

Thoughtworks Q3 2021 Investor Presentation

**Delivering extraordinary
impact together**



Safe harbor and non-GAAP reconciliation

Forward-looking Statements. Some of the information contained in this presentation by Thoughtworks Holding, Inc. (“Thoughtworks” or the “Company”) includes “forward-looking statements” within the meaning of the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by words such as: “believe,” “anticipate,” “plan,” “intend,” “estimate,” “expect,” “likely,” “seek,” “strive,” “may,” “could,” “should,” or “will” and similar references to future periods but the absence of these words does not mean that a statement is not forward-looking. Examples of forward-looking statements that relate to our plans, projections, estimates and goals include, among others, statements we make regarding expected revenues and revenue growth, expected Adjusted EBITDA and Adjusted EBITDA Margin, guidance on our expectations around Adjusted Diluted Earnings per Share (“Adjusted Diluted EPS”) , and our beliefs that the demand market will continue to support the projected growth rates stated herein.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, projections, anticipated events or trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: the current and future impact of the COVID-19 pandemic on Thoughtworks’ business and industry; the effects of competition on the future business of Thoughtworks; uncertainty regarding the demand for and market utilization of our services; the ability to maintain or acquire new client relationships; general business and economic conditions; and our ability to successfully execute our growth strategy and strategic plans. Additional information concerning these and other risks and uncertainties are contained in the “Risk Factors” section of Thoughtworks’ registration statement on Form S-1, our quarterly reports on Form 10-Q, and other filings and reports that Thoughtworks may file from time to time with the SEC.

Any forward-looking statement made by us in this presentation is based only on information currently available to us and speaks only as of the date on which it is made. Except as required by law, Thoughtworks assumes no obligation to update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.



Safe harbor and non-GAAP reconciliation

Non-GAAP Financial Measures. Certain financial metrics contained in this presentation, including among others, Adjusted Gross Profit, Adjusted Selling, General & Administrative expense, Adjusted Net Income, Adjusted Diluted EPS, Adjusted EBITDA, Adjusted EBITDA Margin, and Revenue Growth rates in constant currency, which exclude the effect of foreign currency rate fluctuations, are considered non-GAAP financial measures. We use these non-GAAP measures in conjunction with traditional GAAP measures to evaluate our financial performance. We believe that these non-GAAP measures provide our management and investors consistency and comparability with our past financial performance and facilitate period-to-period comparisons of our operations. The non-GAAP financial measures provided should not be considered as a substitute for the comparable measures of financial performance prepared in accordance with GAAP. For more information regarding the non-GAAP financial measures discussed in this presentation, including a reconciliation of these non-GAAP measures to their corresponding GAAP measures, please see the Appendix to this presentation. For definitions of these non-GAAP measures, please see our press release for the most recent quarter-ended posted to the Investor Relations page of our website.

Some non-GAAP measures related to our financial outlook included in this presentation, our press release and the associated webcast were not reconciled to the comparable GAAP financial measures because the GAAP measures are not accessible on a forward-looking basis. We are unable to reconcile these forward-looking non-GAAP financial measures to the most directly comparable GAAP measures without unreasonable efforts because we are currently unable to predict with a reasonable degree of certainty the type and extent of certain items that would be expected to impact GAAP measures for these periods but would not impact the non-GAAP measures. Such items may include stock-based compensation, acquisitions, income tax effects of adjustments and other items. The unavailable information could have a significant impact on our GAAP financial results. Based on the foregoing, we believe that providing estimates of the amounts that would be required to reconcile the range of the non-GAAP measures to forecasted GAAP measures would imply a degree of precision that would be confusing or misleading to investors for the reasons identified above.

Industry & Market Data. The market data, industry forecasts and other statistical information used in this presentation are based on third-party industry publications and surveys and internal Company sources. Industry forecasts are based on industry surveys and the preparer's expertise in the industry, and there can be no assurance that any of the industry forecasts will be achieved. We believe these data are reliable, but we have not independently verified the accuracy of this information nor have we ascertained the underlying assumptions relied upon in those sources, and we cannot assure you of the accuracy or completeness of such information contained in this presentation. While we are not aware of any misstatements regarding our market, industry or similar data presented herein, such data, including industry forecasts and projections, involve risks and uncertainties and are subject to change based on various factors.



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Who we are

Integrity / Pursuit of Excellence / Global First
Cultivation / Curiosity / Autonomous Teams
Inclusivity / Courageous

We strive to
create an
extraordinary
impact on the world
through our culture
and technology
excellence

We aim to be an
awesome partner
for clients and their
ambitions to become
modern digital
businesses



We look to foster a
vibrant community
of diverse and
passionate
technologists

We are passionate
about revolutionizing
the technology
industry, amplifying
social change and
advocating for an
equitable tech future

We've been a shaping force of digital technology

100+
books written

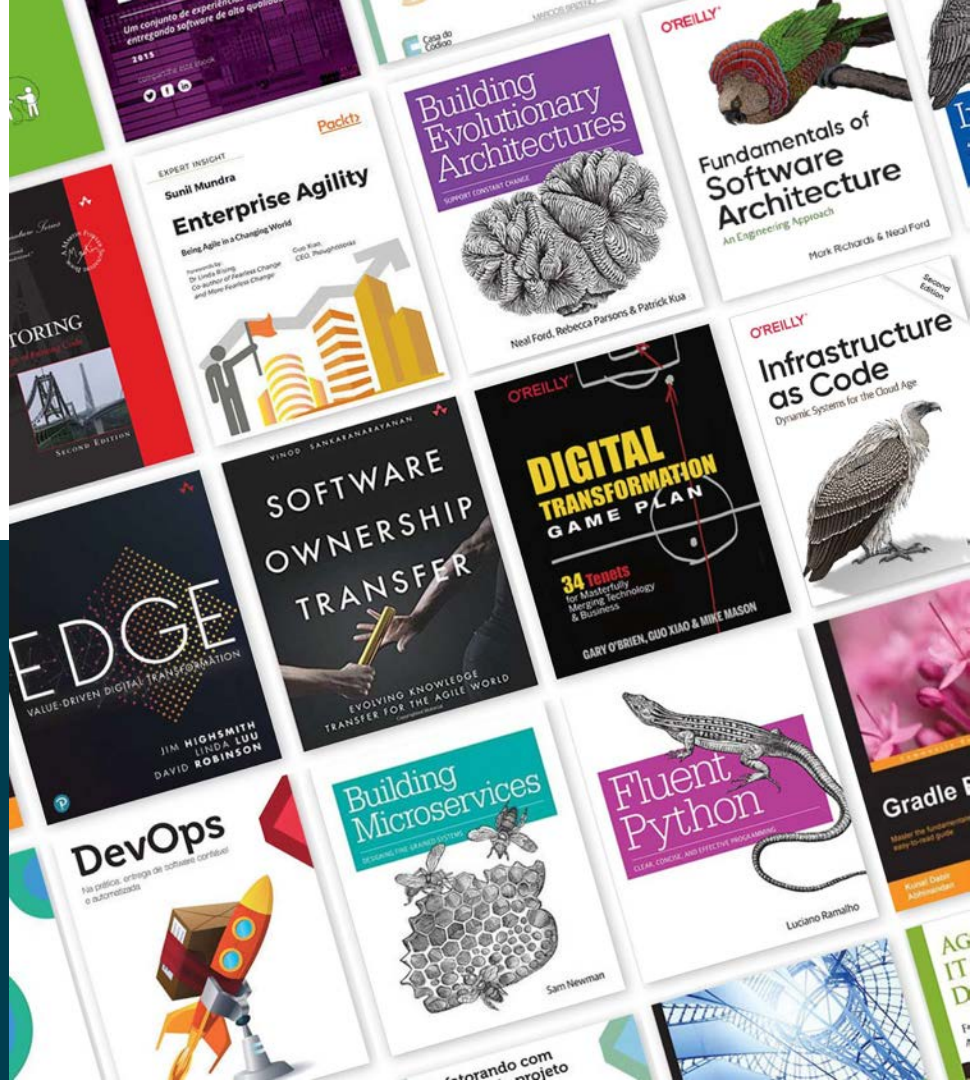
Agile development

CD / devops

Data engineering / platforms

Cloud native architecture

Organizational design



Through Thoughtworks' 28 year history

1990s	2000-2004	2005-2009	2010-2014	2015-2019	2020-2021
<p>1993 Thoughtworks was founded.</p> <p>1999 Guo Xiao and Dr. Rebecca Parsons joined Thoughtworks.</p>	<p>2000 Opened offices in Australia and the United Kingdom.</p> <p>Led the industry in adopting a distributed agile development approach.</p> <p>2001 Opened offices in India and Canada.</p> <p>Guo Xiao is featured in <i>The Economist</i> as an early adopter of Extreme Programming (XP).</p> <p>Manifesto for Agile Software Development is published.</p> <p>Released CruiseControl open source software.</p> <p>2004 Opened offices in China.</p> <p>Selenium is developed based on work started internally at Thoughtworks.</p> <p>Surpassed 500 Thoughtworkers.</p>	<p>2005 Established Thoughtworks University.</p> <p>2009 Opened offices in Brazil.</p> <p>Surpassed 1,000 Thoughtworkers.</p>	<p>2010 Opened offices in Germany.</p> <p>Published Continuous Delivery: Reliable Software Releases through Build, Test, and Deployment Automation.</p> <p>2011 Published first edition of Thoughtworks Technology Radar.</p> <p>2012 Opened offices in Singapore.</p> <p>Started building Bahmni.</p> <p>2013 Opened offices in Ecuador.</p> <p>2014 Opened offices in Italy.</p> <p>Published Microservices.</p> <p>Surpassed \$300mm¹ in annual revenues and 3,000 Thoughtworkers.</p>	<p>2015 Collaborated with Save the Children in the fight against Ebola.</p> <p>Published Building Microservices.</p> <p>2016 Opened offices in Spain and Chile.</p> <p>Winner of the AnitaB.org Institute's Top Companies for Women Technologists, winning again in 2017 and 2018, and recognized as a leader in 2019 and 2020.</p> <p>2017 The Apax Funds acquired Thoughtworks.</p> <p>Surpassed \$500mm¹ in annual revenues.</p> <p>2018 Awarded Daimler Supplier of the Year for Innovation for 2017.</p> <p>Surpassed 5,000 Thoughtworkers.</p> <p>2019 Published The Digital Transformation Game Plan: 34 Tenets for Masterfully Merging Technology and Business and How to Move Beyond a Monolithic Data Lake to a Distributed Data Mesh.</p> <p>Surpassed \$700mm¹ in annual revenues.</p>	<p>2020 Named strong performer in the The Forrester Wave™: Digital Product Development Services, Q2 2020</p> <p>Committed to the Valuable 500, the global movement putting disability on the business leadership agenda.</p> <p>Awarded IT Vendor of the Year 2020 at the UK IT Industry Awards.</p> <p>2021 Acquired Gemini and Fourkind.</p> <p>Listed as a public company on Nasdaq. Ticker symbol TWKS.</p> <p>Surpassed 10,000 Thoughtworkers.</p>

With a growing global presence in 17 countries



Thoughtworks Snapshot - Q3 2021

Q3 2021
revenue
\$285M

↑ from Q3 2020
of \$197M

Revenue
growth⁵
45%

42% in constant
currency^{4,5,6}

Adjusted
Gross Margin⁶
46%

↑ from Q3 2020
of 43%

Adjusted
EBITDA⁶
\$66M

↑ from Q3 2020
by 53%

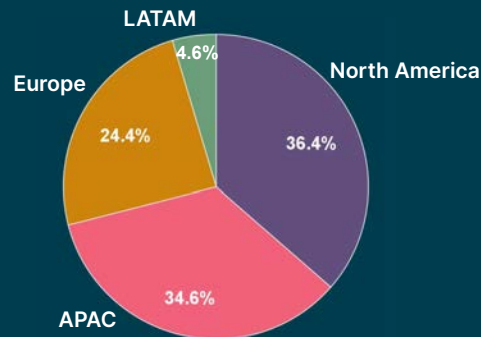
Adjusted
EBITDA Margin⁶
23%

↑ from Q3 2020
of 22%

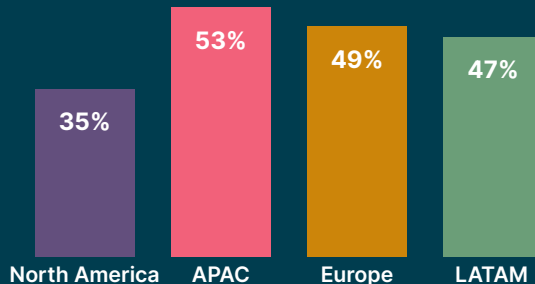
Adjusted
Diluted EPS⁶
\$0.14

↑ from Q3 2020
of \$0.08

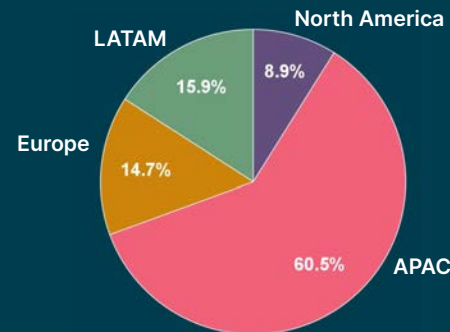
Revenue by customer location³



Revenue growth by customer location⁵

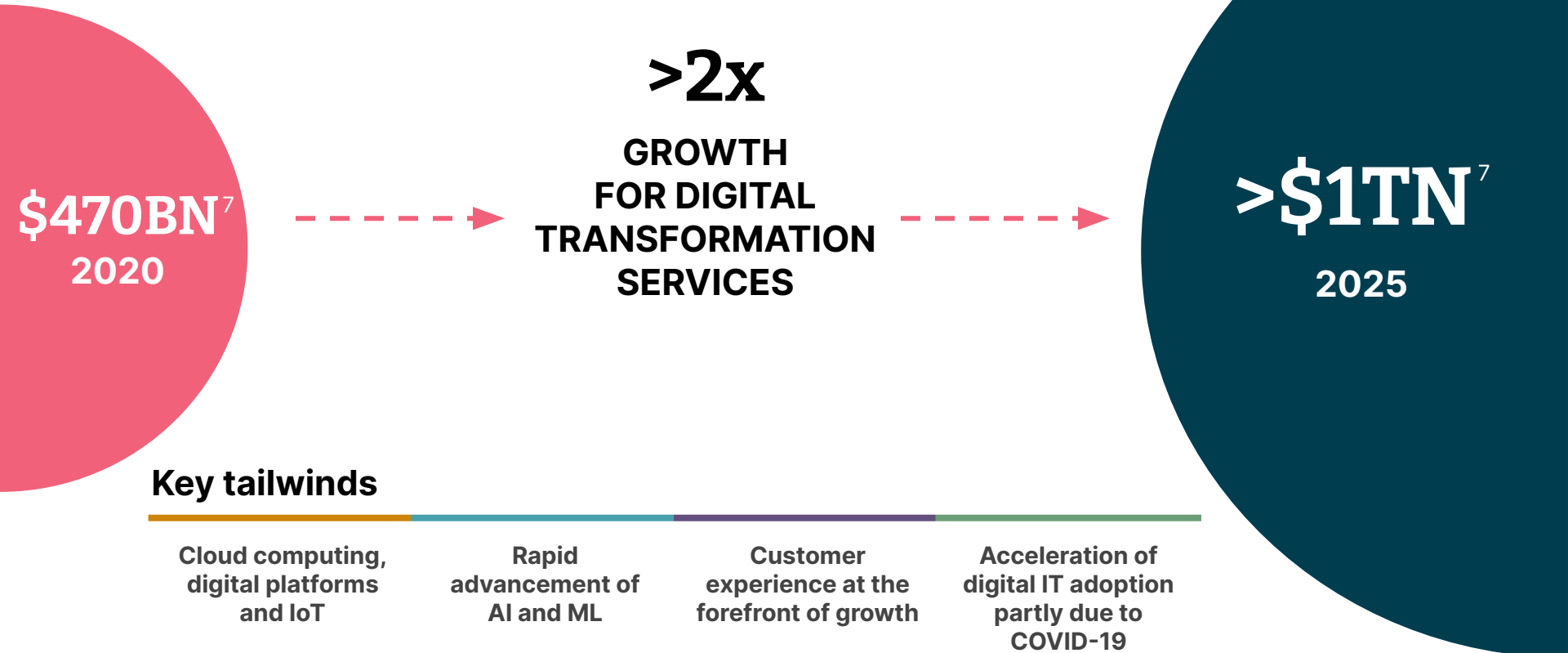


Employees by geography²



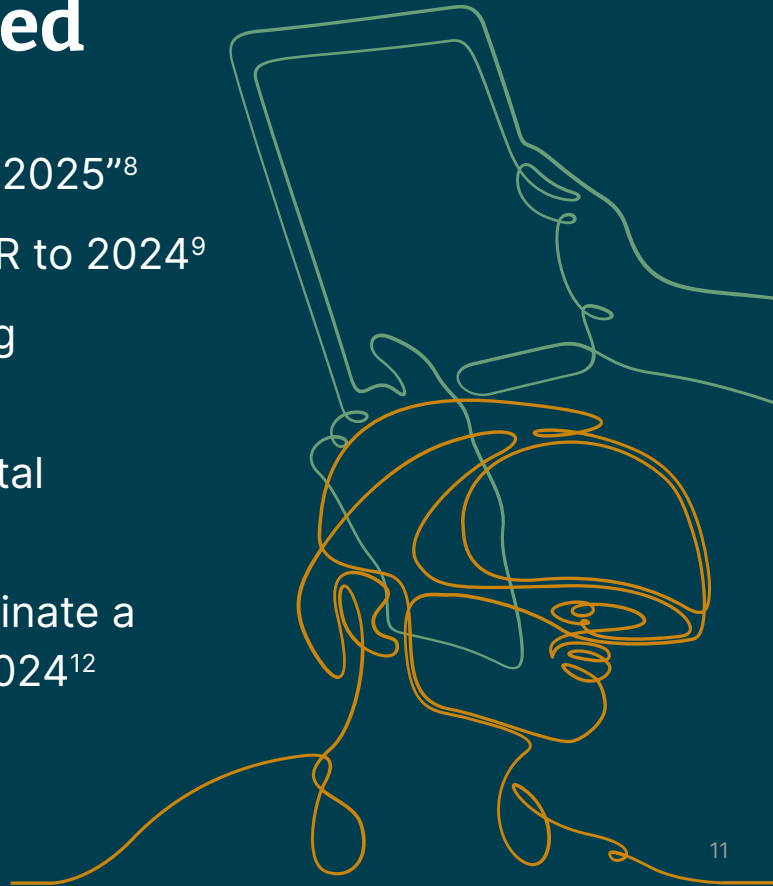
Founded in 1993 | 10,000+ employees | 17 countries | TWKS Nasdaq listed

Our market is large and growing fast



Growth in digital transformation services market is global and broad based

- “Global “Whole Cloud” spending at 16.9% CAGR to 2025”⁸
- Artificial intelligence market growing at 17.5% CAGR to 2024⁹
- Customer experience management market growing at 12.3% CAGR to 2026¹⁰
- Close to 50% of CEOs to increase their rate of digital investment significantly through 2023¹¹
- Continued adoption of cloud computing could eliminate a billion metric tons of CO2 emission from 2021 to 2024¹²



With technology mega trends driving market growth

Expansion of computing boundaries

Rapid development of platforms, cloud and internet of things are pushing the technology industry to new heights

Rapid advancement of AI- and ML-based tools

AI and ML enhance productivity and drive digital transformation by making predictions to assist humans in making decisions, and in some cases, by automating decision-making and tasks completely

Enhanced consumer experience

The pervasiveness of technology has enhanced modern consumer experiences with the integration of digital and physical worlds, such as augmented reality, virtual reality and mixed reality

Accelerating towards sustainability

Increasing focus on sustainability requires business to examine their environmental impact and to adopt more sustainable strategies and technologies, such as green cloud optimization

Growing impact of hostile tech and increased focus on information privacy

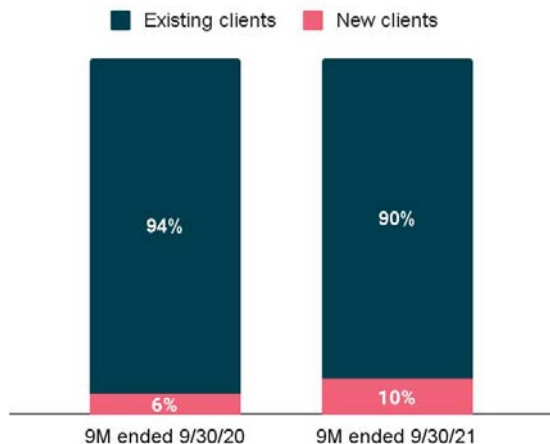
The increased complexity of technology presents a heightened risk of cyber attacks, computer malware, viruses, social engineering, employee misuse as well as data and security breaches

A diverse customer portfolio across geographies and verticals¹³

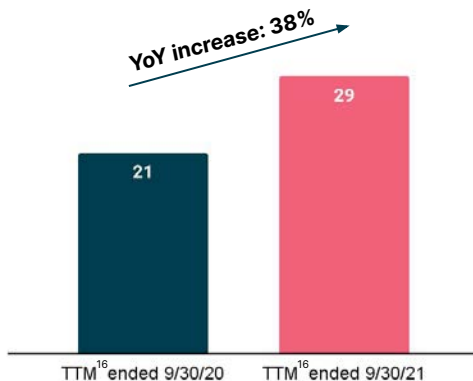
Technology and Business Services 27.0% ¹³	Energy, Public and Health Services 26.2% ¹³	Retail and Consumer 18.7% ¹³	Financial Services and Insurance 15.6% ¹³	Automotive, Travel and Transportation 12.5% ¹³
				

Rapid growth and a strong capability to develop client relationships

% of revenue from existing clients¹⁴



of clients with TTM¹⁶ revenues \$10M+



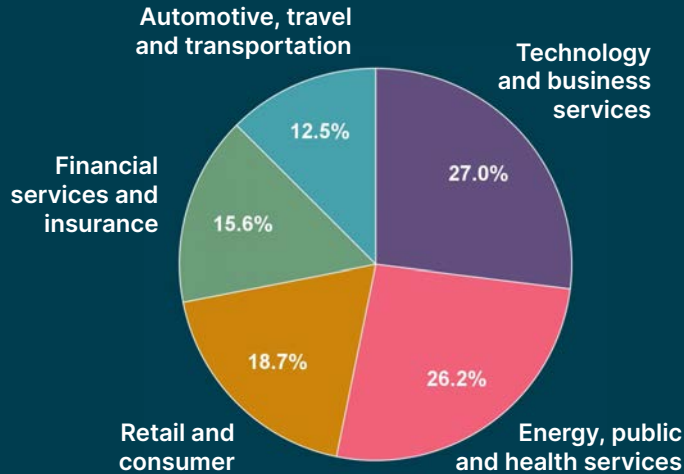
Revenue by client concentration



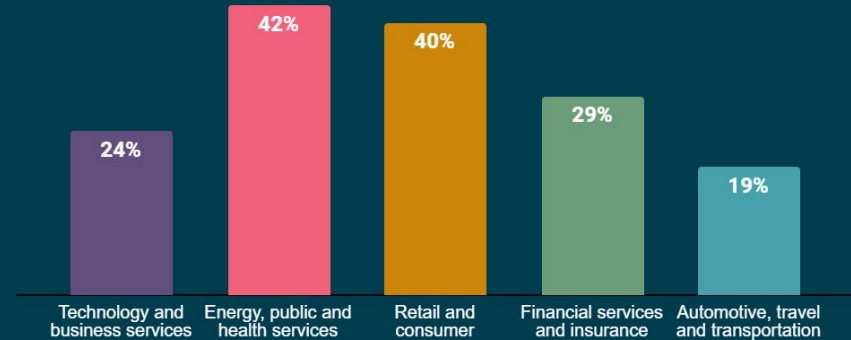
Average relationship of seven years for Top 10 customers¹⁵

Diverse revenue base and strong growth across all regions and verticals

Revenue by industry¹³



Revenue growth by industry^{5,13}



Valued by our clients



Our ability to digitally transform global enterprises at scale by applying strategic consulting and cutting-edge technologies



Our deep agile and technical expertise coupled with a history of thought leadership



Our poly-skilled, transformational and global talent



Our global distributed agile delivery with a strong local presence



Our award-winning and cultivating culture



Our core services

Enterprise Modernization, Platforms and Cloud

Modernize complex operations, platforms, development and delivery practices to rapidly unleash business value

Customer Experience, Product and Design

Accelerate value creation through extraordinary digital products and customer experiences powered by integrated technology and design

Data and AI

Enable data-driven intelligent products and business insights with pragmatic data strategies, governance, engineering, predictive AI, automation and ML capabilities

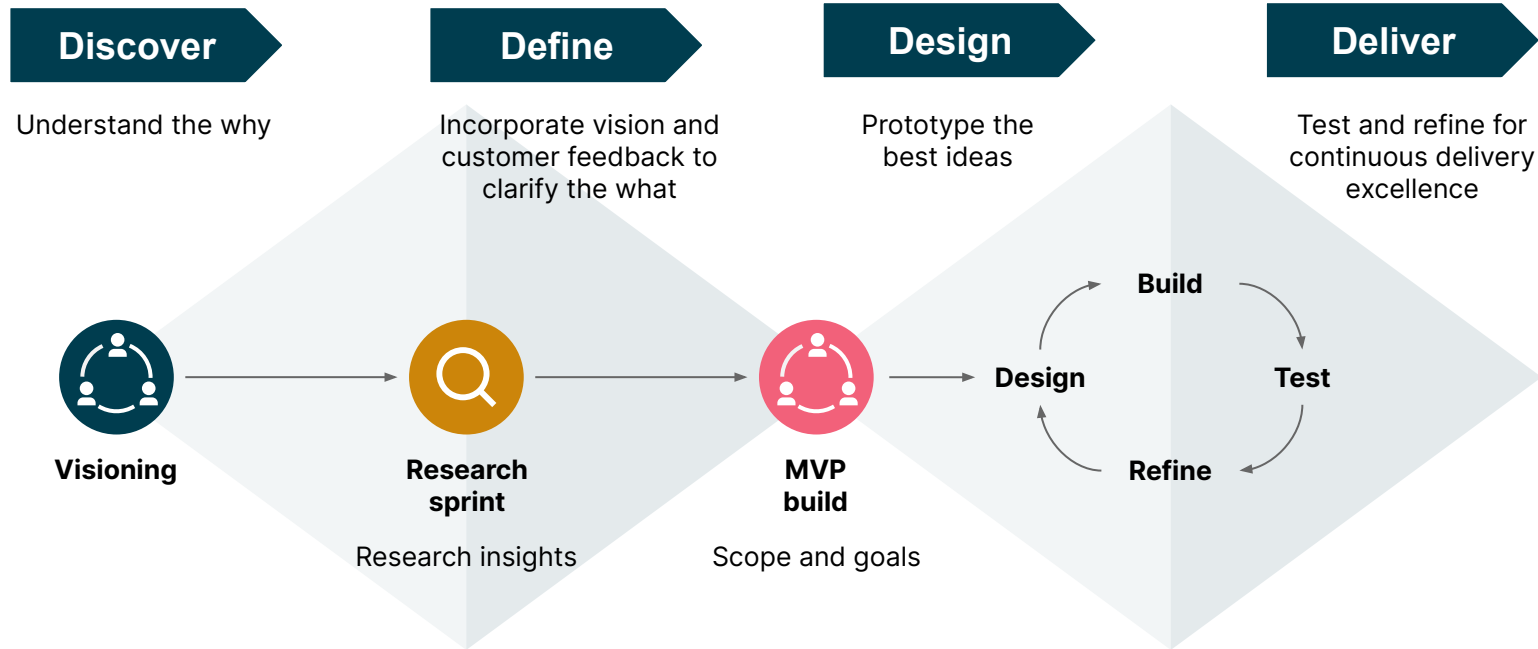
Digital Transformation and Operations

Provide organizations with executable digital strategies, frictionless operating models and transformation services

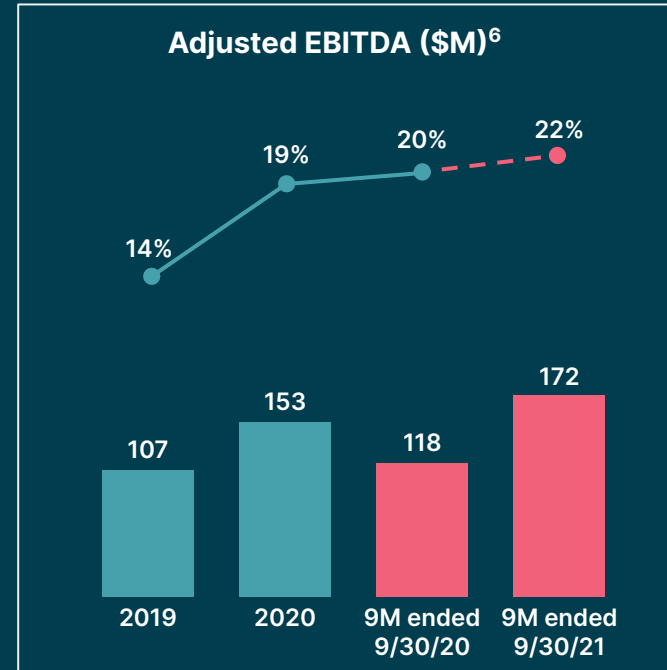
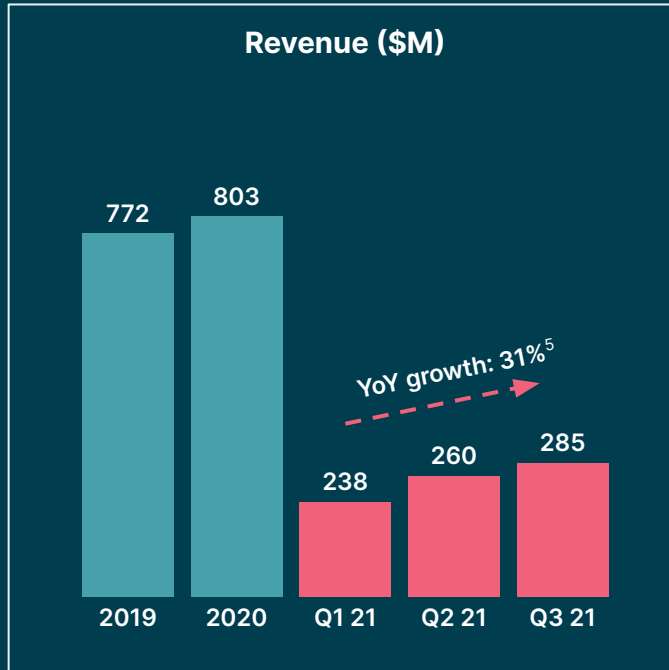
End-to-end digital partner combining strategy, software engineering, design and organizational transformation

Thoughtworks' approach delivers value fast

We deliver extraordinary impact for our clients via a collaborative and co-creative process that utilizes a thin slice approach to deliver value with incremental change on an accelerated timeline.



A history of robust financials



Cash balance²
\$453M

Debt¹⁷
\$511M

Adjusted Diluted EPS^{6,13}
\$0.37

Led by a highly-experienced team

Board of directors



Ian Davis, Chair
Former Worldwide Managing Director
of McKinsey & Company



Guo Xiao
Chief Executive Officer
and Director



Robert Brennan, Director
Former Executive Director of CA
Technologies, former CEO Veracode



Jane Chwick, Director
Former Partner at Goldman Sachs



Rohan Haldea, Director
Partner at Apax Partners and
formerly at Bain Capital



Gina Loftén, Director
Former Chief Technology Officer
Microsoft US, formerly at IBM



Salim Nathoo, Director
Partner at Apax Partners



William Parrett, Director
Former Senior Partner of
Deloitte & Touche USA LLP



Roxanne Taylor, Director
Chief Marketing and Communications
Officer at Memorial Sloan Kettering Cancer
Center. Former CMO of Accenture.

Senior management - average tenure of 16 years



Guo Xiao
Chief Executive Officer
22-year tenure



Rebecca Parsons
Chief Technology Officer
22-year tenure



Martin Fowler
Chief Scientist
22-year tenure



Sai Mandapaty
Chief Commercial Officer
12-year tenure



Erin Cummins
Chief Financial Officer
17-year tenure



Chad Wathington
Chief Strategy Officer
17-year tenure



Dave Whalley
Chief Information Officer
19-year tenure



Joanna Parke
Chief Talent Officer
18-year tenure



Julie Woods-Moss
Chief Marketing Officer
2-year tenure



Ramona Mateiu
General Counsel
12-year tenure



Ange Ferguson
Chief Transformation Officer
15-year tenure



Chris Murphy
Chief Executive Officer
North America
17-year tenure

With an unwavering commitment to creating positive social impact through our technology contributions

UN Sustainable Development Goals



Healthcare as a human right



Striving for equity in tech



Responsible tech and innovation



Inclusivity, social justice and equity



Climate action and sustainability

Select Thoughtworks awards, partnerships and initiatives



INVISIBLE INSTITUTE



And the growth strategies to win in this large and fast growing market

Deepen our relationships with existing clients

Establish new client relationships



Develop and grow our strategic partnerships

Develop new technical capabilities and client solutions

Pursue strategic, targeted acquisitions

2021 Acquisitions:

Fourkind
Finland and Netherlands

Gemini Solutions
Romania

Investment highlights



1

Digital-native consultancy with differentiated thought leadership

2

Diverse client base - geography and industry vertical

3

Global talent where our clients operate

4

Culture that attracts and retains the highest quality talent

5

Premium position and high gross margins

6

Rapidly growing with robust Adjusted EBITDA margins

Premium brand | Rapid growth | Strong margins | Highly diversified

Footnotes

1. Unaudited financial information for 2014 through 2018. 2014 through 2018 revenues were calculated according to a prior accounting standard, ASC 605, and may not be directly comparable to our 2019 to 2021 revenues, which use ASC 606. Our adoption of ASC 606 as of January 1, 2019 did not materially impact our revenues.
2. As of September 30, 2021.
3. For the three months ended September 30, 2021.
4. Revenue Growth Rate at Constant Currency is calculated by translating the current period revenues into U.S. dollars at the weighted average exchange rates of the prior period of comparison.
5. Reported YoY percentage growth rates calculated by comparison to prior year's corresponding period.
6. Adjusted EBITDA, and certain other measures in this deck, are Non-GAAP financial measures. For more information regarding the non-GAAP financial measures discussed in this presentation including a reconciliation of these non-GAAP measures to their corresponding GAAP measures, please see the Appendix to this presentation. For definition of these non-GAAP measures, please see our press release for the most recent quarter-ended posted to the Investor Relations page of our website.
7. Source: MarketsandMarkets. <https://www.marketsandmarkets.com/Market-Reports/digital-transformation-market-43010479.html>
8. Source: IDC, Worldwide Whole Cloud Forecast, 2021–2025, Doc # US47397521, Sep 2021 <https://www.idc.com/getdoc.jsp?containerId=prUS48208321>
9. Source: IDC, Worldwide Semiannual Artificial Intelligence Tracker, August 2021 <https://www.idc.com/getdoc.jsp?containerId=prUS47482321>
10. Source: MarketsandMarkets <https://www.marketsandmarkets.com/Market-Reports/customer-experience-management-cem-market-543.html>
11. Source: PwC's 24th Annual Global CEO Survey <https://www.pwc.com/gx/en/ceo-survey/2021/reports/pwc-24th-global-ceo-survey.pdf>
12. Source: IDC, Worldwide CO2 Emissions Savings from Cloud Computing Forecast, 2021–2024, Doc # US47426420, Feb 2021 <https://www.idc.com/getdoc.jsp?containerId=prUS47513321>
13. For the nine months ended September 30, 2021.
14. Defined as clients for whom we have done work and generated revenues in excess of \$25,000 within the preceding fiscal year.
15. Defined as top ten clients by spend for the nine months ended September 30, 2021.
16. Trailing twelve months ended September 30, 2021.
17. As of October 31, 2021.

Delivering extraordinary impact together



/thoughtworks

Appendix



Reconciliation of Non-GAAP financial measures

(in thousands, except percentages, number of shares and earnings per share)

	Three months ended September 30,		Nine months ended September 30,		2020	2019
	2021	2020	2021	2020	2020	2019
Net (loss) income	\$ (25,235)	\$ 21,882	\$ 11,502	\$ 59,679	\$ 79,283	\$ 28,420
Income tax expense	643	8,336	15,605	16,243	23,164	19,417
Interest expense	6,734	6,016	20,316	19,833	25,767	26,428
Other income (expense), net	(162)	(12)	(306)	(139)	(185)	(117)
Unrealized foreign exchange losses	1,393	97	3,912	165	(5,351)	703
Stock-based compensation	73,192	292	83,428	1,066	1,667	1,949
Depreciation and amortization	7,661	6,621	21,702	19,327	26,528	23,268
Acquisition costs (a)	450	-	7,936	-	633	158
Certain professional fees (b)	145	-	1,991	56	56	1,512
Non-recurring tender offer compensation expense (c)	-	-	2,715	-	-	-
Business rationalization (d)	-	305	-	1,108	1,316	4,589
IPO-related costs (e)	1,638	14	2,713	234	315	-
Non-recurring executive compensation expense (f)	-	-	-	-	-	802
Adjusted EBITDA	\$ 66,459	\$ 43,551	\$ 171,514	\$ 117,572	\$ 153,193	\$ 107,129
Net (loss) income margin	(8.9%)	11.1%	1.5%	10.0%	9.9%	3.7%
Adjusted EBITDA Margin	23.3%	22.2%	21.9%	19.7%	19.1%	13.9%
Net (loss) income allocated to common shareholders	\$ (25,235)	\$ 21,882	\$ (48,140)	\$ 59,679		
Preferred stock dividends	-	-	59,642	-		
Net (loss) income	(25,235)	21,882	11,502	59,679		
Unrealized foreign exchange losses	1,393	97	3,912	165		
Stock-based compensation	73,192	292	83,428	1,066		
Amortization of acquisition-related intangibles	3,018	2,652	9,051	7,851		
Acquisition costs (a)	450	-	7,936	-		
Certain professional fees (b)	145	-	1,991	56		
Non-recurring tender offer compensation expense (c)	-	-	2,715	-		
Business rationalization (d)	-	305	-	1,108		
IPO-related costs (e)	1,638	14	2,713	234		
Income tax effects of adjustments (g)	(17,413)	(1,011)	(26,635)	(2,243)		
Adjusted Net Income	\$ 37,188	\$ 24,231	\$ 96,613	\$ 67,916		
GAAP diluted weighted average common shares outstanding	241,351,052	285,073,748	237,121,811	284,165,048		
Employee stock options and restricted common shares	20,968,124	-	20,839,475	-		
Adjusted diluted weighted average common shares outstanding	262,319,176	285,073,748	257,961,286	284,165,048		
GAAP diluted (loss) earnings per common share	\$ (0.10)	\$ 0.08	\$ (0.20)	\$ 0.21		
Adjusted Diluted EPS	\$ 0.14	\$ 0.08	\$ 0.37	\$ 0.24		
Gross profit, GAAP	\$ 101,106	\$ 81,700				
Stock-based compensation	25,756	-				
Depreciation expense	3,488	2,278				
Adjusted Gross Profit	\$ 130,350	\$ 83,978				
Gross margin, GAAP	35.5%	41.6%				
Adjusted Gross Margin	45.7%	42.7%				

(a) Reflects costs for certain professional fees and retention wage expenses related to certain acquisitions.

(b) Adjusts for certain transaction expenses, non-recurring legal expenses, and one-time professional fees.

(c) Adjusts for the additional compensation expense related to the tender offer completed in the first quarter of 2021.

(d) Adjusts for business rationalization revenues and costs related to closing Thoughtworks Studios, which was completely shut down as of December 31, 2020. Thoughtworkers previously associated with Thoughtworks Studios have been transitioned to higher-revenue generating functions.

(e) Adjusts for IPO-readiness costs and expenses that do not qualify as equity issuance costs.

(f) Reflects executive compensation expenses for certain roles that were eliminated in connection with our acquisition by the Apax Funds.

(g) Adjusts for the income tax effects of the foregoing adjusted items.