Company’s standard payroll practices.

(b) The Executive’s annualized base salary for fiscal year 2016 will increase to \$250,000 in the event that (i) the consolidated revenues of the Company (including its predecessor TaskUs, LLC) and its subsidiaries for fiscal year 2015 (“*2015 Revenue*”) are at least \$30,000,000 (“*Revenue Target*”) and (ii) the consolidated revenues *minus* consolidated expenses of the Company (including its predecessor TaskUs, LLC) and its subsidiaries, excluding tax, interest, depreciation and amortization expenses, for fiscal year 2015 (“*2015 EBITDA*”) are at least \$3,000,000 (“*EBITDA Target*”), in each case as measured in United States dollars, determined in accordance with generally accepted accounting principles of the United States, consistently applied, and as reflected in the Company’s 2015 audited financial statements. For the avoidance of doubt, any value-added tax incurred by the subsidiaries of the Company that is expensed in the 2015 audited

financial statements shall be excluded from the calculation of consolidated expenses of the Company for purposes of clause (ii) of this Section 2.1(b).

(c) Effective January 1, 2017, and every year thereafter in which the Executive is employed by the Company, the Board will approve in good faith an appropriate base salary increase in line with market compensation packages for executives of companies equivalent to the Company.

2.2 Performance Bonus.

(a) The Executive will be eligible for an annual performance bonus for fiscal year 2015 in the form of a cash payment in an amount of up to 50% of the Executive’s base salary based on the achievement of performance goals set forth on Exhibit B attached hereto.

(b) The Executive will be eligible for an annual performance bonus for fiscal year 2016, in the form of a cash payment in an amount of up to 50% of the Executive’s base salary then in effect, based on the achievement of mutually agreed upon performance goals tied to a balanced scorecard that represents the overall performance of the Company and its subsidiaries, which will be set forth in a separate written performance plan prior to January 1, 2016.

(c) Prior to January 1, 2017, and every year thereafter in which the Executive is employed by the Company, the Board will approve in good faith an appropriate performance bonus plan for the subsequent fiscal year in line with

market compensation packages for executives of companies equivalent to the Company. Such performance bonus plan will be tied to a balanced scorecard that represents the overall performance of the Company and its subsidiaries.

(d) The Board will determine in good faith whether, and to what extent, the Executive has achieved the performance goals upon which the Executive's bonus is based. The bonus for each fiscal year, if earned, will be paid to the Executive within the time period set forth in the written performance plan, or if no such time period was established, within the first thirty (30) days after the close of the applicable fiscal year (and in no event later than March 15 of the following calendar year). In order to earn a performance bonus for any given fiscal year, the Executive must remain an employee through the end of the applicable fiscal year. The Executive will not be eligible for, and will not earn, any performance bonus (including any partial or prorated bonus) if his employment ends for any reason, including but not limited to voluntary termination by the Executive or involuntary termination by the Company, before the end of the fiscal year.

2.3 Standard Company Benefits. The Executive will be entitled to all rights and benefits for which he is eligible under the terms and conditions of the standard Company benefits and compensation practices which may be in effect from time to time and provided by the Company to its employees generally.

2.4 Expense Reimbursement. The Company will reimburse the Executive for reasonable business expenses in accordance with the Company's standard reimbursement policy.

3. CONFIDENTIAL INFORMATION AND INVENTIONS OBLIGATIONS. The Executive agrees to execute and abide by the Employee Confidential Information and Inventions Assignment Agreement attached to this Agreement as **Exhibit A**.

4. OUTSIDE ACTIVITIES.

4.1 Other Employment/Enterprise. Except with the prior written consent of the Board, the Executive will not, while employed by the Company, undertake or engage in any other employment, occupation or business enterprise, other than ones in which the Executive is a passive investor and any services performed by the Executive do not materially interfere with the performance of his duties under this Agreement. Notwithstanding the foregoing, the Executive may (a) engage in civic and not-for-profit activities and (b) accept board, advisor or similar positions with other companies, in each case so long as such activities do not materially interfere with the performance of his duties under this Agreement.

4.2 Conflicting Interests. Except as permitted by **Section 4.3**, while employed by the Company, Executive agrees not to acquire, assume or participate in, directly or indirectly, any position, investment or interest known by him to be adverse or antagonistic to the Company, its business or prospects, financial or otherwise.

4.3 Competing Enterprises. While employed by the Company, except on behalf of the Company, the Executive will not directly or indirectly, whether as an officer, director, stockholder, partner, proprietor, associate, representative, consultant, or in any capacity whatsoever engage in, become financially

interested in, be employed by or have any business connection with any other person, corporation, firm, partnership or other entity whatsoever which were known by him to compete directly with the Company, throughout the world, in any line of business engaged in (or planned to be engaged in) by the Company; provided, however, that anything above to the contrary notwithstanding, the Executive may own, as a passive investor, securities of any public competitor corporation, so long as his direct holdings in any one such corporation will not in the aggregate constitute more than 1% of the voting stock of such corporation.

4.4 Non-Solicitation. While employed by the Company and for two (2) years following termination of the Executive's employment, except on behalf of the Company, the Executive will not, directly or indirectly, solicit or attempt to solicit any employee, independent contractor or consultant of the Company to terminate his, her or its relationship with Company in order to become an employee, consultant, or independent contractor to or for any other person or entity.

5. FORMER EMPLOYMENT.

5.1 No Conflict With Existing Obligations. The Executive represents that his performance of all the terms of this Agreement and as an employee of the Company does not and will not breach any agreement or obligation of any kind made prior to his employment by the Company, including agreements or obligations he may have with prior employers or entities for which he has provided services. The Executive has not entered into, and agrees he will not enter into, any agreement or obligation either written or oral in conflict with this Agreement.

5.2 No Disclosure of Confidential Information. If, in spite of the second sentence of **Section 5.1**, the Executive should find that confidential information belonging to any former employer might be usable in connection with the Company's business, the Executive will not intentionally disclose to the Company or use on behalf of the Company any confidential information belonging to any of the Executive's former employers (except in accordance with agreements between the Company and any such former employer); but during the Executive's employment by the Company he will use in the performance of his duties all information which is generally known and used by persons with training and experience comparable to his own and all information which is common knowledge in the industry or otherwise legally in the public domain.

6. TERMINATION OF EMPLOYMENT.

6.1 At-Will Employment. The parties acknowledge that the Executive's employment with the Company is at-will, such that either party may terminate the Executive's employment with the Company at any time, with or without advance notice, and for any reason whatsoever. The provisions of this Agreement do not alter this at-will status.

6.2 Cooperation With the Company After Termination of Employment. Following termination of the Executive's employment for any reason, he will fully cooperate with the Company in all matters relating to the winding up of his pending work including, but not limited to, any litigation in which the Company is involved, and the orderly transfer of any such pending work to such other employees as may be designated by the Company.

7. GENERAL PROVISIONS.

7.1 Notices. Any notices provided under this Agreement must be in writing and will be deemed effective upon the earlier of (a) personal delivery (including personal delivery by hand or telecopier); (b) email (with confirmation of receipt) or (iii) the

third day after mailing by first class mail, to the Company at its primary office location and to the Executive at his address as listed on the Company payroll.

7.2 Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provisions had never been contained in this Agreement.

7.3 Waiver. If either party should waive any breach of any provisions of this Agreement, he or it will not thereby be deemed to have waived any preceding or succeeding breach of the same or any other provision of this Agreement.

7.4 Complete Agreement. This Agreement and its Exhibit constitute the entire agreement between Executive and the Company. This Agreement is the complete, final, and exclusive embodiment of their agreement with regard to this subject matter and supersedes any prior oral discussions or written

communications and agreements. This Agreement is entered into without reliance on any promise or representation other than those expressly contained in this Agreement, and it cannot be modified or amended except in writing signed by an authorized officer of the Company.

7.5 Counterparts. This Agreement may be executed in separate counterparts, any one of which need not contain signatures of more than one party, but all of which taken together will constitute one and the same Agreement.

7.6 Headings. The headings of the sections of this Agreement are inserted for convenience only and will not be deemed to constitute a part of this Agreement nor to affect the meaning thereof.

7.7 Successors and Assigns. This Agreement is intended to bind and inure to the benefit of and be enforceable by the Executive and the Company, and their respective successors, assigns, heirs, executors and administrators, except that Executive may not assign any of his duties under this Agreement and he may not assign any of his rights under this Agreement.

7.8 Attorney Fees. If either party brings any action to enforce its rights under this Agreement, it will be entitled to recover its reasonable attorneys' fees and costs incurred in connection with such action should it prevail in the action.

7.9 Choice of Law. All questions concerning the construction, validity and interpretation of this Agreement will be governed by the law of the State of California. The Executive expressly consents to the jurisdiction of the state and federal courts in Los Angeles, California, for all actions arising out of or relating to this Agreement.

7.10 Independent Counsel. The Executive has been provided with an opportunity to consult with the Executive's own counsel with respect to this Agreement. **The Executive acknowledges that Cooley LLP did not represent the Executive with respect to this Agreement.**

[SIGNATURE PAGE FOLLOWS]

The parties have executed this Agreement on the day and year first above written.

TASKUS, INC.

By: /s/ Bryce Maddock

Name:

Title:

Accepted and agreed this
27 day of May, 2015

/s/ Jaspar Weir
Jaspar Weir

EXHIBIT A

CONFIDENTIAL INFORMATION AND INVENTIONS ASSIGNMENT AGREEMENT

Attached

EMPLOYEE CONFIDENTIAL INFORMATION AND INVENTIONS ASSIGNMENT AGREEMENT

In consideration of my employment or continued employment by TaskUs, Inc., a Delaware corporation (“*Company*”), and the compensation paid to me now and during my employment with the Company, I agree to the terms of this Agreement as follows:

1. CONFIDENTIAL INFORMATION PROTECTIONS.

1.1 Nondisclosure; Recognition of Company’s Rights. At all times during and after my employment, I will hold in confidence and will not disclose, use, lecture upon, or publish any of Company’s Confidential Information (defined below), except as may be required in connection with my work for Company, or as expressly authorized by the Board of Directors of Company (the “*Board*”). I will obtain the Board’s written approval before publishing or submitting for publication any material (written, oral, or otherwise) that relates to my work at Company and/or incorporates any Confidential Information. I hereby assign to Company any rights I may have or acquire in any and all Confidential Information and recognize that all Confidential Information shall be the sole and exclusive property of Company and its assigns.

1.2 Confidential Information. The term “*Confidential Information*” shall mean any and all confidential knowledge, data or information related to Company’s business or its actual or demonstrably anticipated research or development, including without limitation (a) trade secrets, inventions, ideas, processes, computer source and object code, data, formulae, programs, other works of authorship, know how, improvements, discoveries, developments, designs, and techniques; (b) information regarding products, services, plans for research and development, marketing and business plans, budgets, financial statements, contracts, prices, suppliers, and customers; (c) information regarding the skills and compensation of Company’s employees, contractors, and any other service providers of Company; and (d) the existence of any business discussions, negotiations, or agreements between Company and any third party.

1.3 Third Party Information. I understand that Company has received and in the future will receive from third parties confidential or proprietary information (“*Third Party Information*”) subject to a duty on Company’s part to maintain the confidentiality of such information and to use it only for certain limited purposes. During and after the term of my employment, I will hold Third Party Information in strict confidence and will not disclose to anyone (other than Company personnel who need to know such information in connection with their work for Company) or use, Third Party Information, except in connection with my work for Company or unless expressly authorized by an officer of Company in writing.

1.4 No Improper Use of Information of Prior Employers and Others. I represent that my employment by Company does not and will not breach any agreement with any former employer, including any noncompete agreement or any agreement to keep in confidence or refrain from using information acquired by me prior to my employment by

Company. I further represent that I have not entered into, and will not enter into, any agreement, either written or oral, in conflict with my obligations under this Agreement. During my employment by Company, I will not improperly make use of, or disclose, any information or trade secrets of any former employer or other third party, nor will I bring onto the premises of Company or use any unpublished documents or any property belonging to any former employer or other third party, in violation of any lawful agreements with that former employer or third party. I will use in the performance of my duties only information that is generally known and used by persons with training and experience comparable to my own, is common knowledge in the industry or otherwise legally in the public domain, or is otherwise provided or developed by Company.

2. INVENTIONS.

2.1 Definitions. As used in this Agreement, the term “*Invention*” means any ideas, concepts, information, materials, processes, data, programs, know-how, improvements, discoveries, developments, designs, artwork, formulae, other copyrightable works, and techniques and all Intellectual Property Rights in any of the items listed above. The term “*Intellectual Property Rights*” means all trade secrets, copyrights, trademarks, mask work rights, patents and other intellectual property rights recognized by the laws of any jurisdiction or country. The term “*Moral Rights*” means all paternity, integrity, disclosure, withdrawal, special and any other similar rights recognized by the laws of any jurisdiction or country.

2.2 Prior Inventions. I have disclosed on **Exhibit A** a complete list of all Inventions that (a) I have, or I have caused to be, alone or jointly with others, conceived, developed, or reduced to practice prior to the commencement of my employment by Company; (b) in which I have an ownership interest or which I have a license to use; (c) and that I wish to have excluded from the scope of this Agreement (collectively referred to as “*Prior Inventions*”). If no Prior Inventions are listed in **Exhibit A**, I warrant that there are no Prior Inventions. I agree that I will not incorporate, or permit to be incorporated, Prior Inventions in any Company Inventions (defined below) without Company’s prior written consent. If, in the course of my employment with Company, I incorporate a Prior Invention into a Company process, machine or other work, I hereby grant Company a non-exclusive, perpetual, fully-paid and royalty-free, irrevocable and worldwide license, with rights to sublicense through multiple levels of sublicensees, to reproduce, make derivative works of, distribute, publicly perform, and publicly display in any form or medium, whether now known or later developed, make, have made, use, sell, import, offer for sale, and exercise any and all present or future rights in, such Prior Invention.

2.3 Assignment of Company Inventions. Inventions assigned to the Company or to a third party as directed by the Company pursuant to the subsection titled Government or Third Party are referred to in this Agreement as “*Company Inventions*.” Subject to the subsection titled Government or Third Party and except for Inventions that I can prove qualify fully under the provisions of California Labor Code section 2870 and I have set forth in **Exhibit A**, I hereby assign and agree to assign in the future (when any such Inventions or Intellectual Property Rights are first reduced to practice or first fixed in a tangible medium, as applicable) to Company all my right, title, and interest in and to any and all Inventions (and all Intellectual Property Rights with respect thereto) made, conceived, reduced to practice, or learned by me, either alone or with others, during the period of my employment by Company. Any assignment of Inventions (and all Intellectual Property Rights with respect thereto) hereunder includes an assignment of all Moral Rights. To the extent such Moral Rights cannot be assigned to Company and to the extent the following is allowed by the laws in any country where Moral Rights exist, I hereby unconditionally and irrevocably waive the enforcement of such Moral Rights, and all claims and causes of action of any kind against Company or related to Company’s customers, with respect to such rights. I further acknowledge and agree that neither my successors-in-interest nor legal heirs retain any Moral Rights in any Inventions (and any Intellectual Property Rights with respect thereto).

2.4 Obligation to Keep Company Informed. During the period of my employment and for one (1) year after my employment ends, I will promptly and fully disclose to Company in writing (a) all Inventions authored, conceived, or reduced to practice by me, either alone or with others, including any that might be covered under California Labor Code section 2870, and (b) all patent applications filed by me or in which I am named as an inventor or co-inventor.

2.5 Government or Third Party. I agree that, as directed by the Company, I will assign to a third party, including without limitation the United States, all my right, title, and interest in and to any particular Company Invention.

2.6 Enforcement of Intellectual Property Rights and Assistance. During and after the period of my employment and at Company’s request and expense, I will assist Company in every proper way, including consenting to and joining in any action, to obtain and enforce United States and foreign Intellectual Property Rights and Moral Rights relating to Company Inventions in all countries. If the Company is unable to secure my signature on any document needed in connection with such purposes, I hereby irrevocably designate and appoint Company and its duly authorized officers and agents as my agent and attorney in fact, which appointment is coupled with an interest, to act on my behalf to execute and file any such documents and to do all other lawfully permitted acts to further such purposes with the same legal force and effect as if executed by me.

2.7 Incorporation of Software Code. I agree that I will not incorporate into any Company software or otherwise deliver to Company any software code licensed under the GNU General Public License or Lesser General Public License or any other license that, by its terms, requires or conditions the use or distribution of such code on the disclosure, licensing, or distribution of any source code owned or licensed by Company except as expressly authorized by the Company or in strict compliance with the Company’s policies regarding the use of such software.

3. RECORDS. I agree to keep and maintain adequate and current records (in the form of notes, sketches, drawings and in any other form that is required by the Company) of all Inventions made by me during the period of my employment by the Company, which records shall be available to, and remain the sole property of, the Company at all times.

4. RETURN OF COMPANY PROPERTY. Upon termination of my employment or upon Company’s request at any other time, I will deliver to Company all of Company’s property, equipment, and documents, together with all copies thereof, and any other material containing or disclosing any Inventions, Third Party Information or Confidential Information and certify in writing that I have fully complied with the foregoing obligation. I agree that I will not copy, delete, or alter any information contained upon my Company computer or Company equipment before I return it to Company. In addition, if I have used any personal computer, server, or e-mail system to receive, store, review, prepare or transmit any Company information, including but not limited to, Confidential Information, I agree to provide the Company with a computer-useable copy of all such Confidential Information and then permanently delete and expunge such Confidential Information from those systems; and I agree to provide the Company access to my system as reasonably requested to verify that the necessary copying and/or deletion is completed. I further agree that any property situated on Company’s premises and owned by Company is subject to inspection by Company’s personnel at any time with or without notice. Prior to the termination of my employment or promptly after termination of my employment, I will cooperate with Company in attending an exit interview and certify in writing that I have complied with the requirements of this section.

5. NOTIFICATION OF NEW EMPLOYER. If I leave the employ of Company, I consent to the notification of my new employer of my rights and obligations under this Agreement, by Company providing a copy of this Agreement or otherwise.

6. GENERAL PROVISIONS.

6.1 Governing Law and Venue. This Agreement and any action related thereto will be governed and interpreted by and under the laws of the State of California, without giving effect to any conflicts of laws principles that require the application of the law of a different state. I expressly consent to personal jurisdiction and venue in the state and federal courts for the county in which Company’s principal place of business is located for any lawsuit filed there against me by Company arising from or related to this Agreement.

6.2 Severability. If any provision of this Agreement is, for any reason, held to be invalid or unenforceable, the other provisions of this Agreement will remain enforceable and the invalid or unenforceable provision will be deemed modified so that it is valid and enforceable to the maximum extent permitted by law.

6.3 Survival. This Agreement shall survive the termination of my employment and the assignment of this Agreement by Company to any successor or other assignee and shall be binding upon my heirs and legal representatives.

6.4 Employment. I agree and understand that nothing in this Agreement shall give me any right to continued employment by Company, and it will not interfere in any way with my right or Company’s right to terminate my employment at any time, with or without cause and with or without advance notice.

6.5 Notices. Each party must deliver all notices or other communications required or permitted under this Agreement in writing to the other party at the address listed on the signature page, by courier, by certified or registered mail (postage prepaid and return receipt requested), or by a nationally-recognized express mail service. Notice will be effective upon receipt or refusal of delivery. If delivered by certified or registered mail, notice will be considered to have been given five (5) business days after it was mailed, as evidenced by the postmark. If delivered by courier or express mail service, notice will be considered to have been given on the delivery date reflected by the courier or express mail service receipt. Each party may change its address for receipt of notice by giving notice of the change to the other party.

6.6 Injunctive Relief. I acknowledge that, because my services are personal and unique and because I will have access to the Confidential Information of Company, any breach of this Agreement by me would cause irreparable injury to Company for which monetary damages would not be an

adequate remedy and, therefore, will entitle Company to injunctive relief (including specific performance). The rights and remedies provided to each party in this Agreement are cumulative and in addition to any other rights and remedies available to such party at law or in equity.

6.7 Waiver. Any waiver or failure to enforce any provision of this Agreement on one occasion will not be deemed a waiver of that provision or any other provision on any other occasion.

6.8 Export. I agree not to export, reexport, or transfer, directly or indirectly, any U.S. technical data acquired from Company or any products utilizing such data, in violation of the United States export laws or regulations.

6.9 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall be taken together and deemed to be one instrument.

6.10 Entire Agreement. If no other agreement governs nondisclosure and assignment of inventions during any period in which I was previously employed or am in the future employed by Company as an independent contractor, the obligations pursuant to sections of this Agreement titled Confidential Information Protections and Inventions shall apply. This Agreement is the final, complete and exclusive agreement of the parties with respect to the subject matter hereof and supersedes and merges all prior communications between us with respect to such matters. No modification of or amendment to this Agreement, or any waiver of any rights under this Agreement, will be effective unless in writing and signed by me and an officer of the Company authorized by the Board. Any subsequent change or changes in my duties, salary or compensation will not affect the validity or scope of this Agreement.

This Agreement shall be effective as of the first day of my employment with Company.

COMPANY:
ACCEPTED AND AGREED

TaskUs, Inc.

By: /s/ Bryce Maddox

Name: Bryce Maddock

Title: CEO

Address: 2621 33rd Street, Santa Monica, CA 90405

EMPLOYEE:

**I HAVE READ, UNDERSTAND, AND ACCEPT THIS AGREEMENT AND
HAVE BEEN GIVEN THE OPPORTUNITY TO REVIEW IT WITH
INDEPENDENT LEGAL COUNSEL.**

/s/ Jaspar Weir

(Signature)

Jaspar Weir

Name (Please Print)

5/26/2015

Date

Address: 3233 Donald Douglass Loop S,
Santa Monica, CA 90405

EXHIBIT A

INVENTIONS

1. Prior Inventions Disclosure. The following is a complete list of all Prior Inventions (as provided in Subsection 2.2 of the attached Employee Confidential Information and Inventions Assignment Agreement, defined herein as the “*Agreement*”):

None

See immediately below:

2. Limited Exclusion Notification.

THIS IS TO NOTIFY you in accordance with Section 2872 of the California Labor Code that the foregoing Agreement between you and Company does not require you to assign or offer to assign to Company any Invention that you develop entirely on your own time without using

Company's equipment, supplies, facilities or trade secret information, except for those Inventions that either:

a. Relate at the time of conception or reduction to practice to Company's business, or actual or demonstrably anticipated research or development; or

b. Result from any work performed by you for Company.

To the extent a provision in the foregoing Agreement purports to require you to assign an Invention otherwise excluded from the preceding paragraph, the provision is against the public policy of this state and is unenforceable.

This limited exclusion does not apply to any patent or Invention covered by a contract between Company and the United States or any of its agencies requiring full title to such patent or Invention to be in the United States.

EXHIBIT B
2015 PERFORMANCE BONUS PLAN

The Executive shall receive the following bonuses for fiscal year 2015:

1. Revenue Bonus:

- a. The Executive shall receive a bonus of 25% of his base salary if the 2015 Revenue is at least the Revenue Target.
- b. If the 2015 Revenue is less than the Revenue Target, the Executive shall receive a bonus equal to 25% of his base salary multiplied by a fraction, the numerator of which shall equal the 2015 Revenue and the denominator of which shall equal the Revenue Target.

2. EBITDA Bonus:

- a. The Executive shall receive a bonus of 25% of his base salary if the 2015 EBITDA is at least the EBITDA Target.
- b. If the 2015 EBITDA is less than the EBITDA Target, the Executive shall receive a bonus equal to 25% of his base salary multiplied by a fraction, the numerator of which shall equal the 2015 EBITDA and the denominator of which shall equal the EBITDA Target.



CONFIDENTIAL

April 2, 2021

Change Memo

Dear Jaspar,

In light of the continuing COVID-19 pandemic, you agree to accept a reduced base salary to \$30,000.00 effective December 21, 2020. You agree that you will reimburse TaskUs the overpayment of salary that you received between 12/21/2020 through 3/28/2021. The TaskUs Payroll team will provide repayment options, as well as applicable amendments for previous pay periods.

Below you will find details of this change:

Title	President
Current Base Salary	\$350,000.00
Effective as of 12/21/2020	\$30,000.00
Bonus	\$0.00

Further, your 401(K) contributions are currently set up for a 38% deduction of your base salary. In order to obtain the \$19,500.00 at year end, your 401(K) deduction should be changed to 65%. It is highly recommended that you review your contributions no later than April 8, 2021, and submit the necessary change on the mykplan site through ADP at <https://mykplan.adp.com/public/Login/index>, or by calling 1-866-695-7526.

Additionally, your company paid life insurance will be adjusted to \$30,000.00, which is the maximum amount for your base salary.

You will be paid in accordance with TaskUs' standard payroll practices and subject to all withholdings and deductions required by law. All other terms and conditions of your employment remain the same.

I have read and understand the forgoing provisions of this Memo. Agreed to and accepted

by:

/s/ Jaspar Weir
Jaspar Weir

4/2/2021
Date



2/18/21

CONFIDENTIAL

Merit Memo

Dear Jarrod Johnson,

Congratulations! Effective February 15, 2021, your new annual base salary as Chief Customer Officer will increase to \$350,010.26. Below you will find the details of this change.

Current Base Rate \$300,000.22 New Base
Rate \$350,010.26

Please note that nothing in this Memo changes your at-will status of employment, the terms of which may be modified or terminated at any time by TaskUs, with or without notice.

If you have any questions or concerns regarding this memo or the changes set forth above, please do not hesitate to reach out to me directly.

Sincerely,

/s/ Bryce Maddock
Bryce Maddock
CEO

/s/ Jarrod Johnson
Jarrod Johnson

2/19/2021
Date

**RESTRICTED STOCK UNIT GRANT NOTICE
UNDER THE
TASKUS, INC.
2021 OMNIBUS INCENTIVE PLAN
TIME-BASED VESTING AWARD**

TaskUs, Inc., a Delaware corporation (the “Company”), pursuant to its 2021 Omnibus Incentive Plan (as it may be amended and/or restated from time to time, the “Plan”), hereby grants to the Participant the number of Restricted Stock Units set forth below. The Restricted Stock Units are subject to all of the terms and conditions as set forth herein, in the Restricted Stock Unit Agreement (attached hereto or previously provided to the Participant in connection with a prior grant), and in the Plan, all of which are incorporated herein in their entirety. Capitalized terms not otherwise defined herein shall have the meaning set forth in the Plan.

Participant: [Insert Participant Name]

Date of Grant: [●]

Vesting Reference Date: [●]

**Number of
Restricted Stock Units:** [●]

Vesting Schedule: Provided the Participant has not undergone a Termination at the time of the applicable vesting date (or event):

- [●] of the Restricted Stock Units (rounded down to the nearest whole share) will vest on the date that is one year following the Vesting Reference Date (the “Tranche I RSUs”);
- an additional [●] of the Restricted Stock Units (rounded down to the nearest whole share) will vest on each date that is two years after the Vesting Reference Date;
- an additional [●] of the Restricted Stock Units will vest on a date that is three years after the Vesting Reference Date; and
- the remaining [●] of the Restricted Stock Units will vest on a date that is four years after the Vesting Reference Date.

Notwithstanding the foregoing, (i) if the Participant undergoes a Termination by the Service Recipient without Cause prior to the first anniversary of the Vesting Reference Date, then, subject to and conditioned upon the Participant’s (A) execution and non-revocation of a release of claims in favor of the Company (the “Release”) and (B) execution of an agreement not to solicit clients, employees or service providers of the Company Group for a 24-month period commencing on the date of Termination, in each case, in the form provided by the Company, the Tranche I RSUs shall vest as of the date the Release becomes irrevocable and (ii) the Restricted Stock Units shall fully vest if either (A) the Restricted Stock Units would not otherwise be continued, converted, assumed, or replaced by the Company, a member of the Company Group or a successor entity thereto; or (B) if the Participant undergoes a Termination by the Service

Recipient without Cause or due to death or Disability at any time following a Change in Control in which the Restricted Stock Units are continued, converted, assumed, or replaced by the Company, a member of the Company Group or a successor entity thereto.

For the avoidance of doubt, no Termination shall occur unless the Participant is no longer providing any services (whether as an employee, director, consultant or otherwise) to any member of the Company Group.

* * *

TASKUS, INC.

By:
Title:

THE UNDERSIGNED PARTICIPANT ACKNOWLEDGES RECEIPT OF THIS RESTRICTED STOCK UNIT GRANT NOTICE, THE RESTRICTED STOCK UNIT AGREEMENT AND THE PLAN, AND, AS AN EXPRESS CONDITION TO THE GRANT OF RESTRICTED STOCK UNITS HEREUNDER, AGREES TO BE BOUND BY THE TERMS OF THIS RESTRICTED STOCK UNIT GRANT NOTICE, THE RESTRICTED STOCK UNIT AGREEMENT AND THE PLAN.

PARTICIPANT¹

¹ To the extent that the Company has established, either itself or through a third-party plan administrator, the ability to accept this award electronically, such acceptance shall constitute the Participant's signature hereto.

[Signature Page to Restricted Stock Unit Grant Notice]

**TIME-BASED RESTRICTED STOCK UNIT AGREEMENT
UNDER THE
TASKUS, INC.
2021 OMNIBUS INCENTIVE PLAN**

Pursuant to the Restricted Stock Unit Grant Notice (the “**Grant Notice**”) delivered to the Participant (as defined in the Grant Notice), and subject to the terms of this Restricted Stock Unit Agreement (this “**Restricted Stock Unit Agreement**”) and the TaskUs, Inc. 2021 Omnibus Incentive Plan, as it may be amended and restated from time to time (the “**Plan**”), TaskUs, Inc., a Delaware corporation (the “**Company**”), and the Participant agree as follows. Capitalized terms not otherwise defined herein shall have the same meaning as set forth in the Plan.

1. **Grant of Restricted Stock Units.** Subject to the terms and conditions set forth herein and in the Plan, the Company hereby grants to the Participant the number of Restricted Stock Units provided in the Grant Notice (with each Restricted Stock Unit representing an unfunded, unsecured right to receive one share of Class A Common Stock). The Company may make one or more additional grants of Restricted Stock Units to the Participant under this Restricted Stock Unit Agreement by providing the Participant with a new grant notice, which may also include any terms and conditions differing from this Restricted Stock Unit Agreement to the extent provided therein. The Company reserves all rights with respect to the granting of additional Restricted Stock Units hereunder and makes no implied promise to grant additional Restricted Stock Units.

2. **Vesting.** Subject to the conditions contained herein and in the Plan, the Restricted Stock Units shall vest as provided in the Grant Notice.

3. **Settlement of Restricted Stock Units.** Subject to any election by the Committee pursuant to Section 9(d)(ii) of the Plan, the Company will deliver to the Participant, without charge, as soon as reasonably practicable (and, in any event, within two and one-half months) following the applicable vesting date, one share of Class A Common Stock for each Restricted Stock Unit (as adjusted under the Plan, as applicable) which becomes vested hereunder and such vested Restricted Stock Unit shall be cancelled upon such delivery. The Company shall either (a) deliver, or cause to be delivered, to the Participant a certificate or certificates therefor, registered in the Participant’s name or (b) cause such shares of Class A Common Stock to be credited to the Participant’s account at the third party plan administrator. Notwithstanding anything in this Restricted Stock Unit Agreement to the contrary, the Company shall have no obligation to issue or transfer any shares of Class A Common Stock as contemplated by this Restricted Stock Unit Agreement unless and until such issuance or transfer complies with all relevant provisions of law and the requirements of any stock exchange on which the Company’s shares of Class A Common Stock are listed for trading.

4. **Treatment of Restricted Stock Units upon Termination.** The provisions of Section 9(c)(ii) of the Plan are incorporated herein by reference and made a part hereof, subject to the Vesting Schedule as provided in the Grant Notice (and for the avoidance of doubt, in the event of any conflict of the Grant Notice and Section 9(c)(ii) of the Plan, the provisions of the Grant Notice will prevail).

5. **Company; Participant.**

(a) The term “Company” as used in this Restricted Stock Unit Agreement with reference to employment or service shall include the applicable Service Recipient.

(b) Whenever the word “Participant” is used in any provision of this Restricted Stock Unit Agreement under circumstances where the provision should logically be construed to apply to the executors, the administrators, or the person or persons to whom the Restricted Stock Units may be transferred in accordance with Section 13(b) of the Plan, the word “Participant” shall be deemed to include such person or persons.

6. **Non-Transferability.** The Restricted Stock Units are not transferable by the Participant except to Permitted Transferees in accordance with Section 13(b) of the Plan. Except as

otherwise provided herein, no assignment or transfer of the Restricted Stock Units, or of the rights represented thereby, whether voluntary or involuntary, by operation of law or otherwise, shall vest in the assignee or transferee any interest or right herein whatsoever, but immediately upon such assignment or transfer the Restricted Stock Units shall terminate and become of no further effect.

7. **Rights as Stockholder**. Subject to any payments to be provided to the Participant in accordance with the Grant Notice and Section 13(c)(iii) of the Plan, the Participant or a Permitted Transferee shall have no rights as a stockholder with respect to any share of Class A Common Stock underlying a Restricted Stock Unit unless and until the Participant shall have become the holder of record or the beneficial owner of such Class A Common Stock, and no adjustment shall be made for dividends or distributions or other rights in respect of such share of Class A Common Stock for which the record date is prior to the date upon which the Participant shall become the holder of record or the beneficial owner thereof.

8. **Tax Withholding**. The provisions of Section 13(d) of the Plan are incorporated herein by reference and made a part hereof.

9. **Notice**. Every notice or other communication relating to this Restricted Stock Unit Agreement between the Company and the Participant shall be in writing, which may include by electronic mail, and shall be mailed to or delivered to the party for whom it is intended at such address as may from time to time be designated by such party in a notice mailed or delivered to the other party as herein provided; *provided*, that, unless and until some other address be so designated, all notices or communications by the Participant to the Company shall be mailed or delivered to the Company at its principal executive office, to the attention of the Company's VP Legal, Corporate Secretary or its designee, and all notices or communications by the Company to the Participant may be given to the Participant personally or may be mailed to the Participant at the Participant's last known address, as reflected in the Company's records. Notwithstanding the above, all notices and communications between the Participant and any third-party plan administrator shall be mailed, delivered, transmitted or sent in accordance with the procedures established by such third-party plan administrator and communicated to the Participant from time to time.

10. **No Right to Continued Service**. This Restricted Stock Unit Agreement does not confer upon the Participant any right to continue as an employee or service provider to the Service Recipient or any other member of the Company Group.

11. **Binding Effect**. This Restricted Stock Unit Agreement shall be binding upon the heirs, executors, administrators and successors of the parties hereto.

12. **Waiver and Amendments**. Except as otherwise set forth in Section 12 of the Plan, any waiver, alteration, amendment or modification of any of the terms of this Restricted Stock Unit Agreement shall be valid only if made in writing and signed by the parties hereto; *provided, however*, that any such waiver, alteration, amendment or modification is consented to on the Company's behalf by the Committee. No waiver by either of the parties hereto of their rights hereunder shall be deemed to constitute a waiver with respect to any subsequent occurrences or transactions hereunder unless such waiver specifically states that it is to be construed as a continuing waiver.

13. **Clawback/Forfeiture**. This Restricted Stock Unit Agreement shall be subject to reduction, cancellation, forfeiture or recoupment to the extent necessary to comply with (i) any clawback, forfeiture or other similar policy adopted by the Board or the Committee and as in effect from time to time; and (ii) Applicable Law. In addition, if the Participant receives any amount in excess of what the Participant should have received under the terms of this Restricted Stock Unit Agreement for any reason (including without limitation by reason of a financial restatement, mistake in calculations or other administrative error), then the Participant shall be required to repay any such excess amount to the Company.

14. **Detrimental Activity**. Notwithstanding anything to the contrary contained herein or in the Plan, if the Participant has engaged in or engages in any Detrimental Activity, as determined by the Committee, then the Committee may, in its sole discretion, take actions permitted under the Plan,

including, but not limited to: (i) cancelling any and all Restricted Stock Unit, or (ii) requiring that the Participant forfeit any gain realized on the settlement of the Restricted Stock Unit or the disposition of any Class A Common Stock received upon settlement of the Restricted Stock Units, and repay such gain to the Company.

15. **Right to Offset.** The provisions of Section 13(x) of the Plan are incorporated herein by reference and made a part hereof.

15. **Governing Law.** This Restricted Stock Unit Agreement shall be construed and interpreted in accordance with the laws of the State of Delaware, without regard to the principles of conflicts of law thereof. Notwithstanding anything contained in this Restricted Stock Unit Agreement, the Grant Notice or the Plan to the contrary, if any suit or claim is instituted by the Participant or the Company relating to this Restricted Stock Unit Agreement, the Grant Notice or the Plan, the Participant hereby submits to the exclusive jurisdiction of and venue in the courts of Delaware.

16. **Plan.** The terms and provisions of the Plan are incorporated herein by reference. In the event of a conflict or inconsistency between the terms and provisions of the Plan and the provisions of this Restricted Stock Unit Agreement (including the Grant Notice), the Plan shall govern and control.

17. **Section 409A.** It is intended that the Restricted Stock Units granted hereunder shall be exempt from Section 409A of the Code pursuant to the “short-term deferral” rule applicable to such section, as set forth in the regulations or other guidance published by the Internal Revenue Service thereunder and shall be interpreted as such.

18. **Imposition of Other Requirements.** The Company reserves the right to impose other requirements on the Participant’s participation in the Plan, on the Restricted Stock Unit and on any shares of Class A Common Stock acquired under the Plan, to the extent that the Company, in its sole discretion, determines it is necessary or advisable for legal or administrative reasons, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

19. **Electronic Delivery and Acceptance.** The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

20. **Entire Agreement.** This Restricted Stock Unit Agreement (including, without limitation, all exhibits attached hereto), the Grant Notice and the Plan constitute the entire agreement of the parties hereto in respect of the subject matter contained herein and supersede all prior agreements and understandings of the parties, oral and written, with respect to such subject matter.

**OPTION GRANT NOTICE
UNDER THE
TASKUS, INC.
2021 OMNIBUS INCENTIVE PLAN**

TaskUs, Inc., a Delaware corporation (the “Company”), pursuant to its 2021 Omnibus Incentive Plan (as it may be amended and/or restated from time to time, the “Plan”), hereby grants to the Participant the number of Options (each Option representing the right to purchase one share of Class A Common Stock) set forth below, at an Exercise Price per share as set forth below. The Options are subject to all of the terms and conditions as set forth herein, in the Option Agreement (attached hereto or previously provided to the Participant in connection with a prior grant), and in the Plan, all of which are incorporated herein in their entirety. Capitalized terms not otherwise defined herein shall have the meaning set forth in the Plan.

Participant: [Insert Participant Name]

Date of Grant: [●]

Vesting Reference Date: [●]

Number of Options: [Insert Number of Options Granted]

Exercise Price: \$[Insert Exercise Price]

Option Period Expiration Date: 10th anniversary of Grant Date

Type of Option: Non-Qualified Stock Option

Vesting Schedule: Provided the Participant has not undergone a Termination at the time of the applicable vesting date (or event):

- [●] of the Options (rounded down to the nearest whole share) will vest on the date that is one year following the Vesting Reference Date (the “Tranche I Options”); and
- An additional [●] of the Options (rounded down to the nearest whole share) will vest on the date that is two years after the Vesting Reference Date;
- an additional [●] of the Options will vest on the date that is three years after the Vesting Reference Date; and
- the remaining [●] of the Options shall vest on the fourth anniversary of the Vesting Reference Date.

Notwithstanding the foregoing, (i) if the Participant undergoes a Termination by the Service Recipient without Cause prior to the first anniversary of the Vesting Reference Date, then, subject to and conditioned upon the Participant’s (A) execution and non-revocation of a release of claims in favor of the Company the (“Release”) and (B) execution of an agreement not to solicit clients, employees, or service providers of the Company Group for a 24-month period commencing on the date of Termination, in each case, in the form provided by the Company, the Tranche I Options shall vest on the date the Release becomes irrevocable and (ii) the

Options shall fully vest and become exercisable if either (A) the Options would not otherwise be continued, converted, assumed, or replaced by the Company, a member of the Company Group or a successor entity thereto; or (B) if the Participant undergoes a Termination by the Service Recipient without Cause or due to death or Disability at any time following a Change in Control in which the Options are continued, converted, assumed, or replaced by the Company, a member of the Company Group or a successor entity thereto.

* * *

TASKUS, INC.

By:
Title:

THE UNDERSIGNED PARTICIPANT ACKNOWLEDGES RECEIPT OF THIS OPTION GRANT NOTICE, THE OPTION AGREEMENT AND THE PLAN, AND, AS AN EXPRESS CONDITION TO THE GRANT OF OPTIONS HEREUNDER, AGREES TO BE BOUND BY THE TERMS OF THIS OPTION GRANT NOTICE, THE OPTION AGREEMENT AND THE PLAN.

PARTICIPANT¹

¹ To the extent that the Company has established, either itself or through a third-party plan administrator, the ability to accept this award electronically, such acceptance shall constitute the Participant's signature hereto.

[Signature Page to Option Grant Notice]

**OPTION AGREEMENT
UNDER THE
TASKUS, INC.
2021 OMNIBUS INCENTIVE PLAN**

Pursuant to the Option Grant Notice (the "Grant Notice") delivered to the Participant (as defined in the Grant Notice), and subject to the terms of this Option Agreement (this "Option Agreement") and the TaskUs, Inc. 2021 Omnibus Incentive Plan, as it may be amended and restated from time to time (the "Plan"), TaskUs, Inc., a Delaware corporation (the "Company"), and the Participant agree as follows. Capitalized terms not otherwise defined herein shall have the same meaning as set forth in the Plan.

1. **Grant of Option.** Subject to the terms and conditions set forth herein and in the Plan, the Company hereby grants to the Participant the number of Options provided in the Grant Notice (with each Option representing the right to purchase one share of Class A Common Stock), at an Exercise Price per share as provided in the Grant Notice. The Company may make one or more additional grants of Options to the Participant under this Option Agreement by providing the Participant with a new grant notice, which may also include any terms and conditions differing from this Option Agreement to the extent provided therein. The Company reserves all rights with respect to the granting of additional Options hereunder and makes no implied promise to grant additional Options.

2. **Vesting.** Subject to the conditions contained herein and in the Plan, the Options shall vest as provided in the Grant Notice.

3. **Exercise of Options Following Termination.** The provisions of Section 7(c)(ii) of the Plan are incorporated herein by reference and made a part hereof, subject to the Vesting Schedule as provided in the Grant Notice (and for the avoidance of doubt, in the event of any conflict of the Grant Notice and Section 7(c)(ii) of the Plan, the provisions of the Grant Notice will prevail).

4. **Method of Exercising Options.** The Options may be exercised by the delivery of notice of the number of Options that are being exercised accompanied by payment in full of the Exercise Price applicable to the Options so exercised. Such notice shall be delivered either (a) in writing to the Company at its principal office or at such other address as may be established by the Committee, to the attention of the Company's VP Legal, Corporate Secretary or its designee; or (b) to a third-party plan administrator as may be arranged for by the Company or the Committee from time to time for purposes of the administration of outstanding Options under the Plan, in the case of either (a) or (b), as communicated to the Participant by the Company from time to time. Payment of the aggregate Exercise Price may be made using any of the methods described in Section 7(d)(i) or (ii) of the Plan; provided, that the Participant shall obtain written consent from the Committee prior to the use of the methods described in Section 7(d)(ii)(A) of the Plan.

5. **Issuance of Class A Common Stock.** Following the exercise of an Option hereunder, as promptly as practical after receipt of such notification and full payment of such Exercise Price and any required income or other tax withholding amount (as provided in Section 9 hereof), the Company shall issue or transfer, or cause such issue or transfer, to the Participant the number of shares of Class A Common Stock with respect to which the Options have been so exercised, and shall either (a) deliver, or cause to be delivered, to the Participant, a certificate or certificates therefor, registered in the Participant's name or (b) cause such shares of Class A Common Stock to be credited to the Participant's account at the third-party plan administrator.

6. **Company; Participant.**

(a) The term "Company" as used in this Option Agreement with reference to employment or service shall include the applicable Service Recipient.

(b) Whenever the word "Participant" is used in any provision of this Option Agreement under circumstances where the provision should logically be construed to apply to the executors, the administrators, or the person or persons to whom the Options may be transferred in

accordance with Section 13(b) of the Plan, the word "Participant" shall be deemed to include such person or persons.

7. **Non-Transferability.** The Options are not transferable by the Participant except to Permitted Transferees in accordance with Section 13(b) of the Plan. Except as otherwise provided herein, no assignment or transfer of the Options, or of the rights represented thereby, whether voluntary or involuntary, by operation of law or otherwise, shall vest in the assignee or transferee any interest or right herein whatsoever, but immediately upon such assignment or transfer the Options shall terminate and become of no further effect.

8. **Rights as Stockholder.** The Participant or a Permitted Transferee of the Options shall have no rights as a stockholder with respect to any share of Class A Common Stock covered by an Option unless and until the Participant shall have become the holder of record or the beneficial owner of such share of Class A Common Stock, and no adjustment shall be made for dividends or distributions or other rights in respect of such share of Class A Common Stock for which the record date is prior to the date upon which the Participant shall become the holder of record or the beneficial owner thereof.

9. **Tax Withholding.** The provisions of Section 13(d) of the Plan are incorporated herein by reference and made a part hereof.

10. **Notice.** Every notice or other communication relating to this Option Agreement between the Company and the Participant shall be in writing, which may include by electronic mail, and shall be mailed to or delivered to the party for whom it is intended at such address as may from time to time be designated by such party in a notice mailed or delivered to the other party as herein provided; provided, that, unless and until some other address be so designated, all notices or communications by the Participant to the Company shall be mailed or delivered to the Company at its principal executive office, to the attention of the Company's VP Legal, Corporate Secretary or its designee, and all notices or communications by the Company to the Participant may be given to the Participant personally or may be mailed to the Participant at the Participant's last known address, as reflected in the Company's records. Notwithstanding the above, all notices and communications between the Participant and any third-party plan administrator shall be mailed, delivered, transmitted or sent in accordance with the procedures established by such third-party plan administrator and communicated to the Participant from time to time.

11. **No Right to Continued Service.** This Option Agreement does not confer upon the Participant any right to continue as an employee or service provider to the Service Recipient or any other member of the Company Group.

12. **Binding Effect.** This Option Agreement shall be binding upon the heirs, executors, administrators and successors of the parties hereto.

13. **Waiver and Amendments.** Except as otherwise set forth in Section 12 of the Plan, any waiver, alteration, amendment or modification of any of the terms of this Option Agreement shall be valid only if made in writing and signed by the parties hereto; provided, however, that any such waiver, alteration, amendment or modification is consented to on the Company's behalf by the Committee. No waiver by either of the parties hereto of their rights hereunder shall be deemed to constitute a waiver with respect to any subsequent occurrences or transactions hereunder unless such waiver specifically states that it is to be construed as a continuing waiver.

14. **Clawback/Repayment.** This Option Agreement shall be subject to reduction, cancellation, forfeiture or recoupment to the extent necessary to comply with (i) any clawback, forfeiture or other similar policy adopted by the Board or the Committee and as in effect from time to time; and (ii) Applicable Law. In addition, if the Participant receives any amount in excess of what the Participant should have received under the terms of this Option Agreement for any reason (including, without limitation, by reason of a financial restatement, mistake in calculations or other administrative error), then the Participant shall be required to repay any such excess amount to the Company.

15. **Detrimental Activity.** Notwithstanding anything to the contrary contained herein or in the Plan, if the Participant has engaged in or engages in any Detrimental Activity, as

determined by the Committee, then the Committee may, in its sole discretion, take actions permitted under the Plan, including, but not limited to: (i) cancelling any and all Option, or (ii) requiring that the Participant forfeit any gain realized on the exercise of the Options or the disposition of any Class A Common Stock received upon exercise of the Options, and repay such gain to the Company.

16. **Right to Offset.** The provisions of Section 13(x) of the Plan are incorporated herein by reference and made a part hereof.

17. **Governing Law.** This Option Agreement shall be construed and interpreted in accordance with the laws of the State of Delaware, without regard to the principles of conflicts of law thereof. Notwithstanding anything contained in this Option Agreement, the Grant Notice or the Plan to the contrary, if any suit or claim is instituted by the Participant or the Company relating to this Option Agreement, the Grant Notice or the Plan, the Participant hereby submits to the exclusive jurisdiction of and venue in the courts of Delaware.

18. **Plan.** The terms and provisions of the Plan are incorporated herein by reference. In the event of a conflict or inconsistency between the terms and provisions of the Plan and the provisions of this Option Agreement (including the Grant Notice), the Plan shall govern and control.

19. **Imposition of Other Requirements.** The Company reserves the right to impose other requirements on the Participant's participation in the Plan, on the Option and on any Class A Common Stock acquired under the Plan, to the extent that the Company, in its sole discretion, determines it is necessary or advisable for legal or administrative reasons, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

20. **Electronic Delivery and Acceptance.** The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

21. **Entire Agreement.** This Option Agreement (including, without limitation, all exhibits attached hereto), the Grant Notice and the Plan constitute the entire agreement of the parties hereto in respect of the subject matter contained herein and supersede all prior agreements and understandings of the parties, oral and written, with respect to such subject matter.

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Bryce Maddock, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the three months ended March 31, 2022 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 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) [Reserved];
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 10, 2022

/s/ Bryce Maddock

Bryce Maddock
Chief Executive Officer
(Principal Executive Officer)

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Balaji Sekar, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the three months ended March 31, 2022 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 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) [Reserved];
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 10, 2022

/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 three months ended March 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Bryce Maddock, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

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

/s/ Bryce Maddock

Bryce Maddock

Chief Executive Officer

(Principal Executive Officer)

May 10, 2022

**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 three months ended March 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Balaji Sekar, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

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

/s/ Balaji Sekar

Balaji Sekar
Chief Financial Officer
(Principal Financial Officer)

May 10, 2022