

# Investor Presentation

November 7, 2024



# Disclaimers

## Forward Looking Statements

This presentation 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 the current views of TaskUs, Inc. (“TaskUs” or the “Company”) with respect to, among other things, our operations, our financial performance, our industry, the impact of the current macroeconomic environment on our business, and other non-historical statements including the statements in the “Financial Outlook” section of this presentation. In some cases, you can identify these forward-looking statements by the use of words such as “outlook,” “believes,” “expects,” “potential,” “continues,” “may,” “will,” “should,” “could,” “seeks,” “predicts,” “intends,” “trends,” “plans,” “estimates,” “anticipates,” “position us” or the negative version of these words or other comparable words. Such forward-looking statements are subject to various risks and uncertainties.

Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. 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 clients; our failure to cost-effectively acquire and retain new 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; utilization of artificial intelligence by our clients or our failure to incorporate artificial intelligence into our operations; our inability to anticipate clients’ needs by adapting to market and technology trends; unauthorized or improper disclosure of personal or other sensitive information, or security breaches and incidents; negative publicity or liability or difficulty recruiting and retaining employees; our failure to detect and deter criminal or fraudulent activities or other misconduct by our employees or third parties; global economic and political conditions, especially in the social media and meal delivery and transport industries from which we generate significant revenue; the dependence of our business on our international operations, particularly in the Philippines and India; our failure to comply with applicable data privacy and security laws and regulations; fluctuations against the US dollar in the local currencies in the countries in which we operate; our inability to maintain and enhance our brand; competitive pricing pressure; unfavorable or uncertain economic and political conditions; our dependence on senior management and key employees; increases in employee expenses and changes to labor laws; failure to attract, hire, train and retain a sufficient number of skilled employees to support operations; our inability to effectively expand our operations into countries or industries in which we have no prior operating experience and in which we may be subject to increased business, economic and regulatory risks; reliance on owned and third-party technology and computer systems; failure to maintain asset utilization levels, price appropriately and control costs; 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 Annual Report on Form 10-K for the year ended December 31, 2023 (the “Annual Report”), filed with the Securities and Exchange Commission (the “SEC”) on March 8, 2024, 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](http://www.sec.gov). These factors should not be construed as exhaustive and should be read in conjunction with other cautionary statements that are included in the Company’s SEC filings. TaskUs undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law.

## Non-GAAP Measures

This presentation includes certain financial measures not presented in accordance with United States generally accepted accounting principles (“GAAP”), including Adjusted Net Income, Adjusted Net Income Margin, Adjusted Earnings Per Share, EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Free Cash Flow, Adjusted Free Cash Flow, Conversion of Adjusted EBITDA to Free Cash Flow and Conversion of Adjusted EBITDA to Adjusted Free Cash Flow. 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, and manage TaskUs’ business and evaluate 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 presentation.

Because GAAP financial measures on a forward-looking basis are not accessible, and reconciling information is not available without unreasonable effort, we have not provided reconciliations for forward-looking non-GAAP measures, other than Adjusted Free Cash Flow. For the same reasons, we are unable to address the probable significance of the unavailable information, which could be material to future results.



## OUR VISION

# Outsourcing reimagined for the innovation age

## OUR SOLUTIONS

Digital Customer  
Experience



Trust & Safety



AI Services



## OUR RESULTS

**\$255.3mm**

Q3 2024 Revenue

**\$54.2mm**

Q3 2024 Adj. EBITDA<sup>1</sup>

**13.2%**

Year-over-Year  
Q3 2024 Rev. Growth

**21.2%**

Adj. EBITDA Margin<sup>1</sup>  
Q3 2024

**\$9.3mm**

Revenue Above  
Top-End Q3 Guidance

**\$82.2mm**

Adj. Free Cash Flow<sup>1</sup>  
Year-to-Date 2024

**\$64mm**

Year-to-Date increase  
in 2024 midpoint  
revenue guide

**+3,100**

Teammates Since  
Q2 2024

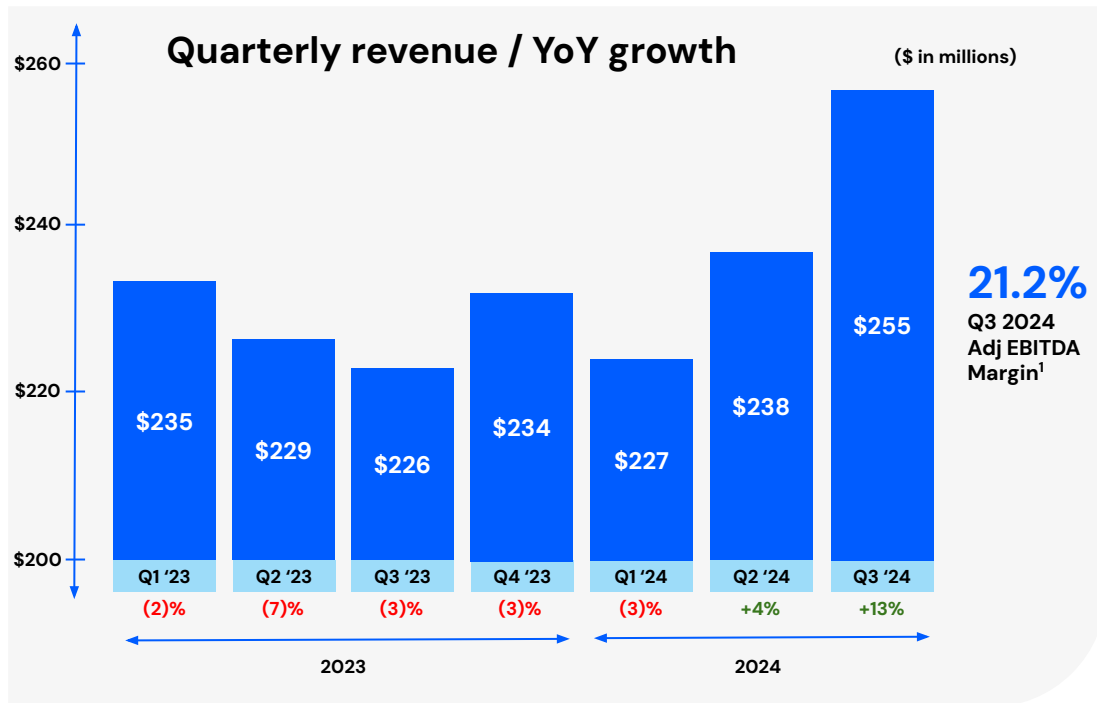
<sup>1</sup> See appendix for reconciliation to most comparable GAAP measure



# Continued Profitable Performance in Q3 2024

## Highlights

- Beat top-end revenue guidance for Q3 by ~\$9 million, delivering year-over-year growth of ~13%
- Increased full-year revenue guidance midpoint by \$24 million to \$989 million
- DCX, T&S, and AIS all delivered year-over-year growth in Q3 that is expected to accelerate in Q4 of 2024
- Revenue growth in non-U.S. delivery locations grew 16% year over year. Latin America revenue grew greater than 40% year over year.
- Growth in Europe accelerating based on strategic, competitive takeaways from global clients in the region



<sup>1</sup> See appendix for reconciliation to most comparable GAAP measure



# Continued Profitable Performance in Q3 2024

## Q3 key client wins

- DCX: 1) a performance-driven scale-up in Colombia of a Q2 competitive takeaway with an international developer of a cloud-based website and e-commerce solutions, 2) an expansion of our India-based services supporting a large global e-commerce retailer where we continue to be the number one vendor in a network of dozens of providers, and 3) expansions in India, Mexico, and the U.S. increasing the breadth of our services to a provider of technology-enabled legal solutions
- Trust + Safety (incl. Financial Crime + Compliance): 1) new expansions of the scope of our Trust & Safety solutions provided to our largest customer, including services focused on AI Safety which sit at the intersection of Trust & Safety and AI Services, 2) European-based content moderation solutions to a video game developer and provider of an online marketplace for PC gaming
- AI Services: 1) multiple SOWs supporting our largest client's Generative AI initiatives and 2) an expansion with our largest autonomous vehicle client relationship as they expand their fleet of AVs in both new and existing cities

## Q3 highlights

~54,800

Headcount as of  
September 30, 2024

+6%

Headcount increase since  
June 30, 2024

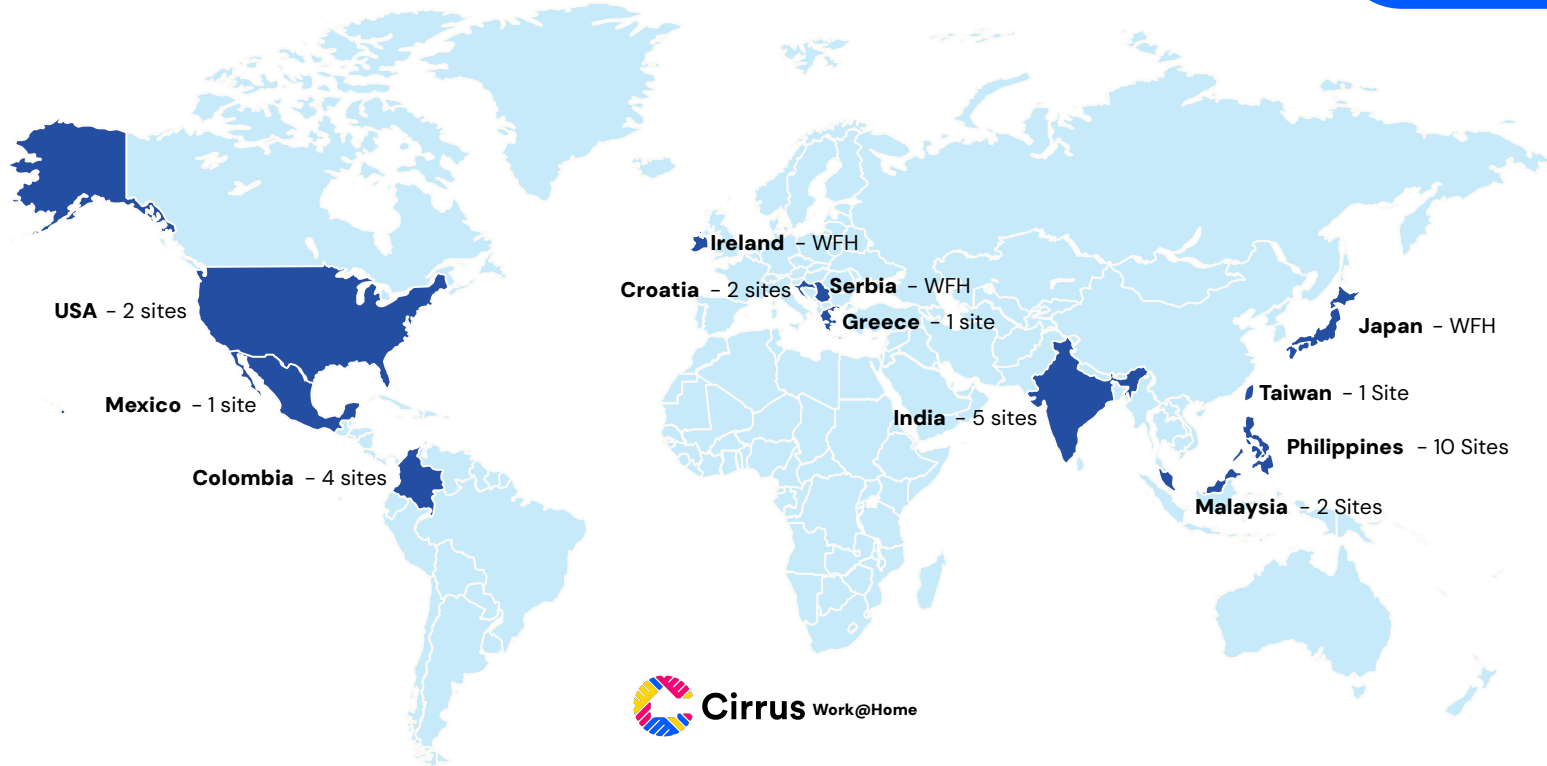
**Focused  
& engaged  
team**



# Expanding Our Global Footprint

28 sites and a fully-functional, scaled work at home solution across 12 countries

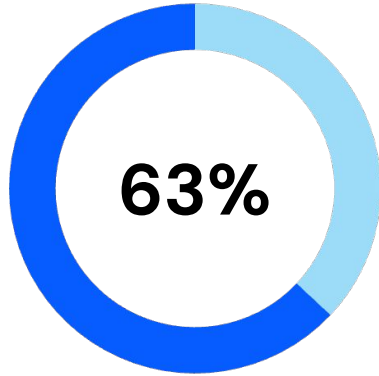
Our Headcount  
as of September 30, 2024  
**~54,800**



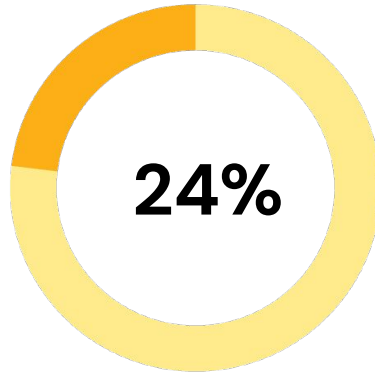
# Service Offerings



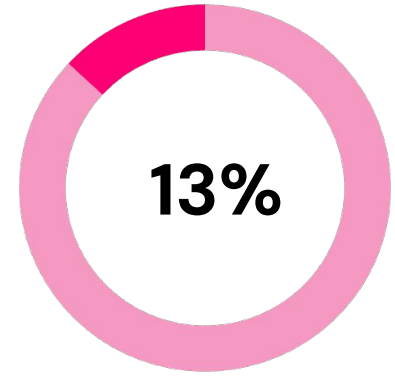
# Digital Offerings Powered by Differentiated Technology Solutions



**Digital  
Customer Experience**



**Trust + Safety**



**AI Services**

Note: Percentages based on revenue contribution during the last twelve months ended September 30, 2024



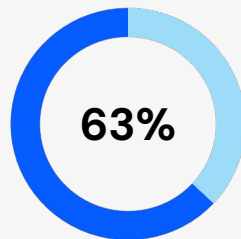


# Digital Customer Experience

Ever-increasing user expectations and competition necessitate world class customer care. Founded on innovation and a people-first culture, TaskUs delivers excellent CX support consistently for the world's leading brands.

The digital nature of the support we provide allows us to automate a greater portion of these interactions using proprietary AI-powered tools like TaskGPT, support multiple interactions concurrently, and use teammates based in higher margin, offshore markets.

We focus on complex interactions across the customer experience lifecycle – from sales and customer acquisition solutions to multi-sided marketplace management and order fulfillment to complex technical support – we solve our client's most critical challenges, all while enabling business process, product, and workflow improvements.



**LTM Sept '24  
Revenue  
\$599mm**

## SOLUTIONS



Omni-Channel  
Care



Sales & Customer  
Acquisition



Technical  
Support



Learning Experience  
Services



New Product or  
Market Launches



Consulting  
Services



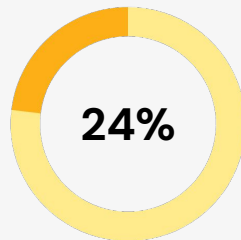
# Trust + Safety

## Content Moderation

User generated content is growing at an exponential rate. Wherever content is created by users, platforms must review and enforce policy guidelines to protect their communities. Today, TaskUs teammates review content posted by users and advertisers across these social networks as well as dating apps, job sites, and marketplaces.

## Financial Crime + Compliance

TaskUs solves for two growing problems faced by tech disruptors: the reputational risks posed by new forms of online fraud and financial crime and the cost of complying with increasing regulatory complexity. TaskUs Financial Crime + Compliance supports clients processes including chargebacks & disputes, anti-money laundering, transaction monitoring, digital identity verification, know your customer, sanctions screening, anti-fraud, and negative social media monitoring.



**LTM Sept '24  
Revenue  
\$230mm**

### SOLUTIONS



**Policy  
development**



**Tools & innovation**



**FinCrime &  
compliance**



**Fighting fraud**



**Resiliency studio**

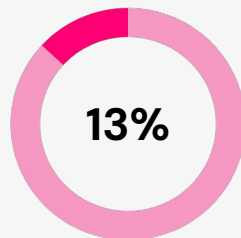
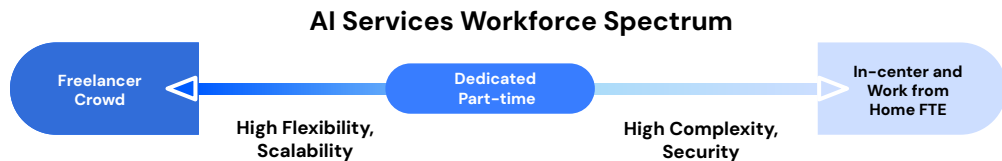


**Digital identity**



# AI Services

In our AI Services service line, our teammates collect, annotate, and evaluate data to create the raw materials that artificial intelligence solutions, such as large language models and multimodal generative AI, are built on. Nearly every AI application being built today requires these human-in-the-loop services that we offer through our professional annotators and gig workers from our TaskVerse platform. We also provide expert response writing, ranking and scoring, prompt review, and adversarial testing for our GenAI clients. We leverage technology, automation, and advanced instructional design and QA processes to optimize results for our clients.



**LTM Sept '24  
Revenue  
\$126mm**

## SOLUTIONS



Autonomous vehicles



Advanced robotics



Generative AI



Optical character recognition compliance tracking



Object identification & classification



Speech to text & contextual annotation



# Why We Win & Growth Strategies



# Why We Win

## Expertise

**Specialization not scale.** We specialize in the unique innovative industry segments of our clients. We identify emerging demand for specialized services and build teams of experts, processes, and tools for each segment.

## Speed

**Our clients are growing exponentially.** So we are agile, flexible, and responsive. We believe in low bureaucracy operations in which the team is empowered to deliver for clients.

## Culture

**Our mantra is “Frontline First.”** We have built a culture that feels much more like our tech clients than the service providers we compete with.



# Expertise: Focused on the World's Most Innovative Companies

## Target markets



Social media



Retail + E-commerce



Entertainment +  
Gaming



Streaming Media



On Demand Travel +  
Transportation



Technology +  
Generative AI



Autonomous Vehicles



InsurTech



FinTech + Banking,  
Financial Services &  
Insurance



HealthTech +  
Healthcare

## Client highlights

- ~200 clients globally
- #1 audio and #1 video streaming service providers
- 4 of the Magnificent 7 Tech Stocks
- 15+ HealthTech & Healthcare clients
- 30+ FinTech & BFSI clients

Note: Client highlights as of year end 2023



# Focused Growth Levers for 2024

01

## Take Share From Competitors

We continue to see meaningful opportunities from recent industry consolidation as clients diversify their vendor networks. We are playing offense in order to capture a larger share of their demand for specialized services that support and protect their brands.

02

## Leverage our Industry Expertise to Cross-Sell our Specialized Services

Take advantage of the significant opportunities where we are well-positioned via our specialized service offerings. Opportunities in areas such as Healthtech and the Generative AI space are particularly exciting.

03

## Diversify our Client Base and Industry Verticals

Expand our client base by landing enterprise clients in areas like Banking & Financial Services and Healthcare to create a stable ballast of revenues, while maintaining our leadership in servicing high-growth technology clients.

04

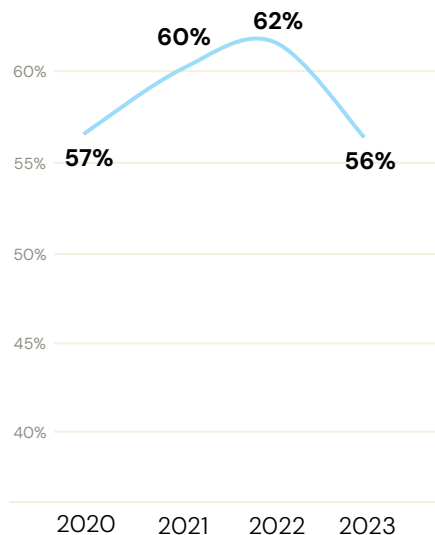
## Lead the Industry in Deployment of Generative AI Tools

We believe the future of this industry requires us to deliver an integrated solution of well-trained teammates and technologies to solve client challenges. With the launch of TaskGPT and the availability of AssistAI to all clients, we are making strong progress towards this vision.

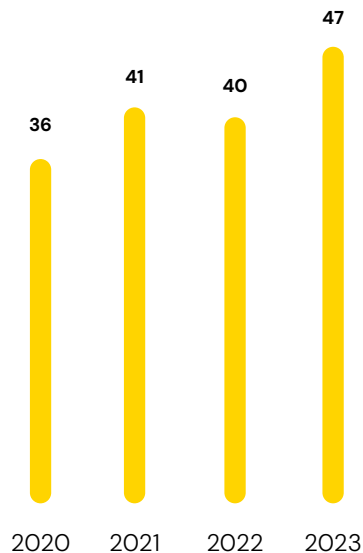


# Strong Track Record of Sales Wins Across New and Existing Clients

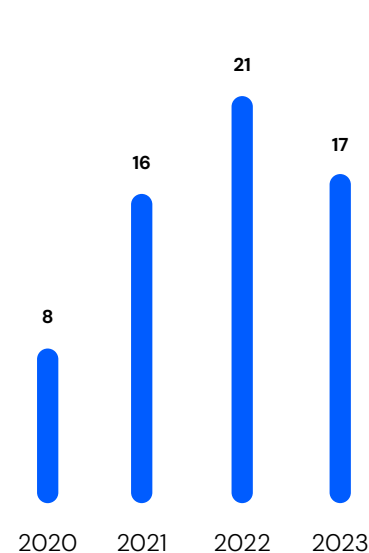
## Total Win Rate (\$ basis) as %<sup>1</sup>



## New Clients Won (#)



## > \$10M Clients<sup>2</sup>



<sup>1</sup> Total Win Rate included opportunities from both New and Existing Clients

<sup>2</sup> Based on revenue contribution



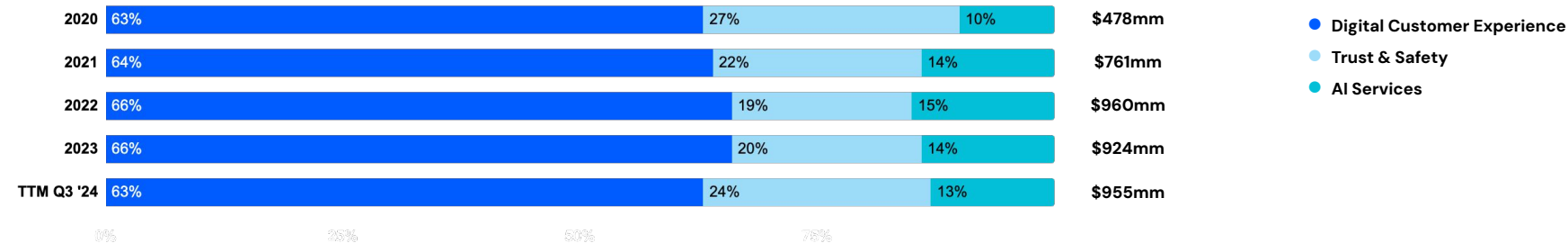


# Financial Performance

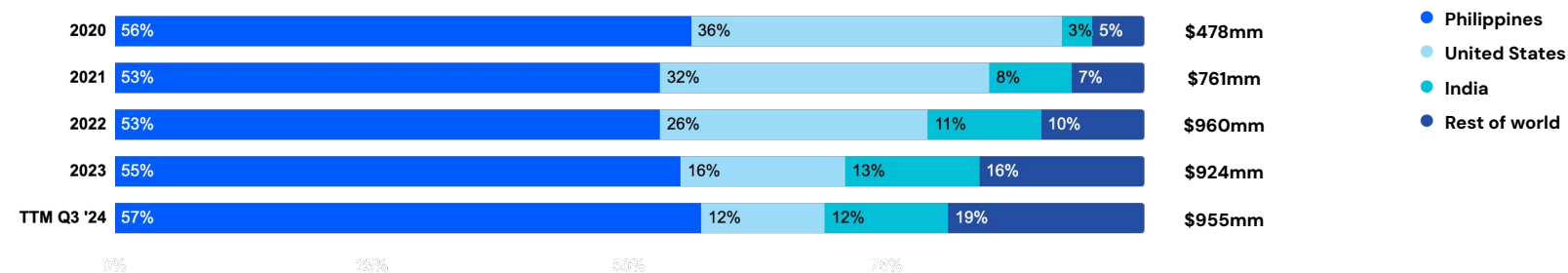


# Specialized Services Revenue Profile

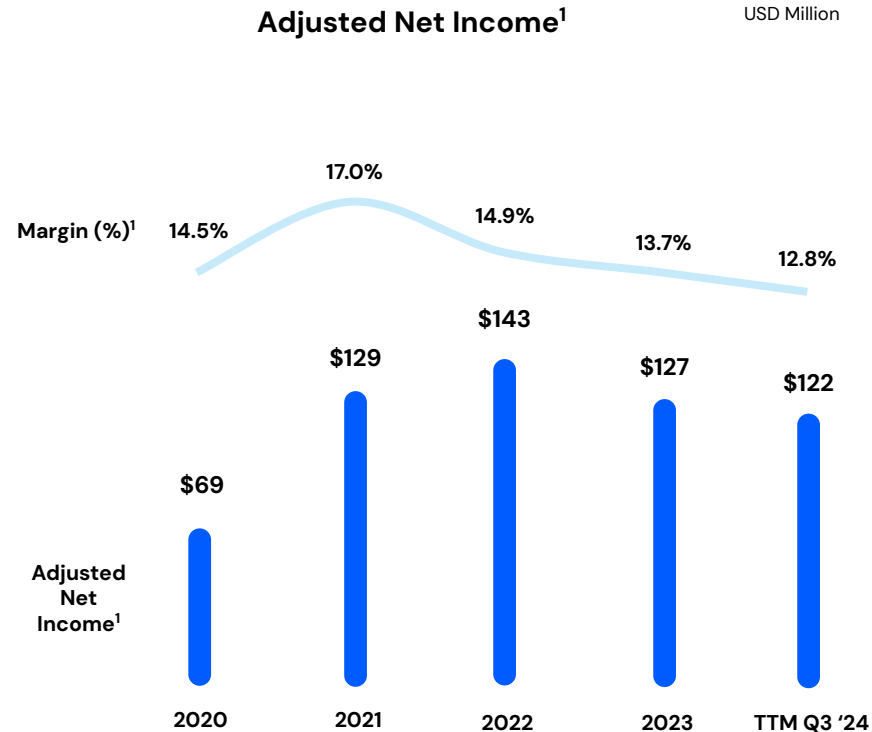
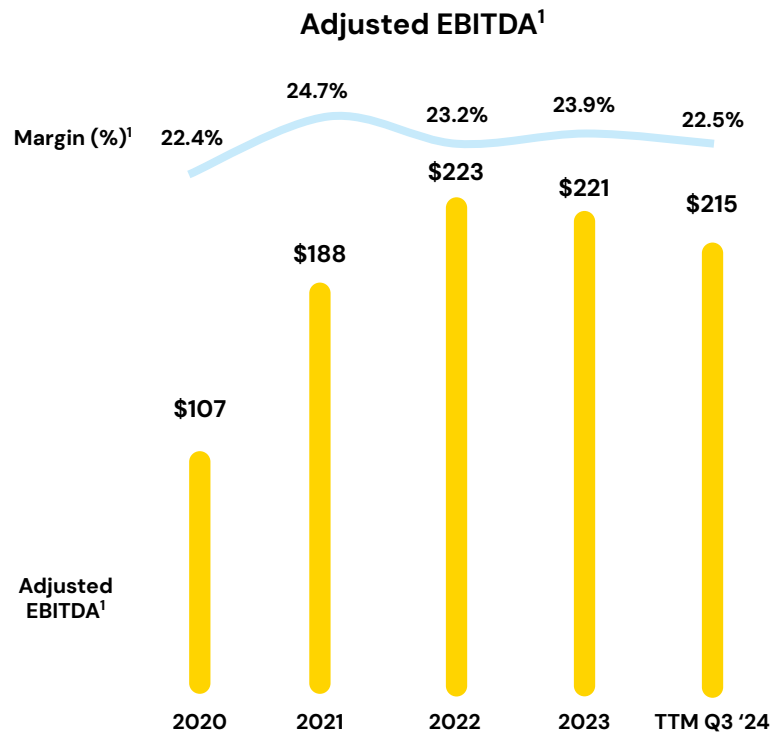
## Revenue by service line (%)



## Revenue by delivery geography (%)



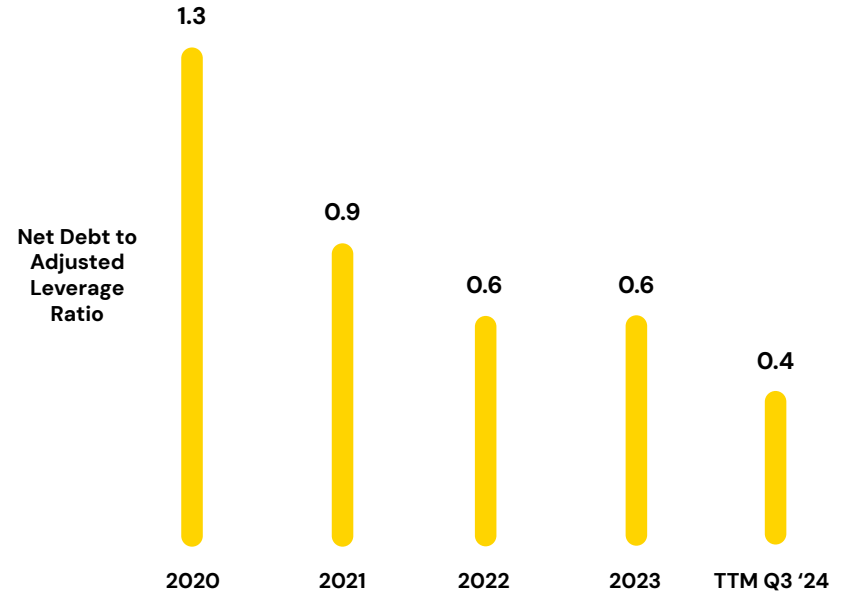
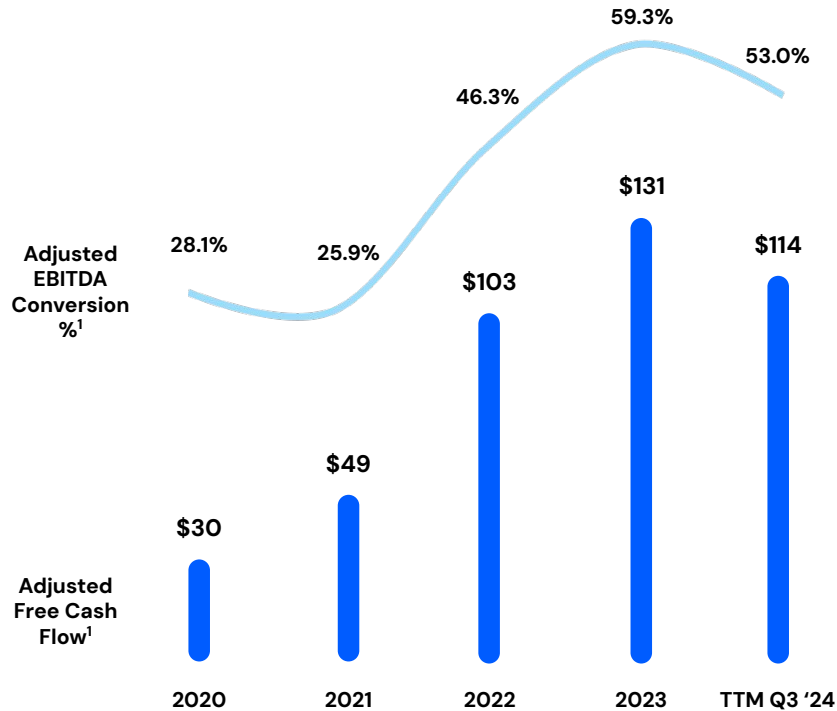
# Attractive Profitability and Margin Profile



<sup>1</sup> See Appendix for reconciliation to most comparable GAAP measure



# Attractive Cash Flow Profile<sup>1</sup>



<sup>1</sup> See Appendix for reconciliation to most comparable GAAP measure.



# Financial Highlights

FY 2023

**\$924mm**

Revenue

**(3.8)%**

Revenue Decline YoY

**23.9%**

Adj. EBITDA Margin<sup>1</sup>

Q3 2024

**\$255.3mm**

Revenue

**+13.2%**

Revenue Increase YoY

**21.2%**

Adj. EBITDA Margin<sup>1</sup>

Increasingly diversified revenue base

Consistent track record of profitability

Significant operating leverage

Strong free cash flow

Low leverage on balance sheet

Capital returns to shareholders via share repurchases

<sup>1</sup>See appendix for reconciliation to most comparable GAAP measure



# 2024 Outlook

USD Millions

	2024 Outlook <sup>1,2</sup>	
	Q4	Full Year
<b>Revenue</b>	<b>\$267.3 to \$269.3</b>	<b>\$988 to \$990</b>
Revenue growth (YoY) at midpoint	14.5%	7.0%
<b>Adjusted EBITDA Margin<sup>1</sup></b>	<b>~21.1%</b>	<b>~21.5%</b>
Adjusted Free Cash Flow <sup>2</sup>	N/A	~\$110

<sup>1</sup> Financial outlook provided as of November 7, 2024 as part of TaskUs' Q3 2024 earnings call. 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, and 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.

<sup>2</sup> Adjusted Free Cash Flow is calculated as net cash provided by operating activities in the period minus cash used for purchase of property and equipment in the period, excluding certain non-recurring adjustments. At the midpoint of our guidance, net cash provided by operating activities for the full year 2024, excluding certain litigation-related payments, is expected to be approximately \$146 million and purchase of property and equipment is expected to be approximately \$36 million. Our Adjusted Free Cash Flow guidance and expected net cash provided by operating activities excludes the impact of certain litigation costs, which are non-recurring and outside the ordinary course of business, due to the unpredictability of the costs and timing of payments.



# Appendix



# Non-GAAP Reconciliations

## Adjusted EBITDA

USD Thousand

	Three months ended September 30,		Nine months ended September 30,	
	2023	2024	2023	2024
Net income	\$ 9,772	\$ 12,699	\$ 29,413	\$ 37,011
Provision for income taxes	4,565	5,093	17,925	18,938
Financing expenses	5,712	5,504	16,141	16,532
Depreciation	9,726	9,758	29,502	30,525
Amortization of intangible assets	5,027	4,988	15,276	14,955
<b>EBITDA</b>	<b>\$ 34,838</b>	<b>\$ 38,042</b>	<b>\$ 108,257</b>	<b>\$ 117,961</b>
Transaction costs	-	-	245	-
Earn-out consideration	(53)	-	7,863	-
Foreign currency losses	3,494	2,490	1,316	2,192
Loss (gain) on disposal of assets	640	(10)	772	(93)
Severance costs	60	-	1,628	487
Litigation costs	-	4,412	-	7,030
Stock-based compensation expense	13,946	10,742	42,725	32,434
Interest income	(473)	(1,461)	(1,025)	(3,939)
<b>Adjusted EBITDA</b>	<b>\$ 52,452</b>	<b>\$ 54,215</b>	<b>\$ 161,781</b>	<b>\$ 156,072</b>
Net Income Margin	4.3%	5.0%	4.3%	5.1%
Adjusted EBITDA Margin	23.2%	21.2%	23.4%	21.7%





# Non-GAAP Reconciliations

## Adjusted Net Income

USD Thousand

	Three months ended September 30,		Nine months ended September 30,	
	2023	2024	2023	2024
Net income	\$ 9,772	\$ 12,699	\$ 29,413	\$ 37,011
Amortization of intangible assets	5,027	4,988	15,276	14,955
Transaction costs	-	-	245	-
Earn-out consideration	(53)	-	7,863	-
Foreign currency losses	3,494	2,490	1,316	2,192
Loss (gain) on disposal of assets	640	(10)	772	(93)
Severance costs	60	-	1,628	487
Litigation costs	-	4,412	-	7,030
Stock-based compensation expense	13,946	10,742	42,725	32,434
Tax impacts of adjustments	(2,925)	(1,044)	(4,944)	(3,832)
<b>Adjusted Net Income</b>	<b>\$ 29,961</b>	<b>\$ 34,277</b>	<b>\$ 94,294</b>	<b>\$ 90,184</b>
Net Income Margin	4.3%	5.0%	4.3%	5.1%
Adjusted Net Income Margin	13.3%	13.4%	13.7%	12.5%



# Non-GAAP Reconciliations

Adjusted earnings per share

	Three months ended September 30,		Nine months ended September 30,	
	2023	2024	2023	2024
<b>GAAP diluted EPS</b>	<b>\$ 0.10</b>	<b>\$ 0.14</b>	<b>\$ 0.30</b>	<b>\$ 0.40</b>
Per share adjustments to net income	0.22	0.23	0.66	0.58
<b>Adjusted EPS</b>	<b>\$ 0.32</b>	<b>\$ 0.37</b>	<b>\$ 0.96</b>	<b>\$ 0.98</b>
Weighted-average common stock outstanding - Diluted	94,035,111	92,579,919	97,729,230	92,019,911



# Non-GAAP Reconciliations

## Free Cash Flow and Adjusted Free Cash Flow

USD Thousand

	Three months ended September 30,		Nine months ended September 30,	
	2023	2024	2023	2024
<b>Adjusted EBITDA</b>	<b>\$ 52,452</b>	<b>\$ 54,215</b>	<b>\$ 161,781</b>	<b>\$ 156,072</b>
Net cash provided by operating activities	\$ 21,682	\$ 17,019	\$ 103,895	\$ 98,230
Purchase of property and equipment	(7,859)	(10,733)	(22,904)	(18,821)
<b>Free Cash Flow</b>	<b>\$ 13,823</b>	<b>\$ 6,286</b>	<b>\$ 80,991</b>	<b>\$ 79,409</b>
Payment for earn-out consideration	18,341	-	18,341	-
Payment for litigation costs	-	2,811	-	2,811
<b>Adjusted Free Cash Flow</b>	<b>\$ 32,164</b>	<b>\$ 9,097</b>	<b>\$ 99,332</b>	<b>\$ 82,220</b>
<b>Conversion of Adjusted EBITDA to Free Cash Flow</b>	<b>26.4%</b>	<b>11.6%</b>	<b>50.1%</b>	<b>50.9%</b>
<b>Conversion of Adjusted EBITDA to Adjusted Free Cash Flow</b>	<b>61.3%</b>	<b>16.8%</b>	<b>61.4%</b>	<b>52.7%</b>



# Revenue Reconciliation

## Revenue Trailing Twelve Month (TTM) Data

USD Thousand

	Nine month ended September 30,	Year ended December 31,	Nine months ended September 30,	TTM Q3 '24
	2023	2023	2024	2024
<b>Revenue by Service Offering</b>				
Digital Customer Experience	\$ 454,004	\$ 605,943	\$ 447,013	\$ 598,952
Trust and Safety	134,494	186,742	178,014	230,262
AI Services	101,603	131,680	95,716	125,793
<b>Service revenue</b>	<b>\$ 690,101</b>	<b>\$ 924,365</b>	<b>\$ 720,743</b>	<b>\$ 955,007</b>
<b>Revenue by Geographical Location</b>				
Philippines	\$ 380,539	\$ 511,298	\$ 412,821	\$ 543,580
United States	116,318	148,708	82,095	114,485
India	86,617	115,777	89,465	118,625
Rest of World	106,627	148,582	136,362	178,317
<b>Service revenue</b>	<b>\$ 690,101</b>	<b>\$ 924,365</b>	<b>\$ 720,743</b>	<b>\$ 955,007</b>



# Non-GAAP Reconciliation

Adjusted EBITDA Trailing  
Twelve Month (TTM) Data

	Nine months ended September 30,	Year ended December 31,	Nine months ended September 30,	TTM Q3 '24
	2023	2023	2024	2024
<b>Service Revenue</b>	<b>\$ 690,101</b>	<b>\$ 924,365</b>	<b>\$ 720,743</b>	<b>\$ 955,007</b>
Net income	\$ 29,413	\$ 45,690	\$ 37,011	\$ 53,288
Provision for Income taxes	17,925	29,342	18,938	30,355
Financing expenses	16,141	21,717	16,532	22,108
Depreciation	29,502	40,391	30,525	41,414
Amortization of intangible assets	15,276	20,346	14,955	20,025
<b>EBITDA</b>	<b>\$ 108,257</b>	<b>\$ 157,486</b>	<b>\$ 117,961</b>	<b>\$ 167,190</b>
Transaction costs	245	245	-	-
Earn-out consideration	7,863	7,863	-	-
Foreign currency losses	1,316	431	2,192	1,307
Loss (gain) on disposal of assets	772	1,322	(93)	457
Severance costs	1,628	1,852	487	711
Litigation costs	-	-	7,030	7,030
Stock-based compensation expense	42,725	53,179	32,434	42,888
Interest income	(1,025)	(1,581)	(3,939)	(4,495)
<b>Adjusted EBITDA</b>	<b>\$ 161,781</b>	<b>\$ 220,797</b>	<b>\$ 156,072</b>	<b>\$ 215,088</b>
<b>Net Income Margin</b>	<b>4.3%</b>	<b>4.9%</b>	<b>5.1%</b>	<b>5.6%</b>
<b>Adjusted EBITDA Margin</b>	<b>23.4%</b>	<b>23.9%</b>	<b>21.7%</b>	<b>22.5%</b>



## Non-GAAP Reconciliation

Adjusted Net Income  
Trailing Twelve Month  
(TTM) Data

	Nine months ended September 30,	Year ended December 31,	Nine months ended September 30,	TTM Q3 '24
	2023	2023	2024	2024
<b>Service revenue</b>	<b>\$ 690,101</b>	<b>\$ 924,365</b>	<b>\$ 720,743</b>	<b>\$ 955,007</b>
Net income	\$ 29,413	\$ 45,690	\$ 37,011	\$ 53,288
Amortization of intangible assets	15,276	20,346	14,955	20,025
Transaction costs	245	245	-	-
Earn-out consideration	7,863	7,863	-	-
Foreign currency losses	1,316	431	2,192	1,307
Loss (gain) on disposal of assets	772	1,322	(93)	457
Severance costs	1,628	1,852	487	711
Litigation costs	-	-	7,030	7,030
Stock-based compensation expense	42,725	53,179	32,434	42,888
Tax impacts of adjustments	(4,944)	(4,386)	(3,832)	(3,274)
<b>Adjusted Net Income</b>	<b>\$ 94,294</b>	<b>\$ 126,542</b>	<b>\$ 90,184</b>	<b>\$ 122,432</b>
<b>Net Income Margin</b>	<b>4.3%</b>	<b>4.9%</b>	<b>5.1%</b>	<b>5.6%</b>
<b>Adjusted Net Income Margin</b>	<b>13.7%</b>	<b>13.7%</b>	<b>12.5%</b>	<b>12.8%</b>



# Free Cash Flow and Adjusted Free Cash Flow Reconciliation

Trailing Twelve Month (TTM) Data

USD Thousand

	Nine month ended September 30,	Year ended December 31,	Nine months ended September 30,	TTM Q3 '24
	2023	2023	2024	2024
<b>Adjusted EBITDA</b>	<b>\$ 161,781</b>	<b>\$ 220,797</b>	<b>\$ 156,072</b>	<b>\$ 215,088</b>
Net cash provided by operating activities	\$ 103,895	\$ 143,670	\$ 98,230	\$ 138,005
Purchase of property and equipment	(22,904)	(30,995)	(18,821)	(26,912)
<b>Free Cash Flow</b>	<b>\$ 80,991</b>	<b>\$ 112,675</b>	<b>\$ 79,409</b>	<b>\$ 111,093</b>
Payment for earn-out consideration	18,341	18,341	-	-
Payment for litigation costs	-	-	2,811	2,811
<b>Adjusted Free Cash Flow</b>	<b>\$ 99,332</b>	<b>\$ 131,016</b>	<b>\$ 82,220</b>	<b>\$ 113,904</b>
<b>Conversion of Adjusted EBITDA to Free Cash Flow</b>	<b>50.1%</b>	<b>51.0%</b>	<b>50.9%</b>	<b>51.7%</b>
<b>Conversion of Adjusted EBITDA to Adjusted Free Cash Flow</b>	<b>61.4%</b>	<b>59.3%</b>	<b>52.7%</b>	<b>53.0%</b>



# Reconciliations of Adjusted EBITDA

	Year ended December 31,			
	2020	2021	2022	2023
<b>Net Income (loss)</b>	<b>\$ 34,533</b>	<b>\$ (58,698)</b>	<b>\$ 40,422</b>	<b>\$ 45,690</b>
Provision for (benefit from) income taxes	9,886	(2,265)	24,111	29,342
Financing expenses	7,482	6,504	11,921	21,717
Depreciation	20,155	29,038	37,915	40,391
Amortization of intangible assets	18,847	18,847	19,882	20,346
<b>EBITDA</b>	<b>\$ 90,903</b>	<b>\$ (6,574)</b>	<b>\$ 134,251</b>	<b>\$ 157,486</b>
Transaction costs	896	6,969	953	245
Earn-out consideration	-	-	9,729	7,863
Foreign currency (gains) losses	(1,511)	809	7,967	431
Loss on disposal of assets	1,116	52	31	1,322
COVID-19 related expenses	7,541	6,105	-	-
Severance costs	2,557	-	821	1,852
Lease termination costs	1,815	-	-	-
Natural disaster costs	-	442	-	-
Contingent consideration	3,570	-	-	-
Phantom shares bonus	-	129,362	-	-
Teammate IPO bonus	-	4,361	-	-
Stock-based compensation expense	-	46,384	69,452	53,179
Interest income	-	-	-	(1,581)
<b>Adjusted EBITDA</b>	<b>\$ 106,887</b>	<b>\$ 187,910</b>	<b>\$ 223,204</b>	<b>\$ 220,797</b>
<b>Net Income (Loss) Margin</b>	<b>7.2%</b>	<b>(7.7)%</b>	<b>4.2%</b>	<b>4.9%</b>
<b>Adjusted EBITDA Margin</b>	<b>22.4%</b>	<b>24.7%</b>	<b>23.2%</b>	<b>23.9%</b>





# Reconciliations of Adjusted Net Income

	Year ended December 31,			
	2020	2021	2022	2023
<b>Net Income (loss)</b>	<b>\$ 34,533</b>	<b>\$ (58,698)</b>	<b>\$ 40,422</b>	<b>\$ 45,690</b>
Amortization of intangible assets	18,847	18,847	19,882	20,346
Transaction costs	896	6,969	953	245
Earn-out consideration	-	-	9,729	7,863
Foreign currency (gains) losses	(1,511)	809	7,967	431
Loss on disposal of assets	1,116	52	31	1,322
COVID-19 related expenses	7,541	6,105	-	-
Severance costs	2,557	-	821	1,852
Lease termination costs	1,815	-	-	-
Natural disaster costs	-	442	-	-
Contingent consideration	3,570	-	-	-
Phantom shares bonus	-	129,362	-	-
Teammate IPO bonus	-	4,361	-	-
Stock-based compensation expense	-	46,384	69,452	53,179
Tax impacts of adjustments	-	(25,244)	(6,442)	(4,386)
<b>Adjusted Net Income</b>	<b>\$ 69,364</b>	<b>\$ 129,389</b>	<b>\$ 142,815</b>	<b>\$ 126,542</b>
<b>Net Income (Loss) Margin</b>	<b>7.2%</b>	<b>(7.7)%</b>	<b>4.2%</b>	<b>4.9%</b>
<b>Adjusted Net Income Margin</b>	<b>14.5%</b>	<b>17.0%</b>	<b>14.9%</b>	<b>13.7%</b>



# Reconciliations of Free Cash Flow and Adjusted Free Cash Flow

USD Thousand

	Year ended December 31,			
	2020	2021	2022	2023
<b>Adjusted EBITDA</b>	<b>\$ 106,887</b>	<b>\$ 187,910</b>	<b>\$ 223,204</b>	<b>\$ 220,797</b>
Net cash provided by operating activities	\$ 58,873	(\$ 32,674)	\$ 147,095	\$ 143,670
Purchase of property and equipment	(28,883)	(59,363)	(43,758)	(30,995)
<b>Free Cash Flow</b>	<b>\$ 29,990</b>	<b>(\$ 92,037)</b>	<b>\$ 103,337</b>	<b>\$ 112,675</b>
Payment for earn-out consideration	-	-	-	18,341
Payment for one-time IPO-related costs	-	140,692	-	-
<b>Adjusted Free Cash Flow</b>	<b>\$ 29,990</b>	<b>\$48,655</b>	<b>\$ 103,337</b>	<b>\$ 131,616</b>
<b>Conversion of Adjusted EBITDA to Free Cash Flow</b>	<b>28.1%</b>	<b>NM<sup>1</sup></b>	<b>46.3%</b>	<b>51.0%</b>
<b>Conversion of Adjusted EBITDA to Adjusted Free Cash Flow</b>	<b>28.1%</b>	<b>25.9%</b>	<b>46.3%</b>	<b>59.3%</b>

<sup>1</sup>Not meaningful.



# 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 excluded from Adjusted EBITDA transaction costs, earn-out consideration, the effect of foreign currency gains and losses, gains and losses on disposals of assets, non-recurring severance costs, certain non-recurring litigation costs, stock-based compensation expense and associated employer payroll tax and interest income, which include costs that are required to be expensed in accordance with GAAP. Our management believes that the inclusion of supplementary adjustments to EBITDA applied in presenting Adjusted EBITDA are appropriate to provide additional information to investors about certain material non-cash items and about unusual items that we do not expect to continue at the same level in the future.

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 excluded from Adjusted Net Income amortization of intangible assets, transaction costs, earn-out consideration, the effect of foreign currency gains and losses, gains and losses on disposals of assets, non-recurring severance costs, certain non-recurring litigation costs, stock-based compensation expense and associated employer payroll tax and the related effect on income taxes of certain pre-tax adjustments, which include costs that are required to be expensed in accordance with GAAP. Our management believes that the inclusion of supplementary adjustments to net income applied in presenting Adjusted Net Income are appropriate to provide additional information to investors about certain material non-cash items and about unusual items that we do not expect to continue at the same level in the future.

Adjusted Net Income Margin represents Adjusted Net Income divided by service revenue.

## **Adjusted EPS**

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

## **Free Cash Flow**

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

Adjusted Free Cash Flow is a non-GAAP liquidity measure that represents Free Cash Flow before the payment of earn-out consideration, one-time IPO-related costs, and certain litigation costs, that are considered non-recurring and outside of the ordinary course of business, which would hinder comparison of the performance of our business on a period-over-period basis or with other businesses. Our management believes that the inclusion of these supplementary adjustments to Free Cash Flow are appropriate to provide additional information to investors about these unusual items that we do not expect to continue at the same level in the future.

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





**Thank you all for your ongoing support and partnership. We are already well on our way.**