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

Form 10-Q

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

For the quarterly period ended March 31, 2025

OR

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

For the transition period from to

Commission File Number 001-11919

TTEC Holdings, Inc.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**84-1291044** (I.R.S. Employer Identification No.)

100 Congress Avenue, Suite 1425
Austin, Texas 78701
(Address of principal executive offices)

Registrant's telephone number, including area code: (303) 397-8100

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

Title of each Class	Trading Symbol(s)	Name of each exchange on which registered
Common stock of TTEC Holdings, Inc., $0.01 par value per share	TTEC	NASDAQ

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 13(a) of the Exchange Act. ☐

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

As of May 1, 2025, there were 47,833,188 shares of the registrant's common stock outstanding.

TTEC HOLDINGS, INC. AND SUBSIDIARIES
MARCH 31, 2025 FORM 10-Q
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PART I. FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS

TTEC HOLDINGS, INC. AND SUBSIDIARIES
Consolidated Balance Sheets
(Amounts in thousands, except share amounts)
(Unaudited)

	March 31, 2025	December 31, 2024
ASSETS		
Current assets		
Cash and cash equivalents	$ 85,135	$ 84,991
Accounts receivable, net of allowance of $4,770 and $5,244, respectively	440,190	452,573
Prepaids and other current assets	109,611	92,947
Income and other tax receivables	20,301	21,785
Total current assets	655,237	652,296
Long-term assets		
Property, plant and equipment, net	123,274	132,051
Operating lease assets	84,944	91,263
Goodwill	571,919	571,197
Deferred tax assets, net	8,757	8,498
Other intangible assets, net	157,098	164,808
Income and other tax receivables, long-term	24,279	31,781
Other long-term assets	100,728	101,486
Total long-term assets	1,070,999	1,101,084
Total assets	$ 1,726,236	$ 1,753,380
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 77,406	$ 84,180
Accrued employee compensation and benefits	116,779	137,636
Other accrued expenses	25,647	22,578
Income tax payable	8,521	3,007
Deferred revenue	70,675	64,752
Current operating lease liabilities	32,116	33,358
Other current liabilities	3,159	8,425
Total current liabilities	334,303	353,936
Long-term liabilities		
Line of credit	964,000	975,000
Deferred tax liabilities, net	19,629	17,457
Non-current operating lease liabilities	65,236	71,008
Other long-term liabilities	61,562	67,860
Total long-term liabilities	1,110,427	1,131,325
Total liabilities	1,444,730	1,485,261
Commitments and contingencies (Note 10)		
Stockholders' equity		
Preferred stock; $0.01 par value; 10,000,000 shares authorized; zero shares outstanding as of March 31, 2025 and December 31, 2024	—	—
Common stock; $0.01 par value; 150,000,000 shares authorized; 47,804,123 and 47,749,494 shares outstanding as of March 31, 2025 and December 31, 2024, respectively	478	477
Additional paid-in capital	423,368	420,181
Treasury stock at cost: 34,328,112 and 34,328,112 shares as of March 31, 2025 and December 31, 2024, respectively	(584,900)	(584,900)
Accumulated other comprehensive income (loss)	(122,973)	(132,121)
Retained earnings	548,001	546,617
Noncontrolling interest	17,532	17,865
Total stockholders' equity	281,506	268,119
Total liabilities and stockholders' equity	$ 1,726,236	$ 1,753,380

The accompanying notes are an integral part of these consolidated financial statements.

TTEC HOLDINGS, INC. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income (Loss)
(Amounts in thousands, except per share amounts)
(Unaudited)

	Three months ended March 31,	
	2025	2024
Revenue	$ 534,228	$ 576,638
Operating expenses		
Cost of services (exclusive of depreciation and amortization presented separately below)	414,547	453,818
Selling, general and administrative	70,037	74,575
Depreciation and amortization	22,698	25,145
Restructuring charges, net	1,996	249
Impairment losses	761	140
Total operating expenses	510,039	553,927
Income from operations	24,189	22,711
Other income (expense)		
Interest income	4,580	983
Interest expense	(19,797)	(21,071)
Other income (expense), net	3,589	206
Total other income (expense)	(11,628)	(19,882)
Income (loss) before income taxes	12,561	2,829
Provision for income taxes	(9,315)	(2,329)
Net income (loss)	3,246	500
Net income (loss) attributable to noncontrolling interest	(1,862)	(2,805)
Net (loss) income attributable to TTEC stockholders	$ 1,384	$ (2,305)
Other comprehensive income (loss)		
Net income (loss)	$ 3,246	$ 500
Foreign currency translation adjustments	6,638	(3,837)
Derivative valuation, gross	2,468	(310)
Derivative valuation, tax effect	—	75
Other, net of tax	58	121
Total other comprehensive income (loss)	9,164	(3,951)
Total comprehensive income (loss)	12,410	(3,451)
Less: Comprehensive income attributable to noncontrolling interest	(1,878)	(2,711)
Comprehensive (loss) income attributable to TTEC stockholders	$ 10,532	$ (6,162)
Weighted average shares outstanding		
Basic	47,771	47,432
Diluted	48,225	47,587
Net income (loss) per share attributable to TTEC stockholders		
Basic	$ 0.03	$ (0.05)
Diluted	$ 0.03	$ (0.05)

The accompanying notes are an integral part of these consolidated financial statements.

TTEC HOLDINGS, INC. AND SUBSIDIARIES
Consolidated Statements of Stockholders' Equity
(Amounts in thousands)
(Unaudited)

Three months ended March 31, 2024 and 2025

	Stockholders' Equity of the Company							
	Common Stock		Treasury	Additional	Accumulated Other Comprehensive	Retained	Noncontrolling	
	Shares	Amount	Stock	Paid-in Capital	Income (Loss)	Earnings	interest	Total Equity
Balance as of December 31, 2023	47,427	$ 474	$ (589,807)	$ 407,415	$ (89,876)	$ 870,429	$ 16,907	$ 615,542
Net income	—	—	—	—	—	(2,305)	2,805	500
Dividends to shareholders ($0.06 per common share)	—	—	—	—	—	(2,847)	—	(2,847)
Payments distributed to noncontrolling interest	—	—	—	—	—	—	(2,520)	(2,520)
Foreign currency translation adjustments	—	—	—	—	(3,743)	—	(94)	(3,837)
Derivatives valuation, net of tax	—	—	—	—	(235)	—	—	(235)
Vesting of restricted stock units	20	—	332	(459)	—	—	—	(127)
Equity-based compensation expense	—	—	—	5,812	—	—	—	5,812
Other, net of tax	—	—	—	—	121	—	—	121
Balance as of March 31, 2024	47,447	$ 474	$ (589,475)	$ 412,768	$ (93,733)	$ 865,277	$ 17,098	$ 612,409

	Stockholders' Equity of the Company							
	Common Stock		Treasury	Additional	Accumulated Other Comprehensive	Retained	Noncontrolling	
	Shares	Amount	Stock	Paid-in Capital	Income (Loss)	Earnings	interest	Total Equity
Balance as of December 31, 2024	47,749	$ 477	$ (584,900)	$ 420,181	$ (132,121)	$ 546,617	$ 17,865	$ 268,119
Net (loss) income	—	—	—	—	—	1,384	1,862	3,246
Payments distributed to noncontrolling interest	—	—	—	—	—	—	(2,211)	(2,211)
Foreign currency translation adjustments	—	—	—	—	6,622	—	16	6,638
Derivatives valuation, net of tax	—	—	—	—	2,468	—	—	2,468
Vesting of restricted stock units	55	1	—	(63)	—	—	—	(62)
Equity-based compensation expense	—	—	—	3,250	—	—	—	3,250
Other, net of tax	—	—	—	—	58	—	—	58
Balance as of March 31, 2025	47,804	$ 478	$ (584,900)	$ 423,368	$ (122,973)	$ 548,001	$ 17,532	$ 281,506

The accompanying notes are an integral part of these consolidated financial statements.

TTEC HOLDINGS, INC. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
(Amounts in thousands)
(Unaudited)

	Three Months Ended March 31, 2025	2024
Cash flows from operating activities		
Net income	$ 3,246	$ 500
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	22,698	25,145
Amortization of contract acquisition costs	494	283
Amortization of debt issuance costs	510	643
Imputed interest expense and fair value adjustments to contingent consideration	—	(1,240)
Provision for credit losses	251	(31)
(Gain) loss on disposal of assets	316	510
Impairment losses	761	140
Deferred income taxes	1,913	(12,628)
Excess tax benefit from equity-based awards	236	292
Equity-based compensation expense	3,250	5,812
Loss (gain) on foreign currency derivatives	(68)	77
Changes in assets and liabilities, net of acquisitions:		
Accounts receivable	14,189	(11,301)
Prepaids and other assets	(1,720)	3,094
Accounts payable and accrued expenses	(14,204)	(25,845)
Deferred revenue and other liabilities	(10,280)	(1,080)
Net cash (used in) provided by operating activities	21,592	(15,629)
Cash flows from investing activities		
Proceeds from sale of long-lived assets	127	25
Purchases of property, plant and equipment, net of acquisitions	(5,406)	(13,473)
Net cash used in investing activities	(5,279)	(13,448)
Cash flows from financing activities		
Net proceeds (borrowings) from line of credit	(11,000)	(42,000)
Payments on other debt	(462)	(741)
Payments of debt issuance costs	—	(1,100)
Payments to noncontrolling interest	(2,211)	(2,520)
Tax payments related to issuance of restricted stock units	(62)	(127)
Net cash used in financing activities	(13,735)	(46,488)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(2,434)	1,847
Decrease in cash, cash equivalents and restricted cash	144	(73,718)
Cash, cash equivalents and restricted cash, beginning of period	84,991	173,905
Cash, cash equivalents and restricted cash, end of period	$ 85,135	$ 100,187
Supplemental disclosures		
Cash paid for interest	$ 19,242	$ 19,755
Cash paid for income taxes	$ 4,898	$ 17,561
Non-cash investing and financing activities		
Acquisition of long-lived assets through finance leases	$ —	$ 200
Acquisition of equipment through increase in accounts payable, net	$ (637)	$ (2,426)
Dividend declared but not paid	$ —	$ 2,847

The accompanying notes are an integral part of these consolidated financial statements.

TTEC HOLDINGS, INC. AND SUBSIDIARIES
Notes to Consolidated Financial Statements
(Unaudited)

(1) OVERVIEW AND BASIS OF PRESENTATION

Summary of Business

Founded in 1982, TTEC Holdings, Inc. ("TTEC", "the Company"; pronounced "T-TEC") is a global customer experience ("CX") outsourcing partner for marquee and disruptive brands and public sector clients. The Company designs, builds, and operates technology-enabled customer experiences across live interaction channels and data-driven digital solutions to help clients improve customer satisfaction and loyalty, increase customer revenue and profitability, and optimize overall cost to serve. As of March 31, 2025, TTEC served approximately 700 clients across targeted industry verticals including financial services, healthcare, public sector, communications, technology, media, entertainment, travel and hospitality, automotive and retail.

The Company operates and reports its financial results of operation through two business segments:

- **TTEC Digital** is one of the largest CX technology and service providers and is focused on the intersection of Contact Center as a Service ("CCaaS"), Customer Relationship Management ("CRM"), and Artificial Intelligence (AI) and Analytics. A professional services organization comprised of software engineers, systems architects, data scientists and CX strategists, this segment creates and implements strategic CX transformation roadmaps; sells, operates, and provides managed services for cloud platforms and premise-based CX technologies including Amazon Web Services ("AWS"), Cisco, Genesys, Google, and Microsoft; and creates proprietary IP to support industry specific and custom client needs. TTEC Digital serves clients across enterprise and small and medium-sized business segments and has a dedicated unit with government technology certifications serving the public sector.
- **TTEC Engage** provides the digitally enabled CX operational and managed services to support large, complex enterprise clients' end-to-end customer interactions at scale across the world. Tailored to meet industry-specific business needs, this segment delivers data-driven omnichannel customer care, customer acquisition, growth, and retention services, tech support, fraud mitigation and back-office solutions. The segment's technology-enabled delivery model covers the entire solution lifecycle including associate recruitment, onboarding, training, delivery, workforce management and quality assurance.

TTEC pursues its CX market leadership through strategic collaboration across TTEC Digital and TTEC Engage. Together, TTEC's ability to deliver comprehensive and transformational customer experience solutions to its clients is a marketplace differentiation, including integrated CX technology and service solutions, go-to-market strategies, and innovative offerings.

During the first quarter of 2025, the TTEC Digital and TTEC Engage global operating platform delivered onshore, nearshore and offshore services in 22 countries on six continents – the United States, Australia, Belgium, Brazil, Bulgaria, Canada, Colombia, Costa Rica, Egypt, Germany, Greece, Honduras, India, Ireland, Mexico, the Netherlands, New Zealand, the Philippines, Poland, South Africa, Thailand, and the United Kingdom – with contribution from approximately 50,000 customer care associates, consultants, technologists, and CX professionals.

Basis of Presentation

The Consolidated Financial Statements are comprised of the accounts of TTEC, its wholly owned subsidiaries and its 55% equity owned subsidiary Percepta, LLC. All intercompany balances and transactions have been eliminated in consolidation.

TTEC HOLDINGS, INC. AND SUBSIDIARIES
Notes to Consolidated Financial Statements
(Unaudited)

The unaudited Consolidated Financial Statements do not include all of the disclosures required by accounting principles generally accepted in the U.S. ("GAAP"), pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). The unaudited Consolidated Financial Statements reflect all adjustments which, in the opinion of management, are necessary to state fairly the consolidated financial position of the Company and the consolidated results of operations and comprehensive income (loss) and the consolidated cash flows of the Company. All such adjustments are of a normal, recurring nature. Operating results for the periods presented are not necessarily indicative of the results that may be expected for the year ending December 31, 2025.

These unaudited Consolidated Financial Statements should be read in conjunction with the Company's audited Consolidated Financial Statements and footnotes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2024.

Use of Estimates

The preparation of the Consolidated Financial Statements in conformity with GAAP requires management to make estimates and assumptions in determining the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of the Consolidated Financial Statements and the reported amounts of revenue and expenses during the reporting period. On an ongoing basis, the Company evaluates its estimates including those related to derivatives and hedging activities, income taxes including the valuation allowance for deferred tax assets, litigation reserves, restructuring reserves, allowance for credit losses, contingent consideration, and valuation of goodwill, long-lived and intangible assets. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results may differ materially from these estimates under different assumptions or conditions.

Concentration of Credit Risk

The Company is exposed to credit risk in the normal course of business, primarily related to accounts receivable and derivative instruments. Historically, the losses related to credit risk have been immaterial due to the Company's focus on managing its collection processes to reduce its credit risk. The Company regularly monitors its credit risk to mitigate the possibility of current and future exposures resulting in a loss. The Company evaluates the creditworthiness of its clients prior to entering into an agreement to provide services and as necessary through the life of the client relationship. The Company does not believe it is exposed to more than a nominal amount of credit risk in its derivative hedging activities, as the Company diversifies its activities across multiple investment-grade financial institutions.

Recently Adopted Accounting Pronouncements

In November 2023, the FASB issued ASU 2023-07, "Segment Reporting - Improvements to Reportable Segment Disclosures" which relates to disclosures regarding a public entity's reportable segments and provides more detailed information about a reportable segment's expenses. The ASU is effective for fiscal years beginning after December 15, 2023 and interim periods beginning after December 15, 2024, with retrospective application required. The Company adopted the standard December 31, 2024, retrospectively to all periods presented in the financial statements. The adoption resulted in the Company adding the required detailed segment information within the Company's segment disclosure footnote.

Other Accounting Pronouncements

In December 2023, the FASB issued ASU 2023-09, "Improvements to Income Tax Disclosures" to enhance the transparency and decision usefulness of income tax disclosures. The ASU is effective for fiscal years beginning after December 15, 2024, with retrospective application permitted. The Company is assessing the effect on its annual consolidated financial statement disclosures; however, adoption is not expected to impact the Company's consolidated balance sheets, income statements or related disclosures.

TTEC HOLDINGS, INC. AND SUBSIDIARIES
Notes to Consolidated Financial Statements
(Unaudited)

In November 2024, the FASB issued ASU 2024-03, "Disaggregation of Income Statement Expenses" in response to longstanding requests from investors for more information about an entity's expenses, specifically categories of expenses such as (purchases of inventory, employee compensation, depreciation, and amortization, and depletion). The ASU is effective for fiscal years beginning after December 15, 2026, with retrospective application permitted. The Company is still evaluating the potential impact of the pronouncement.

(2) ACQUISITIONS AND DIVESTITURES

Certain Assets of Faneuil

On April 1, 2022, the Company completed an asset acquisition through its subsidiary TTEC Government Solutions LLC, of certain public sector citizen experience contracts in the transportation infrastructure and healthcare exchange industries from Faneuil, Inc., a subsidiary of ALJ Regional Holdings, Inc. ("the Faneuil Transaction"). The acquired business is operated as part of the TTEC Engage segment and was fully consolidated into the financial statements of TTEC. The Faneuil Transaction was recorded as a business combination under ASC 805, Business Combinations, with identifiable assets acquired and liabilities assumed recorded at their estimated fair values as of the acquisition date.

Total cash paid at the time of acquisition was $142.4 million. The Faneuil Transaction included contingent payments that were based on the revenue and EBITDA performance of certain contracts with the value of the contingent payments to be determined.

During the second quarter of 2023, the contingent payment obligation was modified to a minimum payment of $7.4 million and a maximum payment of $10.4 million. An initial payment of $7.4 million was completed in May 2023. During 2023, a combined $3.0 million net expense was recorded related to fair value adjustments for the estimated contingent payment based on changes in estimated EBITDA, the timing of cash flows and market interest rate changes. During 2024, a combined $1.5 million net gain was recorded related to fair value adjustments for the estimated contingent consideration payment based on changes in estimated EBITDA, the timing of cash flows and market interest rate changes. These benefits (expenses) were included in Other income (expense) in the Consolidated Statements of Comprehensive Income (Loss). The earn-out period was completed at the end of January 2025. Based on final results, no final earn-out payment was required.

(3) SEGMENT INFORMATION

The Company has two reportable segments, TTEC Digital and TTEC Engage, based on nature of product and independent management of each business segment. Each segment is led by a senior executive reporting to the CEO and the products and services sold are described below. Resources are allocated and performance is assessed by our CEO, who holds the function of Chief Operating Decision Maker ("CODM") for the purposes of these disclosures. The CODM uses income from operations to assess the performance of each segment in the budgeting and forecasting process and when making decisions regarding allocating capital and personnel to the segments.

TTEC Digital and the CX Technology Services Industry

TTEC Digital clients are seeking solutions in many areas including cost optimization, CX technology modernization, including migration to a more agile cloud-based ecosystem, improved CX talent and expertise, and other practical solutions to further enable CX applications, such as the design, implementation and pragmatic delivery of AI capabilities. TTEC Digital takes a technology agnostic approach to these challenges and focuses on designing and delivering solutions to each client's specific business needs at the intersection of contact center, CRM, and AI and Analytics. TTEC Digital supports the majority of CX platform and solution requirements through its strategic partnerships with the leading CX software vendors including Genesys, Microsoft, Cisco, AWS, Google, Salesforce, ServiceNow, and Nice among others.

TTEC HOLDINGS, INC. AND SUBSIDIARIES
Notes to Consolidated Financial Statements
(Unaudited)

TTEC Digital's solutions are built to respond to market needs for both enterprise and small and medium-sized business clients. AI design and delivery capabilities are woven across all five pillars of the Company offerings.

- Professional Services: System design, configuration and integration
- Managed Services: Cloud application and premise support
- CX Consulting: Transformation strategy and design
- CX Data and Analytics: Data science, engineering, and visualization
- IP & Software: Custom software engineering through TTEC Digital's IP and Software division

The segment has a three-pronged go to market strategy that includes growing existing client relationships, partner channel motions and general market development.

TTEC Engage and the CX Business Process Outsourcing Services Industry

The TTEC Engage segment's solutions are built to respond to the following market needs for clients.

- Customer Support
- Tech Support
- Revenue Generation and Growth Services
- Fraud Mitigation
- AI Operations, including data annotation and labeling
- Back-office Support

TTEC Engage goes to market through a vertical approach with customized solutions that include industry-specific talent, technology, certifications, and capabilities. For example, in the Banking, Financial Services and Insurance ("BFSI") vertical, the Company supports several lines of business with customized offerings for retail banking, online banking, credit card, property and casualty and loans. In healthcare, the segment supports care, technical support, revenue generation and back-office capabilities to meet the needs of payer, provider, clinical and pharma clients.

The Company allocates to each segment its portion of corporate operating expenses following the Company's standard accounting policies.

The following tables present certain financial data by segment (in thousands). The significant expense categories and amounts align with the segment-level information that is regularly provided to the CODM.

Three Months Ended March 31, 2025

	TTEC Engage	TTEC Digital	Total
Revenue	$ 426,188	$ 108,040	$ 534,228
Cost of services (exclusive of depreciation and amortization presented separately below) (1)	342,162	72,385	414,547
Selling, general and administrative	47,483	22,554	70,037
Depreciation and amortization	16,206	6,492	22,698
Other segment items(2)	2,012	745	2,757
Income from operations	18,325	5,864	24,189
Interest income			4,580
Interest expense			(19,797)
Other income (expense), net			3,589
Income before income taxes			12,561

TTEC HOLDINGS, INC. AND SUBSIDIARIES
Notes to Consolidated Financial Statements
(Unaudited)

Three Months Ended March 31, 2024

	TTEC Engage	TTEC Digital	Total
Revenue	$ 464,607	$ 112,031	$ 576,638
Cost of services (exclusive of depreciation and amortization presented separately below) [1]	375,009	78,809	453,818
Selling, general and administrative	51,288	23,287	74,575
Depreciation and amortization	18,095	7,050	25,145
Other segment items[2]	792	(403)	389
Income from operations	19,423	3,288	22,711
Interest income			983
Interest expense			(21,071)
Other income (expense), net			206
Income before income taxes			2,829

[1] Cost of services primarily includes employee related and technology costs.
[2] Other segment items include impairment losses and restructuring charges.

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Capital Expenditures		
TTEC Digital	$ 2,106	$ 1,787
TTEC Engage	3,300	11,686
Total	$ 5,406	$ 13,473

	March 31, 2025	December 31, 2024
Total Assets		
TTEC Digital	$ 769,068	$ 776,099
TTEC Engage	957,168	977,281
Total	$ 1,726,236	$ 1,753,380

The following table presents revenue based upon the geographic location where the services are provided (in thousands):

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Revenue		
United States / Canada	$ 369,029	$ 386,916
Philippines / Asia Pacific / India	91,254	120,465
Europe / Middle East / Africa	47,549	38,844
Latin America	26,396	30,413
Total	$ 534,228	$ 576,638

TTEC HOLDINGS, INC. AND SUBSIDIARIES
Notes to Consolidated Financial Statements
(Unaudited)

(4) SIGNIFICANT CLIENTS AND OTHER CONCENTRATIONS

The Company had one client that contributed in excess of 10% of total revenue for the three months ended March 31, 2025; this client operates in the automotive industry and is included in the TTEC Engage segment. This client contributed 10.4% and 10.8% of total revenue for the three months ended March 31, 2025 and 2024, respectively. In addition, the Company has other clients with aggregate revenue exceeding $100 million annually and the loss of one or more of these clients could have a material adverse effect on the Company's business, operating results, or financial condition. To mitigate this risk, the Company's business arrangements with these larger clients are structured as multiple contracts with different statements of work that are specific to a different line of business or service; these contracts have different durations and renewal dates and could have a revenue opportunity above the $100 million aggregate. In the first quarter of 2024, one of our larger financial services clients notified us that it was exiting one of the lines of business that we support.

To limit the Company's credit risk with its clients, management performs periodic credit evaluations, maintains allowances for credit losses and may require pre-payment for services from certain clients whose financial stability or payment practices raise concern. Based on currently available information, management does not believe significant credit risk existed as of March 31, 2025 beyond what was already recognized.

Activity in the Company's Allowance for credit losses consists of the following (in thousands):

	Three Months Ended March 31,	
	2025	2024
Balance, beginning of period	$ 5,244	$ 2,248
Provision for credit losses	251	(31)
Uncollectible receivables written-off	(725)	(150)
Effect of foreign currency	—	(2)
Balance, end of period	$ 4,770	$ 2,065

Accounts Receivable Factoring Agreement

In the third quarter of 2024, the Company terminated its Uncommitted Receivables Purchase Agreement ("Agreement") with BMO Bank, N.A. ("Bank", or "BMO"), under the terms of which the Company had the right to sell, on a revolving basis, U.S. accounts receivables of certain clients at a discount to the Bank for cash on a limited recourse basis. The sales of accounts receivable in accordance with the prior Agreement were reflected as a reduction of Accounts Receivable, net on the Consolidated Balance Sheets. The Company retained no interest in the sold receivables but did retain all collection responsibilities on behalf of the Bank. The discount on the accounts receivable sold was recorded within Other expense, net in the Consolidated Statements of Comprehensive Income (Loss). The cash proceeds from the prior Agreement were included in the change in accounts receivable within the operating activities section of the Consolidated Statements of Cash Flow.

(5) GOODWILL

Goodwill consisted of the following (in thousands):

	December 31, 2024	Acquisitions / Adjustments	Impairments	Effect of Foreign Currency	March 31, 2025
TTEC Digital	$ 498,213	$ —	$ —	$ 483	$ 498,696
TTEC Engage	72,984	—	—	239	73,223
Total	$ 571,197	$ —	$ —	$ 722	$ 571,919

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The Company performs an annual goodwill impairment assessment on December 1st, or more frequently, if indicators of impairment exist. The Company also monitors its reporting units for any triggering events and performs qualitative assessments of impairment indicators. During the Company's annual impairment testing as of December 1, 2024, the Company identified all three reporting units, Engage, Digital Recurring and Digital Professional Services as being at risk for future impairment if projected operating results are not met or other inputs into the fair value measurement change.

The carrying value of Engage was $612.0 million at December 1, 2024, including approximately $73.0 million of goodwill. Based on the Company's assessment, the estimated fair value of the Engage reporting unit exceeded its carrying value by approximately 17%. If all assumptions are held constant, either a 6.4% increase in the discount rate or a 19.7% decrease in each year's projected revenue over the forecast period would result in approximately a $103.0 million decrease in the estimated fair value of the Engage reporting unit. Such a change in either of these assumptions individually would have resulted in the Engage reporting unit failing Step 1 of the goodwill impairment analysis on December 1, 2024.

The carrying value of Digital Recurring was $433.5 million at December 1, 2024, including approximately $310.2 million of goodwill. Based on the Company's assessment, the estimated fair value of the Digital Recurring reporting unit exceeded its carrying value by approximately 7%. If all assumptions are held constant, either a 1.7% increase in the discount rate or a 2.6% decrease in each year's projected revenue over the forecast period would result in approximately a $30.0 million decrease in the estimated fair value of the Digital Recurring reporting unit. Such a change in either of these assumptions individually would have resulted in the Digital Recurring reporting unit failing Step 1 of the goodwill impairment analysis on December 1, 2024.

The carrying value of Digital Professional Services was $225.9 million at December 1, 2024, including approximately $188.0 million of goodwill. Based on the Company's assessment, the estimated fair value of the Digital Professional Services reporting unit exceeded its carrying value by approximately 10%. If all assumptions are held constant, either a 3.0% increase in the discount rate or a 3.5% decrease in each year's projected revenue over the forecast period, would result in approximately a $22.1 million decrease in the estimated fair value of the Digital Professional Services reporting unit. Such a change in either of these assumptions individually would have resulted in the Digital Professional Services reporting unit failing Step 1 of the goodwill impairment analysis on December 1, 2024.

As an international outsourcing agent, TTEC's revenue and cash flows are susceptible to global economic conditions and client business volumes. In performing the Step 1 evaluation, the reporting unit's current backlog and pipeline of customer business were considered, as well as inflation rates, gross domestic product rates, historical revenue growth and profitability, and state of the CX industry. The estimate of fair value was based on generally accepted valuation techniques and information available at the date of the assessment, which incorporated management's assumptions about expected revenues, future cash flows and available market information for comparable companies.

Outside of our annual impairment testing process, the Company monitors its reporting units for any triggering events while also performing qualitative assessments of impairment indicators. During the first quarter of 2025, the Company concluded there were no triggering events and completed its qualitative assessment of impairment indicators, which included, among other things, an assessment of changes in macroeconomic conditions, comparison of the actual results to those forecasted in the most recent annual impairment test and performing sensitivity analysis on key assumptions.

(6) DERIVATIVES

TTEC's Financial Risk Management Committee ("FRMC") monitors cash flow and fair value foreign exchange exposures and interest rate exposures on a worldwide basis, assesses the potential economics and earnings impact from foreign exchange and/or interest rate fluctuations, and deploys risk management policies and solutions to reduce volatility related to TTEC's exposure to foreign exchange rate changes and interest rate changes.

The Company enters into foreign exchange forward and option contracts to reduce its exposure to foreign currency exchange rate fluctuations that are associated with forecasted revenue earned in foreign locations. Upon proper qualification, these contracts are designated as cash flow hedges. The Company formally documents at the inception of the hedge all relationships between hedging instruments and hedged items as well as its risk management objective and strategy for undertaking various hedging activities.

The Company also enters into fair value derivative contracts that hedge against foreign currency exchange gains and losses primarily associated with short-term payables and receivables. These swap contracts are not designated as hedges under ASC Topic 815, *Derivatives and Hedging*.

It is the Company's policy to only enter into derivative contracts with investment grade counterparty financial institutions, and correspondingly, the fair value of derivative assets considers, among other factors, the creditworthiness of these counterparties. Conversely, the fair value of derivative liabilities reflects the Company's creditworthiness. As of March 31, 2025, the Company has not experienced, nor does it anticipate, any issues related to derivative counterparty defaults.

All derivative financial instruments are reported at gross fair value and recorded in Prepaids and other current assets, Other long-term assets, Other current liabilities, and Other long-term liabilities in the accompanying Consolidated Balance Sheets as applicable for each period end.

Fair Value of Derivative Instruments

The fair value and location of derivatives in the Consolidated Balance Sheets as of March 31, 2025 and December 31, 2024 were as follows (in thousands):

	March 31, 2025	
Designation:	**Designated as Hedging Instruments**	**Not Designated as Hedging Instruments**
Derivative contract type:	**Foreign Exchange**	**Foreign Exchange**
Derivative classification:	**Cash Flow**	**Fair Value**
Prepaids and other current assets	$ 698	$ 42
Other long-term assets	54	—
Other current liabilities	(1,166)	(150)
Other long-term liabilities	(485)	—
Total fair value of derivatives, net	$ (899)	$ (108)

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	December 31, 2024	
Designation:	**Designated as Hedging Instruments**	**Not Designated as Hedging Instruments**
Derivative contract type:	**Foreign Exchange**	**Foreign Exchange**
Derivative classification:	**Cash Flow**	**Fair Value**
Prepaids and other current assets	$ 783	$ 6
Other long-term assets	—	—
Other current liabilities	(2,679)	(183)
Other long-term liabilities	(1,471)	—
Total fair value of derivatives, net	$ (3,367)	$ (177)

Cash Flow Hedges

Changes in fair value of derivative instruments designated as cash flow hedges are recorded in Accumulated other comprehensive income (loss), a component of Stockholders' Equity, to the extent they are deemed effective. Ineffectiveness is measured based on the change in fair value of the forward contracts and the fair value of the hypothetical derivatives with terms that match the critical terms of the risk being hedged. Based on the criteria established by current accounting standards, the Company's cash flow hedge contracts are deemed to be highly effective. Any realized gains or losses resulting from the foreign currency cash flow hedges are recognized together with the hedged transaction within Revenue.

The Company's foreign exchange cash flow hedging instruments as of March 31, 2025 and December 31, 2024 are summarized as follows (amounts in thousands). All hedging instruments are forward contracts.

As of March 31, 2025	Local Currency Notional Amount	U.S. Dollar Notional Amount	% Maturing in the next 12 months	Contracts Maturing Through
Philippine Peso	4,657,000	81,212 (1)	71.9 %	March 2027
Mexican Peso	441,500	21,525	71.1 %	December 2026
		$ 102,737		

As of December 31, 2024	Local Currency Notional Amount	U.S. Dollar Notional Amount	% Maturing in the next 12 months	Contracts Maturing Through
Philippine Peso	6,034,000	$ 105,098 (1)	67.8 %	March 2027
Mexican Peso	548,000	26,682	64.6 %	December 2026
		$ 131,780		

(1) Includes contracts to purchase Philippine pesos in exchange for New Zealand dollars and Australian dollars, which are translated into equivalent U.S. dollars on March 31, 2025 and December 31, 2024.

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The amounts and location of gains and losses on Cash Flow Hedges within the Consolidated Statements of Comprehensive Income (Loss) for the three months ended March 31, 2025 and 2024 were as follows (in thousands):

	Three Months Ended March 31,	
	2025	2024
Foreign Exchange Cash Flow Hedges, effective:		
Amount of gain (loss) recognized in Other comprehensive income (loss) [(1)]	$ 2,340	$ 966
Amount and location of gain (loss) reclassified from Accumulated OCI to:		
Revenue	$ (173)	$ 1,624
Provision for income taxes	45	(423)
Net income (loss)	$ (128)	$ 1,201

[(1)] As a result of the valuation allowance recorded in Q2 2024 against the Company's U.S. Deferred Tax Assets, there is no tax impact recognized in Other comprehensive income (loss) for unrealized foreign exchange cash flow hedge gains or losses in 2025.

The activity related to the change in net unrealized gains and losses on the cash flow hedges included in "Accumulated other comprehensive income (loss)" in our unaudited consolidated statements of stockholders' equity is presented in Note 12.

Fair Value Hedges

Changes in the fair value of derivative instruments not designated as hedges are recognized in earnings in Other income (expense), net on a before tax basis and are offset by gains and losses on the related hedged items.

The Company's volume of foreign exchange fair value derivative contracts as of March 31, 2025 and December 31, 2024 are summarized as follows (in thousands):

As of March 31, 2025 [(2)]	Local Currency Notional Amount	U.S. Dollar Notional Amount
Australian Dollar	3,950	$ 2,485
Canadian Dollar	7,220	5,044
Euro	10,400	11,236
British Pound	4,000	5,178
Mexican Peso	266,000	13,118
New Zealand Dollar	3,968	2,278
Polish Zloty	10,000	2,590
		$ 41,929

[(2)] All fair value hedges are short-term and matured in April 2025.

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As of December 31, 2024 [3]	Local Currency Notional Amount	U.S. Dollar Notional Amount
Australian Dollar	3,850	$ 2,393
Canadian Dollar	5,850	4,137
Euro	11,000	11,456
British Pound	5,600	7,066
Mexican Peso	130,000	6,307
New Zealand Dollar	3,400	1,914
		$ 33,273

[3] All fair value hedges are short-term and matured in January 2025.

The amounts and location of before tax gains and losses on Fair Value Hedges within the Consolidated Statements of Comprehensive Income (Loss) for the three months ended March 31, 2025 and 2024, respectively, were as follows (in thousands):

	Three Months Ended March 31,	
	2025	2024
Foreign Exchange Fair Value Derivatives, not designated as Hedging Instruments:		
Other income (expense), net	$ 48	$ 226

The related cash flow impacts of all the derivative activities are reflected as cash flows from operating activities.

(7) FAIR VALUE

The authoritative guidance for fair value measurements establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. This hierarchy requires that the Company maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

Level 1 — Quoted prices in active markets for identical assets or liabilities.

Level 2 — Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets, similar assets and liabilities in markets that are not active or can be corroborated by observable market data.

Level 3 — Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

The following presents information as of March 31, 2025 and December 31, 2024 for the Company’s assets and liabilities required to be measured at fair value on a recurring basis, as well as the fair value hierarchy used to determine their fair value.

Accounts Receivable and Payable - The amounts recorded in the accompanying balance sheets approximate fair value because of their short-term nature.

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Investments – The Company measures investments, including cost and equity method investments, at fair value on a nonrecurring basis when they are deemed to be other-than-temporarily impaired. The fair values of these investments are determined based on valuation techniques using the best information available, and may include market observable inputs, and discounted cash flow projections. An impairment charge is recorded when the cost of the investment exceeds its fair value and this condition is determined to be other-than-temporary.

Debt - The Company's debt consists primarily of the Company's Credit Facility, which permits floating-rate borrowings based upon the current Prime Rate or SOFR plus a credit spread as determined by the Company's leverage ratio calculation (in each case as defined in the Credit Agreement discussed in Note 10). As of March 31, 2025 and December 31, 2024, the Company had $964.0 million and $975.0 million, respectively, of borrowings outstanding under the Credit Facility. During the first quarter of 2025 outstanding borrowings accrued interest at an average rate of 7.4% per annum, excluding unused commitment fees. The amounts recorded in the accompanying Balance Sheets approximate fair value due to the variable nature of the debt based on Level 2 inputs.

Derivatives - Net derivative assets (liabilities) are measured at fair value on a recurring basis. The portfolio is valued using models based on market observable inputs, including both forward and spot foreign exchange rates, interest rates, implied volatility, and counterparty credit risk, including the ability of each party to execute its obligations under the contract. As of March 31, 2025, credit risk did not materially change the fair value of the Company's derivative contracts.

The following is a summary of the Company's fair value measurements for its net derivative assets (liabilities) as of March 31, 2025 and December 31, 2024 (in thousands):

As of March 31, 2025

	Fair Value Measurements Using			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	At Fair Value
Cash flow hedges	$ —	$ (899)	$ —	$ (899)
Fair value hedges	—	(108)	—	(108)
Total net derivative asset (liability)	$ —	$ (1,007)	$ —	$ (1,007)

As of December 31, 2024

	Fair Value Measurements Using			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	At Fair Value
Cash flow hedges	$ —	$ (3,367)	$ —	$ (3,367)
Fair value hedges	—	(177)	—	(177)
Total net derivative asset (liability)	$ —	$ (3,544)	$ —	$ (3,544)

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The following is a summary of the Company's fair value measurements as of March 31, 2025 and December 31, 2024 (in thousands):

As of March 31, 2025

	Fair Value Measurements Using		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets			
Derivative instruments, net	$ —	$ —	$ —
Deferred compensation plan asset	32,242	—	—
Total assets	$ 32,242	$ —	$ —
Liabilities			
Derivative instruments, net	$ —	$ (1,007)	$ —
Contingent consideration	—	—	—
Total liabilities	$ —	$ (1,007)	$ —

As of December 31, 2024

	Fair Value Measurements Using		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets			
Derivative instruments, net	$ —	$ —	$ —
Deferred compensation plan asset	33,269	—	—
Total assets	$ 33,269	$ —	$ —
Liabilities			
Derivative instruments, net	$ —	$ (3,544)	$ —
Contingent consideration	—	—	—
Total liabilities	$ —	$ (3,544)	$ —

Deferred Compensation Plan — The Company maintains a non-qualified deferred compensation plan for certain eligible employees. The deferred compensation asset represents the combined fair value of all the funds based on quoted values and market observable inputs.

Contingent Consideration - The Company recorded contingent consideration payable related to the acquisition of Faneuil that closed in 2022. The contingent payables for Faneuil were calculated using a Monte Carlo simulation including a discount rate of 19.3%. The measurements were based on significant inputs not observable in the market. The Company records interest expense each period using the effective interest method until the future value of these contingent payments reaches the expected total future value.

During 2022 and 2023, fair value adjustments of a $2.9 million benefit and a $3.0 million expense, respectively, were recorded related to fair value adjustments of the estimated contingent payments associated with the Faneuil acquisition based on updated discount factors, the passage of time, updated EBITDA estimates and a modification to the agreement (see Note 2) for one contract, and a complete reduction for the second contract as it was not awarded to the Company. During 2024, a fair value adjustment of a $1.5 million benefit was recorded related to fair value adjustments of the estimated contingent payments associated with the Faneuil acquisition based on updated discount factors, the passage of time, and updated EBITDA estimates. The fair value adjustment benefits(expenses) were included in Other income (expense) in the Consolidated Statements of Comprehensive Income (Loss). As of December 31, 2024, the contingent consideration payment was accrued at $0.0 million. The earn-out period was completed at the end of January 2025. Based on final results, no final earn-out payment was required.

(8) IMPAIRMENT OF ASSETS

The Company evaluated the recoverability of its leasehold improvement assets at certain customer engagement centers, building and land assets, as well as all internally developed software projects. An asset group is considered to be impaired when the anticipated undiscounted future cash flows of its asset group is estimated to be less than the asset group's carrying value. The amount of impairment recognized is the difference between the carrying value of the asset group and its fair value. To determine fair value, the Company used Level 3 inputs in its discounted cash flows analysis. Assumptions included the amount and timing of estimated future cash flows and assumed discount rates. During the three months ended March 31, 2025 and 2024, TTEC Digital recognized insignificant impairment losses related to leasehold improvements assets, right of use lease assets, capitalized software and certain computer equipment. During the three months ended March 31, 2025 and 2024, TTEC Engage recognized impairment losses related to leasehold improvement assets, right of use lease assets, capitalized software and certain computer equipment of $0.7 million and $0.1 million, respectively.

(9) INCOME TAXES

The Company accounts for income taxes in accordance with the accounting literature for income taxes, which requires recognition of deferred tax assets and liabilities for the expected future income tax consequences of transactions that have been included in the Consolidated Financial Statements. Under this method, deferred tax assets and liabilities are determined based on the difference between the financial statement and tax basis of assets and liabilities using tax rates in effect for the year in which the differences are expected to reverse. Quarterly, the Company assesses the likelihood that its net deferred tax assets will be recovered. Based on the weight of all available evidence, both positive and negative, the Company records a valuation allowance against deferred tax assets when it is more-likely-than-not that a future tax benefit will not be realized. The Company's selection of an accounting policy with respect to both the global intangible low taxed foreign income ("GILTI") and base erosion and anti-abuse tax ("BEAT") rules is to compute the related taxes in the period the entity becomes subject to either GILTI or BEAT.

At the end of each interim period, we are required to estimate our annual effective tax rate for the fiscal year and to use that rate to provide for income taxes for the current year-to-date reporting period. The Company's 2025 estimated annual effective tax rate of 25.2%, before discrete items, is driven by the distribution of forecasted income between the U.S. and international tax jurisdictions, earnings in international jurisdictions currently under an income tax holiday, and the impact of valuation allowances in the United States and several other jurisdictions. The Company's effective tax rate for the three months ended March 31, 2025 was 74.2%. This rate was the result of low year-to-date income, the exclusion of losses related to entities with a full valuation allowance and includes $1.2 million of expense related to interest payments received.

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The Company's U.S. income tax returns filed for the tax years ending December 31, 2017, December 31, 2018, and from December 31, 2020 to present, remain open tax years. The Company has been notified of the intent to audit or is currently under audit with respect to income taxes for the United States for tax year 2017 and 2018, the Philippines for tax years 2021 to 2023, Canada for tax year 2021, and India for tax years 2017 through 2023. Although the outcome of examinations by taxing authorities are always uncertain, it is the opinion of management that the resolution of these audits will not have a material effect on the Company's Consolidated Financial Statements.

The Organization for Economic Co-operation and Development (OECD), supported by 140 of their member countries, have agreed to implement a minimum 15% tax rate on certain multinational enterprises and have released model guidance. This global minimum tax, known as the Pillar 2 framework, became effective across various countries in 2024, as each country works to enact legislation influenced by the OECD Pillar 2 rules. The Company does not expect the adoption of the Pillar 2 framework to have a material impact on its effective tax rate and the Company continues to evaluate additional guidance released by the OECD, along with the pending and adopted legislation in each of the countries in which it operates.

When there is a change in judgment concerning the recovery of deferred tax assets in future periods, a valuation allowance is recorded into earnings during the quarter in which the change in judgment occurred. During the first, second and third quarters of 2024, a $3.0 million, $81.1 million and a $1.7 million net valuation allowance was recorded, respectively, for assets that are not expected to be recovered in future periods.

The Company has been granted "Tax Holidays" as an incentive to attract foreign investment by the governments of the Philippines and Honduras. Generally, a Tax Holiday is an agreement between the Company and a foreign government under which the Company receives certain tax benefits in that country, such as exemption from taxation on profits derived from export-related activities. In the Philippines, the Company has been granted multiple agreements under local laws which result in an overall reduced tax rate. These incentives have varying benefit year over year and expire at various times beginning in 2031. The aggregate benefit to income tax expense for the three months ended March 31, 2025 and 2024 was approximately $0.6 million and $0.7 million, respectively, which had an impact on diluted net income per share of $0.01 and $0.02, respectively.

(10) COMMITMENTS AND CONTINGENCIES

Credit Facility

On February 26, 2024, the Company entered into an Eighth Amendment to the Credit Agreement to increase the net leverage ratio covenant, the lenders' commitment fee rate and margin for a period starting with the quarter ending March 31, 2024 through the quarter ending March 31, 2025, from the current 3.5 to 1 to between 4.0 to 1 and 4.5 to 1, as may be applicable in different quarters; and to reduce the total lenders' commitment from $1.5 billion to $1.3 billion.

On August 8, 2024, the Company entered into a Ninth Amendment to the Credit Agreement (the "Ninth Amendment") to, among other things, provide for less restrictive financial covenants in respect of the leverage ratio and the interest coverage ratio for the period beginning with the third quarter of 2024 through the first quarter of 2026 (the "Covenant Adjustment Period"). Specifically, the revisions permit a maximum leverage ratio of up to 5.15 to 1.00 and a minimum interest coverage ratio of not less than 2.00 to 1.00 as of the end the third quarter of 2024, with such levels gradually becoming more restrictive during subsequent quarters of the Covenant Adjustment Period and returning to a leverage ratio of 3.50 to 1.00 as of the end of the first quarter of 2026. Pursuant to the Ninth Amendment, the Company agreed to permanently reduce the total lenders' commitment from $1.3 billion to $1.2 billion and to provide certain additional assets as collateral, with the effect that the facility is now secured by substantially all personal property assets of the Company and its subsidiaries. In addition, the Company agreed, to certain other changes, including, among others, (i) increased pricing on borrowings and increased facility fees, in each case, determined according to the Company's leverage ratio, (ii) more restrictive limitations in respect of debt, liens, investments, acquisitions, asset sales and restricted payments, and (iii) requirements to apply certain equity and debt issuances and asset sale proceeds to the prepayment of the facility and permanent reduction of the total facility commitment amount. The term of the Credit Facility will remain unchanged through November 23, 2026.

The maximum commitment under the Credit Facility is $1.2 billion in the aggregate, if certain conditions are satisfied. The Credit Facility commitment fees are payable to the lenders in an amount equal to the unused portion of the Credit Facility multiplied by a rate per annum as determined by reference to the Company's net leverage ratio. The Credit Agreement contains customary affirmative, negative, and financial covenants. The Credit Agreement also permits the utilization of up to $100 million of limits within the Credit Facility for letters of credit to be used in the business.

The Company's Credit Agreement includes a number of financial covenants and operating restrictions of which failure to comply could result in a default under the Credit Agreement. As of the issuance of these financial statements, the Company believes it has sufficient cash on hand, positive working capital, and availability to access additional cash under the Credit Facility to meet its business operating requirements, its capital expenditures and to continue to comply with the amended debt covenants for the next 12 months. In the event that the Company does not remain in compliance with the financial covenants under the Credit Facility, it may need to negotiate additional amendments to or waivers of the terms of such credit facilities, refinance its debt, or raise additional capital.

As defined in the Credit Agreement, base rate loans bear interest at a rate equal to the highest of (a) the prime rate, (b) the federal funds rate plus 0.50%, and (c) SOFR in effect on such day plus 1.0%. Base rate loans shall be based on the base rate, plus the applicable credit margin which ranges from 0.375% to 2.5% based on the Company's net leverage ratio. SOFR loans bear interest at a rate equal to the applicable spread adjusted SOFR plus applicable credit margin which ranges from 1.375% to 3.5% based on the Company's net leverage ratio. Alternative currency loans (not denominated in U.S. Dollars) bear interest at rates applicable to their respective currencies.

Letter of credit fees are one eighth of 1% of the stated amount of the letter of credit on the date of issuance, renewal or amendment, plus an annual fee equal to the borrowing margin for SOFR loans.

As of March 31, 2025 and December 31, 2024, the Company had borrowings of $964.0 million and $975.0 million, respectively, under its Credit Facility, and its average daily utilization was $1,042.8 million and $1,072.0 million for the three months ended March 31, 2025 and 2024, respectively. Based on the current level of availability based on the covenant calculations, the Company's remaining borrowing capacity was approximately $230.0 million as of March 31, 2025. As of March 31, 2025, the Company was in compliance with all covenants and conditions under its Credit Agreement.

Letters of Credit

As of March 31, 2025, outstanding letters of credit under the Credit Facility totaled $5.2 million. As of March 31, 2025, letters of credit and contract performance guarantees issued outside of the Credit Agreement totaled $0.3 million.

Guarantees

Indebtedness under the Credit Agreement is guaranteed by the Company's present and future subsidiaries.

Legal Proceedings

From time to time, the Company has been involved in legal actions, both as plaintiff and defendant, which arise in the ordinary course of business. The Company accrues for exposures associated with such legal actions to the extent that losses are deemed both probable and reasonably estimable. To the extent specific reserves have not been made for certain legal proceedings, their ultimate outcome, and consequently, an estimate of possible loss, if any, cannot reasonably be determined at this time.

Based on currently available information and advice received from counsel, the Company believes that the disposition or ultimate resolution of any current legal proceedings, except as otherwise specifically reserved for in its financial statements, will not have a material adverse effect on the Company's financial position, cash flows or results of operations. In the event of unexpected further developments, however, it is possible that the ultimate resolution of these matters, or other similar matters, if unfavorable, may be materially adverse to the Company's financial position, cash flows, or results of operations.

(11) DEFERRED REVENUE AND REMAINING PERFORMANCE OBLIGATIONS

Revenue recognized for the three months ended March 31, 2025 from amounts included in deferred revenue as of December 31, 2024 was $31.3 million. Revenue recognized for the three months ended March 31, 2024 from amounts included in deferred revenue as of December 31, 2023 was $57.9 million.

Remaining performance obligations ("RPO") represent the amount of contracted future revenue that has not yet been recognized, including both deferred revenue and non-cancelable contracted amounts that will be invoiced and recognized as revenue in future periods. The Company's RPO excludes performance obligations from on-demand arrangements as there are no minimum purchase commitments associated with these arrangements, and certain time and materials contracts that are billed in arrears.

As of March 31, 2025, the Company's RPO was $420.2 million, which will be delivered and recognized within the next six years. The Company expects to recognize approximately 63% of the RPO over the next 12 months, 22% of the RPO over the subsequent 13 to 24 months, and the remainder thereafter.

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(12) ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

The following table presents changes in the accumulated balance for each component of Other comprehensive income (loss), including current period other comprehensive income (loss) and reclassifications out of Accumulated other comprehensive income (loss) (in thousands):

	Foreign Currency Translation Adjustment	Derivative Valuation, Net of Tax	Other, Net of Tax	Totals
Accumulated other comprehensive income (loss) at December 31, 2023	$ (93,144)	$ 6,315	$ (3,047)	$ (89,876)
Other comprehensive income (loss) before reclassifications	(3,743)	966	12	(2,765)
Amounts reclassified from accumulated other comprehensive income (loss)	—	(1,201)	109	(1,092)
Net current period other comprehensive income (loss)	(3,743)	(235)	121	(3,857)
Accumulated other comprehensive income (loss) at March 31, 2024	$ (96,887)	$ 6,080	$ (2,926)	$ (93,733)
Accumulated other comprehensive income (loss) at December 31, 2024	$ (123,821)	$ (5,583)	$ (2,717)	$ (132,121)
Other comprehensive income (loss) before reclassifications	6,622	2,340	6	8,968
Amounts reclassified from accumulated other comprehensive income (loss)	—	128	52	180
Net current period other comprehensive income (loss)	6,622	2,468	58	9,148
Accumulated other comprehensive income (loss) at March 31, 2025	$ (117,199)	$ (3,115)	$ (2,659)	$ (122,973)

The following table presents the classification and amount of the reclassifications from Accumulated other comprehensive income (loss) to the Statement of Comprehensive Income (Loss) (in thousands):

	For the Three Months Ended March 31,		Statement of Comprehensive Income (Loss) Classification
	2025	2024	
Derivative valuation			
Gain on foreign currency forward exchange contracts	$ (173)	$ 1,624	Revenue
Tax effect	45	(423)	Provision for income taxes
	$ (128)	$ 1,201	Net income (loss)
Other			
Actuarial loss on defined benefit plan	$ (58)	$ (121)	Cost of services
Gain on liquidation	—	—	Other income (expense), net
Tax effect	6	12	Provision for income taxes
	$ (52)	$ (109)	Net income (loss)

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(13) WEIGHTED AVERAGE SHARE COUNTS

The following table sets forth the computation of basic and diluted shares for the periods indicated (in thousands):

	Three Months Ended March 31,	
	2025	2024
Shares used in basic earnings per share calculation	47,771	47,432
Effect of dilutive securities:		
Restricted stock units	454	150
Performance-based restricted stock units	—	5
Total effects of dilutive securities	454	155
Shares used in dilutive earnings per share calculation	48,225	47,587

For the three months ended March 31, 2025 and 2024, there were 2.5 million and 0.9 million outstanding Restricted Stock Units ("RSUs"), respectively, that were excluded from the computation of diluted net income per share because the effect would have been anti-dilutive.

(14) EQUITY-BASED COMPENSATION PLANS

All equity-based awards to employees are recognized in the Consolidated Statements of Comprehensive Income (Loss) at the fair value of the award on the grant date.

The following tables present the total equity-based compensation expense for the three months ended March 31, 2025 and 2024 (in thousands):

	Three Months Ended March 31,	
	2025	2024
Equity-based compensation expense recognized in Cost of services	$ 1,128	$ 2,245
Equity-based compensation expense recognized in Selling, general and administrative	2,122	3,567
Total equity-based compensation expense	$ 3,250	$ 5,812

Restricted Stock Unit Grants

During the three months ended March 31, 2025 and 2024, the Company granted 116,188 and 346,507 RSUs, respectively, to new and existing employees, which vest over three to five years. The Company recognized compensation expense related to RSUs of $3.3 million and $5.8 million three months ended March 31, 2025 and 2024, respectively. As of March 31, 2025, there was approximately $23.7 million of total unrecognized compensation cost (including the impact of expected forfeitures) related to RSUs granted under the Company's equity plans.

Performance Based Restricted Stock Unit Grants

During 2022, the Company made awards of two different PRSU programs that are subject to service and performance vesting conditions: ordinary course annual PRSUs and one-time stretch financial goals PRSUs. For the ordinary course annual PRSUs, if defined minimum targets were met, the annual value of the PRSUs issued would be between $0.9 million and $3.5 million and vest in March 2025. If the defined minimum targets are not met, then no shares will be issued. The number of shares awarded were based on the Company's annual revenue and adjusted EBITDA for fiscal year 2024. For the 2022 ordinary course annual PRSUs, no shares were issued in March 2025 as defined minimum targets were not met. For the one-time stretch financial goals PRSUs, if defined minimum targets at TTEC Engage and TTEC Digital business segments' levels are met, the Company will issue between 0.0 million and 0.5 million PRSUs that will vest immediately in March 2026. If the defined minimum targets are not met, then no shares will be issued. The number of shares awarded will be based on the TTEC Engage and TTEC Digital business segments' annual revenue and adjusted EBITDA for fiscal year 2025. The Company did not recognize any compensation expense related to these awards for the three months ended March 31, 2025, as they were not deemed probable of being achieved.

During 2023, the Company awarded PRSUs that are subject to service and performance vesting conditions. If defined minimum targets are met, the Company will issue PRSUs with an annual value between zero and $8.9 million that will vest in 2026. If the defined minimum targets are not met, then no PRSUs will be issued. The number of PRSUs awarded will be based on the Company's annual revenue and adjusted EBITDA for fiscal year 2025. Expense for these awards began at the start of the requisite service period, beginning January 1, 2025. The Company did not recognize any compensation expense related to these awards for the three months ended March 31, 2025, as they were not deemed probable of being achieved.

During the fourth quarter of 2024, the Company awarded PRSUs to senior executives that are subject to service and performance vesting conditions. If defined minimum targets are met, the Company will issue PRSUs with an annual value between zero and $4.0 million that vest in 2026. If the defined minimum targets are not met, then no PRSUs will be issued. The number of PRSUs awarded will be based on the Company's annual revenue and adjusted EBITDA for fiscal year 2026 and on TTEC Digital's annual revenue and adjusted EBITDA for fiscal year 2026. Expense for these awards will begin at the start of the requisite service period, beginning January 1, 2026.

(15) NON-QUALIFIED DEFERRED COMPENSATION PLAN

The Company maintains a non-qualified deferred compensation plan for executive officers and other eligible employees that permits such employees to defer a portion of their compensation, on a pretax basis, until after their termination of employment (the "NQ Deferred Compensation Plan"). The plan allows for deferral of up to 75% of a participant's base salary, bonus, commissions, and any amounts that U.S. highly compensated employees are limited from contributing into TTEC's Deferred Tax Retirement Savings Plan (the "401K Plan"). All amounts deferred under the plan are unfunded, unsecured obligations and are recorded within Other long-term liabilities in the accompanying Consolidated Condensed Balance Sheets. In the event of bankruptcy, the assets of this plan are available to satisfy the claims of general creditors. Participants may choose among alternative earnings rates for the amounts they defer, which are primarily based on investment options within the 401K Plan. Amounts contributed and deferred under the Plan are credited or charged with the performance of investment options offered under the plan as elected by the participants. The Company manages the risk of changes in the fair value of the liability for deferred compensation by electing to match its liability under the plan with investment vehicles that offset a portion of its exposure including a Company owned life insurance policy held in a rabbi trust. In the fourth quarter of 2024 the Company suspended additional deferrals into the Plan for 2025 and until further notice.

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(16) RELATED PARTY TRANSACTIONS

The Company entered into an agreement under which Avion, LLC ("Avion") and Airmax LLC ("Airmax") provide certain aviation flight services as requested by the Company. Such services include the use of an aircraft and flight crew. Kenneth D. Tuchman, Chairman and Chief Executive Officer of the Company, has an indirect 100% beneficial ownership interest in Avion and Airmax. During the three months ended March 31, 2025 and 2024, the Company expensed $0.2 million and $0.1 million, respectively, to Avion and Airmax for services provided to the Company. There was $108 thousand in payments due and outstanding to Avion and Airmax as of March 31, 2025.

Ms. Michelle Swanback, President of the Company, is a member of the board of directors of WTW (NYSE: WTW) (fka "Willis Towers Watson"), that provides compensation consulting and insurance brokerage services to the Company. During the three months ended March 31, 2024, the Company expensed $0.8 million for these services. Ms. Swanback resigned from the Company effective on December 31, 2024.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934, and the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, but are not limited to, statements regarding our operations, expected financial condition, results of operation, effective tax rate, cash flow, leverage, liquidity, business strategy, competitive position, demand for our services in international operations, acquisition opportunities and impact of acquisitions, capital allocation and dividends, growth opportunities, spending, capital expenditures and investments, competition and market forecasts, industry trends, our human capital resources, and other business matters that are based on our current expectations, assumptions, and projections with respect to the future, and are not a guarantee of performance.

In this report when we use words such as "may," "believe," "plan," "will," "anticipate," "estimate," "expect," "intend," "project," "would," "could," "target," or similar expressions, or when we discuss our strategy, plans, goals, initiatives, or objectives, we are making forward-looking statements. Unless otherwise indicated or except where the context otherwise requires, the terms "TTEC," "the Company," "we," "us" and "our" and other similar terms in this report refer to TTEC Holdings, Inc. and its subsidiaries.

We caution you not to rely unduly on any forward-looking statements. Actual results may differ materially from those expressed in the forward-looking statements, and you should review and consider, carefully, the risks, uncertainties, and other factors that affect our business and may cause such differences as outlined in Part II Item 1A. Risk Factors of this report and Item 1A. Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2024. Important factors that could cause our actual results to differ materially from those indicated in the forward looking statements include, among others, the risks related to our business operations, our strategy and our industry, including the risks related to our strategic execution in a competitive market, our ability to innovate and introduce technologies that are sufficiently disruptive to allow us to maintain and grow our market share such as the effective adoption of artificial intelligence into our solutions, revenue risks specific to client concentration in our TTEC Engage business segment, risks specific to our technology partners in our TTEC Digital business segment and to the impact on our business due to TTEC Digital's clients' transition to public cloud and SaaS solutions, risks specific to remote delivery model, risks specific to our ability to recruit and retail labor at the right price point to meet changing business demands risks specific to operational controls and employee fraud, risks related to the accuracy of client forecasting, risks arising from our long sales cycles and lead time to revenue, risks specific to the inherent conflict between necessary cost containment and the need for investment to support new offerings in a competitive market, risks tied to our ability to meet our clients' geographic footprint expansions, operational risks that arise from events outside of our control, risks inherent in M&A activity, risks of our financial operations, including risks related to our leverage and debt service obligations, risks specific to our cost containment measures, risks specific to restrictions on our operations built into our credit facility, risks to our profitability due to inflationary pressures on our delivery costs that cannot be passed on to clients, impact on our profitability due to contract terms typical in our industry, risks to profitability due to contractual risk transfer for things we cannot always control or insure against, foreign currency exchange risks, changes in income tax rates, interpretations of transfer pricing arrangements, uncertainties tied to goodwill, assets and strategic investments' impairments, risks related to our use of technology and third party services, including possible disruption to our information technology systems, cybersecurity events and unauthorized data access, reliance on communication and utility services provided by third parties, risks specific to use of AI technologies, and the growing reliance on third parties for data, cloud and SaaS services, risks specific to legal and regulatory matters that impact our business, including uncertainty and inconsistency in privacy and data protection laws, the high cost of compliance with such laws, high cost and reputational damage of wage and hour and ERISA class action lawsuits, uncertainty in AI regulatory environments, risks specific to IP protection and infringement, and ability to timely secure and maintain licenses needed to support certain regulated lines of business; risks specific to operations outside of the U.S. and in jurisdictions where we have limited experience, and risks related to the ownership of our common stock, including risks related to the proposal to take the company private which is currently being considered by the special committee of our board of directors, risks inherent in our capital structure; our controlling shareholder risk, risks related to the price and trading volumes of our common stock being affected by factors that we cannot fully impact or control, risks inherent in our dividend and stock repurchase policies, risks specific to being a Delaware company and provisions in our charter documents that may discourage, delay or prevent change in control events potentially depressing the price of our common stock; and the fact that our chairman and chief executive officer has control over matters requiring shareholder action potentially impacting our stock price and making it less attractive to investors.

Our forward-looking statements speak only as of the date that this report is filed with the United States Securities and Exchange Commission. We undertake no obligation to update them, except as may be required by applicable law. Although we believe that our forward-looking statements are reasonable, they depend on many factors outside of our control and we can provide no assurance that they will prove to be correct. You should, however, consult any subsequent disclosures we make in our filings with the SEC on Forms 10-Q or 8-K. Although we believe that our forward-looking statements are reasonable, they depend on many factors outside of our control and we can provide no assurance that they will prove to be correct.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Executive Summary

Founded in 1982, TTEC is a global customer experience ("CX") outsourcing partner for marquee and high-growth brands and public sector clients. The Company designs, builds, and operates technology-enabled customer experiences across live interaction channels and provides data-driven digital solutions to help clients improve customer satisfaction and loyalty, increase customer revenue and profitability, and optimize overall cost to serve. As of March 31, 2025, TTEC served approximately 700 clients across targeted industry verticals including financial services, healthcare, public sector, communications, technology, media, entertainment, travel and hospitality, automotive and retail.

TTEC operates and reports its financial results of operations through two business segments.

- **TTEC Digital** is one of the largest CX technology and service providers and is focused on the intersection of Contact Center as a Service ("CCaaS"), Customer Relationship Management ("CRM"), and Artificial Intelligence (AI) and Analytics. A professional services organization comprised of software engineers, systems architects, data scientists and CX strategists, this segment creates and implements strategic CX transformation roadmaps; sells, operates, and provides managed services for cloud platforms and premise-based CX technologies including Amazon Web Services ("AWS"), Cisco, Genesys, Google, and Microsoft; and creates proprietary IP to support industry specific and custom client needs. TTEC Digital serves clients across Enterprise and small and medium sized business segments and has a dedicated unit with government technology certifications serving the public sector.
- **TTEC Engage** provides the digitally enabled CX operational and managed services to support large, complex enterprise clients' end-to-end customer interactions at scale across the world. Tailored to meet industry-specific business needs, this segment delivers data-driven omnichannel customer care, customer acquisition, growth, and retention services, tech support, fraud mitigation and back-office solutions. The segment's technology-enabled delivery model covers the entire solution lifecycle including associate recruitment, onboarding, training, delivery, workforce management and quality assurance.

TTEC pursues its CX market leadership through strategic collaboration across TTEC Digital and TTEC Engage. Together, TTEC's ability to deliver comprehensive and transformational customer experience solutions to its clients is a marketplace differentiator, including integrated CX technology and service solution, go-to-market strategies, and innovative offerings.

During 2025, the TTEC global operating platform delivered onshore, nearshore, and offshore services in 22 countries on six continents -- the United States, Australia, Belgium, Brazil, Bulgaria, Canada, Colombia, Costa Rica, Egypt, Germany, Greece, Honduras, India, Ireland, Mexico, the Netherlands, New Zealand, the Philippines, Poland, South Africa, Thailand, and the United Kingdom with the help of approximately 50,000 customer care associates, technologists, and CX professionals.

Our revenue for first quarter 2025 was $534.2 million, of which approximately $108.0 million, or 20.2% was generated from our TTEC Digital segment and $426.2 million, or 79.8%, was generated from our TTEC Engage segment.

To advance our competitive position in a rapidly changing market and to provide our clients with modernized CX technology and service solutions, we continue to invest in innovation and service offerings for both mainstream and high-growth disruptive businesses, diversifying and strengthening our core customer care services with technology-enabled, outcomes-focused services, data analytics, insights, and consulting.

We also invest to broaden our CX product and service capabilities, increase our global client base and industry expertise, expand our geographic footprint to the needs of our global clientele, and further scale our integrated solutions within and between our TTEC Digital and TTEC Engage segments.

Financial Highlights

In the first quarter of 2025, our revenue decreased $42.4 million, or 7.4%, to $534.2 million over the same period in 2024 including a decrease of $6.0 million, or 1.0%, due to foreign currency fluctuations. The decrease in revenue was comprised of a $4.0 million, or 3.6%, decrease for TTEC Digital and a decrease of $38.4 million, or 8.3%, for TTEC Engage.

Our first quarter 2025 income (loss) from operations increased $1.5 million, or 6.6%, to $24.2 million or 4.5% of revenue, compared to $22.7 million or 3.9% of revenue in the first quarter of 2024. The increase in operating income margin is due to several factors across both segments. The TTEC Digital operating margin increased 2.5% over the same period last year primarily due to lower employee-related costs and improved utilization. The TTEC Engage operating margin increased 0.1% over the same period last year due to improved operational performance partially offset by lower revenue and higher restructuring and impairment expenses.

Income (loss) from operations in the first quarter of 2025 and 2024 included $2.8 million and $0.4 million of restructuring charges and asset impairments, respectively.

Our offshore customer experience centers spanning 15 countries serve clients based in the U.S. and in other countries with 24,000 workstations, representing 82% of our global delivery capability. Revenue for our TTEC Engage segment provided in these offshore locations represented 34% of our revenue for the first quarter of 2025, as compared to 32% of our revenue for the corresponding period in 2024.

Our seat utilization is defined as the total number of utilized workstations compared to the total number of available production workstations. As of March 31, 2025, the total production workstations for our TTEC Engage segment was 29,140, a net decrease of 1,600 workstations over the same period last year, with an overall capacity utilization 71% versus 76% in the prior year period, The decline was primarily driven by decreased seat reservations in the Philippines and U.S., partially offset by footprint increases in other geographies.

We plan to continue to selectively retain and grow capacity and expand into new offshore markets, while maintaining appropriate capacity onshore. As we grow our offshore delivery capabilities and our exposure to foreign currency fluctuation increases, we will continue to actively manage this risk via a multi-currency hedging program designed to minimize operating margin volatility.

Recent Developments

As previously disclosed in the Company's press release of September 30, 2024, the Company's Board of Directors has established a special committee consisting of independent directors (the "Special Committee") to evaluate the unsolicited, preliminary, non-binding proposal from TTEC founder, Chairman and Chief Executive Officer, Kenneth Tuchman, to take the Company private at a proposed purchase price of $6.85 per share to the Company's other shareholders ("Non-Binding Proposal"). Mr. Tuchman beneficially owns approximately 58% of the Company's common stock, as set forth in Amendment No. 3 to Schedule 13D filed with the SEC by Mr. Tuchman and certain entities affiliated with Mr. Tuchman on September 30, 2024. The Non-Binding Proposal is conditioned on, among other things, the receipt of financing for the transaction, the negotiation and execution of a definitive agreement, approval and recommendation of the proposal by the Special Committee, and approval by holders of a majority of the shares of the Company's common stock not owned by Mr. Tuchman, his affiliates, and the Company's executive management. On April 1, 2025 the Special Committee issued a press release reporting that it has completed its review of the Non-Binding Proposal and its preliminary valuation analysis of the Company and remains ready to consider and engage with Mr. Tuchman with respect to a definitive transaction proposal.

Smaller Reporting Company Status

We are a "smaller reporting company" as defined in Item 10(f)(1) of Regulation S-K. Although, as a smaller reporting company, we are eligible to provide scaled disclosures in our filings with the SEC, the Company elected not to avail itself of this relief in this Quarterly Report on Form 10-Q and will continue to provide the same level of disclosures as in its most recent fiscal periods. The Company may re-evaluate this decision at a later date.

Recently Issued Accounting Pronouncements

Refer to Part I, Item I, Financial Statements, Note 1 to the Consolidated Financial Statements for a discussion of recently adopted and issued accounting pronouncements.

Critical Accounting Policies and Estimates

Management's Discussion and Analysis of our Financial Condition and Results of Operations is based upon our Consolidated Financial Statements, which have been prepared in accordance with GAAP. The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses as well as the disclosure of contingent assets and liabilities. We regularly review our estimates and assumptions. These estimates and assumptions, which are based upon historical experience and on various other factors believed to be reasonable under the circumstances, form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Reported amounts and disclosures may have been different had management used different estimates and assumptions or if different conditions had occurred in the periods presented. For further information, please refer to the discussion of all critical accounting policies in Note 1 of the Notes to the Consolidated Financial Statements in our Annual Report on Form 10-K for the year ended December 31, 2024.

Results of Operations

Three months ended March 31, 2025 compared to three months ended March 31, 2024

The tables included in the following sections are presented to facilitate an understanding of Management's Discussion and Analysis of Financial Condition and Results of Operations and present certain information by segment for the three months ended March 31, 2025 and 2024 (amounts in thousands). All intercompany transactions between the reported segments for the periods presented have been eliminated.

TTEC Digital

	Three Months Ended March 31,			
	2025	2024	$ Change	% Change
Revenue	$ 108,040	$ 112,031	$ (3,991)	(3.6)%
Operating Income	5,864	3,288	2,576	78.3 %
Operating Margin	5.4 %	2.9 %		

The decrease in revenue for the TTEC Digital segment was driven by the non-recurring and large one-time on-premise related revenue in the prior year. The remaining TTEC Digital portfolio was up 2.8% year over year.

The operating income increase was primarily related to lower employee related costs and improved utilization. Operating income as a percentage of revenue increased to 5.4% in the first quarter of 2025 as compared to 2.9% in the prior period. Included in operating income was amortization expense related to acquired intangibles of $3.7 million and $4.3 million for the quarters ended March 31, 2025 and 2024, respectively.

TTEC Engage

	Three Months Ended March 31,			
	2025	2024	$ Change	% Change
Revenue	$ 426,188	$ 464,607	$ (38,419)	(8.3)%
Operating Income	18,325	19,423	(1,098)	(5.7)%
Operating Margin	4.3 %	4.2 %		

The decrease in revenue for the TTEC Engage segment is explained by a long tenured client exiting a large line of business supported by TTEC, lower demand from select large onshore enterprise clients due to clients' continued conservative cost management by moderating the level of customer support to address cost pressures.

The operating income decrease was primarily attributable to lower revenue and higher restructuring and impairment expenses, partially offset by improved operational performance. Operating income as a percentage of revenue increased to 4.3% in the first quarter of 2025 as compared to 4.2% in the prior period. Included in operating income was amortization expense related to acquired intangibles of $4.1 million and $4.1 million for the quarters ended March 31, 2025 and 2024, respectively.

Interest Income (Expense)

For the three months ended March 31, 2025 interest income increased to $4.6 million from $1.0 million in the same period in 2024 due to interest income on an aged VAT receivable. Interest expense decreased to $19.8 million during 2025 from $21.1 million during 2024 due to the termination of the Company's accounts receivable factoring agreement.

Other Income (Expense)

For the three months ended March 31, 2025 Other income (expense), net increased to income of $3.6 million from income of $0.2 million during the prior year quarter.

Included in the three months ended March 31, 2025 was a $3.9 million gain related to a recovery of an aged VAT receivable.

Included in the three months ended March 31, 2024 was a $1.2 million gain related to the fair value adjustments of contingent consideration for the Faneuil acquisition and ($0.8) million of expense related to a write-off of an aged VAT receivable (see Part I. Item 1. Financial Statements, Note 2 to the Consolidated Financial Statements).

Income Taxes

The effective tax rate for the three months ended March 31, 2025 was 74.2%. This compares to an effective tax rate of 82.3% for the comparable period of 2024. The effective tax rate for the three months ended March 31, 2025 is primarily driven by the distribution of income between the U.S. and international tax jurisdictions, earnings in international jurisdictions currently under an income tax holiday, and the impact of valuation allowances in the United States and several other jurisdictions. After Non-GAAP adjustments, the Company's normalized tax rate for the first quarter of 2025 was 37.9%.

Liquidity and Capital Resources

Our principal sources of liquidity are our cash generated from operations, our cash and cash equivalents, and borrowings under our Credit Facility. During the three months ended March 31, 2025, we generated operating cash flows of $21.6 million. We believe that our cash generated from operations, existing cash and cash equivalents, and available credit will be sufficient to meet expected operating and capital expenditure requirements for the next 12 months. However, if our access to capital is restricted or our borrowing costs increase, our operations and financial condition could be adversely impacted.

We manage a centralized global treasury function in the United States with a focus on safeguarding and optimizing the use of our global cash and cash equivalents. Our cash is held in the U.S. in U.S. dollars, and outside of the U.S. in U.S. dollars and foreign currencies. We expect to use our cash to fund working capital, global operations, dividends, acquisitions, and other strategic activities. While there are no assurances, we believe our global cash is well protected given our cash management practices, banking partners and utilization of diversified bank deposit accounts and other high-quality investments.

We have global operations that expose us to foreign currency exchange rate fluctuations that may positively or negatively impact our liquidity. To mitigate these risks, we enter into foreign exchange forward and option contracts through our cash flow hedging program. Please refer to Part I. Item 3. Quantitative and Qualitative Disclosures About Market Risk, Foreign Currency Risk, for further discussion. We are also exposed to interest rate fluctuations associated with our variable rate debt.

The following discussion highlights our cash flow activities during the three months ended March 31, 2025 and 2024.

Cash and Cash Equivalents

We consider all liquid investments purchased within three months of their original maturity to be cash equivalents. Our cash and cash equivalents totaled $85.1 million and $85.0 million as of March 31, 2025 and December 31, 2024, respectively.

We reinvest our cash flows to grow our client base, expand our infrastructure, invest in research and development, make strategic acquisitions and to pay dividends.

Cash Flows from Operating Activities

For the three months ended March 31, 2025 and 2024, net cash flows (used in) provided by operating activities was $21.6 million and $(15.6) million, respectively. The increase is primarily due to a $14.1 million increase in net cash income from operations and a $23.1 million increase in net working capital.

Cash Flows from Investing Activities

For the three months ended March 31, 2025 and 2024, net cash flows used in investing activities was $5.3 million and $13.4 million, respectively. The decrease was due to a $8.0 million decrease in capital expenditures as we rephased our timing of capital expenditures.

Cash Flows from Financing Activities

For the three months ended March 31, 2025 and 2024, net cash flows used in financing activities was $13.7 million and $46.5 million, respectively. The change in net cash flows from 2024 to 2025 was primarily due to a $31.0 million net change in the line of credit.

Free Cash Flow

Free cash flow (see "Presentation of Non-GAAP Measurements" below for the definition of free cash flow) increased for the three months ended March 31, 2025 compared to the three months ended March 31, 2024 primarily due to an increase in net cash from operations and working capital. Free cash flow was $16.2 million and ($29.1) million for the three months ended March 31, 2025 and 2024, respectively.

Presentation of Non-GAAP Measurements

Free Cash Flow

Free cash flow is a non-GAAP liquidity measurement. We believe that free cash flow is useful to our investors because it measures, during a given period, the amount of cash generated that is available for debt obligations and investments other than purchases of property, plant and equipment. Free cash flow is not a measure determined by GAAP and should not be considered a substitute for "income from operations," "net income," "net cash provided by operating activities," or any other measure determined in accordance with GAAP. We believe this non-GAAP liquidity measure is useful, in addition to the most directly comparable GAAP measure of "net cash provided by operating activities," because free cash flow includes investments in operational assets. Free cash flow does not represent residual cash available for discretionary expenditures, since it includes cash required for debt service. Free cash flow also includes cash that may be necessary for acquisitions, investments and other needs that may arise.

The following table reconciles net cash (used in) provided by operating activities to free cash flow for our consolidated results (in thousands):

	Three Months Ended March 31,	
	2025	**2024**
Net cash (used in) provided by operating activities	$ 21,592	$ (15,629)
Less: Purchases of property, plant and equipment	5,406	13,473
Free cash flow	$ 16,186	$ (29,102)

Obligations and Future Capital Requirements

There were no material changes to the Company's contractual obligations and future capital requirements outside the normal course of business from the date of our 2024 Form 10-K filing on February 27, 2025 through the filing of this report.

Future Capital Requirements

We expect total capital expenditures in 2025 to be between 2.2% and 2.4% of revenue. Approximately 51% of these expected capital expenditures are to support growth in our business and 49% relate to the maintenance for existing assets. The anticipated level of 2025 capital expenditures is primarily driven by facility refreshes and maintenance, site optimizations, IT network modernization and PC refreshes, digital product development and ongoing site expansions/new sites but not at the same level as the prior year.

The amount of capital required over the next 12 months will depend on our levels of investment in infrastructure necessary to maintain, upgrade or replace existing assets. Our working capital and capital expenditure requirements could also increase materially in the event of acquisitions or joint ventures, among other factors. These factors could require that we raise additional capital through future debt or equity financing. We can provide no assurance that we will be able to raise additional capital upon commercially reasonable terms acceptable to us.

Client Concentration

During the three months ended March 31, 2025 and 2024, one of our clients represented more than 10% of our total revenue. Our five largest clients, collectively, accounted for 31.2% and 35.7% of our consolidated revenue for the three months ended March 31, 2025 and 2024, respectively. We have had long-term relationships with our top five TTEC Engage clients, ranging from 7 to 25 years, with all of these clients having completed multiple contract renewals with us. The relative contribution of any single client to consolidated earnings is not always proportional to the relative revenue contribution on a consolidated basis and varies greatly based upon specific contract terms. In addition, clients may adjust business volumes served by us based on their business requirements. We believe the risk of this concentration is mitigated, in part, by the long-term contracts we have with our largest clients. Although certain client contracts may be terminated for convenience by either party, we believe this risk is mitigated, in part, by the service level disruptions and transition/migration costs that would arise for our clients if they terminated our contract for convenience.

Some of the contracts with our five largest clients expire between 2025 and 2027, but many of our largest clients have multiple contracts with us with different expiration dates for different lines of work. We have historically renewed most of our contracts with our largest clients, but there can be no assurance that future contracts will be renewed or, if renewed, will be on terms as favorable as the existing contracts.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk represents the risk of loss that may impact our consolidated financial position, consolidated results of operations, or consolidated cash flows due to adverse changes in financial and commodity market prices and rates. Market risk also includes credit and non-performance risk by counterparties to our various financial instruments. We are exposed to market risk due to changes in interest rates and foreign currency exchange rates (as measured against the U.S. dollar); as well as credit risk associated with potential non-performance of our counterparty banks. These exposures are directly related to our normal operating and funding activities. We enter into derivative instruments to manage and reduce the impact of currency exchange rate changes, primarily between the U.S. dollar/Philippine peso, the U.S. dollar/Mexican peso, and the Australian dollar/Philippine peso. To mitigate against credit and non-performance risk, it is our policy to only enter into derivative contracts and other financial instruments with investment grade counterparty financial institutions and, correspondingly, our derivative valuations reflect the creditworthiness of our counterparties. As of the date of this report, we have not experienced, nor do we anticipate, any issues related to derivative counterparty defaults.

Interest Rate Risk

The interest rate on our Credit Agreement is variable based upon the Prime Rate and SOFR and, therefore, is affected by changes in market interest rates. As of March 31, 2025, we had $964.0 million of outstanding borrowings under the Credit Agreement. Based upon average outstanding borrowings during the three months ended March 31, 2025, interest accrued at a rate of approximately 7.4% per annum. If the Prime Rate or SOFR increased by 100 basis points, there would be an annualized $1.0 million of additional interest expense per $100.0 million of outstanding borrowing under the Credit Agreement.

Foreign Currency Risk

Our subsidiaries in the Philippines, Mexico, India, Bulgaria, Colombia, South Africa, Egypt, Honduras and Poland use the local currency as their functional currency for paying labor and other operating costs. Conversely, revenue for these foreign subsidiaries is derived principally from client contracts that are invoiced and collected in U.S. dollars or other foreign currencies. As a result, we may experience foreign currency gains or losses, which may positively or negatively affect our results of operations attributed to these subsidiaries. For the three months ended March 31, 2025 and 2024, revenue associated with this foreign exchange risk was 23% and 20% of our consolidated revenue, respectively.

In order to mitigate the risk of these non-functional foreign currencies weakening against the functional currencies of the servicing subsidiaries, which thereby decreases the economic benefit of performing work in these countries, we may hedge a portion, though not 100%, of the projected foreign currency exposure related to client programs served from these foreign countries through our cash flow hedging program. While our hedging strategy can protect us from adverse changes in foreign currency rates in the short term, an overall weakening of the non-functional foreign currencies would adversely impact margins in the segments of the servicing subsidiary over the long term.

Cash Flow Hedging Program

To reduce our exposure to foreign currency exchange rate fluctuations associated with forecasted revenue in non-functional currencies, we purchase forward and/or option contracts to acquire the functional currency of the foreign subsidiary at a fixed exchange rate at specific dates in the future. We have designated and account for these derivative instruments as cash flow hedges for forecasted revenue in non-functional currencies.

While we have implemented certain strategies to mitigate risks related to the impact of fluctuations in currency exchange rates, we cannot ensure that we will not recognize gains or losses from international transactions, as this is part of transacting business in an international environment. Not every exposure is or can be hedged and, where hedges are put in place based on expected foreign exchange exposure, they are based on forecasts for which actual results may differ from the original estimate. Failure to successfully hedge or anticipate currency risks properly could adversely affect our consolidated operating results.

Our cash flow hedging instruments as of March 31, 2025 and December 31, 2024 are summarized as follows (in thousands). All hedging instruments are forward contracts, except as noted.

As of March 31, 2025	Local Currency Notional Amount	U.S. Dollar Notional Amount	% Maturing in the next 12 months	Contracts Maturing Through
Philippine Peso	4,657,000	$ 81,212 [1]	71.9 %	March 2027
Mexican Peso	441,500	21,525	71.1 %	December 2026
		$ 102,737		

As of December 31, 2024	Local Currency Notional Amount	U.S. Dollar Notional Amount	Maturing in the next 12 months	Contracts Maturing Through
Philippine Peso	6,034,000	105,098 [1]	67.8%	March 2027
Mexican Peso	548,000	26,682	64.6%	December 2026
		$ 131,780		

(1) Includes contracts to purchase Philippine pesos in exchange for New Zealand dollars and Australian dollars, which are translated into equivalent U.S. dollars on March 31, 2025 and December 31, 2024.

The fair value of our cash flow hedges as of March 31, 2025 was assets/(liabilities) (in thousands):

	March 31, 2025	Maturing in the Next 12 Months
Philippine Peso	(265)	(84)
Mexican Peso	(634)	(384)
	$ (899)	$ (468)

Our cash flow hedges are valued using models based on market observable inputs, including both forward and spot foreign exchange rates, implied volatility, and counterparty credit risk. The increase in fair value from December 31, 2024 reflects changes in the currency translation between the U.S. dollar and Mexican peso and U.S. dollar and Philippine pesos.

We recorded net gains/(losses) of $(0.2) million and $1.6 million for settled cash flow hedge contracts and the related premiums for the three months ended March 31, 2025 and 2024, respectively. These gains/(losses) were reflected in Revenue in the accompanying Consolidated Statements of Comprehensive Income (Loss). If the exchange rates between our various currency pairs were to increase or decrease by 10% from current period-end levels, we would incur a material gain or loss on the contracts. However, any gain or loss would be mitigated by corresponding increases or decreases in our underlying exposures.

Other than the transactions hedged as discussed above and in Part I, Item 1. Financial Statements, Note 6 to the Consolidated Financial Statements, the majority of the transactions of our U.S. and foreign operations are denominated in their respective local currency. However, transactions are denominated in other currencies from time-to-time. We do not currently engage in hedging activities related to these types of foreign currency risks because we believe them to be insignificant as we endeavor to settle these accounts on a timely basis. For the three months ended March 31, 2025 and 2024, approximately 15% and 14%, respectively, of revenue was derived from contracts denominated in currencies other than the U.S. dollar. Our results from operations and revenue could be adversely affected if the U.S. dollar strengthens significantly against foreign currencies.

Fair Value of Debt and Equity Securities

We did not have any investments in marketable debt or equity securities as of March 31, 2025 or December 31, 2024.

ITEM 4. CONTROLS AND PROCEDURES

This report includes the certifications of our Chief Executive Officer (the “CEO”) and Chief Financial Officer (the “CFO”) required by Rule 13a-14 of the Securities Exchange Act of 1934 (the “Exchange Act”). See Exhibits 31.1 and 31.2. This Item 4 includes information concerning the controls and control evaluations referred to in those certifications.

Disclosure Controls and Procedures

Disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) are designed to provide reasonable assurance that information required to be disclosed in reports filed or submitted 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 management, including our CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

We carried out an evaluation under the supervision and with the participation of management, including the CEO and CFO, of the effectiveness of our disclosure controls and procedures, as of March 31, 2025, the end of the period covered by this Form 10-Q. Based on this evaluation, our CEO and CFO have concluded that the Company’s disclosure controls and procedures were effective at the reasonable assurance level.

Inherent Limitations of Internal Controls

Our management, including the CEO and CFO, believes that any disclosure controls and procedures or internal controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of internal controls are met. Further, the design of internal controls must consider the benefits of controls relative to their costs. Inherent limitations within internal controls include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple errors or mistakes. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of controls. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with associated policies or procedures. While the objective of the design of any system of controls is to provide reasonable assurance of the effectiveness of controls, such design is also based in part upon certain assumptions about the likelihood of future events, and such assumptions, while reasonable, may not take into account all potential future conditions. Thus, even effective internal control over financial reporting can only provide reasonable assurance of achieving their objectives. Therefore, because of the inherent limitations in cost effective internal controls, misstatements due to error or fraud may occur and may not be prevented or detected.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during the quarter ended March 31, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The information set forth under the caption “Legal Proceedings” in Part I, Item 1. Financial Statements, Note 10 to the Consolidated Financial Statements of this Form 10-Q is hereby incorporated by reference.

ITEM 1A. RISK FACTORS

There were no material changes to the Risk Factors described in Item 1A. Risk Factors included in our Annual Report on Form 10-K for the year ended December 31, 2024.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Issuer Purchases of Equity Securities

Stock Repurchase Program

In 2001, the Company launched a stock repurchase program under the terms of which it returned capital to stockholders by purchasing the Company stock in the public market, as authorized by its Board of Directors from time to time. The Board has not authorized stock repurchases since 2017 and has no current plans to authorize additional repurchases in 2025.

ITEM 5. OTHER INFORMATION

During the three months ended March 31, 2025, none of the Company's directors or officers (as defined in Rule 16a-1(f) of the Exchange Act) adopted, terminated or modified a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement, as such terms are defined in Item 408 of Regulation S-K.

On May 5, 2025, the Company granted to Mr. Kenneth “Kenny” R. Wagers III, TTEC’s Chief Financial Officer, a one-time retention award of 36,193 RSUs, vesting in three tranches as follows: (1) 12,065 RSUs will vest on May 30, 2025, (2) 12,064 RSUs will vest on May 30, 2026, and (3) 12,064 RSUs will vest on May 30, 2027. The vesting is contingent on Mr. Wagers’ continuing employment with the Company on the relevant dates.

ITEM 6. EXHIBITS

Exhibit No.	Exhibit Description	Incorporated Herein by Reference		
		Form	Exhibit	Filing Date
31.1*	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350)			
31.2*	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350)			
32.1*	Certification of Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350)			
32.2*	Certification of Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350)			
101.INS	XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)			
101.SCH	Inline XBRL Taxonomy Extension Schema			
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase			
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase			
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase			
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase			
104	The cover page from TTEC Holdings, Inc's Quarterly Report on Form 10-Q for the quarter ended March 31, 2025, formatted in Inline XBRL (included in Exhibit 101)			

* Filed or furnished herewith.

SIGNATURES

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

		TTEC HOLDINGS, INC. (Registrant)
Date: May 8, 2025	By:	/s/ Kenneth D. Tuchman Kenneth D. Tuchman Chairman and Chief Executive Officer
Date: May 8, 2025	By:	/s/ Kenneth R. Wagers, III Kenneth R. Wagers, III Chief Financial Officer

Exhibit 31.1

CERTIFICATIONS

I, Kenneth D. Tuchman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of TTEC Holdings, 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(s) 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

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

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

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

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

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

Date: May 8, 2025

By: /s/ KENNETH D. TUCHMAN
Kenneth D. Tuchman
Chairman and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATIONS

I, Kenneth R. Wagers, III, certify that:

1. I have reviewed this quarterly report on Form 10-Q of TTEC Holdings, 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(s) 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

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

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

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

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

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

Date: May 8, 2025

By: /s/ KENNETH R. WAGERS, III
Kenneth R. Wagers, III
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned, the Chief Executive Officer of TTEC Holdings, Inc. (the “Company”), hereby certifies that, to his knowledge on the date hereof:

(a) the Form 10-Q of the Company for the quarter ended March 31, 2025 filed on the date hereof with the Securities and Exchange Commission (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities and Exchange Act of 1934; and

(b) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ KENNETH D. TUCHMAN
Kenneth D. Tuchman
Chairman and Chief Executive Officer

Date: May 8, 2025

Exhibit 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER

PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned, the Chief Financial Officer of TTEC Holdings, Inc. (the “Company”), hereby certifies that, to his knowledge on the date hereof:

(a) the Form 10-Q of the Company for the quarter ended March 31, 2025 filed on the date hereof with the Securities and Exchange Commission (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities and Exchange Act of 1934; and

(b) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ KENNETH R. WAGERS, III
Kenneth R. Wagers, III
Chief Financial Officer

Date: May 8, 2025