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

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2021
OR

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

For transition period from to
Commission File Number 001-40812

THOUGHTWORKS HOLDING, INC.

(Exact name of registrant as specified in its charter)

Delaware	**82-2668392**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

200 East Randolph Street, 25th Floor
Chicago, Illinois 60601
(312) 373-1000
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, $0.001 par value	TWKS	Nasdaq Global Select Market

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☐ No ☒

Indicate by check mark whether the Registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☐
		Emerging growth company	☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act): Yes ☐ No ☒

As of November 11, 2021, there were approximately 305,117,043 shares of the registrant's common stock outstanding.

THOUGHTWORKS HOLDING, INC.

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FORWARD-LOOKING STATEMENTS

This quarterly report on Form 10-Q (the "Quarterly Report") contains "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, as amended. Forward-looking statements include statements that are not historical facts and can be identified by terms such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "seek," "should," "will," "would" or similar expressions and the negatives of those terms. The forward-looking statements are generally contained in the section captioned "Management's Discussion and Analysis of Financial Condition and Results of Operations." Forward-looking statements include information concerning our possible or assumed future results of operations, client demand, business strategies, technology developments, financing and investment plans, our industry and regulatory environment, effects from the COVID-19 pandemic, potential growth opportunities and the effects of competition.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Given these uncertainties, you should not place undue reliance on forward-looking statements. Also, forward-looking statements represent our management's beliefs and assumptions only as of the date of this Quarterly Report. You should read this Quarterly Report and the documents that we have filed as exhibits to the registration statement, of which this Quarterly Report is a part, completely and with the understanding that our actual future results may be materially different from what we expect.

Important factors that could cause actual results to differ materially from our expectations include:

- the COVID-19 pandemic has impacted our business and operations, and future business and operational challenges posed by the COVID-19 pandemic could materially adversely affect us;
- we may be unable to implement our growth strategy;
- our ability to generate and retain business depends on our reputation in the marketplace;
- we must successfully attract, hire, train and retain skilled professionals to service our clients' projects and we must productively deploy our professionals to remain profitable;
- increases in wages and other compensation expenses could prevent us from sustaining our competitive advantage and could increase our costs;
- our business and operations may be harmed if we cannot positively evolve and preserve our Thoughtworks culture;
- our global business exposes us to operational, geopolitical, regulatory, legal and economic risks;
- our business, financial condition and results of operations may be adversely affected by fluctuations in foreign currency exchange rates or changes in our effective tax rates;
- if we fail to adequately innovate, adapt and/or remain at the forefront of emerging technologies and related client demands, we could be materially adversely affected;
- we may not be successful at attracting new clients or retaining and expanding our relationships with our existing clients;
- we face intense competition and operate in a rapidly evolving industry, which makes it difficult to evaluate our future prospects;
- we generally do not have long-term commitments or contracts with our clients;

- we face risks associated with having a long selling and implementation cycle for our services that require us to make significant resource commitments prior to realizing revenues for those services;
- our profitability could suffer if we cannot accurately price our solutions and services, maintain favorable pricing for our solutions and services, are unable to collect on receivables from clients or fail to meet our contractual and other obligations to clients;
- we face risks associated with security breaches as well as privacy and data protection regulations, and we may incur significant liabilities if we fail to manage those risks;
- we may not be able to prevent unauthorized use of our intellectual property, and our intellectual property rights may not be adequate to protect our business and competitive position;
- Funds advised by Apax Partners L.L.P. control us, and such control may give rise to actual or perceived conflicts of interests;
- our status as a “controlled company” will grant us exemptions from certain corporate governance requirements, and our status as an “emerging growth company” will allow us to comply with reduced public company reporting requirements; and
- other factors disclosed in the section entitled “Risk Factors” in the final prospectus filed September 16, 2021, which forms part of the Registration Statement on Form S-1 declared effective as of the same date (the “IPO Prospectus”) and in this Quarterly Report.

We derive many of our forward-looking statements from our operating budgets and forecasts, which are based on many detailed assumptions. While we believe that our assumptions are reasonable, we caution that it is very difficult to predict the impact of known factors, and it is impossible for us to anticipate all factors that could affect our actual results. Important factors that could cause actual results to differ materially from our expectations, or cautionary statements, are disclosed under the sections entitled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in this Quarterly Report and in our IPO Prospectus. All written and oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by these cautionary statements as well as other cautionary statements that are made from time to time in our other Securities and Exchange Commission (“SEC”) filings and public communications. You should evaluate all forward-looking statements made in this Quarterly Report in the context of these risks and uncertainties.

We caution you that the important factors referenced above may not contain all of the factors that are important to you. In addition, we cannot assure you that we will realize the results or developments we expect or anticipate or, even if substantially realized, that they will result in the consequences or affect us or our operations in the way we expect. The forward-looking statements included in this Quarterly Report are made only as of the date hereof. We undertake no obligation to update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law.

PART I. FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements (Unaudited)

THOUGHTWORKS HOLDING, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share data and per share data)

	September 30, 2021	December 31, 2020
	(unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	$ 452,810	$ 490,841
Trade receivables, net of allowance for doubtful accounts of $9,085 and $10,385, respectively	118,420	113,183
Unbilled receivables	126,517	88,340
Prepaid expenses	11,086	9,442
Other current assets	40,402	9,960
Total current assets	749,235	711,766
Property and equipment, net	35,038	26,347
Intangibles and other assets:		
Goodwill	346,831	318,151
Intangible assets, net	401,820	402,055
Other non-current assets	17,688	16,904
Total assets	$ 1,550,612	$ 1,475,223
Liabilities, redeemable convertible preferred stock and stockholders' equity		
Current liabilities:		
Accounts payable	$ 6,060	$ 4,349
Long-term debt - current	7,150	4,565
Income taxes payable	15,840	11,032
Accrued compensation	74,085	49,896
Deferred revenue	9,054	11,720
Value-added tax and sales tax payable	3,584	6,846
Accrued expenses	65,122	29,749
Total current liabilities	180,895	118,157
Long-term debt, less current portion	597,004	435,192
Deferred tax liabilities	86,329	98,310
Other long-term liabilities	17,051	16,052
Total liabilities	881,279	667,711

The accompanying notes form an integral part of the condensed consolidated financial statements.

THOUGHTWORKS HOLDING, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share data and per share data)

	September 30, 2021	December 31, 2020
	(unaudited)	
Commitments and contingencies (See Note 9)		
Redeemable, convertible preferred stock:		
Series A redeemable convertible preferred stock, $0.001 par value; zero and 217,902,632 shares authorized, zero and 23,493,546 issued and outstanding at September 30, 2021 and December 31, 2020, respectively	—	322,800
Series B redeemable convertible preferred stock, $0.001 par value; zero shares authorized, zero issued and outstanding at September 30, 2021 and December 31, 2020, respectively	—	—
Stockholders’ equity:		
Convertible preferred stock, $0.001 par value; 100,000,000 and zero shares authorized, zero issued and outstanding at September 30, 2021 and December 31, 2020, respectively	—	—
Common stock, $0.001 par value; 1,000,000,000 and zero authorized, 356,102,614 and zero shares issued, 305,117,043 and zero shares outstanding at September 30, 2021 and December 31, 2020, respectively	356	—
Class A common stock, $0.001 par value; zero and 416,194,027 authorized, zero and 272,054,182 shares issued, zero and 272,054,182 shares outstanding at September 30, 2021 and December 31, 2020, respectively	—	272
Class B common stock, $0.001 par value; zero and 116,577,908 authorized, zero and 5,002,488 shares issued, zero and 4,474,514 shares outstanding at September 30, 2021 and December 31, 2020, respectively	—	5
Class C common stock, $0.001 par value; zero and 55,565,172 authorized, zero and 1,838,757 shares issued, zero and 1,794,020 shares outstanding at September 30, 2021 and December 31, 2020, respectively	—	2
Treasury stock, 50,985,571 and 572,711 shares at September 30, 2021 and December 31, 2020, respectively	(629,424)	(1,608)
Additional paid-in capital	1,316,075	381,172
Accumulated other comprehensive loss	(10,591)	(1,589)
Retained (deficit) earnings	(7,083)	106,458
Total stockholders' equity	669,333	484,712
Total liabilities, redeemable convertible preferred stock and stockholders' equity	$ 1,550,612	$ 1,475,223

The accompanying notes form an integral part of the condensed consolidated financial statements.

THOUGHTWORKS HOLDING, INC.
CONDENSED CONSOLIDATED STATEMENTS OF (LOSS) INCOME AND COMPREHENSIVE (LOSS) INCOME (unaudited)
(In thousands, except share data and per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	**2020**	**2021**	**2020**
Revenues	$ 285,051	$ 196,549	$ 783,145	$ 597,082
Operating expenses:				
Cost of revenues	183,945	114,849	471,047	351,750
Selling, general and administrative expenses	113,019	42,073	248,366	139,498
Depreciation and amortization	4,173	4,343	13,007	12,587
Total operating expenses	301,137	161,265	732,420	503,835
(Loss) income from operations	(16,086)	35,284	50,725	93,247
Other (expense) income:				
Interest expense	(6,734)	(6,016)	(20,316)	(19,833)
Net realized and unrealized foreign currency (loss) gain	(1,934)	938	(3,608)	2,369
Other income (expense), net	162	12	306	139
Total other expense	(8,506)	(5,066)	(23,618)	(17,325)
(Loss) income before income taxes	(24,592)	30,218	27,107	75,922
Income tax expense	643	8,336	15,605	16,243
Net (loss) income	$ (25,235)	$ 21,882	$ 11,502	$ 59,679
Other comprehensive (loss) income, net of tax:				
Foreign currency translation adjustments	(7,109)	9,940	(9,002)	(7,321)
Comprehensive (loss) income	$ (32,344)	$ 31,822	$ 2,500	$ 52,358
Net (loss) earnings per common share:				
Basic (loss) earnings per common share	$ (0.10)	$ 0.08	$ (0.20)	$ 0.21
Diluted (loss) earnings per common share	$ (0.10)	$ 0.08	$ (0.20)	$ 0.21
Weighted average shares outstanding:				
Basic	241,351,052	278,218,732	237,121,811	278,202,291
Diluted	241,351,052	285,073,748	237,121,811	284,165,048

The accompanying notes form an integral part of the condensed consolidated financial statements.

THOUGHTWORKS HOLDING, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' EQUITY (unaudited)
(In thousands, except share data)

	Redeemable, Convertible Preferred Stock		Common Stock		Treasury		Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Retained (Deficit) Earnings	Total
	Shares	Amount	Shares	Amount	Shares	Amount				
Balance as of June 30, 2020	—	$ —	278,198,070	$ 279	572,711	$ (1,608)	$ 379,993	$ (27,328)	$ 64,972	$ 416,308
Net income	—	—	—	—	—	—	—	—	21,882	21,882
Other comprehensive income, net of tax	—	—	—	—	—	—	—	9,940	—	9,940
Issuance of common stock on exercise of options, net of withholding taxes	—	—	27,408	—	—	—	63	—	—	63
Stock-based compensation expense	—	—	—	—	—	—	292	—	—	292
Balance as of September 30, 2020	—	$ —	278,225,478	$ 279	572,711	$ (1,608)	$ 380,348	$ (17,388)	$ 86,854	$ 448,485
Balance as of June 30, 2021	59,489,958	$ 826,022	228,080,650	$ 279	50,985,571	$ (629,424)	$ 103,785	$ (3,482)	$ 18,152	$ (510,690)
Net loss	—	—	—	—	—	—	—	—	(25,235)	(25,235)
Other comprehensive loss, net of tax	—	—	—	—	—	—	—	(7,109)	—	(7,109)
Issuance of common stock upon initial public offering, net of issuance costs of $30.3 million	—	—	16,429,964	16	—	—	314,700	—	—	314,716
Conversion of redeemable convertible preferred stock to common stock	(59,489,958)	(826,022)	59,489,958	60	—	—	825,962	—	—	826,022
Issuance of common stock on exercise of options, net of withholding taxes	—	—	1,116,471	1	—	—	(972)	—	—	(971)
Stock-based compensation expense	—	—	—	—	—	—	72,600	—	—	72,600
Balance as of September 30, 2021	—	$ —	305,117,043	$ 356	50,985,571	$ (629,424)	$ 1,316,075	$ (10,591)	$ (7,083)	$ 669,333

The accompanying notes form an integral part of the condensed consolidated financial statements.

THOUGHTWORKS HOLDING, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' EQUITY (unaudited)
(In thousands, except share data)

	Redeemable, Convertible Preferred Stock		Common Stock		Treasury		Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Retained (Deficit) Earnings	Total
	Shares	Amount	Shares	Amount	Shares	Amount				
Balance as of December 31, 2019	—	$ —	278,193,711	$ 279	572,711	$ (1,608)	$ 379,209	$ (10,067)	$ 27,175	$ 394,988
Net income	—	—	—	—	—	—	—	—	59,679	59,679
Other comprehensive loss, net of tax	—	—	—	—	—	—	—	(7,321)	—	(7,321)
Issuance of common stock on exercise of options, net of withholding taxes	—	—	31,767	—	—	—	73	—	—	73
Stock-based compensation expense	—	—	—	—	—	—	1,066	—	—	1,066
Balance as of September 30, 2020	—	$ —	278,225,478	$ 279	572,711	$ (1,608)	$ 380,348	$ (17,388)	$ 86,854	$ 448,485
Balance as of December 31, 2020	23,493,546	$ 322,800	278,322,716	$ 279	572,711	$ (1,608)	$ 381,172	$ (1,589)	$ 106,458	$ 484,712
Net income	—	—	—	—	—	—	—	—	11,502	11,502
Other comprehensive loss, net of tax	—	—	—	—	—	—	—	(9,002)	—	(9,002)
Issuance of common stock upon initial public offering, net of issuance costs of $30.3 million	—	—	16,429,964	16	—	—	314,700	—	—	314,716
Issuance of Redeemable Convertible Preferred Stock, net of issuance costs of $11.8 million	35,996,412	503,222	—	—	—	—	—	—	—	—
Conversion of redeemable convertible preferred stock to common stock	(59,489,958)	(826,022)	59,489,958	60	—	—	825,962	—	—	826,022
Issuance of common stock on exercise of options, net of withholding taxes	—	—	1,153,952	1	—	—	(886)	—	—	(885)
Issuance of common stock	—	—	133,313	—	—	—	1,873	—	—	1,873
Dividends	—	—	—	—	—	—	(279,191)	—	(45,821)	(325,012)
Tender Offer	—	—	(50,412,860)	—	50,412,860	(627,816)	(10,391)	—	(79,222)	(717,429)
Stock-based compensation expense	—	—	—	—	—	—	82,836	—	—	82,836
Balance as of September 30, 2021	—	$ —	305,117,043	$ 356	50,985,571	$ (629,424)	$ 1,316,075	$ (10,591)	$ (7,083)	$ 669,333

The accompanying notes form an integral part of the condensed consolidated financial statements.

THOUGHTWORKS HOLDING, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (unaudited)
(In thousands)

	Nine Months Ended September 30,	
	2021	**2020**
Cash flows from operating activities:		
Net income	$ 11,502	$ 59,679
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization expense	21,702	19,327
Bad debt provision	(611)	6,713
Stock-based compensation expense	82,836	1,066
Unrealized foreign currency exchange loss	3,912	165
Other operating activities, net	(10,849)	4,863
Changes in operating assets and liabilities:		
Trade receivables	(3,960)	36,830
Unbilled receivables	(39,670)	(30,812)
Prepaid expenses	(1,610)	(5,131)
Other assets	(27,537)	825
Accounts payable	1,602	(1,126)
Accrued expenses and other liabilities	58,182	6,844
Net cash provided by operating activities	95,499	99,243
Cash flows from investing activities:		
Purchase of property and equipment	(21,504)	(9,005)
Proceeds from disposal of fixed assets	375	101
Acquisition of businesses, net of cash acquired	(44,759)	—
Net cash used in investing activities	(65,888)	(8,904)
Cash flows from financing activities:		
Proceeds from initial public offering, net of issuance costs and underwriting discounts	314,716	—
Proceeds from issuance of Series A Redeemable Convertible Preferred Stock, net of issuance costs	380,994	—
Proceeds from issuance of Series B Redeemable Convertible Preferred Stock, net of issuance costs	122,228	—
Payments of obligations of long-term debt	(234,921)	(3,424)
Payments of debt issuance costs	(7,098)	(111)
Proceeds from borrowings on revolving credit facility	—	29,000
Payments on revolving credit facility	—	(29,000)
Proceeds from borrowings on long-term debt	401,285	—
Proceeds from issuance of common stock on exercise of options, net of employee tax withholding	(885)	73
Shares and options purchased under Tender offer	(701,960)	—
Proceeds from issuance of common stock	1,873	—
Dividends paid	(315,003)	—
Other financing activities, net	1,317	105
Net cash used in financing activities	(37,454)	(3,357)

The accompanying notes form an integral part of the condensed consolidated financial statements.

THOUGHTWORKS HOLDING, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (unaudited)
(In thousands)

	Nine Months Ended September 30,	
	2021	**2020**
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(3,394)	(574)
Net (decrease) increase in cash, cash equivalents and restricted cash	(11,237)	86,408
Cash, cash equivalents and restricted cash at beginning of the period	492,199	57,156
Cash, cash equivalents and restricted cash at end of the period	$ 480,962	$ 143,564
Supplemental disclosure of cash flow information:		
Interest paid	$ 18,736	$ 18,364
Income taxes paid	$ 21,307	$ 9,470
Withholding taxes payable	$ 34,539	$ —
Supplemental disclosures of non-cash investing and financing activities:		
Conversion of convertible preferred stock to common stock	$ 826,022	$ —
Net settlement on exercise of shares	$ 3,611	$ —

The accompanying notes form an integral part of the condensed consolidated financial statements.

THOUGHTWORKS HOLDING, INC.
Notes to the Condensed Consolidated Financial Statements (Unaudited)

Note 1 – Business and Summary of Significant Accounting Policies

Thoughtworks Holding, Inc., formerly known as Turing Holding Corp., (together with its subsidiaries, the "Company") develops, implements, and services complex enterprise application software, provides business technology consulting, and licenses technology practitioner tools which are used for software development. The Company conducts business in Australia, Brazil, Canada, Chile, China, Ecuador, Finland, Germany, Hong Kong, India, Italy, the Netherlands, Romania, Singapore, Spain, Thailand, the United Kingdom and the United States. Thoughtworks Holding, Inc. is the ultimate parent holding company of Thoughtworks, Inc. among other subsidiaries.

Initial Public Offering

The Company's registration statement on Form S-1 related to its initial public offering ("IPO") was declared effective on September 14, 2021 and the Company's common stock began trading on the Nasdaq Global Select Market on September 15, 2021. The Company's final prospectus (the "IPO Prospectus") was filed with the SEC on September 16, 2021. On September 17, 2021 (the "IPO Closing Date"), the Company closed its IPO pursuant to which an aggregate of 42,368,421 shares of its common stock were sold, which includes the issuance and sale of 16,429,964 shares of the Company's common stock, the sale by selling stockholders of 20,412,142 shares of the Company's common stock, and the full exercise of the underwriters' option to purchase 5,526,315 additional shares of common stock from certain of the selling stockholders, at the IPO price of $21.00 per share. The Company received net proceeds of $314.7 million, after deducting the underwriting discounts and commissions and other offering expenses of approximately $30.3 million. Prior to the completion of the IPO, all shares of the Company's Class A, Class B and Class C common stock then outstanding were converted into 5,259,163 shares of common stock on a 1-for-1 basis, and upon the completion of the IPO, all 1,365,058 shares of the Company's outstanding Series A and B redeemable convertible preferred stock converted into an equivalent number of shares of common stock on a 1-for-1 basis.

Additionally, after the conversion described above and prior to the completion of the IPO, the Company effected an approximate 43.6-for-1 split of each outstanding share of common stock (the "Stock Split"). All share and per share information has been retroactively adjusted to effect the Stock Split for all periods presented, except where otherwise noted.

Post-IPO, offering expenses, which consist of direct incremental legal, accounting, and consulting fees relating to the IPO, were recorded as equity issuance costs as a reduction to additional paid-in capital on the condensed consolidated statement of stockholders' equity. These offering expenses, net of reimbursement received from the underwriters upon completion of the IPO, totaled approximately $30.3 million, of which $19.0 million related to underwriting discounts and commissions and $11.3 million related to offering expenses, as of September 30, 2021.

Basis of Presentation and Consolidation

The accompanying unaudited condensed consolidated financial statements include the accounts of Thoughtworks Holding, Inc. and its subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation. These unaudited condensed consolidated financial statements should be read in conjunction with the condensed consolidated financial statements and notes included in the Company's IPO Prospectus.

Preparation of Financial Statements and Use of Estimates

The preparation of the unaudited condensed consolidated financial statements and accompanying notes should be read in conjunction with the Company's audited consolidated financial statements and the notes thereto for the year ended December 31, 2020. The preparation of these condensed consolidated financial statements is in conformity with generally accepted accounting principles in the United States ("GAAP") and applicable rules and regulations of the SEC regarding interim financial reporting. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting periods. On an ongoing basis, the Company evaluates its estimates, including those related to allowance for doubtful accounts, valuation and impairment of goodwill and long-lived assets, income taxes, accrued bonus, contingencies, stock-based compensation, including the underlying deemed fair value of common stock (prior to the completion of the IPO), and litigation costs. The Company bases its estimates on historical experience and on other assumptions that its management believes are reasonable under the circumstances. These estimates form the basis for making judgments about the carrying value of assets and liabilities when those values are not readily apparent from other sources. Actual results can differ from those estimates, and such differences may be material to the condensed consolidated financial statements. Operating results for the interim periods are not necessarily indicative of results that may be expected to occur for the entire year. In management’s opinion, all adjustments considered necessary for a fair presentation of the accompanying unaudited condensed consolidated financial statements have been included, and all adjustments are of a normal and recurring nature.

Segments

The Company operates as one operating segment. Operating segments are defined as components of an enterprise for which separate financial information is evaluated regularly by the chief operating decision maker (“CODM”), in deciding how to allocate resources and assess performance.

While the Company has offerings in multiple modern digital businesses and operates in multiple countries, the Company’s business operates in one operating segment because most of the Company's service offerings are delivered and supported on a global basis, most of the Company's service offerings are deployed in a nearly identical way, and the Company’s CODM evaluates the Company’s financial information and resources and assesses the performance of these resources on a consolidated basis.

Long-Lived Assets

The North America geographic region encompasses the Company’s country of domicile (United States) and Canada, of which long-lived assets including property and equipment, net of depreciation, are principally held within the United States. The United States comprised $7.0 million, or 20.0%, and $4.6 million, or 17.4%, of the Company’s long-lived assets as of September 30, 2021 and December 31, 2020, respectively. Canadian long-lived assets were determined to be immaterial given property, and equipment was less than 10% of the Company's long-lived assets as of September 30, 2021 and December 31, 2020.

The Company holds material long-lived assets in the foreign geographic locations of Brazil, China, and India of $5.8 million, $8.1 million, and $7.6 million as of September 30, 2021, respectively, compared to $2.8 million, $7.6 million, and $5.3 million as of December 31, 2020, respectively. Long-lived assets in all other foreign geographic locations, including Canada, totaled $6.5 million and $6.0 million as of September 30, 2021 and December 31, 2020, respectively.

Stock-Based Compensation

The Company accounts for employee and non-employee equity-based compensation in accordance with ASC 718, *Compensation – Stock Compensation*. Accordingly, compensation expense for employee and non-employee services received in exchange for equity awards is based on the grant date fair value of those awards and is recognized over the requisite service period for the respective award. Prior to the IPO, the fair market value of the Company’s common stock was determined by the estimated fair market value of the Company’s common stock at the time of grant. Upon the completion of the IPO, the Company uses the market closing price of its common stock on the date of grant to determine the fair market value of the common stock, or if there is no market closing price on the date of grant, the closing price reported on the most recent trading date on Nasdaq.

The Company’s equity-based awards issued to employees include stock option awards issued by the Company, which vest based on either time or the achievement of certain performance and market conditions. The Company records forfeitures as they occur. Compensation expense resulting from time vesting based awards will be recognized in the Company’s consolidated statement of operations and comprehensive income (loss), primarily within general and administrative expenses, at the grant date fair value over the requisite service period (typically one to four years on an accelerated basis for time vested awards). Compensation expense resulting from performance awards will be recognized over the requisite service period when it is probable that the performance condition will be met. The calculated compensation expense for performance awards is adjusted based on an estimate of awards ultimately expected to vest.

Common Stock Valuation Prior to the IPO Closing Date

Prior to the IPO Closing Date, due to the absence of an active market for the Company’s common stock, the Company utilized methodologies in accordance with the framework of the American Institute of Certified Public Accountants’ Technical Practice Aid, Valuation of Privately-Held Company Equity Securities Issued as Compensation, to estimate the fair value of common stock. The valuation methodology included estimates and assumptions that required the Company’s judgment. These estimates and assumptions included a number of objective and subjective factors, including external market conditions affecting the industry sector, and the likelihood of achieving a liquidity event, such as an IPO, reverse merger or sale. Significant changes to the key assumptions used in the valuations resulted in different fair values of common stock at each valuation date.

The Company’s equity-based awards also include restricted stock units ("RSUs"), and the fair value of each RSU is based on the fair value of the Company’s common stock on the date of grant.

Refer to Note 11, *Stock-Based Compensation*, for more information on equity-based awards and the related activity that occurred in connection with the IPO.

Restricted Cash

Restricted cash is included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. Restricted cash is restricted as to withdrawal or use. The Company has restricted cash held on deposit at various financial institutions. The amounts are held in escrow for income tax withholdings, to secure bank guarantees of amounts related to government requirements, and collateral for a corporate credit card. A reconciliation of cash, cash equivalents and restricted cash to the condensed consolidated balance sheet is as follows (in thousands):

	As of September 30, 2021	As of December 31, 2020
Cash and cash equivalents	$ 452,810	$ 490,841
Restricted cash included in other current assets	26,827	—
Restricted cash included in other non-current assets	1,325	1,358
Total cash, cash equivalents, and restricted cash	$ 480,962	$ 492,199

Recently Adopted Accounting Standards

In August 2018, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update ("ASU") No. 2018-13, *Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement*, which amends Accounting Standards Codification (“ASC”) 820, *Fair Value Measurement*. This ASU modifies the disclosure requirements for fair value measurements by removing, modifying, or adding certain disclosures. The effective date is the first quarter of fiscal year 2020, with early adoption permitted for the removed disclosures and delayed adoption until fiscal year 2020 permitted for the new disclosures. The removed and modified disclosures were adopted on a retrospective basis and the new disclosures will be adopted on a prospective basis. The adoption of ASU 2018-13 did not have a material impact on the Company's condensed consolidated financial statements.

In August 2018, the FASB issued ASU 2018-15, *Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40): Customers Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That is a Service Contract*. ASU 2018-15 is intended to help entities evaluate the accounting for fees paid by a customer in a cloud computing arrangement (hosting arrangement) by providing guidance for determining when the arrangement includes a software license. The ASU is effective for annual reporting periods beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021. Early adoption is permitted. In the third quarter of 2021, the Company early adopted ASU 2018-15 and this adoption did not have a material impact on the Company's condensed consolidated financial statements.

In December 2019, the FASB issued ASU No. 2019-12, *Income Taxes (Topic 740)*: *Simplifying the Accounting for Income Taxes*, as part of its simplification initiative to reduce the cost and complexity in accounting for income taxes. ASU 2019-12 removes certain exceptions related to the approach for intra-period tax allocation, the methodology for calculating income taxes in an interim period and the recognition of deferred tax liabilities for outside basis differences. ASU 2019-12 also amends other aspects of the guidance to help simplify and promote consistent application of GAAP. The guidance became effective for interim and annual periods beginning after December 15, 2020, with early adoption permitted. The adoption of ASU 2019-12 did not have a material impact on the Company's condensed consolidated financial statements.

Recently Issued Accounting Pronouncements Not Yet Adopted

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which amends existing accounting standards for lease accounting and requires lessees to recognize virtually all their leases on the balance sheet by recording a right-of-use asset and a lease liability (for other than short term leases). The Company is in the preliminary stages of gathering data and assessing the impact of the new lease standard. The Company anticipates that the adoption of this standard will materially affect the consolidated balance sheet and may require changes to the processes used to account for leases. The Company is currently in the process of evaluating the impact of the adoption of Topic 842 on the condensed consolidated financial statements and will adopt this new standard in the fiscal year beginning January 1, 2022, based on its status as an emerging growth company.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which amends the current accounting guidance and requires the measurement of all expected losses based on historical experience, current conditions, and reasonable and supportable forecasts, or a current expected credit loss ("CECL") model. For trade receivables, loans, and other financial instruments, companies will be required to use a forward-looking expected loss model rather than the incurred loss model for recognizing credit losses which reflects losses that are probable. In November 2019, the FASB issued ASU 2019-10 which delayed the effective date for the CECL standard. This guidance and related amendments is effective for the Company for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. The Company is currently assessing the impact of this ASU on the condensed consolidated financial statements and will adopt this new standard in the fiscal year beginning January 1, 2023, based on its status as an emerging growth company.

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848)*: *Facilitation of the Effects of Reference Rate Reform on Financial Reporting*, which provides temporary optional expedients and exceptions for applying generally accepted accounting principles to contracts, hedging relationships, and other transactions to ease the financial reporting burdens related to the expected market transition from LIBOR and other interbank offered rates to alternative reference rates. The optional amendments are effective as of March 12, 2020 through December 31, 2022. The Company is currently assessing the impact of this ASU on the condensed consolidated financial statements and will adopt this new standard in the fiscal year beginning January 1, 2023 based on its status as an emerging growth company.

Concentration of Credit Risk and Other Risks and Uncertainties

Revenue generated from the Company's operations outside of the United States for the three and nine months ended September 30, 2021 was 66% and 65%, respectively, and for the three and nine months ended September 30, 2020 was 62% and 60%, respectively.

As of September 30, 2021 and December 31, 2020, approximately 71% and 74%, respectively, of trade accounts receivable and unbilled accounts receivable was due from customers located outside the United States. At September 30, 2021 and December 31, 2020, the Company had net fixed assets of $28.0 million and $21.8 million, respectively, outside the United States.

Note 2 – Revenue Recognition

The Company disaggregates revenues from contracts with customers by both geographic customer location and revenue contract types. Geographic customer location is pertinent to understanding the Company's revenues, as the Company generates its revenues from providing professional services to customers in various regions across the world. Revenue contract types are differentiated by the type of pricing structure for customer contracts, which is predominantly time-and-materials, but also includes fixed price contracts.

Disaggregation of Revenues

The following tables present the disaggregation of the Company’s revenues by customer location for the three and nine months ended September 30, 2021 and 2020 (in thousands):

	Three Months Ended September 30,	
	2021	2020
Customer Location:		
North America (1)	$ 103,769	$ 76,649
APAC (2)	98,756	64,457
Europe (3)	69,522	46,623
LATAM	13,004	8,820
Revenues	$ 285,051	$ 196,549

(1) North America encompasses the Company’s country of domicile (United States) and Canada, of which revenue is principally generated within the United States. During the three months ended September 30, 2021 and September 30, 2020, the United States represented 33.9%, or $96.5 million, and 37.3%, or $73.4 million, of the Company’s total revenues, respectively. Canadian operations were determined to be immaterial given the revenues generated from such operations as a percentage of total North America revenues was less than 10% for the three months ended September 30, 2021 and September 30, 2020.

(2) During the three months ended September 30, 2021, Australia, which is included in the Asia-Pacific region ("APAC"), represented 10.9%, or $31.0 million, of the Company’s total revenues. During the three months ended September 30, 2021, the revenues generated in China as a percentage of the Company’s total revenues was less than 10%. For the three months ended September 30, 2020, the revenues generated in Australia and China represented 10.0%, or $19.7 million, and 11.9%, or $23.4 million, of the Company’s total revenues respectively.

(3) During the three months ended September 30, 2021, Germany and the United Kingdom, which are included in the Europe region, represented 10.5%, or $30.0 million, and 10.5%, or $30.0 million, of the Company’s total revenues, respectively. For the three months ended September 30, 2020, the revenues generated in Germany and the United Kingdom represented 10.1%, or $19.8 million, and 10.6%, or $20.8 million, of the Company’s total revenues, respectively.

Other foreign countries were determined to be immaterial given the revenues generated from such operations as a percentage of the Company's total revenues was less than 10% for the three months ended September 30, 2021 and September 30, 2020.

	Nine Months Ended September 30,	
	2021	2020
Customer Location:		
North America (1)	$ 290,954	$ 243,797
APAC (2)	260,928	181,738
Europe (3)	196,476	143,673
LATAM	34,787	27,874
Revenues	$ 783,145	$ 597,082

(1) During the nine months ended September 30, 2021 and September 30, 2020, the United States represented 35.1%, or $275.0 million, and 39.1%, or $233.5 million, of the Company's total revenues, respectively. Canadian operations were determined to be immaterial given the revenues generated from such operations as a percentage of total North America revenues was less than 10% for the nine months ended September 30, 2021 and September 30, 2020.

(2) During the nine months ended September 30, 2021, Australia, which is included in the APAC region, represented 10.7%, or $83.7 million of the Company's total revenues. For the nine months ended September 30, 2020, the revenues generated in Australia as a percentage of the Company's total revenues was less than 10%.

(3) During the nine months ended September 30, 2021, Germany and the United Kingdom, which are included in the Europe region, represented 10.7%, or $84.2 million, and 10.7%, or $83.5 million, of the Company's total revenues, respectively. For the nine months ended September 30, 2020, the revenues generated in Germany and the United Kingdom represented 10.0%, or $59.9 million, and 11.0%, or $65.7 million, of the Company's total revenues, respectively.

Other foreign countries were determined to be immaterial given the revenues generated from such operations as a percentage of the Company's total revenues was less than 10% for the nine months ended September 30, 2021 and September 30, 2020.

The following tables present the disaggregation of the Company's revenues by contract type for the three and nine months ended September 30, 2021 and 2020 (in thousands):

	Three Months Ended September 30,	
	2021	2020
Contract Types:		
Time-and-material	$ 237,533	$ 161,202
Fixed-price	47,518	35,319
Licensing	—	28
Revenues	$ 285,051	$ 196,549

	Nine Months Ended September 30,	
	2021	2020
Contract Types:		
Time-and-material	$ 635,608	$ 504,710
Fixed-price	147,537	92,029
Licensing	—	343
Revenues	$ 783,145	$ 597,082

Contract Balances

The following table is a summary of the Company's contract assets and contract liabilities (in thousands):

	As of September 30, 2021	As of December 31, 2020
Contract assets included in unbilled receivables	$ 29,264	$ 19,790
Contract liabilities included in deferred revenue	$ 9,054	$ 11,720

Contract liabilities represent amounts collected from the Company's customers for revenues not yet earned. Such amounts are anticipated to be recorded as revenues when services are performed in subsequent periods. During the three and nine months ended September 30, 2021, the Company recognized $0.5 million and $11.2 million of revenues, respectively, that were included in current liabilities at December 31, 2020. During the three and nine months ended September 30, 2020, the Company recognized $0.6 million and $8.2 million of revenues that were included in current liabilities at December 31, 2019.

Costs to Obtain a Customer Contract

The Company incurs certain incremental costs to obtain a contract that the Company expects to recover. The Company applies a practical expedient and recognizes the incremental costs of obtaining contracts as an expense when incurred if the amortization period of the assets that the Company otherwise would have recognized is one year or less. These costs would primarily relate to commissions paid to our account executives and are included in selling, general and administrative expenses.

Transaction Price Allocated to Remaining Performance Obligations

The Company does not have material future performance obligations that extend beyond one year. Accordingly, the Company has applied the optional exemption for contracts that have an original expected duration of one year or less.

Note 3 – Acquisitions

The Company acquired two businesses, Gemini Solutions LLC ("Gemini") and Fourkind Global Oy ("Fourkind") during the first quarter of 2021 for an aggregate gross purchase price of $46.6 million, or $44.8 million net of cash acquired of $1.8 million. These acquisitions were intended to complement existing operations and to expand into new geographic markets. The Company accounted for these acquisitions under ASC 805, *Business Combinations*. The goodwill identified by these acquisitions reflects the benefits expected to be derived from expansion, as well as certain operational synergies. The fair value of the net assets acquired for these businesses was determined using Level 3 inputs, for which little or no market data exists, requiring the Company to develop assumptions regarding future cash flow projections. Upon consummation of these acquisitions, each of these businesses is now wholly-owned by the Company. The results of operations for the Company include the results of these businesses from their respective dates of acquisition. The operating results subsequent to the acquisition date did not have a significant impact on the condensed consolidated financial statements of the Company.

The Company's preliminary allocation of the fair value of underlying assets acquired and liabilities assumed as of the acquisition date is as follows (in thousands):

	Total
Customer Relationship	$ 11,100
Property and Equipment	259
Other assets/liabilities, net	4,228
Deferred Taxes	(1,646)
Goodwill	32,615
Total gross purchase price	$ 46,556

Goodwill represents the excess of the purchase price over the fair values of assets acquired and liabilities assumed. For the Fourkind acquisition, the changes in fair value allocated to goodwill, tangible and intangible assets are not deductible for tax purposes. The Gemini acquisition was considered an asset acquisition for tax purposes; therefore, goodwill is deductible for tax purposes.

As additional information is obtained about the assets and liabilities of these acquisitions during the measurement period (not to exceed one year from the date of acquisition), including the completion or finalization of asset appraisals, the Company will refine its estimates of fair value to allocate the purchase price including finalizing the impact on taxes.

Note 4 – Goodwill and Other Intangible Assets

The following is a summary of goodwill as of September 30, 2021 (in thousands):

	Total
Balance as of December 31, 2019	$ 314,037
Changes due to exchange rates	4,114
Balance as of December 31, 2020	318,151
Additions due to acquisitions	32,615
Changes due to exchange rates	(3,935)
Balance as of September 30, 2021	$ 346,831

The following is a summary of other intangible assets as of (in thousands):

	September 30, 2021	December 31, 2020
Customer relationships	$ 177,100	$ 166,000
Less accumulated amortization	43,177	34,122
Customer relationships	133,923	131,878
Trademark	273,000	273,000
Total intangible assets, after amortization	406,923	404,878
Changes due to exchange rates	(5,103)	(2,823)
Intangible assets, net	$ 401,820	$ 402,055

Other than indefinite-lived trademarks, the Company’s intangible assets have finite lives and, as such, are subject to amortization. Amortization expense related to these intangible assets was $3.1 million and $9.1 million for the three and nine months ended September 30, 2021 and $2.7 million and $7.9 million for the three and nine months ended September 30, 2020, respectively.

As of September 30, 2021, estimated amortization expense for the next five years and thereafter is as follows (in thousands):

Year Ending December 31,	Total
2021 (excluding nine months ended September 30, 2021)	$ 3,075
2022	12,300
2023	12,300
2024	12,300
2025	12,300
Thereafter	81,648
	$ 133,923

The weighted average remaining useful life of the Company’s finite-lived intangible assets was 10.8 years as of September 30, 2021 and 11.9 years as of December 31, 2020.

Impairment analysis

Goodwill and indefinite lived intangible assets are tested for impairment at the reporting unit level on an annual basis and on an interim basis if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying value. We perform our annual goodwill impairment tests as of October 1.

Finite-lived intangible assets primarily consist of customer relationships. These assets are recorded at fair value at the acquisition date and amortized on a straight-line basis over the estimated useful lives of the assets.

The Company tests intangible assets with finite useful lives for impairment when a triggering event occurs, or circumstances change indicating that the fair value of the entity may be below its carrying amount. If no triggering event occurs, further impairment testing is not necessary.

Long-lived assets, such as property and equipment, are reviewed for potential impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or asset group may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset or asset group to estimated undiscounted future cash flows expected to be generated by the asset or asset group. If the carrying amount of an asset or asset group exceeds its estimated undiscounted future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset or asset group exceeds the fair value of the asset or asset group.

For the nine months ended September 30, 2021, there were no events or changes in circumstances to indicate that goodwill, intangible assets, or long-lived assets are impaired.

Note 5 – Income Taxes

Historically, the Company calculated the provision for income taxes during interim reporting periods by applying an estimate of the effective tax rate for the full year to the pre-tax income or loss for the interim period, adjusting the provision for discrete tax items recorded in the period. Upon the IPO, due to the magnitude of transaction related stock-based compensation costs, the Company's forecasted pre-tax income for the year is causing the tax rate to be highly sensitive, whereby minor changes in forecasted pre-tax income generate significant variability in the estimated annual effective tax rate. This is impacting the customary relationship between income tax expense and pre-tax income in interim periods. In the third quarter of 2021, the Company concluded that it could not calculate a reliable estimate of the annual effective tax rate due to the range of potential impacts for the aforementioned forecast changes. Accordingly, the Company computed the effective tax rate for the nine month period ended September 30, 2021 using actual results, as allowed by ASC 740-270-30-18, *Income Taxes-Interim Reporting*.

The Company's effective tax rate for the three months ended September 30, 2021 and September 30, 2020 was (2.6)% and 27.6%, respectively, and 57.6% and 21.4% during the nine months ended September 30, 2021 and September 30, 2020, respectively. The effective tax rate in each period differed from the U.S. statutory rate of 21% for the three months ended September 30, 2021 and nine months ended September 30, 2021 primarily due to U.S. corporate state income taxation and the effect of foreign operations which reflects the impact of higher income tax rates in locations outside the United States. The decrease and increase in the effective tax rate for the three months and nine months ended September 30, 2021, respectively, as compared to prior periods was primarily due to the unfavorable impact of establishing valuation allowances on deferred tax assets of select foreign operations and the non-deductibility of executive compensation expense in compliance with §162(m) of the Internal Revenue Code, offset by excess tax benefits on stock-based compensation. The negative effective tax rate for the three months ended September 30, 2021 is a result of the aforementioned unique net unfavorable items when compared to the pre-tax loss recorded for the quarter.

Note 6 – Redeemable, Convertible Preferred Stock

In addition to common stock, prior to the IPO, securities of the Company were represented by shares of Series A Redeemable Convertible Preferred Stock, of which 2,500,000 shares of the authorized preferred stock were designated as Voting Series A Preferred Stock and 2,500,000 shares of the authorized and unissued preferred stock were designated as Non-Voting Series A Preferred Stock; shares of Series B Redeemable Convertible Preferred Stock of which 500,000 shares of the authorized preferred stock were designated as Voting Series B Preferred Stock and 500,000 shares of the authorized and unissued preferred stock were designated as Non-Voting Series B Preferred Stock (collectively referred to as "Preferred Stock").

The Company recorded all shares of Preferred Stock net of offering costs at their respective fair values on the dates of issuance. The Preferred Stock was classified outside of stockholders' equity in the condensed consolidated financial statements, as the Preferred Stock was redeemable under circumstances that qualified as a deemed liquidation event, which would have been outside the control of the Company. In the event of certain deemed liquidation events, such as a merger, acquisition or sale of all or substantially all of the Company's assets, the holders of Preferred Stock, then outstanding, would have been paid out an amount equal to the greater of (i) such amount payable had all the Preferred Stock converted to common stock and (ii) the original Preferred Stock issuance price subject to appropriate equitable adjustment subject to any stock dividend, stock split or other recapitalization, or if the deemed liquidation event is consummated within two years following the original issuance date the amount that would result in a preferred internal rate of return of 10% per annum.

Upon the occurrence of a liquidation event, such as a voluntary or involuntary liquidation, dissolution or winding up of the Company; or a merger, consolidation or change in control, the holders of Preferred Stock, then outstanding, would have been paid out of the assets of the Company available for distribution to its shareholders before any payment is made to the holders of common stock.

The holders of outstanding shares of Voting Preferred Stock would have been entitled to cast the number of votes equal to the number of whole shares of Common Stock into which the shares of Voting Preferred Stock were convertible. The holders of shares of Non-Voting Preferred Stock would not have had any voting rights. Holders of Voting Preferred Stock would have voted together with the holders of Common Stock as a single class and on an as-converted to Common Stock basis.

Shares of Preferred Stock were convertible at the holder's option into shares of common stock, on a share-for-share basis, using a conversion rate determined by dividing the original issue price by the conversion price.

The holders of Preferred Stock were entitled to receive dividends on an as-converted to common stock basis as if all outstanding shares of Preferred Stock had been converted into Class A Common Stock or Class B Common Stock (with conversion to Class B applicable only as long as any shares of Non-Voting Preferred Stock are outstanding) on the date of such event. Dividends were discretionary and were not cumulative. On April 6, 2021, the Board of Directors, through unanimous written consent, approved the Company's declaration of a $325.0 million dividend, including $10.0 million held for withholding tax, or $50.71 per share dividend, of which $59.6 million was to preferred shareholders. The record date was April 1, 2021, with payment dates to common shareholders on or about April 6, 2021, and on April 16, 2021 to preferred shareholders, respectively.

On December 23, 2020, the Company entered into a securities purchase agreement and issued 539,084 shares of Voting Series A Preferred Stock for $322.8 million, net of $7.2 million of issuance costs.

In January 2021, the Company closed on security purchase agreements issuing a total of 637,098 shares of Voting Series A Preferred Stock for an aggregate amount of $381.0 million, net of $9.0 million of issuance costs.

In June 2021, the Company closed on security purchase agreements issuing a total of 188,876 shares of Voting Series B Preferred Stock for an aggregate amount of $125.0 million, net of $2.8 million of issuance costs.

The proceeds from the issuances on December 23, 2020 and in January 2021 were used to repurchase equity from existing shareholders. The proceeds from the issuance in June 2021 were used for general and corporate purposes.

Shares presented above have not been adjusted for an approximate 43.6-for-1 stock split.

Upon the completion of the IPO, all 59,489,958 shares of the Company’s outstanding redeemable convertible preferred stock, adjusted for an approximate 43.6-for-1 stock split, converted into an equivalent number of shares of common stock on a 1-for-1 basis and their carrying value of $826.0 million was reclassified into stockholders’ equity. Further, in connection with the IPO, the Company’s amended and restated certificate of incorporation became effective, which authorized the issuance of 100,000,000 shares of undesignated preferred stock with a par value of $0.001 per share with rights and preferences, including voting rights, designated from time to time by the Board of Directors. As of September 30, 2021, there were no shares of redeemable convertible preferred stock issued and outstanding.

Note 7 – Tender Offer

During the quarter ended March 31, 2021, the Board of Directors approved, and the Company completed a tender offer of common shares which was funded from the proceeds of the redeemable, convertible preferred stock offering (Note 6, *Redeemable, Convertible Preferred Stock*). As a result, the Company acquired 1,156,775 shares of its common stock (1,138,537, 12,979, and 5,259 shares of the Company's former Class A, B, and C common shares, respectively). The Company also purchased and cancelled vested options from employees and directors through the tender offer. In this Note, the shares presented have not been adjusted for an approximate 43.6-for-1 stock split.

Total purchases of shares and vested employee options under the tender offer approximated $720.0 million, including $19.3 million held for withholding tax. Because the price paid per share exceeded the share’s respective fair value, the Company recognized $2.7 million of additional compensation expense associated with shares and options repurchased from employees and directors, and $79.2 million as a distribution of retained earnings for the excess of price paid over fair value for those shares repurchased from non-employee securityholders.

Note 8 – (Loss) Earnings Per Common Share

Basic (loss) earnings per common share is computed by dividing the net (loss) income allocated to common shareholders by the weighted average of common shares outstanding for the period. The Company reported net income for the nine months ended September 30, 2021; however, after the adjustment for dividends paid to preferred shareholders, which is a reduction to net income available to common shareholders, the Company has a net loss allocated to common shareholders.

Diluted loss per common share is computed by giving effect to all potential shares of common stock of the Company, including outstanding stock options and unvested equity-settled RSUs, to the extent dilutive. Basic and diluted loss per common share is the same for the current period ended, as the inclusion of all potential shares of common stock of the Company outstanding would have been anti-dilutive. The dilutive effect of potentially dilutive securities is reflected in diluted earnings per common share by application of the treasury stock method. For comparability purposes, all prior period share amounts presented have been retroactively adjusted to give effect to an approximate 43.6-for-1 stock split, and share counts below also reflect the conversion of preferred stock to common stock on a 1-for-1 basis upon the occurrence of the IPO.

The components of basic and diluted (loss) earnings per common share are as follows (in thousands, except share and per share data):

	Three Months Ended September 30, 2021	Three Months Ended September 30, 2020
Basic (loss) earnings per common share:		
Net (loss) income	$ (25,235)	$ 21,882
Preferred stock dividends	—	—
Net (loss) income allocated to common shareholders – Basic	$ (25,235)	$ 21,882
Weighted average common shares outstanding – Basic	241,351,052	278,218,732
Basic (loss) earnings per common share	$ (0.10)	$ 0.08
Diluted (loss) earnings per common share:		
Net (loss) income allocated to common shareholders – Basic	(25,235)	21,882
Weighted average shares outstanding – Basic	241,351,052	278,218,732
Dilutive effect of:		
Employee stock options and restricted common shares (1)	—	6,855,016
Weighted average common shares outstanding – Diluted	241,351,052	285,073,748
Diluted (loss) earnings per common share	$ (0.10)	$ 0.08

	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020
Basic (loss) earnings per common share:		
Net income	$ 11,502	$ 59,679
Preferred stock dividends	(59,642)	—
Net (loss) income allocated to common shareholders – Basic	$ (48,140)	$ 59,679
Weighted average common shares outstanding – Basic	237,121,811	278,202,291
Basic (loss) earnings per common share	$ (0.20)	$ 0.21
Diluted (loss) earnings per common share:		
Net (loss) income allocated to common shareholders – Basic	(48,140)	59,679
Weighted average shares outstanding – Basic	237,121,811	278,202,291
Dilutive effect of:		
Employee stock options and common shares (1)	—	5,962,757
Weighted average common shares outstanding – Diluted	237,121,811	284,165,048
Diluted (loss) earnings per common share	$ (0.20)	$ 0.21

(1) Reflects the dilutive effects of applying the treasury stock method to the employee stock options, after effects of an approximate 43.6-for-1 stock split noted above. Dilutive options include time and performance vesting options. Performance vesting options represent the accelerated vesting of all performance vesting options upon the occurrence of the IPO, and are only reflected in the denominator of pro forma earnings per share, diluted, as the performance vesting options are fully vested at the date of the IPO, and are not assumed to be exercised. For periods

where the Company was in a net loss, dilutive options were excluded but would have been dilutive if the Company was not in a net loss.

The following potentially dilutive securities were excluded from the computation of diluted (loss) earnings per common share calculations for the three and nine months ended September 30, 2021 because the impact of including them would have been anti-dilutive:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Employee stock options and common shares	20,968,124	—	20,839,475	—
RSUs	2,683,513	—	897,793	—

Refer to the calculations included in the tables above for the computation of diluted (loss) earnings per common share for the three and nine months ended September 30, 2020.

Note 9 – Commitments and Contingencies

From time to time, the Company may become involved in legal proceedings or be subject to claims arising in the ordinary course of business. The Company evaluates the development of legal matters on a regular basis and accrues a liability when they believe a loss is probable and the amount can be reasonably estimated. Although the results of litigation and claims cannot be predicted with certainty, the Company currently believes that the final outcome of any currently pending legal proceedings to which we are a party will not have a material adverse effect on our business, operating results, financial condition or cash flows. Regardless of the outcome, litigation can have an adverse impact on the Company because of defense and settlement costs, diversion of management resources and other factors.

Commitment and contingencies primarily includes operating leases. The Company leases certain facilities and equipment under various non-cancelable operating leases that expire through July 2031. As of September 30, 2021, aggregate future minimum lease payments, net of sublease income, under all operating leases are as follows (in thousands):

Year ending December 31,	**Total**
2021 (excluding nine months ended September 30, 2021)	$ 3,522
2022	17,783
2023	15,061
2024	13,123
2025	11,699
Thereafter	10,069
Total future minimum lease payments	$ 71,257

Total rent expense for all operating leases for the three and nine months ended September 30, 2021 were $4.9 million and $14.5 million, and for the three and nine months ended September 30, 2020 were $4.7 million and $14.0 million, respectively.

Note 10 – Stockholders' Equity

Redeemable Convertible Preferred Stock

In September 2021, upon the closing of the Company's IPO, all outstanding shares of redeemable convertible preferred stock were converted into an aggregate of 1,365,058 shares of common stock. Shares presented above have not been adjusted for an approximate 43.6-for-1 stock split.

Further, in connection with the IPO, the Company’s amended and restated certificate of incorporation became effective, which authorized the issuance of 100,000,000 shares of undesignated preferred stock with a par value of $0.001 per share with rights and preferences, including voting rights, designated from time to time by the Board of Directors.

Common Stock

In connection with the IPO, all classes of shares of the Company's common stock then outstanding were converted into 5,259,163 shares of common stock on a one-to-one basis. As a result, the securities of the Company are represented by shares of common stock with a par value of $0.001 per share. Each share of common stock is entitled to one vote. With respect to payment of dividends and distribution of assets upon liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, all shares of common stock will participate pro rata in such payment whenever funds are legally available and when declared by the Board of Directors, subject to the prior rights of holders of all classes of stock outstanding. Shares presented above have not been adjusted for an approximate 43.6-for-1 stock split.

As of September 30, 2021, there were 1,000,000,000 shares of common stock authorized and 305,117,043 shares of common stock outstanding.

Note 11 – Stock-Based Compensation

Equity Incentive Plans

On October 12, 2017, the Company approved the 2017 Stock Option Plan (the “2017 Plan”) for the purpose of providing an incentive compensation structure to participants. Under the 2017 Plan, the Company may make awards to such present and future officers, directors, employees, consultants and advisors of the Company as may be selected at the sole discretion of the Board of Directors. The option awards gave the participant the right to purchase the Company's former Class C common stock for a prespecified exercise price. As a result of the IPO, the Company no longer grants awards under the 2017 Plan, and all previously awarded options can now be exercised for, when vested and exercisable, only the Company's current common stock.

In September 2021, the Board of Directors approved the 2021 Omnibus Incentive Plan (the “Omnibus Plan”) to assist the Company in attracting, retaining, motivating, and rewarding certain employees, officers, directors, and consultants of the Company and its Affiliates and promoting the creation of long-term value for stockholders, which became effective in connection with the IPO. A total of 62,048,123 shares of the Company’s common stock have been reserved for issuance under the 2021 Omnibus Incentive Plan.

Time and Performance Vesting Options

Under the 2017 Plan, eligible employees received non-qualified stock options as a portion of their total compensation. The options vest on a graded time vesting schedule (“Time Vesting Options”) over a contractual term of four years, with 37.5% vesting on the 18-month anniversary and 6.25% vesting every three months for the remainder of the 48-month period. 100% of the time-vesting options vest immediately upon a change of control. Any unvested options will be forfeited upon termination of employment.

The Company's 2017 Plan permits imposing lock-up restrictions on participants in connection with the IPO. Pursuant to the 2017 Plan, the Company imposed a lock-up restriction, subject to limited exceptions, on selling, transferring or otherwise disposing of options and shares of common stock issuable pursuant to the exercise of options, for a period of one year following the consummation of the IPO, provided that such restriction will lapse as to 50% of such options and shares after six months following the consummation of the offering.

The following is a summary of time vesting option activity for the period ended September 30, 2021 (in thousands, except share and per share data):

	Time Vesting (1)	Weighted Average Exercise Price (1)	Aggregate Intrinsic Value	Weighted-Average Remaining Contractual Term (years)
Balance at December 31, 2020	10,462,531	$ 2.76	$ 12,149	1.36
Granted	1,068,283	14.05		
Forfeited	(134,135)	5.32		
Exercised	(966,005)	2.36		
Cancelled	(1,752,878)	2.88		
Expired	—	—		
Balance at September 30, 2021	8,677,796	$ 4.13	$ 20,033	1.04
Exercisable at September 30, 2021	5,585,354	$ 2.46	$ 3,729	0.34
Nonvested at September 30, 2021	3,092,442	$ 7.14	$ 16,304	2.29

(1) Options presented have been retroactively adjusted to give effect to an approximate 43.6-for-1 stock split.

As of September 30, 2021, total compensation cost related to time vesting options not yet recognized was $10.3 million, which will be recognized over a weighted-average period of 1.04 years.

The following is a summary of performance vesting option activity for the period ended September 30, 2021 (in thousands, except share and per share data):

	Performance Vesting (1)	Weighted Average Exercise Price (1)	Aggregate Intrinsic Value
Balance at December 31, 2020	15,440,716	$ 2.66	$ 12,498
Granted	1,397,260	14.05	
Forfeited	(193,681)	4.92	
Exercised	(187,943)	2.38	
Cancelled	(1,009,831)	3.60	
Expired	—		
Balance at September 30, 2021	15,446,521	$ 3.60	$ 24,776
Exercisable at September 30, 2021	15,446,521	$ 3.60	$ 24,776
Nonvested at September 30, 2021	—	$ —	$ —

(1) Options presented have been retroactively adjusted to give effect to an approximate 43.6-for-1 stock split.

Under the 2017 Plan, prior to the IPO the Company granted performance vesting options subject to performance vesting conditions. In accordance with the 2017 Plan, 50% of the performance vesting options vested upon a sponsor return of at least two times the sponsor investment. An aggregate of 75% of the performance vesting options vested upon a sponsor return of at least two and a half times the sponsor investment. An aggregate of 100% of Performance Vesting Options vested upon a sponsor return of at least three times the sponsor investment. Vesting was prorated if a sponsor return was between these targets. In addition to the sponsor return targets above, participants must have had at least 18 months of continuous service following the grant date in order to vest. In order for vesting to be considered probable, the sponsor return must have been met as of the reporting date. Sponsor return, as defined in the Company’s 2017 Stock Option Plan, was determined based on the aggregate amount of all cash, fair market value of marketable securities, including proceeds from the sale of securities of the Company, provided and to the extent such proceeds result in cash dividends and/or cash distributions by the Company to the sponsor.

On September 9, 2021, the Board of Directors, through unanimous written consent, approved a modification to the Company's 2017 Stock Option Plan which, upon completion of the IPO, a sponsor return of 2.8x times sponsor investment was certified as having been achieved, and the service condition under the Plan that participants must provide at least 18 months of continuous service following the grant date in order for performance vesting options to vest was waived. Additionally, the Board of Directors also approved accelerated vesting of all remaining, unvested former Class C performance vesting options, after the achievement of such sponsor return, which resulted in all performance vesting options becoming fully vested upon completion of the IPO.

The acceleration of vesting was accounted for as a modification of the terms of the original award. The incremental stock-based compensation expense of $54.0 million related to the accelerated vesting of all outstanding, unvested performance vesting options, consisting of (a) $15.9 million related to the achievement of sponsor return hurdles that were met upon completion of the IPO (calculated using the grant date fair value of such awards) and (b) $38.1 million related to the remaining unvested performance vesting options upon completion of the IPO (calculated using a fair value of the IPO price of $21.00 per share).

The following table summarizes the weighted-average assumptions used in estimating the fair value of stock options granted to employees for the three and nine months ended September 31, 2021 and 2020:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021 (1)	2020 (2)	2021 (2)	2020 (2)
Risk-free interest rate	— %	0.1 %	0.1 %	0.1 %
Dividend yield	— %	— %	— %	— %
Expected volatility	— %	55.0 %	55.0 %	55.0 %
Expected term (years)	0	2	1	2

(1) No options were granted during the three months ended September 30, 2021.

(2) In 2021 and 2020, the risk-free interest rate is based on the rates of U.S. Treasury securities with a maturity similar to the term to liquidity, continuously compounded. The expected equity volatility is estimated based on an analysis of guideline public companies’ historical volatility. As these stock options were awarded prior to the IPO, the expected term was estimated based on management’s assumptions of time to a liquidity event.

Stock Appreciation Rights ("SARs")

In December 2017, the Board of Directors approved a plan (the "SARs Plan") to enable all permanent employees, current and future, to participate in the growth in the equity value of the Company in the event of a future liquidity event. A liquidity event is triggered when the sponsor sells at least 75% of its ownership.

During the nine months ended September 30, 2021, the Company granted SARs to employees. Each stock appreciation right represents the right to receive, in cash, the excess of the fair market value over the grant price on the exercise date.

On September 9, 2021, the Board of Directors, through unanimous written consent, approved a modification to the Company's SARs Plan which, upon completion of the IPO, was discontinued and all outstanding SARs were converted to restricted stock units ("RSUs"). RSUs granted in connection with the SARs conversion will vest after six months and twelve months as to 50% on each vesting date, such that 100% of RSUs related to the SARs conversion will be fully vested twelve months after the closing of the IPO. A total of 6,701,133 shares of common stock underlying RSUs were issued in connection with the conversion of SARs upon completion of the IPO.

The completion of the IPO of the Company's common stock did not meet the definition of a liquidity event, as defined in the SARs Plan. As a liquidity event was not triggered, the conditions associated with SARs were not considered probable of occurring, and no expense related to this modification was recognized for the nine months ended September 30, 2021.

The following is a summary of SARs activity, representing the conversion of SARs to RSUs, for the period ended September 30, 2021:

	Number of Stock Appreciation Rights (1)	Weighted Average Grant Date Fair Value (1)
Balance at December 31, 2020	9,032,006	$ 3.47
Granted	3,096,082	14.05
Forfeited	(1,681,980)	5.77
Intrinsic Value Adjustment (2)	(3,744,975)	12.19
SARs Conversion	(6,701,133)	21.00
Balance at September 30, 2021	—	$ —

(1) Shares presented have been retroactively adjusted to give effect to an approximate 43.6-for-1 stock split.

(2) The intrinsic value adjustment is the IPO price of $21.00 per SAR, less the original grant date fair value, plus an incremental value of $100.00 per SAR.

Restricted Stock Units ("RSUs")

Under the Omnibus Plan, RSUs are awarded to eligible employees and entitle the grantee to receive shares of common stock at the end of a vesting period. Certain RSUs granted during the period ended September 30, 2021, have varying vesting schedules:

(1) a 28 month cliff vest subsequent to the IPO Closing Date;

(2) a 12 month cliff vest subsequent to the IPO Closing Date;

(3) a 6 and 12 month period vest subsequent to the IPO Closing Date (with 50% vesting after 6 months and 50% vesting at the end of the 12 month term);

(4) immediate vesting upon the successful and active registration with the State Administration of Foreign Exchange of the People's Republic of China (“China SAFE”); and

(5) a 3 year ratable vesting period subsequent to IPO Closing Date (with 34% vesting during the first year, and 33% vesting during the second and third year).

Throughout the vesting period, shareholders are subject to the market risk on the value of their shares.

The following is a summary of all RSUs activity for the period ended September 30, 2021:

	Number of Restricted Stock Units	Weighted Average Grant Date Fair Value
Unvested balance at December 31, 2020	—	$ —
Granted (1)	5,017,572	21.00
Granted - SARs conversion (1)	6,701,133	21.00
Forfeited	(90,148)	21.00
Vested	—	—
Unvested balance at September 30, 2021	11,628,557	$ 21.00

(1) The amount of granted restricted stock units does not include those awards contingent upon the successful and active registration with the State Administration of Foreign Exchange of the People's Republic of China (“China SAFE”). RSUs contingent on China SAFE totaled 3,878,909 RSUs as of September 30, 2021.

As of September 30, 2021, total compensation cost related to all RSUs not yet recognized was $227.5 million, which will be recognized over a weighted-average period of 1.4 years.

Note 12 – Credit Agreements

The Company entered into a Senior Secured Credit Facilities (the “Term Loan”), dated October 12, 2017, subsequently amended most recently as of March 26, 2021, among the Company, the syndicate lenders thereto and Credit Suisse, AG, Cayman Islands Branch, as administrative agent, to finance, in part, the acquisition of all of the outstanding common stock of the Company. The Senior Secured Credit Facility provided senior secured financing of $200.0 million, as well as a revolving credit facility (the “Revolver”) which provided for additional senior secured financing of up to $35.0 million. The Term Loan and the Revolver, together with any subsequent amendments, are collectively referred to as the Credit Agreement.

On March 26, 2021, the Company amended and restated its credit agreement (the “Amendment and Restatement”) to increase the term loan facility to a total of $715.0 million. Also, as part of the facility, the aggregate revolving credit facility was increased to $165.0 million from $85.0 million.

Borrowings under the Term Loan bear interest at a rate per annum equal to an applicable margin based on the Company’s leverage ratio, plus either (a) a base rate or (b) a LIBOR rate, at the Company's option, subject to interest rate floors. For the first full quarter after the Amendment Restatement date, the interest rate per annum is equal to (a) 3.25% for LIBOR based borrowings and (b) 2.25% for base rate borrowings, subject to interest rate floors.

Borrowings under the Revolver bear interest at a rate per annum equal to an applicable margin based on the Company’s leverage ratio, plus either (a) a base rate or (b) a LIBOR rate at the Company's option. In addition to paying interest on outstanding borrowings under the Revolver, the Company is required to pay a commitment fee to the lenders under the Revolver in respect of unutilized commitments thereunder and customary letter of credit fees.

The interest rates on borrowings at September 30, 2021 and at September 30, 2020 were approximately 3.5% and 4.8%, respectively. Interest expense for the three and nine months ended September 30, 2021 was $6.3 million and $18.7 million, respectively, and for the three and nine months ended September 30, 2020 was $5.6 million and $18.4 million, respectively.

All obligations of the Company under the Senior Secured Credit Facilities provided by any lender party to the Senior Secured Credit Facilities or any of its affiliates and certain other persons are unconditionally guaranteed by a wholly owned subsidiary of Thoughtworks Holding, Inc., and each existing and subsequently acquired or organized direct or indirect wholly owned domestic restricted subsidiary of the Company, with customary exceptions including, among other things, where providing such guarantees is not permitted by law, regulation or contract or would result in material adverse tax consequences. All obligations under the Senior Secured Credit Facilities provided by any lender party to the Senior Secured Credit Facilities or any of its affiliates and certain other persons, and the guarantees of such obligations, are secured, subject to permitted liens and other exceptions, as outlined in the Senior Secured Credit Facilities.

The Term Loans and borrowings under our Revolver contain a number of financial and non-financial covenants that, among other things, restrict, subject to certain exceptions, the Company's ability and the ability of the Company's restricted subsidiaries to engage in certain activities, such as incur indebtedness or permit to exist any lien on any property or asset now owned or hereafter acquired, as specified in the debt facility. The Company had no outstanding draws under the $165.0 million Revolver at September 30, 2021. The Company had no outstanding draws under our previous $85.0 million Revolver at December 31, 2020. As of September 30, 2021, the Company was in compliance with its debt covenants.

The Credit Agreement requires compliance with various covenants customary for agreements of this type, including a springing financial covenant (solely for the benefit of the Revolver), a passive holdings covenant with respect to Holdings and negative covenants that limit, among other things, the Borrowers' and their restricted subsidiaries' ability to incur additional debt, create or incur liens, engage in mergers or consolidations, sell, transfer or otherwise dispose of assets, make voluntary prepayments to subordinated debt, pay dividends or distributions, make investments, and enter into certain transactions with affiliates. We are currently in compliance with all covenants contained in our Credit Agreement. The Credit Agreement also includes events of default customary for agreements of this type. Further, as it relates to restricted subsidiaries, as of September 30, 2021, none of our consolidated net assets were subject to dividend restrictions under the Credit Agreement.

The Company incurred and capitalized deferred financing fees, or third-party debt issuance costs, of $7.1 million related to the restated credit agreement during the nine months ended September 30, 2021. The debt issuance costs are recorded as reductions of the outstanding long-term indebtedness. The Term Loan is paid in equal quarterly installments in aggregate annual amounts equal to 1% of the original principal amount of the Term Loan matures on March 24, 2028. The principal amount outstanding under the Revolver under the Amendment and Restatement is due and payable in full at maturity on March 26, 2026.

On August 10, 2021, the Company made a voluntary prepayment of $100.0 million on outstanding amounts owed on the Term Loan.

The carrying value of the Company's credit facilities (including current maturities) was as follows (in thousands):

	As of September 30, 2021	As of December 31, 2020
Long-term debt, less current portion	$ 604,275	$ 440,497
Capitalized deferred financing fees	(7,271)	(5,305)
Long-term debt	597,004	435,192
Current portion of long-term debt	7,150	4,565
Total debt carrying value	$ 604,154	$ 439,757

The book value of the Company’s credit facilities is considered to approximate its fair value as of September 30, 2021 and December 31, 2020, as the interest rates are considered in line with current market rates.

Note 13 – Accrued Expenses

The following is a summary of the Company’s accrued expenses (in thousands):

	As of September 30, 2021	As of December 31, 2020
Accrued interest expense	$ 86	$ 85
Accrued employee expense	2,123	1,786
Accrued travel expense	432	383
Operating lease expenses	324	212
Insurance charges	167	257
Professional fees	12,008	10,320
Withholding taxes payable	34,489	43
Other taxes payable	10,248	8,643
Rebates payable	599	2,307
Other accrued expenses	4,646	5,713
Accrued expenses	$ 65,122	$ 29,749

Note 14 – Subsequent Events

Credit Agreement Repayment

On October 20, 2021, the Company made a voluntary prepayment of $100.0 million on outstanding amounts owed on the Term Loan disclosed in Note 12, *Credit Agreements*.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our interim condensed consolidated financial statements and related notes appearing elsewhere in our prospectus for our initial public offering (the "IPO"), dated September 14, 2021, and filed with the Securities and Exchange Commission (the "SEC"), pursuant to Rule 424(b)(4) on September 16, 2021 (the "IPO Prospectus"). Some of the information contained in this discussion and analysis or set forth elsewhere in the IPO prospectus, including information with respect to our plans and strategy for our business, includes forward-looking statements that involve risks and uncertainties. You should read the sections titled "Risk Factors" in our IPO Prospectus and "Forward-Looking Statements" herein for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis. Our fiscal year ends on December 31, and our fiscal quarters end on March 31, June 30, September 30, and December 31. Quarterly results reflected herein are not necessarily indicative of our operating results for a full year or any future period.

Overview

We are a global technology consultancy that integrates strategy, design and engineering to drive digital innovation. We are 10,000+ Thoughtworkers strong across 48 offices in 17 countries. Over the last 25+ years, we've delivered extraordinary impact together with our clients by helping them solve complex business problems with technology as the differentiator.

Our revenues are generated from providing professional services based on the mix and locations of delivery professionals involved, the pricing structure, which is predominantly time-and-materials, and the type of services, including: enterprise modernization, platforms & cloud; customer experience, product & design; data & artificial intelligence; and digital transformation & operations.

Initial Public Offering

On September 17, 2021, we successfully completed and closed our IPO, in which 42,368,421 shares of our common stock were sold at $21.00 per share, including 5,526,315 shares sold upon the exercise of the underwriters' option to purchase additional shares from certain of the selling stockholders. The Company received net proceeds of $314.7 million, net of the underwriting discounts and commissions and other offering expenses of approximately $30.3 million. Prior to the completion of the IPO, all shares of the Company's common stock then outstanding were converted into 5,259,163 shares (pre-stock split) of common stock on a 1-for-1 basis, and upon the completion of the IPO, all 1,365,058 shares (pre-stock split) of the Company's outstanding redeemable convertible preferred stock converted into an equivalent number of shares of common stock on a 1-for-1 basis.

Additionally, prior to the completion of the IPO, the Company effected an approximate 43.6-for-1 split of each outstanding share of common stock (the "Stock Split"). All share and per share information has been retroactively adjusted to effect the Stock Split for all periods presented, except as otherwise noted.

Key Operational and Business Metrics

In addition to the measures presented in our condensed consolidated financial statements, we use the following key operational and business metrics to evaluate our business, measure our performance, develop financial forecasts and make strategic decisions (in thousands, except percentages):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Total Revenues	$ 285,051	$ 196,549	$ 783,145	$ 597,082
Revenue Growth Rate as reported (1)	45.0 %	(1.4)%	31.2 %	5.3 %
Revenue Growth Rate at constant currency (1)	42.1 %	(1.8)%	26.0 %	7.3 %
Net (loss) income	$ (25,235)	$ 21,882	$ 11,502	$ 59,679
Net (loss) income margin	(8.9)%	11.1 %	1.5 %	10.0 %
Adjusted Net Income (2)	$ 37,188	$ 24,231	$ 96,613	$ 67,916
Adjusted EBITDA (3)	$ 66,459	$ 43,551	$ 171,514	$ 117,572
Adjusted EBITDA Margin (3)	23.3 %	22.2 %	21.9 %	19.7 %

(1) Certain of our subsidiaries use functional currencies other than the U.S. dollar and the translation of these foreign currency amounts into the U.S. dollar can impact the comparability of our revenues between periods. Accordingly, we use Revenue Growth at constant currency as an important indicator of our underlying performance. Revenue Growth at constant currency is calculated by applying the average exchange rates in effect during the earlier comparative fiscal period to the later fiscal period.

(2) We use Adjusted Net Income as an important indicator of our performance. See "—Non-GAAP Financial Measures" below for a definition of and reconciliation of Adjusted Net Income to net (loss) income, the most directly comparable GAAP measure, how we use this measure and an explanation of why we consider this non-GAAP measure to be helpful for investors.

(3) We also use Adjusted EBITDA and Adjusted EBITDA Margin as important indicators of our performance. See "—Non-GAAP Financial Measures" below for a definition of and a reconciliation of Adjusted EBITDA to net (loss) income, the most directly comparable GAAP measure, how we use Adjusted EBITDA and Adjusted EBITDA Margin and an explanation of why we consider these non-GAAP measures to be helpful for investors.

Revenue Growth Rate and Revenue Growth Rate at constant currency

We returned to pre-COVID revenue growth by the fourth quarter of 2020 and have continued to have positive revenue growth trends in 2021, as reflected in our revenue growth in the three and nine months ended September 30, 2021, with revenues increasing 45.0% and 31.2%, respectively, which includes the impact of decreased reimbursable travel costs. Had our consolidated revenues been expressed in constant currency terms using the exchange rates in effect during the three and nine months ended September 30, 2020, we would have reported revenue growth of 42.1% and 26.0%, respectively. The positive impact to revenues, from foreign currencies, was as a result of the depreciation of the U.S. dollar relative to certain principal functional currencies of our subsidiaries.

For more detail regarding our exposure to foreign currency rate fluctuations, see Note 2, *Revenue Recognition*, to our condensed consolidated financial statements included elsewhere in this Quarterly Report and "—Quantitative and Qualitative Disclosure about Market Risk."

Net (Loss) Income, Net (Loss) Income Margin and Adjusted Net Income

During the three months ended September 30, 2021, we reported net loss of $25.2 million, a decrease of $47.1 million, compared to net income of $21.9 million during the three months ended September 30, 2020. For the nine months ended September 30, 2021, we reported net income of $11.5 million, a decrease of $48.2 million, or approximately 81%, compared to $59.7 million during the nine months ended September 30, 2020.

Net income decreased in both the three and nine months ended primarily due to increased stock-based compensation expense of $72.9 million and $82.4 million, primarily related to the accelerated vesting of certain employee stock options of $56.2 million and $65.7 million. This also included $16.7 million for the issuance of new grants in connection with the IPO for both the three and nine months ended September 30, 2021. This was partially offset by decreased income taxes and continued strong demand for our services as reflected in our revenue growth discussed above.

Our net loss margin for the three months ended September 30, 2021 was 8.9%, a decrease of approximately 20.0%, compared to a net income margin of 11.1% for the period ended September 30, 2020. For the nine months ended September 30, 2021, we reported a net income margin of 1.5%, a decrease of approximately 8.5%, compared to a net income margin of 10.0% for the period ended September 30, 2020. Net income margin decreased in both the three and nine months ended September 30, 2021 primarily due to increased stock-based compensation expense of $72.9 million and $82.4 million, respectively, primarily related to the accelerated vesting of certain employee stock options of $56.2 million and $65.7 million, respectively, and certain acquisition related expenses. We consider net income margin as the most directly comparable GAAP measure to Adjusted EBITDA Margin.

During the three and nine months ended September 30, 2021, we reported Adjusted Net Income of $37.2 million and $96.6 million, compared to $24.2 million and $67.9 million, respectively, for the three and nine months ended September 30, 2020. This resulted in an increase of $13.0 million, or approximately 53.7%, for the three months ended, and $28.7 million, or approximately 42.3%, for the nine months ended, compared to the period ended September 30, 2020. Adjusted Net Income increased due to higher revenues as a result of strong demand for our services and lower travel expenses of $9.7 million for the nine months ended due to COVID-19 restrictions and remote working. This was partially offset by increased payroll expenses (excluding stock-based compensation) of $50.3 million and $130.7 million for the three and nine months ended as we invested in additional employees to support revenue growth.

Adjusted EBITDA and Adjusted EBITDA Margin

During the three months ended September 30, 2021, we reported Adjusted EBITDA of $66.5 million, compared to $43.6 million for the three months ended September 30, 2020. This resulted in an increase of $22.9 million, or approximately 52.5%, for the three months ended, compared to the period ended September 30, 2020. Adjusted EBITDA increased due to higher revenues as demand for our services increased, partially offset by higher operating expenses as certain costs, such as payroll (excluding stock-based compensation) of $50.3 million, increased due to investment in additional headcount to support growth and IPO related expenses.

During the nine months ended September 30, 2021, we reported Adjusted EBITDA of $171.5 million, compared to $117.6 million for the nine months ended September 30, 2020. This resulted in an increase of $53.9 million, or approximately 45.8%, for the nine months ended, compared to the period ended September 30, 2020. Adjusted EBITDA increased due to higher revenues as demand for our services increased, partially offset by higher operating expenses as certain costs, such as payroll (excluding stock-based compensation) of $130.7 million, increased due to investment in additional headcount to support growth and IPO related expenses.

During the three and nine months ended September 30, 2021, we reported an Adjusted EBITDA Margin of 23.3% and 21.9%, an increase of approximately 1.1% and 2.2%, compared to 22.2% and 19.7%, respectively, for the three and nine months ended September 30, 2020. Adjusted EBITDA Margin increased primarily due to higher revenues as demand for our services increased, lower travel costs as a percentage of revenues which was partially offset by higher operating expenses incurred in connection with the IPO and increased payroll costs to support the growth in headcount.

Business Update Regarding COVID-19

Since early 2020, the COVID-19 pandemic has caused general business disruption worldwide. As a result of the COVID-19 pandemic, we took precautionary measures to minimize the risk of the virus to our personnel, our clients and the communities in which we operate, including the temporary suspension of all non-essential business travel of personnel and the temporary closure of all of our major offices. Although a significant portion of our workforce has worked remotely through the COVID-19 pandemic, there has been minimal disruption in our ability to effectively provide our service offerings, as our employees are accustomed to operating in remote and distributed environments. Going forward, we will continue to monitor working conditions and adapt as needed.

Starting in the second quarter of 2020, we experienced a slowdown in new business generation, pauses in ongoing engagements and select project cancellations as certain of our clients focused on the immediate challenges linked to the COVID-19 pandemic. This impact was concentrated in affected verticals, such as automotive, travel and transportation and retail and consumer. We also pivoted offerings to leverage market tailwinds as some companies increased their focus on digital transformation in response to the COVID-19 pandemic. During this period, sector diversification enabled us to re-balance sales exposure to verticals that were spending incrementally through the pandemic, such as technology and business services and energy, public and health services. We returned to pre-COVID activity levels by the fourth quarter of 2020 and have seen robust growth as evidenced in our revenue growth trends in 2021.

We may continue to experience a modest adverse impact on certain parts of our business, including a lengthening of the sales cycle for some prospective clients and delays in the delivery of professional services and trainings to our clients. We also experienced, and we may continue to experience, a modest positive impact on other aspects of our business, such as slower growth in certain operating expenses due to reduced business travel and the virtualization or cancellation of in-person client and workforce events. The COVID-19 pandemic has caused substantial global public health and economic challenges. Our employees, communities and business operations, particularly in India and Brazil, and the global economy and financial markets continue to be affected. We cannot accurately predict the extent to which the COVID-19 pandemic will continue to directly and indirectly impact our business, results of operations and financial condition. Future developments and actions to contain the public health and economic impact of the COVID-19 pandemic in the markets we serve are rapidly evolving and highly uncertain.

Key Factors Affecting Our Performance

Our long-term financial trend is characterized by strong organic growth, strong client retention, a significant amount of revenues from recurring clients and substantial margin optimization with the support of onshore, nearshore and offshore delivery centers. Our performance for historical periods and future periods is driven by numerous factors discussed, including the following key factors.

Ability to retain and expand existing client relationships

We currently serve over 300 clients, many of whom we work with across multiple geographies. We actively manage our client portfolio and target clients where we believe there is opportunity to develop long-term relationships and drive significant growth. Accordingly, for the three months ended September 30, 2021 and September 30, 2020, 85.1% and 89.8% of our revenues were derived from recurring clients, respectively, which we define as clients for whom we have done work and generated revenues in excess of $25,000 within the preceding fiscal year. For the nine months ended September 30, 2021 and September 30, 2020, 89.9% and 94.2% of our revenues were derived from recurring clients, respectively. For the trailing twelve month period through September 30, 2021 and September 30, 2020, 29 and 21 clients, respectively, generated greater than $10 million in revenues. This represents a 38.1% increase for clients greater than $10 million in revenues as compared to the prior year's period.

Despite our expansion of our existing client relationships, we maintain relatively low client concentration. Our revenues from our top five and ten clients for the three months ended September 30, 2021, as a percentage of total revenues were 16.2% and 27.1%, respectively. Whereas, our revenues from our top five and ten clients for the three months ended September 30, 2020, as a percentage of total revenues were 21.0% and 33.0%, respectively. For the nine months ended September 30, 2021, revenues from our top five and ten clients as a percentage of total revenues were 17.4% and 27.6%, respectively. Whereas, for the nine months ended September 30, 2020, revenues from our top five and ten clients as a percentage of total revenues were 20.2% and 32.7%, respectively. The overall decrease reflected above is a result of our change in strategy to look for new opportunities to diversify our portfolio to re-balance sales exposure as some companies increased their focus on digital transformation in response to the COVID-19 pandemic.

Net Dollar Retention Rate

We also utilize the net dollar retention ratio to measure revenue growth from our clients. Net dollar retention rate provides visibility into the risks associated with our revenues and expected growth. We use this metric to appropriately manage resources and client retention and growth, such as account management and capability development of our account leadership teams. The net dollar retention ratio is calculated by dividing (a) the current period revenue from recurring clients (b) the prior comparative period revenue from recurring clients.

The net dollar retention ratio was approximately 143% for the three months ended September 30, 2021 and approximately 103% for the three months ended September 30, 2020. The net dollar retention ratio was approximately 130% and 108% for the nine months ended September 30, 2021 and September 30, 2020, respectively. As a result of the return to pre-COVID activity levels by the fourth quarter of 2020 and our continued experience of positive growth trends in 2021, the net dollar retention rate has increased for both the three and nine months ended September 30, 2021.

Ability to acquire new clients

We intend to continue to acquire new clients through programs designed to generate new business demand and position us as a trusted partner. Winning new business in existing and new geographies and industry verticals is a critical component of our growth strategy. Dedicated new business teams work with marketing using data-driven approaches to focus on client acquisition efforts. Commensurately, our total number of clients, which we define as clients with annual spend in excess of $25,000 in the relevant year, increased to 257 as of September 30, 2021 from 206 as of September 30, 2020, as we saw increased demand for our global services, including in North America, Europe, Asia-Pacific (“APAC”) and Latin America (“LATAM”). Going forward, we may also add new clients, including in new geographies and industry verticals, through selective strategic acquisitions.

Expanding our technical capabilities and client solutions

We combine strategy, design and software engineering expertise to offer premium, end-to-end solutions to our clients. Our value proposition is based on our thought leadership and expertise across innovative new technologies, differentiated client solutions across our service lines and local and nearshore capabilities (*i.e.*, those delivered from nearby countries in similar time zones) and offshore capabilities (*i.e.*, those delivered from distant countries in different time zones). Our premium position enabled us to drive average revenue per employee of approximately $88,000, or $118,000 annualized, for the nine months ended September 30, 2021, compared to approximately $81,000, or $108,000 annualized, for the nine months ended September 30, 2020. Our average revenue per employee was approximately $108,000 for the full year 2020, which we believe is meaningfully higher than all our pure-play competitors. We define average revenue per employee as total revenues for the period divided by the average number of employees in such period. The year-over-year increase reflected the increase in demand for our services driven by economic recovery from the pandemic where we have seen continued revenue growth and the overall ramp up in hiring to meet the anticipated increase in demand for our services. Our ability to continue delivering premium and innovative services to our clients depends on evolving our technical and engineering capabilities.

Ability to recruit and retain talent

To provide services to our clients, we must efficiently hire, train and retain skilled professionals without compromising on the high standards we set for our people. We believe our ability to attract and retain top talent drives high client satisfaction and enables us to deliver on strong client demand to generate growth. We increased our total number of employees to 10,076 as of September 30, 2021 from 7,976 as of December 31, 2020, a 26.3% increase as we continued to invest in additional headcount to meet demand.

Ability to optimize our global delivery

We have a global footprint with the ability to deliver services from multiple geographic regions. As of September 30, 2021 all of our top ten clients relied on Thoughtworks' delivery from more than one region. We utilize a blended delivery model, which means we are able to offer a combination of local talent with nearshore/offshore talent, allowing us to maintain close proximity to our clients for context and local market knowledge, while driving rapid and high-quality delivery at scale.

Components of Our Operating Results

We operate and manage our business as one reportable segment. While the Company has offerings in multiple market segments and operates in multiple countries, the Company's business operates as one operating segment. Almost all of the Company's service offerings are delivered and supported on a global basis. Additionally, most of the Company's service offerings are deployed in a nearly identical way and the Company's chief operating decision maker evaluates the Company's financial information and resources and assesses the performance of these resources on a consolidated basis.

Revenues

Time-and-Materials Revenues. We generate the majority of our revenues under time-and-materials contracts, which are billed using hourly, daily or monthly rates to determine the amounts to be charged to the client. Revenue from time-and-material contracts is based on the number of hours worked and at contractually agreed-upon hourly rates and is recognized as those services are rendered as control of the services passes to the customer over time.

Fixed-Price Revenues. Fixed-price contracts include application development arrangements, where progress towards satisfaction of the performance obligation is measured using input methods as there is a direct correlation between hours incurred and the end product delivered to the client. Assumptions, risks and uncertainties inherent in the estimates used to measure progress could affect the amount of revenues, receivables and deferred revenues at each reporting period. Revenues under these contracts are recognized using costs incurred to date relative to total estimated costs at completion to measure progress toward satisfying performance obligations.

For a detailed discussion of our revenue recognition policy, refer to our condensed consolidated financial statements included herein and the related notes appearing in our IPO Prospectus.

Cost of Revenues

Cost of revenues consists primarily of personnel and related costs directly associated with professional services, including salaries, bonuses, stock-based compensation, fringe benefits, project related travel costs and costs of contracted third-party vendors. Also included in cost of revenues is depreciation attributable to the portion of our property and equipment utilized in the delivery of services to our clients.

Selling, General and Administrative Expenses

Selling, general and administrative expenses represent expenses associated with promoting and selling our services and general and administrative functions of our business. These expenses include the costs of salaries, bonuses, fringe benefits, stock-based compensation, severance, bad debt, travel, legal and accounting services, insurance, facilities (including operating leases), advertising and other promotional activities.

Depreciation and Amortization

Depreciation and amortization consist primarily of depreciation of fixed assets, amortization of capitalized software development costs (internal-use software) and amortization of acquisition-related intangible assets.

Other Income (Expense), net

Other income (expense), net consists of interest expense, impacts from foreign exchange transactions and gains (losses) on the sale of assets.

Income Tax Expense

Determining the consolidated income tax expense, deferred income tax assets and liabilities and any potential related valuation allowances involves judgment. We consider factors that may contribute, favorably or unfavorably, to the overall annual effective tax rate in the current year as well as the future. These factors include statutory tax rates and tax law changes in the countries where we operate as well as consideration of any significant or unusual items. Our income tax expense includes the impact of provisions established for uncertain income tax positions, as well as any related interest and penalties. These reserves are adjusted given changing facts and circumstances, such as the closing of a tax audit, statute of limitation lapse or the refinement of an estimate. To the extent the final outcome of an uncertain income tax position differs from the amounts recorded, such differences will impact our income tax expense in the period in which such determination is made.

Results of Operations

The following table sets forth a summary of our condensed consolidated results of operations for the periods indicated (in thousands, except percentages):

	Three Months Ended September 30,		**Nine Months Ended September 30,**	
	2021	**2020**	**2021**	**2020**
Revenues	$ 285,051	$ 196,549	$ 783,145	$ 597,082
Operating expenses:				
Cost of revenues (1)	183,945	114,849	471,047	351,750
Selling, general and administrative expenses (1)	113,019	42,073	248,366	139,498
Depreciation and amortization	4,173	4,343	13,007	12,587
(Loss) income from operations	**(16,086)**	**35,284**	**50,725**	**93,247**
Other (expense) income:				
Interest expense	(6,734)	(6,016)	(20,316)	(19,833)
Net realized and unrealized foreign currency (loss) gain	(1,934)	938	(3,608)	2,369
Other income (expense), net	162	12	306	139
Total other expense	(8,506)	(5,066)	(23,618)	(17,325)
(Loss) income before income taxes	**(24,592)**	**30,218**	**27,107**	**75,922**
Income tax expense	643	8,336	15,605	16,243
Net (loss) income	**$ (25,235)**	**$ 21,882**	**$ 11,502**	**$ 59,679**
Effective tax rate	(2.6)%	27.6 %	57.6 %	21.4 %

(1) Includes stock-based compensation as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Cost of revenues	$ 25,756	$ —	$ 29,071	$ —
Selling, general and administrative expenses	47,420	292	54,357	1,066
Total stock-based compensation expense	**$ 73,176**	**$ 292**	**$ 83,428**	**$ 1,066**

Summary Comparison of Three Months Ended September 30, 2021 with the Three Months Ended September 30, 2020

Revenues for the three months ended September 30, 2021 increased $88.5 million, or 45.0%, to $285.1 million, compared to $196.5 million for the three months ended September 30, 2020. The increase in revenues was driven by higher demand for services as certain clients accelerated their digital transformation projects. The majority of our revenues are generated from recurring clients or those expanding their usage of our services. Revenue recognized from our recurring client base was approximately 85.1% for the three months ended September 30, 2021 and 89.8% for the three months ended September 30, 2020, with the remainder of our revenue attributable to new clients.

Our revenue growth depends on our ability to retain and drive growth from existing clients. The net dollar retention ratio was approximately 143% for the three months ended September 30, 2021 and approximately 103% for the three months ended September 30, 2020. For a discussion of the factors impacting our net dollar retention ratio, see "— Key Factors Affecting our Performance about Market Risk — Net Dollar Retention Rate."

Income from operations for the three months ended September 30, 2021 decreased $51.4 million, or approximately 145.6%, to a loss from operations of $16.1 million compared to income from operations of $35.3 million for the three months ended September 30, 2020. The decrease in income from operations was driven by costs incurred in conjunction with the IPO, specifically additional stock-based compensation of $72.9 million (primarily related to the accelerated vesting of certain employee stock options of $56.2 million and $16.7 million for the issuance of new grants in connection with the IPO) and incremental professional fees of $8.7 million reported in cost of revenues and selling, general and administrative expenses in the period ended September 30, 2021 compared to the three months ended September 30, 2020.

Our effective tax rate for the three months ended September 30, 2021 and September 30, 2020 was (2.6)% and 27.6%, respectively. The effective tax rate in each period differed from the U.S. statutory tax rate of 21% principally due to U.S. corporate state income taxation and the effect of foreign operations which reflects the impact of different income tax rates in locations outside the United States. The decrease in the effective tax rate for the three months ended September 30, 2021 as compared to the prior year was primarily due to the unfavorable impact of establishing valuation allowances on deferred tax assets of select foreign operations and the non-deductibility of executive compensation expense in compliance with §162(m) of the Internal Revenue Code, partially offset by excess tax benefits on stock-based compensation. The resulting tax expense when compared to the pre-tax loss recorded for the quarter yields the aforementioned negative effective tax rate of (2.6)% as of September 30, 2021.

Net income for the three months ended September 30, 2021 decreased by approximately $47.1 million to a loss position $25.2 million compared to net income of $21.9 million for the three months ended September 30, 2020. The decrease in net income was driven by costs incurred in conjunction with the IPO, specifically additional stock-based compensation and incremental professional fees discussed above.

Summary Comparison of Nine Months Ended September 30, 2021 with the Nine Months Ended September 30, 2020

Revenues for the nine months ended September 30, 2021 increased $186.1 million, or 31.2%, to $783.1 million, compared to $597.1 million for the nine months ended September 30, 2020. The increase in revenues was driven by higher demand for services as certain clients accelerated their digital transformation projects, partially offset by the impact of decreased reimbursable travel costs. The majority of our revenues are generated from recurring clients or those expanding their usage of our services. Revenue recognized from our recurring client base was approximately 89.9% for the nine months ended September 30, 2021 and approximately 94.2% for the nine months ended September 30, 2020, with the remainder of our revenue attributable to new clients.

Our revenue growth depends on our ability to retain and drive growth from existing clients. Our net dollar retention ratio was approximately 130% for the nine months ended September 30, 2021 and approximately 108% for the nine months ended September 30, 2020. For a discussion of the factors impacting our net dollar retention ratio, see "— Key Factors Affecting our Performance about Market Risk — Net Dollar Retention Rate."

Income from operations for the nine months ended September 30, 2021 decreased $42.5 million, or approximately 45.6%, to $50.7 million compared to $93.2 million for the nine months ended September 30, 2020. The decrease in income from operations was driven by costs incurred in conjunction with the IPO, specifically additional stock-based compensation of $82.4 million (primarily related to the accelerated vesting of certain employee stock options of $65.7 million and $16.7 million for the issuance of new grants in connection with the IPO) and incremental professional fees of $17.9 million reported in cost of revenues and selling, general and administrative expenses in the period ended September 30, 2021 compared to the nine months ended September 30, 2020. The additional expenses incurred above were partially offset by the benefits received from a reduction in travel related expenses of $9.7 million reported in cost of revenues combined with a reduction in bad debt of $7.3 million reported in selling, general and administrative expenses compared to the nine months ended September 30, 2020.

Our effective tax rate for the nine months ended September 30, 2021 and September 30, 2020 was 57.6% and 21.4%, respectively. The effective tax rate in each period differed from the U.S. statutory tax rate of 21% principally due to U.S. corporate state income taxation and the effect of foreign operations which reflects the impact of different income tax rates in locations outside the United States. The increase in the effective tax rate for the nine months ended September 30, 2021 over the prior year was primarily due to the unfavorable impact of establishing valuation allowances on deferred tax assets of select foreign operations and the non-deductibility of executive compensation expense in compliance with §162(m) of the Internal Revenue Code, offset by excess tax benefits on stock-based compensation.

Net income for the nine months ended September 30, 2021 decreased $48.2 million to $11.5 million compared to net income of $59.7 million for the nine months ended September 30, 2020. The decrease in net income was driven by costs incurred in conjunction with the IPO, specifically additional stock-based compensation and incremental professional fees discussed in detail above.

Revenues

We continue to expand our international presence and nearshore capabilities in different geographies. During the three and nine months ended September 30, 2021, total revenues grew 45.0% and 31.2%, respectively, to $285.1 million and $783.1 million, respectively, compared to $196.5 million and $597.1 million, respectively, over the same periods in the prior year. The increase in revenues was attributable to strong demand for our services, including the impact of accelerated digital transformation projects by certain clients.

Revenues by Industry Vertical

The following table presents our revenues by industry vertical and revenues as a percentage of total revenues by industry vertical for the periods indicated (in thousands, except percentages):

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2021		2020		2021		2020	
Technology and business services	$75,086	26.3%	$59,387	30.2%	$211,226	27.0%	$170,463	28.5%
Energy, public and health services	71,556	25.1%	48,408	24.6%	205,465	26.2%	144,340	24.2%
Retail and consumer	57,723	20.3%	35,829	18.2%	146,647	18.7%	104,925	17.6%
Financial services and insurance	46,739	16.4%	28,975	14.7%	121,848	15.6%	94,439	15.8%
Automotive, travel and transportation	33,947	11.9%	23,775	12.1%	97,959	12.5%	82,524	13.8%
Other	—	—%	175	0.2%	—	—%	391	0.1%
Total revenues	$285,051	100%	$196,549	100%	$783,145	100%	$597,082	100%

During the three months ended September 30, 2021, we continued to see a strong demand environment along with robust revenue growth across all industry verticals compared to the three months ended September 30, 2020. The financial services and insurance industry vertical grew by 61.3%, along with a good rebound in the retail and consumer and energy, public and health services industry verticals, also growing by 61.1% and 47.8%, respectively, as we continued to leverage market tailwinds.

During the nine months ended September 30, 2021, we continued to sustain revenue growth across energy, public and health services and retail and consumer industry verticals which grew by 42.3% and 39.8%, respectively. We also experienced a recovery in the technology and business services, financial services and insurance, and automotive, travel and transportation verticals compared to the nine months ended September 30, 2020 for the same reasons as described above.

Revenues by Customer Location

Our revenues are sourced from four geographic markets: North America, APAC, Europe and LATAM. We present and discuss our revenues by the geographic location where the revenues are under client contract; however, the delivery of those client contracts could be supported by offshore delivery locations.

The following table presents our revenues by customer location and revenues as a percentage of total revenues by customer location for the periods indicated (in thousands, except percentages):

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2021		2020		2021		2020	
Customer Location:								
North America	$103,769	36.4%	$76,649	39.0%	$290,954	37.2%	$243,797	40.8%
APAC	98,756	34.6%	64,457	32.8%	260,928	33.3%	181,738	30.4%
Europe	69,522	24.4%	46,623	23.7%	196,476	25.1%	143,673	24.1%
LATAM	13,004	4.6%	8,820	4.5%	34,787	4.4%	27,874	4.7%
Total revenues	$285,051	100.0%	$196,549	100.0%	$783,145	100.0%	$597,082	100.0%

During the three months ended September 30, 2021, we had positive revenue growth of 35.4% in North America, with the United States contributing $96.5 million of our North America revenues, compared to $73.4 million for the same period in 2020. The largest client demand came from the technology and business services industry vertical which was driven by our increased focus on digital transformation where we pivoted our offerings to leverage market tailwinds. Further, our ability to retain existing clients and increase the level of services we provide resulted in incremental revenue expansion from 2020 to 2021.

During the three months ended September 30, 2021, we had positive revenue growth of 53.2% in APAC where the top three revenue contributing customer location countries in APAC were Australia, China and Singapore generating revenues of $31.0 million, $24.8 million and $18.4 million, respectively, compared to $19.7 million, $23.4 million and $4.9 million, respectively, for the same period in 2020. The increase in revenues for APAC during this period was driven by increased client demand in the technology and business services industry vertical for the same reasons as described above.

During the three months ended September 30, 2021, we had positive revenue growth of 49.1% in Europe where the top two revenue contributing customer location countries in Europe were Germany and the United Kingdom generating revenues of $30.0 million and $30.0 million, respectively, compared to $19.8 million and $20.8 million, respectively, for the same period in 2020. The largest driver of client demand came from our automotive, travel and transportation industry vertical where certain automotive manufacturers and service providers continued to focus on digital transformation.

During the three months ended September 30, 2021, we had positive revenue growth of 47.4% in LATAM, with Brazil being our largest customer location in LATAM contributing revenues of $8.2 million compared to $4.9 million for the same period in 2020. The largest driver of client demand came from our technology and business services industry vertical which was driven by our increased focus on digital transformation where we pivoted our offerings to leverage market tailwinds.

During the nine months ended September 30, 2021, we had positive revenue growth of 19.3% in North America, with the United States contributing $275.0 million of our North America revenues, compared to $233.5 million for the same period in 2020. The largest client demand came from the technology and business services industry vertical which was driven by our increased focus on digital transformation where we pivoted our offerings to leverage market tailwinds. Further, our ability to retain existing clients and increase the level of services we provide resulted in incremental revenue expansion from 2020 to 2021 where this industry remained as our top revenue contributor.

During the nine months ended September 30, 2021, we had positive revenue growth of 43.6% in APAC where the top three revenue contributing customer location countries in APAC were Australia, China and Singapore generating revenues of $83.7 million, $70.7 million and $42.4 million, respectively, compared to $52.7 million, $58.9 million and $24.3 million, respectively, for the same period in 2020. The increase in revenues for APAC during this period was driven by increased client demand in the technology and business services industry vertical for the same reasons as described above.

During the nine months ended September 30, 2021, we had positive revenue growth of 36.8% in Europe where the top two revenue contributing customer location countries in Europe were Germany and the United Kingdom generating revenues of $84.2 million and $83.5 million, respectively, compared to $59.9 million and $65.7 million, respectively, for the same period in 2020, with the largest driver of client demand coming from our automotive, travel and transportation industry vertical where certain automotive manufacturers and service providers continued to focus on digital transformation.

During the nine months ended September 30, 2021, we had positive revenue growth of 24.8% in LATAM, with Brazil being our largest customer location in LATAM contributing revenues of $21.6 million compared to $11.4 million for the same period in 2020. The largest driver of client demand came from our technology and business services industry vertical which was driven by our increased focus on digital transformation where we pivoted our offerings to leverage market tailwinds.

Revenues by Client Concentration

We have long-standing relationships with many of our clients. We seek to grow revenues from our existing clients by continually increasing the value we provide and expanding the scope and size of our engagements. Revenues derived from these clients may fluctuate as these accounts mature or upon beginning or completion of multi-year projects. We believe there is a significant potential for future growth as we expand our capabilities and offerings within existing clients. In addition, we remain committed to diversifying our client base and adding more clients to our client mix.

The following table presents revenues contributed by our clients by amount and as a percentage of total revenues for the periods indicated (in thousands, except percentages):

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2021		2020		2021		2020	
Top five clients	$46,238	16.2%	$41,261	21.0%	$135,972	17.4%	$120,497	20.2%
Top ten clients	$77,186	27.1%	$64,937	33.0%	$216,094	27.6%	$195,411	32.7%

During the three and nine months ended September 30, 2021, revenues from our top five and top ten existing clients experienced slower growth as a percentage of our total revenues as we continued to focus on diversification of our portfolio to re-balance sales exposure. This was also driven by an increase in our number of clients resulting from new business wins and a higher contribution of revenues from our top twenty and top fifty clients growing at a faster pace.

Cost of Revenues

	Three Months Ended September 30,			
(in thousands, except percentages)	2021	2020	Change	% Change
Cost of revenues	$183,945	$114,849	$69,096	60.2%

During the three months ended September 30, 2021, cost of revenues (including stock-based compensation) increased by $69.1 million, or 60.2%, compared to the three months ended September 30, 2020. This increase was primarily driven by an increase in payroll and benefit expenses of $37.2 million due to higher headcount as we invested in additional talent to support growth. This increase was also driven by the cumulative stock-based compensation expense of $25.8 million related to the accelerated vesting of certain employee stock options in conjunction with the IPO of $13.7 million and $12.1 million for the issuance of new grants in connection with the IPO and an increase in professional fees of $3.9 million related to contract labor.

	Nine Months Ended September 30,			
(in thousands, except percentages)	2021	2020	Change	% Change
Cost of revenues	$471,047	$351,750	$119,297	33.9%

During the nine months ended September 30, 2021, cost of revenues (including stock-based compensation) increased by $119.3 million, or 33.9%, compared to the nine months ended September 30, 2020. This increase was primarily driven by an increase in payroll and benefit expenses of $85.9 million due to higher headcount as we invested in additional talent to support growth, partially offset by reduced travel costs of $9.7 million due to the COVID-19 pandemic. This increase was also driven by the cumulative stock-based compensation expense of $29.1 million related to the accelerated vesting of certain employee stock options in conjunction with the IPO of $17.0 million and $12.1 million for the issuance of new grants in connection with the IPO and an increase in professional fees of $9.3 million related to contract labor.

Gross Profit and Gross Margin

	Three Months Ended September 30,			
(in thousands, except percentages)	**2021**	**2020**	**Change**	**% Change**
Gross profit	$101,106	$81,700	$19,406	23.8%
Gross margin	35.5%	41.6%		

Our gross margin decreased by 6.1% for the three months ended September 30, 2021 compared to the three months ended September 30, 2020, primarily due to costs incurred in conjunction with our successful IPO, specifically additional stock-based compensation of $25.8 million and incremental professional fees discussed in detail above. This was partially offset by our revenue growth from the increased demand for our services along with our ability to accelerate certain strategic operational efficiency initiatives.

	Nine Months Ended September 30,			
(in thousands, except percentages)	**2021**	**2020**	**Change**	**% Change**
Gross profit	$312,098	$245,332	$66,766	27.2%
Gross margin	39.9%	41.1%		

Our gross margin decreased by 1.2% for the nine months ended September 30, 2021 compared to the nine months ended September 30, 2020, primarily due to costs incurred in conjunction with our successful IPO, specifically additional stock-based compensation of $29.1 million and incremental professional fees discussed in detail above. This was partially offset by our revenue growth from the increased demand for our services along with our ability to accelerate certain strategic operational efficiency initiatives.

Selling, General and Administrative Expenses

	Three Months Ended September 30,			
(in thousands, except percentages)	**2021**	**2020**	**Change**	**% Change**
Selling, general and administrative expenses	$113,019	$42,073	$70,946	168.6%

For the three months ended September 30, 2021, selling, general and administrative expenses were $113.0 million, representing an increase of approximately 168.6%, compared to $42.1 million in the same period in the prior year. Our selling, general and administrative expenses increased due to an increase in stock-based compensation expense of $47.1 million related to the accelerated vesting of certain employee stock options in conjunction with the IPO of $42.5 million and $4.6 million for the issuance of new grants in connection with the IPO. Further, payroll expenses (excluding stock-based compensation) increased by $13.2 million due to higher headcount as we invested in additional talent to support growth, including our number of clients and revenue growth, including acquisition-related retention payments of $0.5 million, facility expenses of $2.8 million and professional fees of $4.8 million, partially offset by a decrease in bad debt expense of $0.1 million.

	Nine Months Ended September 30,			
(in thousands, except percentages)	**2021**	**2020**	**Change**	**% Change**
Selling, general and administrative expenses	$248,366	$139,498	$108,868	78.0%

For the nine months ended September 30, 2021, selling, general and administrative expenses were $248.4 million, representing an increase of approximately 78.0% as compared to $139.5 million in the same period in the prior year. Our selling, general and administrative expenses increased due to an increase in stock-based compensation expense of $53.3 million related to the accelerated vesting of certain employee stock options in conjunction with the IPO of $48.6 million and $4.6 million for the issuance of new grants in connection with the IPO. Further, payroll expenses (excluding stock-based compensation) increased by $38.7 million due to higher headcount as we invested in additional talent to support growth, including our number of clients and revenue growth, including acquisition-related retention payments of $7.9 million, facility expenses of $5.1 million and professional fees of $8.6 million, partially offset by a decrease in bad debt expense of $7.3 million.

Depreciation and Amortization

	Three Months Ended September 30,			
(in thousands, except percentages)	**2021**	**2020**	**Change**	**% Change**
Depreciation and amortization	$4,173	$4,343	$(170)	(3.9)%

Depreciation and amortization relate to depreciation charges on our fixed assets, capitalized software amortization expense and intangible asset amortization. There were no material changes in depreciation and amortization in the three months ended September 30, 2021 as compared to the three months ended September 30, 2020.

	Nine Months Ended September 30,			
(in thousands, except percentages)	**2021**	**2020**	**Change**	**% Change**
Depreciation and amortization	$13,007	$12,587	$420	3.3%

Depreciation and amortization relate to depreciation charges on our fixed assets, capitalized software amortization expense and intangible asset amortization. There were no material changes in depreciation and amortization in the nine months ended September 30, 2021 as compared to the nine months ended September 30, 2020.

Interest Expense

	Three Months Ended September 30,			
(in thousands, except percentages)	**2021**	**2020**	**Change**	**% Change**
Interest expense	$(6,734)	$(6,016)	$(718)	11.9%

Interest expense is primarily related to our term loan and revolving credit facilities. There were no material changes in interest expense in the three months ended September 30, 2021 as compared to the three months ended September 30, 2020.

	Nine Months Ended September 30,			
(in thousands, except percentages)	**2021**	**2020**	**Change**	**% Change**
Interest expense	$(20,316)	$(19,833)	$(483)	2.4%

Interest expense is primarily related to our term loan and revolving credit facilities. There were no material changes in interest expense in the nine months ended September 30, 2021 as compared to the nine months ended September 30, 2020.

Income Tax Expense

	Three Months Ended September 30,			
(in thousands, except percentages)	**2021**	**2020**	**Change**	**% Change**
Income tax expense	$643	$8,336	$(7,693)	(92.3)%

The Company’s income tax expense decreased by $7.7 million for the three months ended September 30, 2021 as compared to the three months ended September 30, 2020 primarily due to the pre-tax loss recorded for the period from IPO related stock-based compensation and excess tax benefits on stock-based compensation, offset by the unfavorable impact of establishing valuation allowances on deferred tax assets of select foreign operations and the non-deductibility of executive compensation expense in compliance with §162(m) of the Internal Revenue Code.

	Nine Months Ended September 30,			
(in thousands, except percentages)	**2021**	**2020**	**Change**	**% Change**
Income tax expense	$15,605	$16,243	$(638)	(3.9)%

The Company’s income tax expense decreased by $0.6 million for the nine months ended September 30, 2021 as compared to the nine months ended September 30, 2020 primarily due to the pre-tax loss recorded for the period from IPO related stock-based compensation and excess tax benefits on stock-based compensation, offset by the unfavorable impact of establishing valuation allowances on deferred tax assets of select foreign operations and the non-deductibility of executive compensation expense in compliance with §162(m) of the Internal Revenue Code.

Foreign Currency Exchange Gains and Losses

See “—Quantitative and Qualitative Disclosure About Market Risk—Foreign Currency Risk” included elsewhere in this Quarterly Report and in our IPO Prospectus as well as “Risk Factors—Risks Related to Our Global Operations—Our business, financial condition and results of operations may be adversely affected by fluctuations in foreign currency exchange rates" as included in our IPO Prospectus.

Non-GAAP Financial Measures

We define Adjusted Net Income as net (loss) income adjusted for unrealized gain (loss) on foreign currency exchange, stock-based compensation expense, amortization of acquisition-related intangibles, acquisition costs, certain professional fees that are considered unrelated to our ongoing revenue-generating operations, tender offer compensation expense that is considered one-time in nature, certain costs related to business rationalization, IPO-related costs and income tax effects of adjustments.

We define Adjusted EBITDA as net (loss) income adjusted to exclude income tax expense, interest expense, other (expense) income, net, unrealized gain (loss) on foreign currency exchange, stock-based compensation expense, depreciation and amortization expense, acquisition costs, certain professional fees that are considered unrelated to our ongoing revenue-generating operations, tender offer compensation expense that is considered one-time in nature, certain costs related to business rationalization and IPO-related costs. Adjusted EBITDA Margin is calculated by dividing Adjusted EBITDA by total revenues.

We use Adjusted EBITDA, Adjusted EBITDA Margin and Adjusted Net Income as measures of operating performance and the operating leverage in our business. We believe that these non-GAAP financial measures are useful to investors for supplemental period-to-period comparisons of our business and in understanding and evaluating our operating results for the following reasons:

- Our management uses Adjusted Net Income to assess our overall performance, without regard to items that are considered to be unique or non-recurring in nature or otherwise unrelated to our ongoing revenue-generating operations, net of the income tax effect of the adjusted items;

- Adjusted EBITDA and Adjusted EBITDA Margin are widely used by investors and securities analysts to measure a company's operating performance without regard to items such as stock-based compensation expense, depreciation and amortization expense, interest expense, other (income) expense, net, and income tax expense which can vary substantially from company to company depending upon their financing, capital structures, and the method by which assets were acquired or costs that are unique or non-recurring in nature or otherwise unrelated to our ongoing revenue-generating operations;

- Our management uses Adjusted Net Income, Adjusted EBITDA and Adjusted EBITDA Margin in conjunction with financial measures prepared in accordance with GAAP for planning purposes, including the preparation of our annual operating budget, as a measure of our core operating results and the effectiveness of our business strategy, and in evaluating our financial performance; and

- Adjusted Net Income, Adjusted EBITDA and Adjusted EBITDA Margin provide consistency and comparability with our past financial performance, facilitate period-to-period comparisons of our core operating results, and also facilitate comparisons with other peer companies, many of which use similar non-GAAP financial measures to supplement their GAAP results.

Adjusted Net Income, Adjusted EBITDA and Adjusted EBITDA Margin have limitations as analytical tools, and you should not consider these measures in isolation or as substitutes for analysis of our financial results as reported under GAAP. Some of these limitations are, or may in the future be, as follows:

- Although depreciation and amortization expense is a non-cash charge, the assets being depreciated and amortized may have to be replaced in the future, and Adjusted EBITDA and Adjusted EBITDA Margin do not reflect cash capital expenditure requirements for such replacements or for new capital expenditure requirements;

- Adjusted Net Income, Adjusted EBITDA and Adjusted EBITDA Margin exclude stock-based compensation expense, which has recently been, and will continue to be for the foreseeable future, a significant recurring expense for our business and an important part of our compensation strategy;

- Adjusted Net Income, Adjusted EBITDA and Adjusted EBITDA Margin do not reflect changes in, or cash requirements for, our working capital needs;

- Adjusted EBITDA and Adjusted EBITDA Margin do not reflect (i) interest expense, or the cash requirements necessary to service interest or principal payments on our debt, which reduces cash available to us; or (ii) accruals or tax payments that may represent a reduction in cash available to us;

- Adjusted Net Income, Adjusted EBITDA and Adjusted EBITDA Margin do not reflect transaction costs related to acquisitions; and

- The expenses and other items that we exclude in our calculations of Adjusted Net Income, Adjusted EBITDA and Adjusted EBITDA Margin may differ from the expenses and other items, if any, that other companies may exclude from similarly-titled non-GAAP measures when they report their operating results, and we may, in the future, exclude other significant, unusual or non-recurring expenses or other items from these financial measures.

Because of these limitations, Adjusted Net Income, Adjusted EBITDA and Adjusted EBITDA Margin should be considered along with other financial performance measures presented in accordance with GAAP.

The following tables present a reconciliation of Adjusted Net Income, Adjusted EBITDA and Adjusted EBITDA Margin to their most directly comparable financial measure prepared in accordance with GAAP, for each of the periods indicated (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	**2021**	**2020**	**2021**	**2020**
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 (f)	(17,413)	(1,011)	(26,635)	(2,243)
Adjusted Net Income	$ 37,188	$ 24,231	$ 96,613	$ 67,916

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands, except percentages)	**2021**	**2020**	**2021**	**2020**
Net (loss) income	$ (25,235)	$ 21,882	$ 11,502	$ 59,679
Income tax expense	643	8,336	15,605	16,243
Interest expense	6,734	6,016	20,316	19,833
Other income (expense), net	(162)	(12)	(306)	(139)
Unrealized foreign exchange losses	1,393	97	3,912	165
Stock-based compensation	73,192	292	83,428	1,066
Depreciation and amortization	7,661	6,621	21,702	19,327
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
Adjusted EBITDA	$ 66,459	$ 43,551	$ 171,514	$ 117,572
Net (loss) income margin	(8.9)%	11.1 %	1.5 %	10.0 %
Adjusted EBITDA Margin	23.3 %	22.2 %	21.9 %	19.7 %

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

Liquidity and Capital Resources

The following table summarizes certain key measures of our liquidity and capital resources (in thousands):

	As of September 30,		As of December 31,	
	2021	2020	2020	2019
Cash and cash equivalents	$ 452,810	$ 142,231	$ 490,841	$ 55,973
Availability under revolving credit facility	165,000	85,000	85,000	85,000
Borrowings under revolving credit facility	—	—	—	—
Long-term debt, including current portion (1)	604,154	440,502	439,757	442,503

(1) The balance includes deferred financing fees. A reconciliation of gross to net amounts is presented in Note 12, *Credit Agreements*. Subsequent to September 30, 2021, the Company made a voluntary prepayment of $100.0 million on outstanding amounts owed on the term loan. See Note 14, *Subsequent Events,* to our condensed consolidated financial statements.

Our cash generated from operations and financing activities has been our primary source of liquidity to fund operations and investments. Our capital sources are focused on investments in our technology solutions, corporate infrastructure and strategic acquisitions to further expand into new business sectors and/or expand sales in existing sectors. The Company generates sufficient cash flows for working capital and expects to do so for the foreseeable future.

On September 17, 2021 we completed our IPO, in which an aggregate of 42,368,421 shares of the Company's common stock were sold at $21.00 per share, including 5,526,315 shares sold upon the exercise of the underwriters' option to purchase additional shares by certain of the selling stockholders. In connection with the IPO, the Company issued and sold 16,429,964 shares and received net proceeds of $314.7 million, after deducting underwriting discounts and commissions and offering expenses of approximately $30.3 million. See Note 1, *Business and Summary of Significant Accounting Policies*, to our condensed consolidated financial statements.

As of September 30, 2021, our principal sources of liquidity were cash and cash equivalents of $452.8 million and $165.0 million of available borrowings under our revolving credit facility. Cash and cash equivalents as of September 30, 2021 included (a) proceeds from the issuance of preferred stock in the first and second quarter of $322.8 million, net of equity issuance costs of $7.2 million, which proceeds were subsequently used to repurchase equity from existing shareholders; and (b) proceeds from the completion of our IPO in the third quarter of $314.7 million, net of the underwriting discounts and commissions and other offering expenses of approximately $30.3 million. Refer to the notes to our condensed consolidated financial statements for more information.

In the future, we may enter into arrangements to acquire or invest in complementary businesses, services and technologies, or intellectual property rights. To fund these acquisitions or investments, we may seek to access the debt or capital markets. Our ability to obtain additional funding will be subject to various factors, including general market conditions, our operating performance, the market's perception of our growth potential, lender sentiment and our ability to incur additional debt in compliance with our contractual restrictions, including those in our Credit Agreement (as defined below).

Our Credit Facilities

Our subsidiaries are party to an amended and restated credit agreement, dated as of March 26, 2021 (as amended, the "Credit Agreement"), among Thoughtworks, Inc., Turing Acquisition LLC and Turing Midco LLC (collectively, the "Borrowers"), Turing Topco LLC ("Holdings"), Credit Suisse AG, Cayman Islands Branch, as administrative agent, the lenders party thereto and the other parties from time-to-time party thereto. The Credit

Agreement provides for a senior secured term loan of $715.0 million (the “Term Loan”) and a senior secured revolving credit facility of up to $165.0 million (the “Revolver”). As of September 30, 2021, we had $611.4 million outstanding under our Term Loan with an interest rate of 3.50% and no borrowings outstanding under the Revolver.

Borrowings under the Credit Agreement are guaranteed by substantially all the Borrowers’ direct and indirect wholly owned material domestic subsidiaries subject to customary exceptions (the “Guarantors” and together with the Borrowers and Holdings, the “Loan Parties”). The obligations under the Credit Agreement and the guarantees of the Guarantors are secured by substantially all of the Loan Parties’ assets, subject to customary exceptions and thresholds.

Borrowings under the Term Loan bear interest at a rate per annum equal to an applicable margin plus either (a) a base rate or (b) a LIBOR rate, at our option, subject to interest rate floors. Borrowings under the Revolver bear interest at a rate per annum equal to an applicable margin plus either (x) a base rate or (y) a LIBOR rate at our option. In addition to paying interest on outstanding borrowings under the Revolver, we are required to pay a commitment fee to the lenders under the Revolver in respect of unutilized commitments thereunder and customary letter of credit fees. The applicable margins in respect of both the Term Loan and the Revolver are subject to adjustments based on our first lien leverage ratios and corporate family ratings plus a permanent reduction by 25 basis points of the interest rate applicable to our Term Loan and our Revolver upon the completion of the IPO.

The Credit Agreement requires compliance with various covenants customary for agreements of this type, including a springing financial covenant (solely for the benefit of the Revolver), a passive holdings covenant with respect to Holdings and negative covenants that limit, among other things, the Borrowers’ and their restricted subsidiaries’ ability to incur additional debt, create or incur liens, engage in mergers or consolidations, sell, transfer or otherwise dispose of assets, make voluntary prepayments to subordinated debt, pay dividends or distributions, make investments, and enter into certain transactions with affiliates. We are currently in compliance with all covenants contained in our Credit Agreement. The Credit Agreement also includes events of default customary for agreements of this type. Further, as it relates to restricted subsidiaries, as of September 30, 2021, none of our consolidated net assets were subject to dividend restrictions under the Credit Agreement.

Cash Flows

The following table shows a summary of our cash flows for the periods presented (in thousands):

	Nine Months Ended September 30,	
	2021	**2020**
Net cash provided by (used in):		
Operating activities	$ 95,499	$ 99,243
Investing activities	(65,888)	(8,904)
Financing activities	(37,454)	(3,357)
Effect of exchange rate changes on cash and cash equivalents	(3,394)	(574)
Net (decrease) increase in cash and cash equivalents	$ (11,237)	$ 86,408

Operating Activities

Net cash provided by operating activities during the nine months ended September 30, 2021 decreased $3.7 million, as compared to the comparable period in 2020. Non-cash charges primarily consisted of amortization of intangible assets, depreciation of property and equipment, and stock-based compensation. The decrease in 2021 was primarily driven by an increase in trade receivables and unbilled receivables as a result of increased profitability in 2021 compared to 2020.

Investing Activities

Net cash used in investing activities during the nine months ended September 30, 2021 was $65.9 million compared to $8.9 million used in the same period in 2020. The increase was primarily attributable to the acquisition of Gemini and Fourkind and purchases of property and equipment.

Financing Activities

Net cash used in financing activities during the nine months ended September 30, 2021 was $37.5 million compared to net cash used in financing activities of $3.4 million in the same period in 2020. The increase in cash used in financing activities for the nine months ended September 30, 2021 was primarily attributable to the repurchase of shares and vested options from our securityholders using the proceeds from the issuance of $720.0 million of preferred stock, partially offset by proceeds from an increase in our term loan (which were subsequently used to pay a dividend to our securityholders in April 2021). Additionally, the increase was a result of the repayment of long-term debt of $235 million, offset by $314.7 million of net proceeds received from our IPO during the quarter.

Contractual Obligations and Future Capital Requirements

Contractual Obligations

There were no material changes in our contractual obligations and commitments during the nine months ended September 30, 2021 from the contractual obligations and commitments disclosed in the Prospectus. See Note 9, *Commitments and Contingencies*, of the notes to our condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report for additional information regarding contractual obligations and commitments.

Except as disclosed in "—Our Credit Facilities" and those mentioned above, we did not have other material contractual obligations for cash expenditures.

Future Capital Requirements

We believe that our existing cash and cash equivalents combined with our expected cash flow from operations will be sufficient to meet our projected operating and capital expenditure requirements for at least the next twelve months and that we possess the financial flexibility to execute our strategic objectives, including the ability to make acquisitions and strategic investments in the foreseeable future. However, our ability to generate cash is subject to our performance, general economic conditions, industry trends and other factors. To the extent that existing cash and cash equivalents and operating cash flow are insufficient to fund our future activities and requirements, we may need to raise additional funds through public or private equity or debt financing. If we incur new debt, the debt holders would have rights senior to common stockholders to make claims on our assets, and the terms of any debt could restrict our operations, including our ability to pay dividends on our common stock. If we issue additional equity or convertible debt securities, existing stockholders may experience dilution, and such new securities could have rights senior to those of our common stock. These factors may make the timing, amount, terms and conditions of additional financings unattractive. Our inability to raise capital could impede our growth or otherwise require us to forego growth opportunities and could materially adversely affect our business, financial condition and results of operations. There is no assurance that we would be able to raise additional funds on favorable terms or at all.

Commitments and Contingencies

Certain conditions may exist as of the date of the condensed consolidated financial statements which may result in a loss to the Company but will only be resolved when one or more future events occur or fail to occur. Such liabilities for loss contingencies arising from claims, assessments, litigation, fines, penalties and other sources, are recorded when the Company assesses that it is probable that a future liability has been incurred and the amount can be reasonably estimated. Recoveries of costs from third parties, which the Company assesses as being probable of realization, are recorded to the extent of related contingent liabilities accrued. Legal costs incurred in connection with matters relating to contingencies are expensed in the period incurred. The Company records gain contingencies when realized.

Off-Balance Sheet Arrangements

We did not have during any of the periods presented, and we do not currently have, any off-balance sheet financing arrangements or any relationships with unconsolidated entities or financial partnerships, including entities sometimes referred to as structured finance or special purpose entities, that were established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes.

Recent Accounting Pronouncements

See Note 1, *Business and Summary of Significant Accounting Policies*, in the notes to our condensed consolidated financial statements included in Part I, Item I of this Quarterly Report for a discussion of recent accounting pronouncements.

Critical Accounting Policies

Our condensed consolidated financial statements and the related notes thereto included elsewhere in this Quarterly Report are prepared in accordance with GAAP. In preparing the condensed consolidated financial statements, we make estimates and judgments that affect the reported amounts of assets, liabilities, stockholders' equity, revenues, expenses and related disclosures. We re-evaluate our estimates on an on-going basis. Our estimates are based on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. Because of the uncertainty inherent in these matters, actual results may differ from these estimates and could differ based upon other assumptions or conditions.

There have been no material changes to our critical accounting policies and estimates as compared to those described in "Management's Discussion and Analysis of Financial Condition and Results of Operations" set forth in our IPO Prospectus except for those noted below, which reflect our more significant judgments and estimates used in the preparation of our condensed consolidated financial statements.

Stock-Based Compensation

We grant share incentive awards to certain of our employees and directors. These compensation arrangements are settled in equity, or in certain cases at our discretion, in cash, at a predetermined price and generally vest over a period of up to four years and, in certain cases, vest in full on a liquidity event involving our company. All vested share incentive awards have a term of six years before expiration. We measure share-based awards at the grant date based on the fair value of the award and we recognize it as a compensation expense over the vesting period. Through September 17, 2021 (the "IPO Closing Date"), the Company estimated grant date fair value for stock option awards using a hybrid of the Probability-Weighted Expected Return Method ("PWERM") and the Option-Pricing Model ("OPM") that used assumptions including expected volatility, expected term, and the expected risk-free rate of return. Prior to the completion of our IPO, we relied, in part, on valuation reports prepared by unrelated third-party valuation firms to assist us in valuing our share-based awards. For more information, refer to the notes to our condensed consolidated financial statements.

After the completion of the IPO, the Company uses the market closing price of its common stock on the grant date for the fair value.

Performance Vesting and Time Vesting Options

On September 9, 2021, the Board of Directors, through unanimous written consent, approved a modification to the Company's 2017 Stock Option Plan which, upon completion of the IPO, a sponsor return of 2.8x times sponsor investment was achieved, and the service condition under the Plan that participants must provide at least 18 months of continuous service following the grant date in order for performance vesting options to vest was waived. Additionally, the Board of Directors also approved accelerated vesting of all remaining, unvested former Class C performance vesting options, after the achievement of such sponsor return, which resulted in all performance vesting options becoming fully vested upon completion of the IPO. Unless otherwise prohibited by law in local jurisdictions, time vesting options will continue to vest according to the Plan. No stock option awards were granted during the third quarter of 2021. For more information regarding the impact on stock-based compensation expense that resulted from the achievement of the sponsor return and the accelerated vesting of performance vesting options, see Note 11, *Stock-Based Compensation*, to our condensed consolidated financial statements.

Stock Appreciation Rights (“SARs”) Conversion

On September 9, 2021, the Board of Directors, through unanimous written consent, approved a modification to the Company's Stock Appreciation Rights Plan (the “SARs Plan”) which, upon completion of the IPO, was discontinued and all outstanding stock appreciation rights (“SARs”) converted to restricted stock units (“RSUs”). RSUs granted in connection with the SARs conversion will vest after six months and twelve months at 50% at each vesting date, such that 100% of RSUs related to the SARs conversion will be fully vested twelve months after the completion of the IPO. See Note 11, *Stock-Based Compensation,* to our condensed consolidated financial statements for additional information.

Restricted Stock Units (“RSUs”)

In September 2021, the Board of Directors approved the 2021 Omnibus Incentive Plan (the “Omnibus Plan”). Under the Omnibus Plan, RSUs are awarded to eligible employees and entitle the grantee to receive shares of common stock at the end of a vesting period. Certain RSUs granted during the period ended September 30, 2021, have varying vesting schedules:

(1) a 28 month cliff vest subsequent to the IPO Closing Date;

(2) a 12 month cliff vest subsequent to the IPO Closing Date;

(3) a 6 and 12 month period vest subsequent to the IPO Closing Date (with 50% vesting after 6 months and 50% vesting at the end of the 12 month term);

(4) immediate vesting upon the successful and active registration with the State Administration of Foreign Exchange ("SAFE") of the People's Republic of China; and

(5) a 3 year ratable vesting period subsequent to the IPO Closing Date (with 34% vesting during the first year, and 33% vesting during the second and third years).

All RSUs granted as a result of the IPO, including the RSUs granted in connection with the SARs conversion, include a lock-up period of 6 months before the participants may redeem the shares. Throughout the vesting period and the lock-up period, shareholders are subject to the market risk on the value of their shares.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to certain market risks in the ordinary course of our business. These risks primarily result from changes in concentration of credit, foreign currency exchange rates and interest rates. In addition, our international operations are subject to risks related to differing economic conditions, civil unrest, political instability or uncertainty, military activities, broad-based sanctions, differing tax structures, and other regulations and restrictions.

There were no material changes to the information on market risk disclosure from our IPO Prospectus.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our principal executive officer and principal financial officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, the "Exchange Act"), as of the end of the period covered by this Quarterly Report.

Based on such evaluation, our principal executive officer and principal financial officer have concluded that as of such date, our disclosure controls and procedures are designed to, and are effective to, provide assurance at a reasonable level that the information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosures.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting (identified in management's evaluation pursuant to Rules 13a-15(d) and 15d-15(d) under the Exchange Act) that occurred during the period covered by this Quarterly Report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations on the Effectiveness of Controls and Procedures

In designing and evaluating the disclosure controls and procedures and internal control over financial reporting, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures and internal control over financial reporting must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Over time, controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, we may be involved in litigation relating to claims arising out of our operations and businesses that cover a wide range of matters, including, among others, intellectual property, data privacy and cybersecurity, contract and employment, personal injury, product liability and warranty. Currently, there are no claims or proceedings against us that we believe will have a material adverse effect on our business, financial condition, results of operations or cash flows. However, the results of any current or future litigation cannot be predicted with certainty and, regardless of the outcome, we may incur significant costs and experience a diversion of management resources as a result of litigation.

Item 1A. Risk Factors

The business, financial condition and operating results of the Company can be affected by a number of factors, whether currently known or unknown, including but not limited to those described in the IPO Prospectus under the heading “Risk Factors,” any one or more of which could, directly or indirectly, cause the Company’s actual financial condition and operating results to vary materially from past, or from anticipated future, financial condition and operating results. Any of these factors, in whole or in part, could materially and adversely affect the Company’s business, financial condition, operating results and stock price. There have been no material changes to the Company’s risk factors since those set forth in the IPO Prospectus.

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

Unregistered Sales of Equity Securities

Options and Common Stock Issuances

During the third quarter of 2021, pursuant to our 2017 Stock Option Plan, we granted zero options to purchase shares of our former Class C common stock to employees and directors. Options to purchase an aggregate of 986.52 shares of our former Class C common stock have been forfeited and canceled without being exercised and returned to the option pool.

During the third quarter of 2021, an aggregate of 760.22 shares of our former Class C common stock were issued to employees, directors, and non-employees as a result of exercises of options, at a price of $100 per share, for aggregate proceeds of approximately $0.1 million.

IPO Related Transactions

On September 17, 2021, in connection with the IPO and prior to the Offering Reorganization Transactions, an aggregate of 19,881 shares of our former Class C common stock were issued to employees as a result of exercises of options, at a price ranging from $100 to $225 per share, for aggregate proceeds of approximately $2.1 million. All shares were subsequently sold to the public at $21.00 per share after adjusting for the Stock Split. Additionally, an aggregate of 4,976.96 shares were issued as a result of cashless exercises of options, at a price ranging from $100 - $108 per share of which 4,440.57 options were withheld and cancelled to satisfy the exercise price and applicable withholding taxes. Additionally, there were 6,701,133 RSUs granted as part of the SARs to RSU conversion as discussed in the notes accompanying our condensed consolidated financial statements included herein.

In September 2021, upon the closing of the Company's IPO, all outstanding shares of redeemable convertible preferred stock were converted into an aggregate of 1,365,058 shares of common stock. Additionally, all classes of shares of the Company's common stock then outstanding were converted into 5,259,163 shares of common stock on a one-to-one basis. Shares presented above have not been adjusted for the Stock Split.

Use of Proceeds

On September 16, 2021, we closed the IPO pursuant to which an aggregate of 42,368,421 shares were sold, which includes the issuance and sale of 16,429,964 shares of the Company's common stock, the sale by selling stockholders of 20,412,142 shares of the Company's common stock, and the full exercise of the underwriters' option to purchase 5,526,315 additional shares of common stock from certain of the selling stockholders, at a price to the public of $21.00 per share.

The Company received gross proceeds of $345.0 million and net proceeds of $314.7 million, net of the underwriting discounts and commissions and other offering expenses of approximately $30.3 million. The offer and sale of all of the shares of our common stock in the IPO were registered under the Securities Act pursuant to a registration statement on Form S-1, as amended (File No. 333-258985), which was declared effective by the SEC on September 14, 2021. The Company's common stock began trading on the Nasdaq Global Select Market on September 15, 2021.

The lead underwriters in the offering were Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC. None of the underwriting discounts and commissions or estimated offering expenses were incurred or paid to our directors or officers or their associates or to persons owning 10% or more of our common stock or to any of our affiliates. The offering commenced on September 14, 2021 and did not terminate until the sale of all of the shares offered.

Subsequent to the quarter ended September 30, 2021, we used the net proceeds of the offering to repay $100.0 million on outstanding amounts owed on the term loan disclosed in Note 12, *Credit Agreements*. There has been no material change in our planned use of the net proceeds from the IPO as described in the IPO Prospectus.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not Applicable.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit Number	Description
3.1	Fourth Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on September 20, 2021)
3.2	Third Amended and Restated Bylaws (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed with the SEC on September 20, 2021)
10.1+	Thoughtworks Holding, Inc. 2021 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.1 on the Registration Statement on Form S-8 filed with the SEC on September 21, 2021)
10.2+	Thoughtworks Holding, Inc. 2021 Employee Stock Purchase Plan (incorporated by reference to Exhibit 10.2 on the Registration Statement on Form S-8 filed with the SEC on September 21, 2021)
10.3+	Form of Thoughtworks U.K. Share Incentive Plan (incorporated by reference to Exhibit 10.3 on the Registration Statement on Form S-8 filed with the SEC on September 21, 2021)
10.4+	Turing Holding Corp. (n/k/a Thoughtworks Holding, Inc.) 2017 Stock Option Plan (incorporated by reference to Exhibit 10.4 on the Registration Statement on Form S-8 filed with the SEC on September 21, 2021)
10.5+	Form of Stock Option Agreement (incorporated by reference to Exhibit 10.5 on the Registration Statement on Form S-8 filed with the SEC on September 21, 2021)
10.6+	Form of Restricted Stock Unit Agreement (incorporated by reference to Exhibit 10.6 on the Registration Statement on Form S-8 filed with the SEC on September 21, 2021)
10.7+	Form of Indemnification Agreement (incorporated by reference to Exhibit 10.5 on the Registration Statement on Form S-1 filed with the SEC on August 25, 2021)
10.8+	Form of Thoughtworks Holding, Inc. Executive Severance Plan (incorporated by reference to Exhibit 10.11 on the Registration Statement on Form S-1 filed with the SEC on August 25, 2021)
10.9+	Letter Agreement, dated as of August 10, 2021, by and between Thoughtworks, Inc. and Christopher Murphy (incorporated by reference to Exhibit 10.10 on the Registration Statement on Form S-1 filed with the SEC on August 25, 2021)
10.10*	Director Nomination Agreement, dated as of September 17, 2021, by and among the Company and the other signatories party thereto.
10.11+*	Form of Restricted Stock Unit Agreement
31.1*	Certification of the Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a) under the Exchange Act, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a) under the Exchange Act, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2*	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS*	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document

101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File - (formatted as inline XBRL and contained in Exhibit 101)

+	Indicates management contracts or compensatory plans or arrangements
*	Exhibits filed herewith

SIGNATURES

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

Date: November 15, 2021

THOUGHTWORKS HOLDING, INC.

By: /s/ Guo Xiao
Guo Xiao
Chief Executive Officer and Director
(Principal Executive Officer)

By: /s/ Erin Cummins
Erin Cummins
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

EXHIBIT 10.10

DIRECTOR NOMINATION AGREEMENT

THIS DIRECTOR NOMINATION AGREEMENT (this "Agreement") is made and entered into as of September 17, 2021, by and among Thoughtworks Holding, Inc., a Delaware corporation (the "Company") and Turing EquityCo II L.P., a Guernsey limited partnership ("Turing EquityCo"). This Agreement shall become effective (the "Effective Date") upon the closing of the Company's initial public offering (the "IPO") of shares of its common stock, par value $0.001 per share (the "Common Stock").

WHEREAS, as of the date hereof, Turing EquityCo owns a majority of the outstanding equity interests of the Company;

WHEREAS, as of the date hereof, the majority of limited partnership interests in Turing EquityCo are indirectly held by funds advised by Apax Partners LLP (together with such funds with such an investment advisory relationship, "Apax Partners");

WHEREAS, Turing EquityCo is contemplating causing the Company to effect the IPO;

WHEREAS, in consideration of Turing EquityCo agreeing to undertake the IPO, the Company has agreed to permit Turing EquityCo to designate persons for nomination for election to the board of directors of the Company (the "Board") following the Effective Date on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each of the parties to this Agreement agrees as follows:

1. Board Nomination Rights.

(a) From the Effective Date, Turing EquityCo shall have the right, but not the obligation, to designate, and the individuals nominated for election as Directors by or at the direction of the Board or a duly-authorized committee thereof shall include, a number of individuals such that, upon the election of each such individual, and each other individual nominated by or at the direction of the Board or a duly authorized committee of the Board, as a Director and taking into account any Director continuing to serve without the need for re-election, the number of Nominees (as defined below) serving as Directors of the Company will be equal to: (i) if Turing EquityCo and its Affiliates collectively Beneficially Own shares of Common Stock representing 50% or more of the total voting power of the Total Outstanding Securities (as defined below) as of the record date for such meeting, the lowest whole number that is greater than 50% of the Total Number of Directors (as defined below); (ii) if the Turing EquityCo and its Affiliates collectively Beneficially Own shares of Common Stock representing at least 40% (but less than 50%) of the total voting power of the Total Outstanding Securities as of the record date for such meeting, the lowest whole number that is greater than 40% of the Total Number of Directors; (iii) if Turing EquityCo and its Affiliates collectively Beneficially Own shares of Common Stock representing at least 30% (but less than 40%) of the total voting power of Total Outstanding Securities as of the record date for such meeting, the lowest whole number that is greater than 30% of the Total Number of Directors; (iv) if Turing EquityCo and its Affiliates collectively Beneficially Own shares of Common Stock representing at least 20% (but less than 30%) of the total voting power of the Total Outstanding Securities as of the record date for such meeting, the lowest whole number that is greater than 20% of the Total Number of Directors; and (v) if Turing EquityCo and its Affiliates collectively Beneficially Own shares of Common Stock representing at least 10% (but less than 20%) of the total voting power of the Total Outstanding Securities as of the record date for such meeting, the lowest whole number (such number always being equal to or greater than one) that is greater than 10% of the Total Number of Directors (in each case, each such person a "<u>Nominee</u>").

(b) In the event that Turing EquityCo has nominated less than the total number of designees that Turing EquityCo shall be entitled to nominate pursuant to <u>Section 1(a)</u>, Turing EquityCo shall have the right, at any time, to nominate such additional designees to which it is entitled, in which case, the Company and the Directors (as defined below) shall take all necessary corporation action, to the fullest extent permitted by applicable law (including with respect to fiduciary duties under Delaware law), to (x) enable Turing EquityCo to nominate and effect the election or appointment of such additional individuals, whether by increasing the size of the Board, or otherwise and (y) to designate such additional individuals nominated by Turing EquityCo to fill such newly created vacancies or to fill any other existing vacancies.

(c) The Company shall pay all reasonable out-of-pocket expenses incurred by any Nominee in connection with the performance of his or her duties as a Director and in connection with his or her attendance at any meeting of the Board.

(d) "<u>Beneficially Own</u>" shall mean that a specified person has or shares the right, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, to vote shares of capital stock of the Company. "<u>Affiliate</u>" of any person shall mean any other person controlled by, controlling or under common control with such person; where "<u>control</u>" (including, with its correlative meanings, "<u>controlling</u>," "<u>controlled by</u>" and "<u>under common control with</u>") means possession, directly or indirectly, of power to direct or cause the direction of management or policies (whether through ownership of securities, by contract or otherwise).

(e) "<u>Director</u>" means any member of the Board from time to time.

(f) "<u>Total Number of Directors</u>" means the total number of directors comprising the Board from time to time.

(g) "Total Outstanding Securities" means, at any time, the total number of outstanding shares of the Company's Common Stock entitled to vote generally in the election of directors.

(h) No reduction in the number of shares of Common Stock that Turing EquityCo Beneficially Owns shall shorten the term of any incumbent Director. At the Effective Date, the Board shall be comprised of nine members.

(i) In the event that any Nominee shall cease to serve for any reason, Turing EquityCo shall be entitled to designate such person's successor in accordance with this Agreement (regardless of Turing EquityCo's Beneficial Ownership of Common Stock at the time of such vacancy) and the Board shall promptly fill the vacancy with such successor nominee; it being understood that any such designee shall serve the remainder of the term of the Director whom such designee replaces.

(j) If a Nominee is not appointed or elected to the Board because of such person's death, disability, disqualification, withdrawal as a Nominee or for other reason is unavailable or unable to serve on the Board, Turing EquityCo shall be entitled to designate promptly another Nominee and the director position for which the original Nominee was nominated shall not be filled pending such designation.

(k) So long as Turing EquityCo has the right to nominate at least one (1) Nominee under this Section 1 or any such Nominee is serving on the Board, the Company shall maintain in effect at all times directors and officers indemnity insurance coverage reasonably satisfactory to Turing EquityCo, and the Company's Fourth Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws (each as may be further amended, supplemented or waived in accordance with its terms) shall at all times provide for indemnification, exculpation and advancement of expenses to the fullest extent permitted under applicable law.

(l) Except as provided for in Section 1(b) hereof, prior to the date that Turing EquityCo and its Affiliates cease to Beneficially Own shares of Common Stock representing at least 40% of the total voting power of the Total Outstanding Securities, the Company shall not increase or decrease the number of Directors serving on the Board without the prior written consent of Turing EquityCo.

(m) At such time as the Company ceases to be a "controlled company" and is required by applicable law or The Nasdaq Global Select Market (the "Exchange") listing standards to have a majority of the Board comprised of "independent directors" (subject in each case to any applicable phase-in periods), the Nominees shall include a number of persons that qualify as "independent directors" under applicable law and the Exchange listing standards such that, together with any other "independent directors" then serving on the Board that are not Nominees, the Board is comprised of a majority of "independent directors"; provided that at any time that Turing EquityCo shall have any nomination rights under this Section 1, (i) Turing EquityCo shall be entitled to nominate at least one (1)

Nominee who does not qualify as an "independent director" and (ii) the number of "independent directors" required to be nominated by Turing EquityCo pursuant to this provision shall not be greater than the number of Nominees required to be "independent directors" pursuant to this provision to be nominated by Turing EquityCo with the right to nominate the same number of, or more, Nominees as Turing EquityCo.

(n) At any time that Turing EquityCo shall have any nomination rights under this Section 1, the Company shall not take any action, including making or recommending any amendment to the Company's Fourth Amended and Restated Certificate of Incorporation or Amended and Restated Bylaws (each as may be further amended, supplemented or waived in accordance with its terms) that could reasonably be expected to adversely affect Turing EquityCo's rights under this Agreement, in each case without the prior written consent of Turing EquityCo.

(o) [Reserved].

(p) The Company recognizes that Nominees (i) will from time to time receive non-public information concerning the Company, and (ii) may share such information with other individuals associated with Turing EquityCo and its affiliated entities. The Company hereby irrevocably consents to such sharing. Turing EquityCo agrees that it will keep confidential and not disclose or divulge to any third party any confidential information regarding the Company it receives from the Company or a Nominee, unless such information (x) is known or becomes known to the public in general, (y) is or has been independently developed or conceived by Turing EquityCo without use of the Company's confidential information or (z) is or has been made known or disclosed to Turing EquityCo by a third party without a breach of any obligation of confidentiality such third party may have; provided, however, that Turing EquityCo may disclose confidential information (I) to its Affiliates (other than, in the case of Apax Partners, portfolio companies), (II) to each of its and its Affiliate's (other than portfolio companies) attorneys, accountants, consultants, advisors and other professionals to the extent necessary to obtain their services in connection with evaluating the information, or (III) as may be required by law or legal, judicial or regulatory process or requested by any regulatory or self-regulatory authority or examiner, provided that Turing EquityCo takes reasonable steps to minimize the extent of any required disclosure described in this clause (III).

2. Company Obligations. The Company agrees that prior to the date that Turing EquityCo and its Affiliates cease to Beneficially Own shares of Common Stock representing at least 10% of the total voting power of Total Outstanding Securities, (i) each Nominee is included in the Board's slate of nominees to the stockholders (the "Board's Slate") for each election of Directors; and (ii) each Nominee is included in the proxy statement prepared by management of the Company in connection with soliciting proxies for every meeting of the stockholders of the Company called with respect to the election of members of the Board (each, a "Director Election Proxy Statement"), and at every adjournment or postponement thereof, and on every action or approval by written consent of the stockholders of the Company or the Board with respect to the

election of members of the Board. Turing EquityCo will promptly report to the Company after Turing EquityCo ceases to Beneficially Own shares of Common Stock representing at least 10% of the total voting power of the Total Outstanding Securities, such that Company is informed of when this obligation terminates. The calculation of the number of Nominees that Turing EquityCo is entitled to nominate to the Board's Slate for any election of Directors shall be based on the percentage of the total voting power of the Total Outstanding Securities Beneficially Owned by Turing EquityCo immediately prior to the mailing to shareholders of the Director Election Proxy Statement relating to such election (or, if earlier, the filing of the definitive Director Election Proxy Statement with the U.S. Securities and Exchange Commission). Unless Turing EquityCo notifies the Company otherwise prior to the mailing to shareholders of the Director Election Proxy Statement relating to an election of Directors, the Nominees for such election shall be presumed to be the same Nominees currently serving on the Board, and no further action shall be required of Turing EquityCo for the Board to include such Nominees on the Board's Slate; provided that, in the event Turing EquityCo is no longer entitled to nominate the same number of Nominees then serving on the Board, Turing EquityCo shall provide advance written notice to the Company, of which currently servicing Nominee(s) shall be excluded from the Board's Slate, and of any other changes to the list of Nominees. If Turing EquityCo fails to provide such notice prior to the mailing to shareholders of the Director Election Proxy Statement relating to such election (or, if earlier, the filing of the definitive Director Election Proxy Statement with the U.S. Securities and Exchange Commission), a majority of the independent directors then serving on the Board shall determine which of the Nominees of Turing EquityCo then serving on the Board will be included in the Board's Slate. Furthermore, the Company agrees for so long as the Company qualifies as a "controlled company" under the rules of the Exchange the Company will elect to be a "controlled company" for purposes of the Exchange and will disclose in its annual meeting proxy statement that it is a "controlled company" and the basis for that determination. The Company and Turing EquityCo acknowledge and agree that, as of the Effective Date, the Company is a "controlled company." The Company agrees to provide written notice of the preparation of a Director Election Proxy Statement to Turing EquityCo at least 20 business days, but no more than 40 business days, prior to the earlier of the mailing and the filing date of any Director Election Proxy Statement.

3. Governance.

(a) Protective Provisions. Notwithstanding any other provision of this Agreement and to the fullest extent permitted by applicable law, in addition to the approval of the Directors, the following actions described in this Section 3(a) (collectively, the "Consent Matters") shall require the prior written consent of Turing EquityCo as set out below:

i. none of the following actions shall be taken by the Company, including any proposal by the Board to be put to the vote of the stockholders of the Company with respect thereto, without the prior written consent of Turing EquityCo until such time as Turing EquityCo and its Affiliates cease to Beneficially Own shares of Common Stock representing at least 50% of the total voting power of the Total Outstanding Securities (except as set forth in the proviso in Section 3(a)(i)(I)):

I. amending, altering or changing, or waiving any rights under, this Agreement, the organizational documents, including the Fourth Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws of the Company (which shall also be subject to Section 5 hereof), and/or the organizational documents of any subsidiary of the Company; provided that, notwithstanding the foregoing, for so long as Turing EquityCo owns any outstanding Common Stock, any amendment, alteration, or change to, or waiver under, other organizational documents, including the Fourth Amended and Restated Certificate of Incorporation or Amended and Restated Bylaws of the Company, that would adversely affect any rights specific to Turing EquityCo (subject to applicable law) require the written consent of Turing EquityCo;

II. authorizing or issuing any equity securities of the Company having rights, preferences or privileges that are superior or senior to the outstanding Common Stock (or any securities convertible or exchangeable therefor pursuant to their terms);

III. any transaction with any stockholder or Affiliate of a stockholder or any Director or officer of the Company or any of its subsidiaries (other than employment agreements with officers not otherwise affiliated with a stockholder);

IV. winding up the Company;

V. the declaration or payment of any dividend or other distribution to the stockholders by the Company or redemption, repurchase or exchange (as applicable) of any equity securities of the Company;

VI. issuing or granting any equity securities of the Company or its subsidiaries, other than (A) grants under the Company’s 2021 Omnibus Incentive Plan, or (B) in connection with transactions consistent with certain specified strategies; and

VII. engaging in any mergers, acquisitions, business combinations or similar transactions or entering into any arrangements or agreements relating to joint ventures or strategic partnerships with a value of such transaction or arrangement exceeding $500.0 million; and

VIII. entry by the Company into any agreement with respect to the matters described in the foregoing clauses (I) through (VIII) or taking any such action indirectly.

4. Committees. From and after the Effective Date hereof until such time as Turing EquityCo and its Affiliates cease to Beneficially Own shares of Common Stock representing at least 40% of the total voting power of the Total Outstanding Securities, Turing EquityCo shall have the right to designate one member of each committee of the Board, provided that any such designee shall be a Director and shall be eligible to serve on the applicable committee under applicable law or listing standards of the Exchange, including any applicable independence requirements (subject in each case to any applicable exceptions, including those for newly public companies and for "controlled companies," and any applicable phase-in periods). Any additional members shall be determined by the Board. Nominees designated to serve on a Board committee shall have the right to remain on such committee until the next election of Directors, regardless of the number of shares of Common Stock Turing EquityCo Beneficially Owns following such designation. Unless Turing EquityCo notifies the Company otherwise prior to the time the Board takes action to change the composition of a Board committee, and to the extent Turing EquityCo Beneficially Owns the requisite percentage of the total voting power of the Total Outstanding Securities for Turing EquityCo to nominate a Board committee member at the time the Board takes action to change the composition of any such Board committee, any Nominee currently designated by Turing EquityCo to serve on a committee shall be presumed to be re-designated for such committee.

5. Amendment and Waiver. Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by the Company and Turing EquityCo, or in the case of a waiver, by the party against whom the waiver is to be effective. No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law. Turing EquityCo shall not be obligated to nominate all (or any) of the Nominees they are entitled to nominate pursuant to this Agreement for any election of Directors but the failure to do so shall not constitute a waiver of their rights hereunder with respect to future elections; provided, however, that in the event Turing EquityCo fails to nominate all (or any) of the Nominees it is entitled to nominate pursuant to this Agreement prior to the mailing to shareholders of the Director Election Proxy Statement relating to such election (or, if earlier, the filing of the definitive Director Election Proxy Statement with the U.S. Securities and Exchange Commission), the Nominating & Governance Committee of the Board shall be entitled to nominate individuals in lieu of such Nominees for inclusion in the Board's Slate and the applicable Director Election Proxy Statement with respect to the election for which such failure occurred and Turing EquityCo shall be deemed to have waived its rights hereunder with respect to such election; provided, further, however, that any such waiver shall only be effective if the Company has provided written notice to Turing EquityCo of such Director Election Proxy Statement no less than 20 business days, and no more than 40 business days, prior to the earlier of the mailing or filing date of such Director Election Proxy Statement. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

6. Benefit of Parties. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective permitted successors and assigns. Notwithstanding the foregoing, the Company may not assign any of its rights or obligations

hereunder without the prior written consent of Turing EquityCo. Except as otherwise expressly provided in Section 7, nothing herein contained shall confer or is intended to confer on any third party or entity that is not a party to this Agreement any rights under this Agreement.

7. Assignment. Upon written notice to the Company, Turing EquityCo may assign to any Affiliate (other than a portfolio company) all of its rights hereunder.

8. Headings. Headings are for ease of reference only and shall not form a part of this Agreement.

9. Governing Law. This Agreement shall be construed in accordance with and governed by the law of the State of Delaware without giving effect to the principles of conflicts of laws thereof.

10. Jurisdiction. Any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement may be brought against any of the parties in any federal court located in the State of Delaware or any Delaware state court, and each of the parties hereby consents to the exclusive jurisdiction of such court (and of the appropriate appellate courts) in any such suit, action or proceeding and waives any objection to venue laid therein. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court. Without limiting the foregoing, each of the parties agrees that service of process upon such party at the address referred to in Section 17, together with written notice of such service to such party, shall be deemed effective service of process upon such party.

11. WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT.

12. Entire Agreement. This Agreement constitutes the entire agreement among the parties with respect to the subject matter hereof and supersedes all prior agreements, understandings and negotiations, both written and oral among the parties with respect to the subject matter hereof.

13. Counterparts; Effectiveness. This Agreement may be signed in any number of counterparts, each of which shall be deemed an original. This Agreement shall become effective when each party shall have received a counterpart hereof signed by each of the other parties. An executed copy or counterpart hereof delivered by facsimile shall be deemed an original instrument.

14. Severability. If any provision of this Agreement or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

15. Further Assurances. Each of the parties hereto shall execute and deliver such further instruments and do such further acts and things as may be required to carry out the intent and purpose of this Agreement.

16. Specific Performance. Each of the parties hereto agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof in any federal or state court located in the State of Delaware, in addition to any other remedy to which they are entitled at law or in equity.

17. Notices. All notices, requests and other communications to any party or to the Company shall be in writing (including telecopy or similar writing) and shall be given,

If to the Company:

Thoughtworks Holding, Inc.
200 East Randolph Street, 25th Floor
Chicago, IL 60601
Attention: Chief Legal Officer

With a copy to (which shall not constitute notice):

Kirkland & Ellis LLP
601 Lexington Avenue
New York, NY 10022
Attention: Joshua N. Korff
Aaron M. Schleicher
email: joshua.korff@kirkland.com
aaron.schleicher@kirkland.com

If to Turing EquityCo or any of its Nominees:

c/o Apax Partners LLP
PO Box 656, East Wing
Trafalgar Court, Les Banques, St Peter Port
Guernsey
GY1 3PP
Attention: [***]
[***]
Email: [***]
[***]

With a copy to (which shall not constitute notice):

Kirkland & Ellis LLP
601 Lexington Avenue

New York, NY 10022
Attention: Joshua N. Korff
Aaron M. Schleicher
email: joshua.korff@kirkland.com
aaron.schleicher@kirkland.com

or to such other address or telecopier number as such party or the Company may hereafter specify for the purpose by notice to the other parties and the Company. Each such notice, request or other communication shall be effective when delivered at the address specified in this Section 17 during regular business hours.

18. Enforcement. Each of the parties hereto covenants and agrees that the disinterested members of the Board have the right to enforce, waive or take any other action with respect to this Agreement on behalf of the Company.

* * * * *

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first above written.

THOUGHTWORKS HOLDING, INC.

By:/s/ Ramona Mateiu
Name: Ramona Mateiu
Title: Chief Legal Officer and Chief Compliance Officer

[*Signature Page to Director Nomination Agreement*]

TURING EQUITYCO II L.P.

By: TURING GP CO. LIMITED, its general partner

By: /s/ Mark Babbe
Name: Mark Babbe
Title: Director

[*Signature Page to Director Nomination Agreement*]

EXHIBIT 10.11

THOUGHTWORKS HOLDING, INC.
RESTRICTED STOCK UNIT NOTICE
(2021 OMNIBUS INCENTIVE PLAN)

Thoughtworks Holding, Inc. (the "***Company***"), pursuant to its 2021 Omnibus Incentive Plan (the "***Plan***"), hereby grants to Participant an Award of Restricted Stock Units for the number of shares of Stock set forth below (the "***Award***"). The Award is subject to all of the terms and conditions as set forth in this Restricted Stock Unit Notice (this "***Grant Notice***") and in the RSU Agreement, including the additional terms and conditions for certain countries, as set forth in the appendix attached thereto (attached hereto as Attachment I) and the Plan, both of which are incorporated herein in their entirety. Capitalized terms not otherwise defined herein but defined in the Plan or the RSU Agreement will have the same meaning as in the Plan or the RSU Agreement. If there is any conflict between the terms in this Grant Notice and the Plan, the terms of the Plan will control.

Name of Participant:	
Date of Grant:	
Vesting Commencement Date:	
Number of Shares of Stock Subject to the Award:	
Vesting Schedule	

Vesting Schedule: Please refer to vesting grid above.

Issuance Schedule: Subject to any adjustment as provided in Section 10(a) of the Plan, one share of Stock will be issued for each Restricted Stock Unit that vests, with the time of issuance set forth in Section 6 of the RSU Agreement.

Additional Terms/Acknowledgements: Participant acknowledges receipt of, and understands and agrees to, this Grant Notice, the RSU Agreement and the Plan. Participant acknowledges and agrees that this Grant Notice and the RSU Agreement may not be modified, amended or revised except as provided in the Plan. Participant further acknowledges that, as of the Date of Grant, this Grant Notice, the RSU Agreement and the Plan set forth the entire agreement and understanding between Participant and the Company regarding the acquisition of Stock pursuant to the Award specified above and supersede all prior oral and written agreements, promises and/or representations on that subject, with the exception of (i) Awards previously granted and delivered to Participant, and (ii) any compensation recovery policy that is adopted by the Company or is otherwise required by applicable law.[1] By accepting this Award, Participant consents to receive such documents by electronic delivery and to participate in the Plan

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[1] Notwithstanding anything to the contrary and for the avoidance of doubt, Participant receiving RSUs as a result of their prior award of stock appreciation rights (SARs) under the the Turing Holding Corp. 2017 Stock Appreciation Rights Plan expressly acknowledges and agrees that all SARs awarded to Participant prior to the date hereof have been cancelled and terminated in all respects, and Participant is not due any consideration of any sort with respect thereto.

through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

Thoughtworks Holding, Inc. By:	**Participant:**
Signature Title:	Signature Date:
Date:	

ATTACHMENTS: RSU Agreement

ATTACHMENT I

THOUGHTWORKS HOLDING, INC.
2021 OMNIBUS INCENTIVE PLAN

RSU AGREEMENT

Pursuant to the Restricted Stock Unit Notice (the "***Grant Notice***") and this RSU Agreement, including the additional terms and conditions for certain countries, as set forth in the appendix attached hereto (this "***Agreement***"), Thoughtworks Holding, Inc. (the "***Company***") has granted you an Award of Restricted Stock Units under its 2021 Omnibus Incentive Plan (the "***Plan***"), with respect to the number of shares of Stock indicated in the Grant Notice. Capitalized terms not explicitly defined in this Agreement or in the Grant Notice but defined in the Plan will have the same meaning as in the Plan.

If there is any conflict between the terms in this Agreement and the Plan, the terms of the Plan will control. The details of your Award of Restricted Stock Units (this or your "***Award***"), in addition to those set forth in the Grant Notice and the Plan, are as follows:

1. Grant of the Award. This Award represents the right to be issued on a future date one (1) share of Stock for each Restricted Stock Unit that vests on the applicable vesting date(s) (subject to any adjustment under Section 3 below) as indicated in the Grant Notice. As of the Date of Grant, the Company will credit to a bookkeeping account maintained by or on behalf of the Company for your benefit (the "***Account***") the number of shares of Stock subject to the Award. This Award was granted in consideration of your services to the Company.

a. Notwithstanding the foregoing, if you are employed and/or reside outside of the United States, the Company will require you to sell shares of Stock issued upon settlement of the Restricted Stock Units immediately or within a specified period following your Termination, and you hereby agree that the Company shall have the authority to issue sale instructions in relation to such shares of Stock on your behalf; *provided*, that, the Company, in its sole discretion, may elect to provide for the settlement of the Restricted Stock Units in the form of a cash payment (in an amount equal to the Fair Market Value of the shares of Common Stock that correspond to the vested Restricted Stock Units) to the extent that settlement in shares of Stock (i) is prohibited under local law, (ii) would require you, or the Company or any of its Affiliates to obtain the approval of any governmental or regulatory body in your country of employment and/or residency, (iii) would result in adverse tax consequences for you or the Company or any of its Affiliates or (iv) is administratively burdensome.

2. Vesting. Subject to the limitations contained herein, your Award will vest as provided in your Grant Notice. Vesting will cease upon your Termination; provided, however, that notwithstanding anything herein or in the Plan to the contrary, in the event of a Termination due to your death or Disability, 100% of the Restricted Stock Units shall immediately vest upon such Termination. Upon your Termination, the Restricted Stock Units credited to the Account that were not vested on the date of such Termination will be forfeited at no cost to the Company, and you will have no further right, title or interest in or to such underlying shares of Stock.

3. Number of Shares. The number of shares of Stock subject to your Award may be adjusted from time to time for capitalization adjustments, as provided in the Plan. Any additional Restricted Stock Units, shares, cash or other property that becomes subject to the Award pursuant to this Section 3, if any, shall be subject, in a manner determined by the Committee, to the same forfeiture restrictions, restrictions on transferability and time and manner of delivery as applicable to the other Restricted Stock Units covered by your Award. Notwithstanding the provisions of this Section 3, no fractional shares or rights for fractional shares of Stock shall be created pursuant to this Section 3. Any fraction of a share will be rounded down to the nearest whole share.

4. Securities Law Compliance. You may not be issued any shares of Stock under your Award unless the shares of Stock underlying the Restricted Stock Units are then registered under the Securities Act or, if not registered, the Company has determined that such issuance of the shares would be exempt from the registration requirements of the Securities Act. The issuance of shares of Stock must also comply with all other applicable laws and regulations governing the Award and the Company's policies, and you shall not receive such Stock if the Company determines that such receipt would not be in material compliance with such laws, regulations or Company policies, if applicable.

5. Transfer Restrictions. Prior to the time that shares of Stock have been delivered to you, you may not transfer, pledge, sell or otherwise dispose of this Award or the shares issuable in respect of your Award, except that, upon receiving written permission from the Committee or its duly authorized designee, you may, by delivering written notice to the Company, in a form approved by the Company, designate a third party who, on your death, will thereafter be entitled to receive the shares issuable in respect of your Award, and in the absence of such a designation, your executor or administrator of your estate will be entitled to receive any Stock or other consideration that vested but was not issued before your death. For example, you may not use shares that may be issued in respect of your Restricted Stock Units as security for a loan. The restrictions on transfer set forth herein will lapse upon delivery to you of shares in respect of your vested Restricted Stock Units.

6. Date of Issuance.

a. The issuance of shares in respect of the Restricted Stock Units is intended to comply with Treasury Regulation Section 1.409A-1(b)(4) and will be construed and administered in such a manner. The Company shall issue to you one (1) share of Stock (or, pursuant to Section 1 above, the equivalent value in cash) for each Restricted Stock Unit that vests, if any, as soon as practicable following the applicable vesting date(s) (subject to any adjustment under Section 3 above) and in any event no later than March 15th of the calendar year immediately following the calendar year in which the vesting date occurs.

b. The form of delivery (*e.g.*, a stock certificate or electronic entry evidencing such shares) shall be determined by the Company.

7. Dividends. If, after the Date of Grant and prior to settlement of the Restricted Stock Units, dividends with respect to shares of Stock are declared or paid by the Company, you shall be entitled to receive Dividend Equivalents with respect to each such unsettled Restricted Stock Unit, in an amount, without interest, equal to the cumulative dividends declared or paid on one (1) share of Stock during such period, if any, to the extent such Restricted Stock Unit vests in accordance with the terms and and conditions of the Grant Notice and this Agreement. The Dividend Equivalents will be paid on the date of settlement of the underlying Restricted Stock Unit, in cash or shares of Stock, as determined by the Company in its sole discretion. If the underlying Restricted Stock Unit is forfeited or cancelled prior to the applicable date of settlement for any or no reason, any accrued and unpaid Dividend Equivalents related to such forfeited or cancelled Restricted Stock Unit shall be forfeited and cancelled.

8. Restrictive Legends. The shares of Stock issued under your Award shall be endorsed with appropriate legends, if applicable, as determined by the Company.

9. Nature of Grant. In accepting the Restricted Stock Units, you acknowledge and agree that:

a. the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company, in its sole discretion, at any time (subject to any limitations set forth in the Plan);

b. the grant of the Restricted Stock Units is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of Restricted Stock Units, or benefits in lieu of Restricted Stock Units, even if Restricted Stock Units or other awards have been granted in the past

c. all decisions with respect to future awards, if any, will be at the sole discretion of the Company;

d. your participation in the Plan is voluntary;

e. the Restricted Stock Units and your participation in the Plan shall not create a right to employment or be interpreted as forming an employment or service contract with the Company or any of its Affiliates and shall not interfere with the ability of the Service Recipient to terminate your employment or service relationship (as otherwise may be permitted under local law);

f. unless otherwise agreed with the Company, the Restricted Stock Units and any shares of Stock acquired upon settlement of the Restricted Stock Units, and the income from and value of the same, are not granted as consideration for, or in connection with, any service you may provide as a director of any Affiliate;

g. the Restricted Stock Units and any shares of Stock acquired under the Plan and the income and value of the same, are not part of normal or expected compensation for purposes of calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, holiday pay, pension or retirement or welfare benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company any of its Affiliates;

h. the future value of the shares of Stock underlying the Restricted Stock Units is unknown, indeterminable, and cannot be predicted with certainty;

i. no claim or entitlement to compensation or damages shall arise from forfeiture of the Restricted Stock Units resulting from your Termination (for any reason whatsoever and whether or not in breach of local labor laws or later found invalid) and, in consideration of the Restricted Stock Units, you agree not to institute any claim against the Company or the Service Recipient;

j. for purposes of the Restricted Stock Units, your employment will be considered terminated as of the date you are no longer actively providing service (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are providing service or the terms of your employment or service agreement, if any), and unless otherwise determined by the Company, the Participant's right to vest in the Restricted Stock Units will terminate as of such date and will not be extended by any notice period (e.g., your period of service would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where you are providing service or the terms of your employment or service agreement, if any); the Committee or its delegate shall have the exclusive discretion to determine when you are no longer actively providing service for purposes of the Award (including whether you may still be considered to be providing service while on a leave of absence);

k. the Restricted Stock Units and the benefits evidenced by this Agreement do not create any entitlement not otherwise specifically provided for in the Plan or provided by the Company in its discretion, to have the Restricted Stock Units or any such benefits transferred to, or assumed by, another company, nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the shares of Stock; and

l. if your local currency is different than the U.S. dollar, neither the Company nor any of its Affiliates shall be liable for any foreign exchange rate fluctuation between the your local currency and the U.S. dollar that may affect the value of the Restricted Stock Units or any amounts due to you pursuant to the settlement of the Restricted Stock Units or the subsequent sale of any shares of Stock acquired upon settlement of the Restricted Stock Units.

10. Tax-Related Items.

a. You acknowledge and agree that, regardless of any action taken by the Company or, if different, the Service Recipient, the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to your participation in the Plan and legally applicable or deemed applicable to you even if technically due by the Company or an Affiliate ("***Tax-Related Items***") is and remains your responsibility and may exceed the amount, if any, actually withheld by the Company or the Service Recipient. You further acknowledge that the Company and/or the Service Recipient (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Units or the underlying shares of Stock, including, but not limited to, the grant, vesting or settlement of the Restricted Stock Units, the subsequent sale of shares of Stock acquired pursuant to such settlement and the receipt of any dividends and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Restricted Stock Units to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. You will not make any claim against the Company, or any of its officers, directors, employees or Affiliates, related to liabilities for Tax-Related Items arising from your Award or your other compensation. If you are subject to Tax-Related Items in more than one jurisdiction, you acknowledge that the Company and/or the Service Recipient may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

b. To the extent that Tax-Related Items are payable, the Company shall, in its sole discretion, elect to satisfy all or any portion of the Tax-Related Items relating to your Award by any of the following means or by a combination of such means: (i) withholding from any compensation otherwise payable to you by the Company or an Affiliate; (ii) causing you to tender a cash payment; (iii) withholding shares of Stock from the shares of Stock issued or otherwise issuable to you in connection with the Award with an aggregate Fair Market Value (measured as of the date shares of Stock are issued to pursuant to Section 6) approximately equal to the amount of such Tax-Related Items; *provided*, that, to the extent necessary to qualify for an exemption from application of Section 16(b) of the Exchange Act, if applicable, such share withholding procedure will be subject to the express prior approval of the Committee; (iv) require you to enter into a "same day sale" commitment, whereby you shall deliver an irrevocable direction to a securities broker (on a form prescribed by the Committee) to sell a requisite number of shares of Stock and deliver all or part of the sale proceeds to the Company and/or its Affiliates in payment of the amount necessary to satisfy the Tax Related Items; or (v) such other arrangements as are satisfactory to the Committee and would not result in a violation of Section 16(b) of the Exchange Act, if applicable. If the obligation for Tax-Related Items is satisfied through withholding shares of Stock from the shares of Stock issued or otherwise issuable to you in connection with the Award, for tax purposes, you are deemed to have been issued the full number of shares of Stock subject to the Restricted Stock Units, notwithstanding that a number of shares of Stock are held back solely for the purpose of paying the Tax-Related Items. You will have no further rights with respect to any shares of

Stock that are retained by the Company pursuant to this provision. Depending on the withholding method, the Company may withhold or account for Tax-Related Items by considering applicable statutory withholding rates (as determined by the Company in good faith and in its sole discretion) or other applicable withholding rates, including maximum applicable rates. In the event of over-withholding, you may receive a refund of any over-withheld amount in cash (with no entitlement to the equivalent in shares of Stock), or if not refunded, you may be able to seek a refund from the local tax authorities. In the event of under-withholding, you may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to the Company and/or the Service Recipient. For the avoidance of doubt, you shall not have any discretion to elect a method of payment for Tax-Related Items.

c. Unless the obligations pertaining to Tax-Related Items are satisfied, the Company shall have no obligation to deliver to you any shares of Stock.

d. In the event the Company's or an Affiliate's obligation to withhold arises prior to the delivery to you of shares of Stock or it is determined after the delivery of shares of Stock to you that the amount of the Company's or an Affiliate's withholding obligations was greater than the amount withheld by the Company or an Affiliate, you agree to indemnify and hold the Company and its Affiliates harmless from any failure by the Company or an Affiliate to withhold the proper amount.

11. **Notices.** Any notices provided for in your Award or the Plan will be given in writing (including electronically) and will be deemed effectively given upon receipt or, in the case of notices delivered by mail by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company. The Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and this Award by electronic means or to request your consent to participate in the Plan by electronic means. By accepting this Award, you consent to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

12. **Unsecured Obligation.** Your Award is unfunded, and as a holder of a vested Award, you shall be considered a general, unsecured creditor of the Company with respect to the Company's obligation, if any, to issue shares or other property pursuant to this Agreement.

13. **Governing Plan Document.** Your Award is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your Award, and is further subject to all interpretations, amendments, rules and regulations which may from time to time be promulgated and adopted pursuant to the Plan. If there is any conflict between the provisions of your Award and those of the Plan, the provisions of the Plan will control. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE, USA. ANY DISPUTE, CONTROVERSY OR CLAIM BETWEEN YOU AND THE COMPANY ARISING OUT OF OR RELATED TO THIS AGREEMENT SHALL BE RESOLVED BY ARBITRATION IN ACCORDANCE WITH THE PROVISIONS RELATING TO ARBITRATION SET FORTH IN THE PLAN.

14. **Appendix.** Notwithstanding any provisions in this Agreement, the Restricted Stock Units shall be subject to any additional or different terms and conditions set forth in the Appendix to this Agreement for certain country or countries (the "***Appendix***"). Moreover, if you relocate to any country included in the Appendix, the special terms and conditions for such country will apply to you, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons or the Company may establish additional terms to facilitate your relocation. The Appendix constitutes part of this Agreement.

15. Clawback/Recoupment Policy. Your Award (and any compensation paid or shares issued under your Award) is subject to recoupment in accordance with The Dodd-Frank Wall Street Reform and Consumer Protection Act and any implementing regulations thereunder, any other clawback policy adopted by the Company and any compensation recovery policy otherwise required by applicable law.

16. Other Documents. You hereby acknowledge receipt of and the right to receive a document providing the information required by Rule 428(b)(1) promulgated under the Securities Act, which includes the Plan prospectus.

17. Effect on Other Employee Benefit Plans. The value of this Award will not be included as compensation, earnings, salaries or other similar terms used when calculating your benefits under any employee benefit plan sponsored by the Company or any Affiliate, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify or terminate any of the Company's or any Affiliate's employee benefit plans.

18. Voting Rights. You will not have voting or any other rights as a stockholder of the Company with respect to the shares of Stock to be issued pursuant to this Award until such shares are issued to you. Upon such issuance, you will obtain full voting and other rights as a stockholder of the Company. Nothing contained in this Award, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between you and the Company or any other person.

19. Severability. If all or any part of this Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Agreement (or part of such a Section) so declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

20. Data Privacy. You acknowledge and accept consent to the collection, use and transfer, in electronic or other form, of personal data as described in Section 20(g) of the Plan (such Section 20(g) of the Plan is incorporated herein by reference and made a part hereof) by and among, as applicable, the Company, its Affiliates, third-party administrator(s) and other possible recipients for the exclusive purpose of implementing, administering and managing the Plan and Awards and your participation in the Plan.

21. Miscellaneous.

a. The rights and obligations of the Company under your Award will be transferable to any one or more persons or entities, and all covenants and agreements hereunder will inure to the benefit of, and be enforceable by, the Company's successors and assigns.

a. The Company reserves the right to impose other requirements on your participation in the Plan, on the Award, and on any shares of Stock acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

b. You acknowledge and agree that you have reviewed your Award in its entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting your Award and fully understand all provisions of your Award.

c. You acknowledge that a waiver by the Company of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by you or any other participant.

d. This Agreement will be subject to all applicable laws, rules and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

e. By participating in the Plan, you agree to comply with the Company's policy on insider trading (to the extent that it is applicable to you). You further acknowledge that, depending on your or your broker's country of residence or where the shares of Stock are listed, you may be subject to insider trading restrictions and/or market abuse laws that may affect your ability to accept, acquire, sell or otherwise dispose of shares of Stock, rights to shares of stock (e.g., Restricted Stock Units) or rights linked to the value of shares of Stock, during such times you are considered to have "inside information" regarding the Company as defined by the laws or regulations in your country. Local insider trading laws and regulations may prohibit the cancellation or amendment of orders you place before you possessed inside information. Furthermore, you could be prohibited from (i) disclosing the inside information to any third party (other than on a "need to know" basis) and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. You understand that third parties include fellow employees. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. You acknowledge that it is your responsibility to comply with any applicable restrictions, and that you should therefore consult your personal advisor on this matter.

b. All obligations of the Company under the Plan and this Agreement will be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation or other acquisition of all or substantially all of the business and/or assets of the Company.

f. You agree to repatriate all payments attributable to the shares of Stock and/or cash acquired under the Plan in accordance with applicable foreign exchange rules and regulations in your country of employment (and country of residence, if different). In addition, you agree to take any and all actions, and consent to any and all actions taken by the Company and any of its Affiliates, as may be required to allow the Company and any of its Affiliates to comply with local laws, rules and/or regulations in your country of employment (and country of residence, if different). Finally, you agree to take any and all actions as may be required to comply with your personal obligations under local laws, rules and/or regulations in your country of employment (and country of residence, if different).

g. If you are employed or resident outside the United States, the grant of the Award is not intended to be a public offering of securities in your country of employment (or country of residence, if different). The Company has not submitted any registration statement, prospectus or other filings with the local securities authorities (unless otherwise required under local law), and the grant of the Award is not subject to the supervision of the local securities authorities.

h. If you are resident in a country where English is not an official language, you acknowledge and agree that it is your express intent that this Agreement and the Plan and all other documents, notices and legal proceedings entered into, given or instituted pursuant to the Award be drawn up in English. Further, you acknowledge that you are sufficiently proficient in English to understand the terms and conditions of this Agreement and any documents related to the Plan or have had the ability to consult with an advisor who is sufficiently proficient in the English language. If you have received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

* * *

This Agreement will be deemed to be signed by you upon the signing by you of the Restricted Stock Unit Notice to which it is attached.

APPENDIX TO AGREEMENT

COUNTRY-SPECIFIC TERMS, CONDITIONS AND NOTIFICATIONS

Terms and Conditions

This Appendix includes additional terms and conditions that govern the Restricted Stock Units granted to you under the Plan if you reside and/or work outside of the United States. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Grant Notice, the Plan and/or the Agreement to which this Appendix is attached.

If you are a citizen or resident of a country other than the one in which you are currently working and/or residing, transfer to another country after the Date of Grant, are a consultant, change employment status to a consultant, or are considered a resident of another country for local law purposes, the Company shall, in its discretion, determine the extent to which the terms and conditions contained herein shall be applicable to you.

Notifications

This Appendix also includes information regarding securities, tax, and certain other issues of which you should be aware with respect to participation in the Plan. The information is provided solely for your convenience and is based on the securities, tax, and other laws in effect in the respective countries as of **August 2021**. Such laws are often complex and change frequently. As a result, the Company strongly recommends that you not rely on the information noted herein as the only source of information relating to the consequences of participation in the Plan because the information may be out of date by the time you vest in or receives shares of Stock underlying the Restricted Stock Units or sell any shares of Stock.

In addition, the information contained in this Appendix is general in nature and may not apply to your particular situation, and the Company is not in a position to assure you of any particular result. Accordingly, you should seek appropriate professional advice as to how the applicable laws in your country may apply to your situation.

Finally, you understand that if you are a citizen or resident of a country other than the one in which you are currently residing and/or working, transfer to another country after the Date of Grant, or are considered a resident of another country for local law purposes, the notifications contained herein may not be applicable to you in the same manner.

EUROPEAN UNION ("EU") / EUROPEAN ECONOMIC AREA ("EEA") AND THE UNITED KINGDOM

Data Privacy Notice. If you reside and/or work in the EU/EEA or the United Kingdom, the following provision replaces Section 20 of the Agreement:

The Company, with its principal office at 200 East Randolph Street, 25th Floor, Chicago, Illinois, United States of America, is the controller responsible for the processing of your personal data by the Company and the third parties noted below.

i. **Data Collection, Processing and Usage.** Pursuant to applicable data protection laws, you are hereby notified that the Company collects, processes and uses certain personal information about you for the legitimate purpose of implementing, administering and managing the Plan and generally administering Restricted Stock Units, specifically your name, home address, email address and telephone number, date of birth, social security or insurance number, passport number or other identification number, salary, nationality, and any shares of Stock or directorships held in the Company, and details of the Restricted Stock Units or any other entitlement to shares of Stock, canceled, exercised, vested, unvested or outstanding in your favor ("***Personal Data***"). In granting Restricted Stock Units under the Plan, the Company will collect, process, use, disclose and transfer (collectively, "***Processing***") Personal Data for purposes of implementing, administering and managing the Plan. The Company's legal basis for the Processing of Personal Data is the Company's legitimate business interests of managing the Plan, administering Restricted Stock Units and complying with its contractual and statutory obligations, as well as the necessity of the Processing for the Company to perform its contractual obligations under this Agreement and the Plan. Your refusal to provide Personal Data would make it impossible for the Company to perform its contractual obligations and may affect your ability to participate in the Plan. As such, by accepting the Restricted Stock Units, you voluntarily acknowledge the Processing of your Personal Data as described herein.

j. **Outside Service Providers.** The Company and the Service Recipient may transfer Personal Data to UBS Financial Services Inc. and its affiliates, an independent service provider based in the United States of America (the "***Plan Broker***"), which assists the Company with the implementation, administration and management of the Plan. In the future, the Company may select a different service provider and share your Personal Data with another company that serves in a similar manner. The Processing of Personal Data will take place through both electronic and non-electronic means. Personal Data will only be accessible by those individuals requiring access to it for purposes of implementing, administering and operating the Plan. When receiving your Personal Data, if applicable, the Plan Broker provides appropriate safeguards in accordance with the Standard Contractual Clauses or other appropriate cross-border transfer solutions. By accepting the Restricted Stock Units, you understand that the Plan Broker will Process your Personal Data for the purposes of implementing, administering and managing your participation in the Plan.

k. **International Personal Data Transfers.** The Plan and Restricted Stock Units are administered in the United States of America, which means it will be necessary for Personal Data to be transferred to, and Processed in the United States of America. When transferring Personal Data to the United States of America, the Company provides appropriate safeguards in accordance with the Standard Contractual Clauses or other appropriate cross-border transfer solutions. You may request a copy of the appropriate safeguards with the Plan Broker or the Company by contacting your human resources representative.

l. **Data Retention.** The Company will use your personal data only as long as is necessary to implement, administer and manage your participation in the Plan or as required to comply with legal or regulatory obligations, including under tax, exchange control, securities, and labor laws. When the Company no longer needs Personal Data related to the Plan, the Company will remove it from its systems. If the Company keeps Personal Data longer, it would be to satisfy legal or regulatory obligations and the Company's legal basis would be for compliance with applicable law.

m. **<u>Data Subject Rights</u>.** To the extent provided by law, you have the right to (i) subject to certain exceptions, request access or copies of Personal Data the Company Processes, (ii) request rectification of incorrect Personal Data, (iii) request deletion of Personal Data, (iv) place restrictions on Processing of Personal Data, (v) lodge complaints with competent authorities in your country, and/or (vi) request a list with the names and addresses of any potential recipients of Personal Data. To receive clarification regarding your rights or to exercise your rights, you may contact your human resources representative. You also have the right to object, on grounds related to a particular situation, to the Processing of Personal Data, as well as opt-out of the Plan, in any case without cost, by contacting your human resources representative in writing. Your provision of Personal Data is a contractual requirement. You understand, however, that the only consequence of refusing to provide Personal Data is that the Company may not be able to administer the Restricted Stock Units, or grant other awards or administer or maintain such awards. For more information on the consequences of the refusal to provide Personal Data, you may contact your human resources representative in writing.

AUSTRALIA

<u>Tax Notification</u>. The Plan is a plan to which Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) (the "***<u>Act</u>***") applies (subject to conditions in the Act).

BRAZIL

1. **<u>Compliance with Law</u>.** By accepting the Restricted Stock Units, you expressly agree to comply with applicable Brazilian laws and to pay any and all applicable taxes associated with the settlement of the Restricted Stock Units, the receipt of any dividends, and the sale of any shares of Stock acquired under the Plan.

2. **<u>Labor Law Acknowledgement</u>.** You expressly agree that (a) the benefits provided under the Agreement and the Plan are the result of commercial transactions unrelated to your employment; (b) the Agreement and the Plan are not part of the terms and conditions of your employment; and (c) the income from the Restricted Stock Units, if any, is not part of your remuneration from employment.

3. **<u>Nature of Grant</u>.** The following provision supplements <u>Section 9</u> of the Agreement:

b. By accepting the Restricted Stock Units, you agree that (a) you are making an investment decision; (b) the Restricted Stock Units will vest only if the vesting conditions are met and any necessary services are rendered by you over the vesting period, and (c) the value of the shares of Stock subject to the Restricted Stock Units is not fixed and may increase or decrease in value over the vesting period without compensation to you.

CANADA

<u>Form of Settlement</u>. Notwithstanding any provision in the Plan or Agreement to the contrary, the Restricted Stock Units will be settled only in shares of Stock, not cash.

Securities Law Information. You acknowledge that you are permitted to sell shares of Stock acquired under the Plan through the designated broker, if any, provided the sale of such shares of Stock takes place outside of Canada through the facilities of a stock exchange on which the shares of Stock are listed.

Termination. The following provision replaces Section 9.j of the Agreement:

For purposes of the Restricted Stock Units, your service is considered terminated as of the date you are no longer actually employed or otherwise rendering service to the Company or any Affiliate (regardless of the reason for such Termination and whether or not later found to be invalid or in breach of employment or other laws or the terms of your employment or service contract, if any). Unless otherwise extended by the Company or expressly provided in the Agreement, your right to vest in the Restricted Stock Units, if any, will terminate effective as of such date (the "***Termination Date***"). The Termination Date will not be extended by any common law notice period. Notwithstanding the foregoing, however, if applicable employment standards legislation explicitly requires continued entitlement to vesting during a statutory notice period, your right to vest in the Restricted Stock Units under the Agreement, if any, will be allowed to continue for that minimum notice period but then immediately terminate effective as of the last day of your minimum statutory notice period.

In the event the date you are no longer providing actual service cannot be reasonably determined under the terms of this Agreement and/or the Plan, the Company shall have the exclusive discretion to determine when you are no longer actively providing service for purposes of the Restricted Stock Units (including whether you may still be considered to be providing service while on a leave of absence). Any portion of the Restricted Stock Units that is not vested on the Termination Date shall terminate immediately and be null and void. Subject to the foregoing, unless the applicable employment standards legislation specifically requires, in your case, you will not earn or be entitled to any pro-rated vesting for that portion of time before the date on which your service is terminated (as determined under this provision), nor will you be entitled to any compensation for lost vesting.

4. **English Language Consent - Quebec.** The following provision applies to residents of Quebec:

The parties acknowledge that it is their express wish that the Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

Les parties reconnaissent avoir expressément souhaité la rédaction en anglais du Contrat d'Attribution, ainsi que tous les documents exécutés, avis donnés et procédures judiciaires intentées, en vertu du, ou liés directement ou indirectement, au présent Contrat d'Attribution.

CHILE

5. **Securities Law Information.**

c. The offer deals with securities not registered in the Registry of Securities or in the Registry of Foreign securities of the Chilean Commission for the Financial Market, and therefore:

a. The securities shall not be subject to public offering in Chile; and
b. The issuer is not subject to the oversight of the Chilean Commission for the Financial Market nor to the continual information obligations that Chilean law and regulations require from registered issuers.

d. *La oferta trata sobre valores no inscritos en el Registro de Valores ni en el Registro de Valores Extranjeros que lleva la Comisión para el Mercado Financiero de Chile y, por tanto:*

a. *No podrá hacerse oferta pública en Chile de esos valores; y*
b. *El emisor no está sometido a la fiscalización de la Comisión para el Mercado Financiero de Chile ni a las obligaciones de información continua que, por ley y normativa, se exige a los emisores inscritos.*

CHINA

The following provisions govern your participation in the Plan if you are a national of the People's Republic of China ("China") resident in mainland China, as determined by the Company in its sole discretion. Such provisions may also apply to non-PRC nationals, to the extent required by the Company or by the China State Administration of Foreign Exchange ("SAFE").

Exchange Control Approval. The vesting of the Restricted Stock Units is conditioned upon the Company securing all necessary approvals from the SAFE to permit operation of the Plan.

Shares of Stock Must Be Held with Designated Broker. All shares of Stock issued upon settlement of the Restricted Stock Units will be deposited into a personal brokerage account established with the Company's designated broker (or any successor broker designated by the Company), on your behalf. You understand that you may not transfer the shares of Stock out of the brokerage account. If the Company changes its designated broker, you acknowledge and agree that the Company may transfer any shares of Stock issued under the Plan to the new designated broker if necessary for legal or administrative reasons. You agree to sign any documentation necessary to facilitate the transfer.

Mandatory Sale of Shares of Stock Following Termination. You are required to sell all shares of Stock acquired upon settlement of the Restricted Stock Units no later than 90 days following your Termination (or such earlier date as may be required by the SAFE), in which case, this Appendix shall give the Company the authority to issue sales instructions on your behalf). If any shares of Stock remain outstanding on the 90th day following your Termination (or such earlier date as may be required by SAFE), you hereby direct, instruct and authorize the Company to issue sale instructions on your behalf.

You agree to sign any additional agreements, forms and/or consents that reasonably may be requested by the Company (or the Company's designated brokerage firm) to effectuate the sale of the shares of Stock (including, without limitation, as to the transfer of the sale proceeds and other exchange control matters noted below) and shall otherwise cooperate with the Company with respect to such matters. You acknowledge that neither the Company nor the designated brokerage firm is under any obligation to arrange for such sale of shares of Stock at any particular price (it being understood that the sale will occur in the market) and that broker's fees and similar expenses may be incurred in any such sale. In any event, when the shares of Stock are sold, the sale proceeds, less any tax withholding, any broker's fees or commissions, and any similar expenses of the sale will be remitted to you in accordance with applicable exchange control laws and regulations.

Mandatory Sale of Shares of Stock Following Termination. You understand and agree that, pursuant to local exchange control requirements, you will be required to promptly repatriate to China the proceeds from the sale of any shares of Stock acquired under the Plan. You further understand that such repatriation of proceeds may need to be effected through a special bank account established by the Company or its Subsidiaries, and you hereby consent and agree that proceeds from the sale of shares of Stock acquired under the Plan may be transferred to such account by the Company on your behalf prior to being delivered to you and that no interest shall be paid with respect to funds held in such account. The proceeds may be paid to you in U.S. dollars or local currency at the Company's discretion. If the proceeds are paid to the you in U.S. dollars, you understand that a U.S. dollar bank account in China must be established and maintained so that the proceeds may be deposited into such account. If the proceeds are paid to you in local currency, you acknowledge that the Company is under no obligation to secure any particular exchange conversion rate and that the Company may face delays in converting the proceeds to local currency due to exchange control restrictions. You agree to bear any currency fluctuation risk between the time the shares of Stock are sold and the net proceeds are converted into local currency and distributed to you. You further agree to comply with any other requirements that may be imposed by the Company or its Subsidiaries in China in the future to facilitate compliance with exchange control requirements in China. You acknowledge and agree that the processes and requirements set forth herein shall continue to apply following your Termination.

Administration. Neither the Company nor any of its Subsidiaries shall be liable for any costs, fees, lost interest or dividends or other losses you may incur or suffer resulting from the enforcement of the terms of this Appendix or otherwise from the Company's operation and enforcement of the Plan, the Agreement and the Award in accordance with Chinese law including, without limitation, any applicable SAFE rules, regulations and requirements.

ECUADOR

No country-specific provisions.

FINLAND

No country-specific provisions.

GERMANY

No country-specific provisions.

HONG KONG

6. **Form of Settlement.** Notwithstanding any provision in the Plan or Agreement to the contrary, the Restricted Stock Units will be settled only in shares of Stock, not cash.

7. **Sale of Shares.** If, for any reason, shares of Stock are issued to you within six (6) months after the Date of Grant, you agree that you will not sell or otherwise dispose of any such shares of Stock prior to the six (6) month anniversary of the Date of Grant.

8. **Important notice/Warning.** *The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of the document, you should obtain independent professional advice. The Restricted Stock Units and shares of Stock issued upon settlement of the Award do not constitute a public offering of securities under Hong Kong law and are available only to employees of the Company and its Affiliates. The Agreement, the Plan and other incidental communication materials have not been prepared in accordance with and are not intended to constitute a "prospectus" for a public offering of securities under the applicable securities legislation in Hong Kong. The Restricted Stock Units and the underlying shares of Stock are intended only for the personal use of each Eligible Person and may not be distributed to any other person.*

9. **Wages.** The Restricted Stock Units and the underlying shares of Stock do not form part of your wages for the purposes of calculating any statutory or contractual payments under Hong Kong law.

INDIA

Repatriation Requirements. You expressly agree to repatriate all dividends and sale proceeds attributable to shares of Stock acquired under the Plan in accordance with local foreign exchange rules and regulations. Neither the Company nor any of its Affiliates shall be liable for any fines or penalties resulting from your failure to comply with applicable laws, rules or regulations.

ITALY

Plan Document Acknowledgment. In accepting the Restricted Stock Units, you acknowledge that you have received a copy of the Plan and the Agreement and have reviewed the Plan and the Agreement, including this Appendix, in their entirety and fully understand and accept all provisions of the Plan and the Agreement, including this Appendix.

More specifically, you acknowledge that you have read and specifically and expressly approve the following sections of the Agreement: Section 2 (Vesting); Section 6 (Date of Issuance); Section 9 (Nature of Grant); Section 10 (Tax-Related Items), Section 13 (Governing Plan Document) and the data privacy provisions in the Appendix for Participants that reside and/or work in the EU/EEA and the United Kingdom; and the terms and conditions in this Appendix.

NETHERLANDS

Waiver of Termination Rights. You hereby waive any and all rights to compensation or damages as a result of your Termination for any reason whatsoever, insofar as those rights result or may result from (i) the loss or diminution in value of such rights or entitlements under the Plan, or (ii) your ceasing to have rights under, or ceasing to be entitled to any awards under the Plan as a result of such termination.

ROMANIA

Termination. Your employment may be deemed to terminate where your employment contract, if any, is terminated by operation of law on the date you reach the standard retirement age and have completed the minimum contribution record for receipt of state retirement pension or the relevant authorities award you an early-retirement pension of any type.

English Language. You hereby expressly agree that this Agreement, the Plan as well as all documents, notices and proceedings entered into, relating directly or indirectly hereto, be drawn up or communicated only in the English language. *Angajatul consimte în mod expres prin prezentul ca acest Contract, Plan precum şi orice alte documente, notificări, înştiinţări legate direct sau indirect de acest Contract să fie redactate sau efectuate doar în limba engleză.*

SINGAPORE

10. Securities Law Information. The grant of the Restricted Stock Units under the Plan is being made pursuant to the “Qualifying Person” exemption under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) (“***SFA***”). The Plan has not been and will not be lodged or registered as a prospectus with the Monetary Authority of Singapore and is not regulated by any financial supervisory authority pursuant to any legislation in Singapore. Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. You should note that the Restricted Stock Units are subject to section 257 of the SFA and you will not be able to make any subsequent sale of the underlying shares of Stock in Singapore, or any offer of such subsequent sale of the shares of Stock subject to the Restricted Stock Units in Singapore, unless such sale or offer is made (i) after six (6) months from the Date of Grant or (ii) pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA.

SPAIN

11. Acknowledgement of Discretionary Nature of the Plan; No Vested Rights. This provision supplements the terms of Section 9 of the Agreement:

In accepting the Restricted Stock Units, you acknowledge that you consent to participation in the Plan and have received a copy of the Plan.

You understand that the Company has unilaterally, gratuitously and in its sole discretion granted the Restricted Stock Units under the Plan to individuals who may be employees of the Company and its Affiliates throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or any of its Affiliates on an ongoing basis. Consequently, you understand that the Restricted Stock Units are granted on the assumption and condition that the Restricted Stock Units and the shares of Stock acquired upon settlement of the Restricted Stock Units shall not become a part of any employment contract (either with the Company or any of its Affiliates) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. In addition, you understand that this grant would not be made to you but for the assumptions and conditions referenced above; thus, you acknowledge and freely accept that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, the grant of the Restricted Stock Units shall be null and void.

You understand and agree that, as a condition of the grant of the Restricted Stock Units, your Termination for any reason (including the reasons listed below) will automatically result in the loss of the Restricted Stock Units to the extent the Restricted Stock Units have not vested as of date that you cease active employment. In particular, you understand and agree that unless otherwise provided in the Agreement, any portion of the Restricted Stock Units that is unvested as of the date you cease active employment will be forfeited without entitlement to the underlying shares of Stock or to any amount of indemnification in the event of Termination by reason of, but not limited to, disciplinary dismissal adjudged to be with cause, disciplinary dismissal adjudged or recognized to be without cause, individual or collective dismissal on objective grounds, whether adjudged or recognized to be with or without cause, material modification of the terms of employment under Article 41 of the Workers' Statute, relocation under Article 40 of the Workers' Statute, Article 50 of the Workers' Statute, unilateral withdrawal by the Service Recipient and under Article 10.3 of the Royal Decree 1382/1985. You acknowledge that you have read and specifically accept the conditions referred to in the Agreement regarding the impact of a Termination on the Restricted Stock Units.

12. **Securities Law Information.** The Restricted Stock Units and the shares of Stock described in this Agreement do not qualify under Spanish regulations as securities. With respect to the grant of Restricted Stock Units under the Plan, no "offer of securities to the public," as defined under Spanish law, has taken place or will take place in the Spanish territory. The Agreement has not been nor will it be registered with the Comisión Nacional del Mercado de Valores, and does not constitute a public offering prospectus.

THAILAND

No country-specific provisions.

UNITED KINGDOM

13. **Taxes.** This provision shall supplement Section 10 of the Agreement:

Without limitation to Section 10 of the Agreement, you agree that you are liable for all Tax-Related Items and hereby covenant to pay all such Tax-Related Items, as and when requested by the Company, the Service Recipient or by Her Majesty's Revenue and Customs ("***HMRC***") (or any other tax authority or any other relevant authority). You also agree to indemnify and keep indemnified the Company and its Affiliates against any Tax-Related Items that they are required to pay or withhold or have paid or will pay on your behalf to HMRC (or any other tax authority or any other relevant authority).

Notwithstanding the foregoing, if you are a director or executive officer (as within the meaning of Section 13(k) of the Exchange Act), the terms of the immediately foregoing provision will not apply. In the event that you are a director or executive officer and income tax due is not collected from or paid by you within 90 days after the U.K. tax year in which an event giving rise to the indemnification described above occurs, the amount of any uncollected tax may constitute a benefit to you on which additional income tax and national insurance contributions may be payable. You acknowledge that you ultimately will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for paying the Company or the Service Recipient (as applicable) for the value of any employee national insurance contributions due on this additional benefit, which the Company and/or the Service Recipient may recover from you at any time thereafter by any of the means referred to in Section 10 of the Agreement.

14. **Exclusion of Claim.** You acknowledge and agree that you will have no entitlement to compensation or damages insofar as such entitlement arises or may arise from your ceasing to have rights under or to be entitled to the Restricted Stock Units, whether or not as a result of a Termination (whether the Termination is in breach of contract or otherwise), or from the loss or diminution in value of the Restricted Stock Units. Upon the grant of the Restricted Stock Units, you will be deemed to have waived irrevocably any such entitlement.

* * *

EXHIBIT 31.1

Certification by Chief Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Guo Xiao, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Thoughtworks Holding, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    c. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the

audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 15, 2021

/s/ Guo Xiao

Guo Xiao

Chief Executive Officer and Director

(Principal Executive Officer)

EXHIBIT 31.2

Certification by Chief Financial Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Erin Cummins, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Thoughtworks Holding, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    c. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the

audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 15, 2021

/s/ Erin Cummins

Erin Cummins

Chief Financial Officer

(Principal Financial Officer and Principal Accounting Officer)

EXHIBIT 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Thoughtworks Holding, Inc. (the "Company") for the quarter ended September 30, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Guo Xiao, as Chief Executive Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to his knowledge:

i. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

ii. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Report.

Date: November 15, 2021

/s/ Guo Xiao
Guo Xiao

Chief Executive Officer and Director
(Principal Executive Officer)

EXHIBIT 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Thoughtworks Holding, Inc. (the "Company") for the quarter ended September 30, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Erin Cummins, as Chief Financial Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to her knowledge:

i. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

ii. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Report.

Date: November 15, 2021

/s/ Erin Cummins
Erin Cummins

Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)