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

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of Earliest Event Reported): November 10, 2021

TaskUs, Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-40482
(Commission
File Number)

83-1586636
(IRS Employer
Identification No.)

**1650 Independence Drive, Suite 100
New Braunfels, Texas 78132**
(Address of Principal Executive Offices) (Zip Code)

(888) 400-8275
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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 is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

Item 2.02 Results of Operations and Financial Condition.

On November 10, 2021, TaskUs, Inc. issued a press release announcing earnings for the third quarter ended September 30, 2021. A copy of the press release is furnished herewith as Exhibit 99.1 and is incorporated by reference herein in its entirety.

The information furnished pursuant to this Item 2.02, including Exhibit 99.1, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) or otherwise subject to the liabilities under that section and shall not be deemed to be incorporated by reference into any filings under the Securities Act of 1933, as amended or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.**(d) Exhibits.**

Exhibit No.	Description
99.1	Press release of TaskUs, Inc., dated November 10, 2021, announcing earnings for the third quarter ended September 30, 2021.
104	Cover Page Interactive Data File (formatted as Inline XBRL)

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 hereunto duly authorized.

TASKUS, INC.

By: /s/ Balaji Sekar

Name: Balaji Sekar

Title: Chief Financial Officer

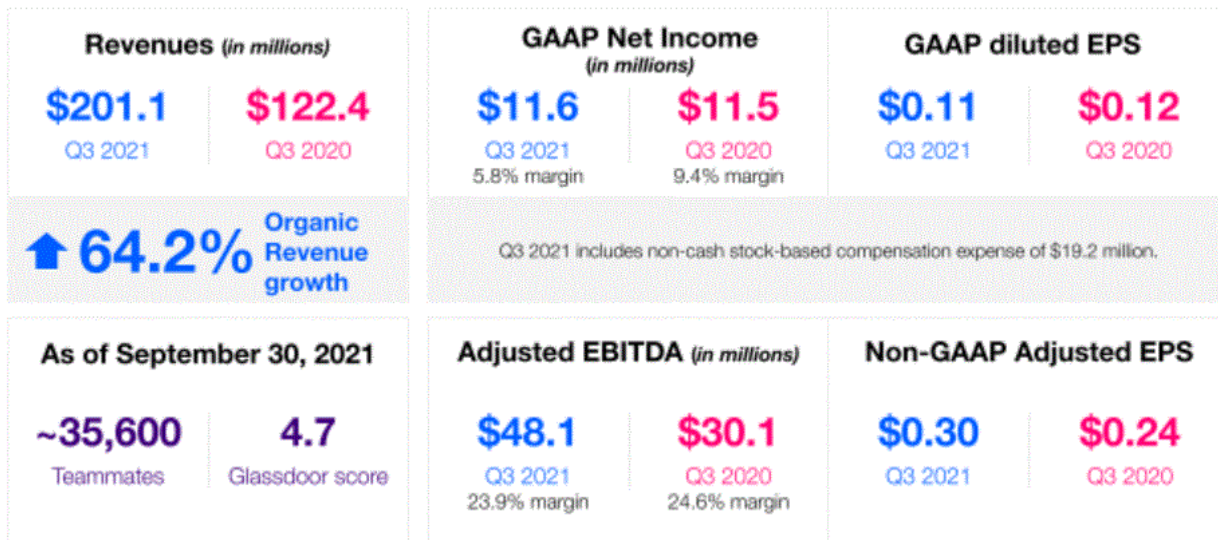
Date: November 10, 2021

TaskUs Announces Fiscal Third Quarter 2021 Results

- **Third quarter total revenues of \$201.1 million**, representing 64.2% of year-over-year growth, which was entirely organic.
- **GAAP net income margin of 5.8%**, including non-cash stock-based compensation expense of \$19.2 million.
- **Adjusted EBITDA margin of 23.9%**, non-GAAP adjusted net income margin of 16.3%.
- **Full year 2021 outlook for revenues between \$747 and \$751 million**, representing growth of *approximately 56.7% at the midpoint, and Adjusted EBITDA margins of between 24.0% and 24.2%*.

NEW BRAUNFELS, Texas, November 10, 2021 — TaskUs, Inc. (Nasdaq: TASK), a leading outsourcing provider for high growth companies, today announced its results for the third quarter of 2021, ended September 30, 2021.

“We had a tremendous quarter in signings, revenue, profit, client retention and employee satisfaction,” said Co-Founder and CEO, Bryce Maddock. “In the third quarter of 2021, we saw year-over-year revenue growth of over 64%, which was entirely organic, and Adjusted EBITDA margins of almost 24%. These results are all thanks to the hard work of our teammates throughout the globe. We hired approximately 4,100 net new TaskUs teammates this quarter with a fill rate of approximately 99% - evidence that our investment in building the best employee experience in our industry continues to pay off.



Third Quarter 2021 Financial Highlights

- Revenues were \$201.1 million, representing 64.2% year-over-year organic growth compared to the third quarter of 2020.
- GAAP net income was \$11.6 million, representing a margin of 5.8%, compared with GAAP net income in the third quarter of 2020 of \$11.5 million, representing a margin of 9.4%. The third quarter of 2021 included non-cash stock-based compensation expense of \$19.2 million.
- Adjusted EBITDA was \$48.1 million, representing an Adjusted EBITDA margin of 23.9%, compared to Adjusted EBITDA of \$30.1 million and an Adjusted EBITDA margin of 24.6% in the third quarter of 2020.
- Non-GAAP Adjusted Net Income was \$32.8 million representing a non-GAAP Adjusted Net Income Margin of 16.3% compared to \$22.2 million and 18.1% in the third quarter of 2020.



- GAAP diluted earnings per share was \$0.11 compared to \$0.12 in the period a year ago.
- Non-GAAP Adjusted EPS was \$0.30 compared to \$0.24 in the period a year ago.

Third Quarter 2021 Frontline Highlights

- Ended the quarter with 35,600 teammates (approximately 90% working from home), an increase of approximately 4,100 from June 30, 2021, with a fill rate of approximately 99%.
- TaskUs India offices reaches almost 5,000 employees within 2 years of country launch; making India the fastest growing country in TaskUs history.
- TaskUs Glassdoor score as of September 30, 2021 was 4.7.

Fourth Quarter and Full Year 2021 Outlook

For the fourth quarter and full year 2021 TaskUs expects its financial results to include¹:

	2021 Outlook	
	Fourth Quarter	Full Year
Revenue (in millions)	\$213 to \$217	\$747 to \$751
Revenue growth (YoY) at midpoint	54.9%	56.7%
Adjusted EBITDA Margin	22.0% to 23.3%	24.0% to 24.2%

1. With respect to the non-GAAP Adjusted EBITDA margin outlook provided above, a reconciliation to the closest GAAP financial measure has not been provided as the quantification of certain items included in the calculation of GAAP net income (loss) cannot be calculated or predicted at this time without unreasonable efforts. For example, the non-GAAP adjustment for stock-based compensation expense requires additional inputs such as number of shares granted and market price that are not currently ascertainable, the non-GAAP adjustment for foreign currency gains or losses depends on the timing and magnitude of changes in foreign currency exchange rates and cannot be accurately forecasted. For the same reasons, the Company is unable to address the probable significance of the unavailable information, which could have a potentially unpredictable, and potentially significant, impact on its future GAAP financial results.

Conference Call Information

TaskUs senior management will host a conference call today to discuss the Company's third quarter 2021 financial results and financial outlook. This call is scheduled to begin at 5:00 pm ET and can be accessed by dialing (844) 721-1080 from the United States or Canada or (929) 517-0923 from other international locations and reference conference ID: 6571296. To listen to a live audio webcast, please visit TaskUs' Investor Relations website at IR.Taskus.com. A replay of the audio webcast will be available for 90 days on the same website following the call. Concurrent with the conference call and webcast, the Company plans to make a slide presentation available on its website.

About TaskUs

TaskUs is a provider of outsourced digital services and next-generation customer experience to innovative and disruptive technology companies, helping its clients represent, protect and grow their brands. Leveraging a cloud-based infrastructure, TaskUs serves clients in the fastest-growing sectors, including social media, e-commerce, gaming, streaming media, food delivery and ridesharing, HiTech, FinTech and HealthTech. As of September 30, 2021, TaskUs had approximately 35,600 employees across twenty locations in the United States, the Philippines, India, Mexico, Taiwan, Greece, Ireland and Colombia.

Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include all statements that are not historical facts, and further include, without limitation, statements reflecting our current views with respect to, among other things, our operations, our financial performance, our industry, the impact of the COVID-19 global pandemic on our business, and other non-historical statements including the statements in the "Fourth Quarter and Full Year 2021 Outlook" section of this press release. 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. These factors include but are not limited to: the dependence of our business on key clients; the risk of loss of business or non-payment from significant clients; our failure to cost-effectively



acquire new, high-growth clients; the risk that we may 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; unauthorized or improper disclosure of personal or other sensitive information, or security breaches and incidents; negative publicity or liability or difficulty retaining and recruiting employees; our failure to detect and deter criminal or fraudulent activities or other misconduct by our employees; global economic and political conditions, especially in the social media and meal delivery and transport industries from which we generate most of our revenue; the dependence of our business on our international operations, particularly in the Philippines and India; our failure to comply with applicable privacy and data security laws and regulations; substantial increases in the costs of technology and telecommunications services or our inability to attract and retain the necessary technologists; our inability to 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; our inability to maintain and enhance our brand; competitive pricing pressure; our dependence on senior management and key employees; the limited experience of our management team in managing a public company; the ongoing COVID-19 pandemic, including the resulting global economic uncertainty and measures taken in response to the pandemic; the control of affiliates of Blackstone Inc. and our Co-Founders over us; and the dual class structure of our common stock. Additional risks and uncertainties include but are not limited to those described under "Risk Factors" in the Company's prospectus dated October 20, 2021 (the "prospectus"), filed with the Securities and Exchange Commission (the "SEC") pursuant to Rule 424(b)(4) of the Securities Act of 1933, as amended, on October 22, 2021, as such 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. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in the prospectus and the Company's other SEC filings. TaskUs undertakes no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law.

Non-GAAP Measures

TaskUs supplements results reported in accordance with United States generally accepted accounting principles, referred to as GAAP, with non-GAAP financial measures, such as Adjusted Net Income, Adjusted EPS, EBITDA and Adjusted EBITDA. Management believes these measures help illustrate underlying trends in TaskUs' business and uses the measures to establish budgets and operational goals, communicate internally and externally, for managing TaskUs' business and evaluating its performance. Management also believes these measures help investors compare TaskUs' operating performance with its results in prior periods. TaskUs anticipates that it will continue to report both GAAP and certain non-GAAP financial measures in its financial results, including non-GAAP results that exclude the impact of certain costs, losses and gains that are required to be included in our profit and loss measures under GAAP. Because TaskUs' reported non-GAAP financial measures are not calculated in accordance with GAAP, these measures are not comparable to GAAP and may not be comparable to similarly described non-GAAP measures reported by other companies within TaskUs' industry. Consequently, TaskUs' non-GAAP financial measures should not be evaluated in isolation or supplant comparable GAAP measures, but rather, should be considered together with the information in TaskUs' consolidated financial statements, which are prepared in accordance with GAAP. Definitions of non-GAAP financial measures and the reconciliations to the most directly comparable measures in accordance with GAAP are provided in subsequent sections of this press release narrative and supplemental schedules.

Investor Contact

Alan Katz, VP, Investor Relations

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Media Contact

Jonathan Keehner / Kate Thompson / Tanner Kaufman

Joele Frank, Wilkinson Brimmer Katcher

(212) 355-4449



TaskUs, Inc.
Condensed Consolidated Statements of Operations (unaudited)
(in thousands, except per share data)

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Service revenue	\$ 201,053	\$ 122,425	\$ 533,946	\$ 339,254
Operating expenses:				
Cost of services	112,423	65,378	304,251	191,296
Selling, general, and administrative expense	60,342	32,190	269,650	83,630
Depreciation	7,422	3,696	20,354	14,225
Amortization of intangible assets	4,711	4,711	14,135	14,135
Loss on disposal of assets	26	155	54	150
Contingent consideration	—	—	—	3,570
Total operating expenses	184,924	106,130	608,444	307,006
Operating income (loss)	16,129	16,295	(74,498)	32,248
Other expense	1,204	628	299	888
Financing expenses	1,633	1,647	4,808	5,849
Income (loss) before income taxes	13,292	14,020	(79,605)	25,511
Provision for (benefit from) income taxes	1,656	2,564	(1,805)	4,532
Net income (loss)	\$ 11,636	\$ 11,456	\$ (77,800)	\$ 20,979
Net income (loss) per common share:				
Basic	\$ 0.12	\$ 0.12	\$ (0.83)	\$ 0.23
Diluted	\$ 0.11	\$ 0.12	\$ (0.83)	\$ 0.23



TaskUs, Inc.
Condensed Consolidated Balance Sheets (unaudited)
(in thousands)

	<u>September 30, 2021</u>	<u>December 31, 2020</u>
Assets		
Current assets:		
Cash	\$ 61,330	\$ 107,728
Accounts receivable, net of allowance for doubtful accounts of \$2,931 and \$2,294, respectively	157,605	87,782
Other receivables	691	105
Prepaid expenses	8,654	13,032
Income tax receivable	2,232	1,606
Other current assets	2,729	1,051
Total current assets	<u>233,241</u>	<u>211,304</u>
Noncurrent assets:		
Property and equipment, net	72,143	56,957
Deferred tax assets	539	585
Intangibles	226,160	240,295
Goodwill	195,735	195,735
Other noncurrent assets	3,714	2,630
Total noncurrent assets	<u>498,291</u>	<u>496,202</u>
Total assets	<u>\$ 731,532</u>	<u>\$ 707,506</u>
Liabilities and Shareholders' Equity		
Liabilities:		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 44,767	\$ 41,935
Accrued payroll and employee-related liabilities	43,920	21,994
Current portion of debt	49,822	45,984
Current portion of income tax payable	2,152	—
Deferred revenue	6,847	4,711
Deferred rent	394	218
Total current liabilities	<u>147,902</u>	<u>114,842</u>
Noncurrent liabilities:		
Income tax payable	2,988	2,988
Long-term debt	191,039	198,768
Deferred rent	2,735	2,194
Accrued payroll and employee-related liabilities	2,640	2,641
Deferred tax liabilities	41,244	50,936
Total noncurrent liabilities	<u>240,646</u>	<u>257,527</u>
Total liabilities	<u>388,548</u>	<u>372,369</u>
Total shareholders' equity	<u>342,984</u>	<u>335,137</u>
Total liabilities and shareholders' equity	<u>\$ 731,532</u>	<u>\$ 707,506</u>



TaskUs, Inc.
Condensed Consolidated Statement of Cash Flows (unaudited)
(in thousands)

	Nine months ended September 30,	
	2021	2020
Cash flows from operating activities:		
Net income (loss)	\$ (77,800)	\$ 20,979
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation	20,354	14,220
Amortization of intangibles	14,135	14,135
Amortization of debt financing fees	387	343
Loss on disposal of assets	54	150
Provision for losses on accounts receivable	705	2,229
Unrealized foreign exchange losses on forward contracts	5,831	1,339
Deferred taxes	(9,692)	(2,876)
Stock-based compensation expense	25,014	—
Changes in operating assets and liabilities:		
Accounts receivable	(70,560)	(25,445)
Other receivables, prepaid expenses, and other current assets	(4,753)	(10)
Other noncurrent assets	(1,211)	(397)
Accounts payable and accrued liabilities	4,793	9,326
Accrued payroll and employee-related liabilities	24,524	12,788
Income tax payable	1,820	(3,343)
Deferred revenue	2,139	1,722
Deferred rent	834	469
Net cash provided by (used in) operating activities	<u>(63,426)</u>	<u>45,629</u>
Cash flows from investing activities:		
Purchase of property and equipment	(38,603)	(21,886)
Net cash used in investing activities	<u>(38,603)</u>	<u>(21,886)</u>
Cash flows from financing activities:		
Proceeds from borrowing, Revolving credit facility	—	39,878
Payments on long-term debt	(3,938)	(1,575)
Payments for debt financing fees	(340)	—
Proceeds from issuance of common stock, net of underwriters' fees	120,698	—
Payments for offering costs	(4,327)	—
Distribution of dividends	(50,000)	—
Net cash provided by financing activities	<u>62,093</u>	<u>38,303</u>
Increase (decrease) in cash and cash equivalents	<u>(39,936)</u>	<u>62,046</u>
Effect of exchange rate changes on cash	(6,462)	2,720
Cash and cash equivalents at beginning of period	107,728	37,541
Cash and cash equivalents at end of period	<u>\$ 61,330</u>	<u>\$ 102,307</u>



TaskUs, Inc.
Non-GAAP Reconciliations
Adjusted EBITDA (unaudited)
(in thousands, except margin amounts)

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Net income (loss)	\$ 11,636	\$ 11,456	\$ (77,800)	\$ 20,979
Provision for (benefit from) income taxes	1,656	2,564	(1,805)	4,532
Financing expenses	1,633	1,647	4,808	5,849
Depreciation	7,422	3,696	20,354	14,225
Amortization of intangible assets	4,711	4,711	14,135	14,135
EBITDA	<u>\$ 27,058</u>	<u>\$ 24,074</u>	<u>\$ (40,308)</u>	<u>\$ 59,720</u>
Offering costs ⁽¹⁾	488	385	6,249	385
Foreign currency losses ⁽²⁾	1,285	637	477	927
Loss on disposal of assets	26	155	54	150
COVID-19 related expenses ⁽³⁾	—	1,309	6,105	5,068
Severance costs ⁽⁴⁾	—	2,057	—	2,627
Lease termination costs ⁽⁵⁾	—	1,500	—	1,500
Natural disaster ⁽⁶⁾	—	—	442	—
Contingent consideration	—	—	—	3,570
Phantom shares bonus ⁽⁷⁾	—	—	129,362	—
Teammate IPO bonus ⁽⁸⁾	—	—	4,361	—
Stock based compensation expense ⁽⁹⁾	19,243	—	25,014	—
Adjusted EBITDA	<u>\$ 48,100</u>	<u>\$ 30,117</u>	<u>\$ 131,756</u>	<u>\$ 73,947</u>
Net Income (Loss) Margin ⁽¹⁰⁾	<u>5.8 %</u>	<u>9.4 %</u>	<u>(14.6)%</u>	<u>6.2 %</u>
Adjusted EBITDA Margin ⁽¹⁰⁾	<u>23.9 %</u>	<u>24.6 %</u>	<u>24.7 %</u>	<u>21.8 %</u>

- (1) Represents non-recurring professional service fees related to the preparation for public offerings that have been expensed during the period.
- (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 severance payments as a result of certain cost optimization measures we undertook during the period.
- (5) Represents one-time costs associated with the termination of lease agreements for certain U.S. facilities attributable to the COVID-19 pandemic.
- (6) 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.
- (7) Represents expense for one-time, non-recurring payments of \$127.5 million to vested phantom shareholders in connection with the completion of the IPO, as well as associated payroll tax and 401(k) contributions.
- (8) Represents expense for non-recurring bonus payments to certain employees in connection with the completion of the IPO.
- (9) Represents stock-based compensation expense associated with equity-classified awards.
- (10) Net Income (Loss) Margin represents net income (loss) divided by service revenue and Adjusted Net Income Margin represents Adjusted Net Income divided by service revenue.



TaskUs, Inc.
Non-GAAP Reconciliations
Adjusted Net Income (unaudited)
(in thousands, except margin amounts)

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Net income (loss)	\$ 11,636	\$ 11,456	\$ (77,800)	\$ 20,979
Amortization of intangible assets	4,711	4,711	14,135	14,135
Offering costs ⁽¹⁾	488	385	6,249	385
Foreign currency losses ⁽²⁾	1,285	637	477	927
Loss on disposal of assets	26	155	54	150
COVID-19 related expenses ⁽³⁾	—	1,309	6,105	5,068
Severance costs ⁽⁴⁾	—	2,057	—	2,627
Lease termination costs ⁽⁵⁾	—	1,500	—	1,500
Natural disaster costs ⁽⁶⁾	—	—	442	—
Contingent consideration	—	—	—	3,570
Phantom shares bonus ⁽⁷⁾	—	—	129,362	—
Teammate IPO bonus ⁽⁸⁾	—	—	4,361	—
Stock based compensation expense ⁽⁹⁾	19,243	—	25,014	—
Tax impacts of adjustments ⁽¹⁰⁾	(4,632)	—	(16,072)	—
Adjusted Net Income	\$ 32,757	\$ 22,210	\$ 92,327	\$ 49,341
Net Income (Loss) Margin ⁽¹¹⁾	5.8 %	9.4 %	(14.6)%	6.2 %
Adjusted Net Income Margin ⁽¹¹⁾	16.3 %	18.1 %	17.3 %	14.5 %

- (1) Represents non-recurring professional service fees related to the preparation for public offerings that have been expensed during the period.
- (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 severance payments as a result of certain cost optimization measures we undertook during the period.
- (5) Represents one-time costs associated with the termination of lease agreements for certain U.S. facilities attributable to the COVID-19 pandemic.
- (6) 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.
- (7) Represents expense for one-time, non-recurring payments of \$127.5 million to vested phantom shareholders in connection with the completion of the IPO, as well as associated payroll tax and 401(k) contributions.
- (8) Represents expense for non-recurring bonus payments to certain employees in connection with the completion of the IPO.
- (9) Represents stock-based compensation expense associated with equity-classified awards.
- (10) Represents tax impacts of adjustments to net income (loss) which resulted in a tax benefit during the period. These adjustments include phantom shares bonus related to the IPO and stock-based compensation expense after the IPO.
- (11) Net Income (Loss) Margin represents net income (loss) divided by service revenue and Adjusted Net Income Margin represents Adjusted Net Income divided by service revenue.



TaskUs, Inc.
Non-GAAP Reconciliations
Adjusted EPS (unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
GAAP diluted EPS	\$ 0.11	\$ 0.12	\$ (0.83)	\$ 0.23
Per share adjustments to net income (loss) ⁽¹⁾	0.19	0.12	1.81	0.31
Per share adjustments for GAAP anti-dilutive shares ⁽²⁾	—	—	(0.05)	—
Adjusted EPS	<u>\$ 0.30</u>	<u>\$ 0.24</u>	<u>\$ 0.93</u>	<u>\$ 0.54</u>
Weighted-average common shares outstanding – diluted	109,426,011	91,737,020	93,994,896	91,737,020
GAAP anti-dilutive shares ⁽²⁾	—	—	5,578,525	—
Adjusted weighted-average shares outstanding	<u>109,426,011</u>	<u>91,737,020</u>	<u>99,573,421</u>	<u>91,737,020</u>

(1) Reflects the aggregate adjustments made to reconcile net income (loss) 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.

(2) Reflects the impact of awards that were anti-dilutive to GAAP diluted EPS since we were in a net loss position, and therefore not included in the calculation, but would be dilutive to Adjusted EPS and are therefore included in the calculation.

Definitions of Non-GAAP Metrics

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 offering costs, the effect of foreign currency gains and losses, losses on disposals of assets, COVID-19 related expenses, severance costs, lease termination costs, natural disaster costs, contingent consideration, one-time payments associated with the IPO and stock-based compensation expense 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.

Adjusted EBITDA Margin represents Adjusted EBITDA divided by service revenue.

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, offering costs, the effect of foreign currency gains and losses, losses on disposals of assets, COVID-19 related expenses, severance costs, lease termination costs, natural disaster costs, contingent consideration, one-time payments associated with the IPO, stock-based compensation expense 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 adjustments to net income (loss) 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.

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.

