

**Grid Dynamics Reports First Quarter 2026 Financial Results  
Revenues of \$104.1 million and Record AI Revenues of 29.3%**

San Ramon, Calif. — April 30, 2026 – Grid Dynamics Holdings, Inc. (Nasdaq: GDYN) (“Grid Dynamics” or the “Company”), a leader in enterprise-level AI and digital transformation, today announced results for the quarter ended March 31, 2026.

**First Quarter 2026 Revenues Performance**

We are pleased to report first quarter 2026 revenues of \$104.1 million, slightly above the higher end of our guidance range of \$103.0 million to \$104.0 million that we provided in March 2026.

Our Technology, Media and Telecom (“TMT”) vertical represented 29.5% of the first quarter revenues and was the key growth driver for the quarter, with revenues increasing 2.3% sequentially and 30.3% year-over-year. The strong year-over-year growth was driven by our top two technology customers. Retail was our second-largest vertical, contributing 28.4% of total revenues in the first quarter of 2026. The Finance vertical continued to perform strongly, contributing 23.5% of total revenues for the quarter, due to robust demand from our key fintech and banking customers. The Consumer Packaged Goods (“CPG”) and Manufacturing vertical represented 9.4% of first-quarter revenues. Lastly, the Healthcare and Pharma, and Other verticals contributed 2.1% and 7.1% of total first quarter revenues, respectively.

“Last quarter, we called 2026 a pivotal year for the accelerated adoption of our AI offerings. Our first quarter results are clear validation that our AI transformation is working, with AI revenues reaching 29.3% of total revenues. We introduced our GAIN platforms for Agentic Commerce, SDLC, Risk and Compliance, and Physical AI, each of which convert our deep IP and domain expertise into AI-native solutions. These GAIN platforms are now in production across a range of industry verticals, generating measurable business impact for our clients.

Our partnership-influenced revenues reached 19.1% of total revenues, with the majority coming from the top three hyperscalers and a meaningful proportion derived from AI engagements. Our pipeline entering the second quarter is strong. For the first time, our top five accounts are entirely outside of retail, reflecting meaningful diversification into technology and financial services, sectors where AI adoption is accelerating and our capabilities are highly differentiated,” said Leonard Livschitz, Chief Executive Officer.

**First Quarter 2026 Financial Highlights**

- Total revenues were \$104.1 million, up 3.7% on a year-over-year basis.
- GAAP gross profit was \$36.2 million, or 34.8% of revenues, compared to \$37.0 million, or 36.8% of revenues, in the first quarter of 2025.
- Non-GAAP gross profit was \$36.7 million, or 35.3% of revenues, compared to \$37.6 million, or 37.4% of revenues, in the first quarter of 2025.
- GAAP net loss was \$1.5 million, or \$0.02 per share, based on 84.7 million diluted weighted-average common shares outstanding in the first quarter of 2026, compared to net income of \$2.9 million, or \$0.03 per share, based on 87.8 million diluted weighted-average common shares outstanding, in the first quarter of 2025.
- Non-GAAP net income was \$7.5 million, or \$0.09 per diluted share, based on 85.9 million diluted weighted-average common shares outstanding in the first quarter of 2026, compared to \$10.0 million, or \$0.11 per diluted share, based on 87.8 million diluted weighted-average common shares outstanding, in the first quarter of 2025.

- Non-GAAP EBITDA (earnings before interest, taxes, depreciation, amortization, other income and expenses, fair value adjustments, stock-based compensation, transaction and transformation-related costs, and restructuring costs as well as geographic reorganization expenses), a non-GAAP metric, was \$12.5 million, compared to \$14.6 million in the first quarter of 2025.

See “Non-GAAP Financial Measures” and “Reconciliation of Non-GAAP Information” below for a discussion of our non-GAAP measures.

### **Cash Flow and Other Metrics**

- Cash provided by operating activities was \$8.4 million for the three months ended March 31, 2026, compared to \$9.4 million for the three months ended March 31, 2025.
- Cash and cash equivalents totaled \$327.5 million as of March 31, 2026, compared to \$342.1 million as of December 31, 2025.
- Total headcount was 4,964 as of March 31, 2026, compared with 4,926 as of March 31, 2025.

### **Financial Outlook**

#### **Second Quarter**

- The Company expects revenues in the second quarter of 2026 to be in the range of \$106.0 to \$108.0 million.
- Non-GAAP EBITDA in the second quarter of 2026 is expected to be between \$14.0 and \$15.0 million.
- For the second quarter of 2026, we expect our basic share count to be in the 84 - 85 million range and diluted share count to be in the 85 - 86 million range.

#### **Full Year**

- The Company expects full-year 2026 revenues to be in the range of \$435.0 to \$465.0 million, representing growth of 5.6% to 12.9% on a year-over-year basis.

Grid Dynamics is not able, at this time, to provide GAAP targets for net income/(loss) for the second quarter of 2026 because of the difficulty of estimating certain items excluded from Non-GAAP EBITDA that cannot be reasonably predicted, such as interest income, taxes, other income/(expenses), fair-value adjustments, geographic reorganization expenses, restructuring expenses, transaction-related costs and charges related to stock-based compensation expense. The effect of these excluded items may be significant.

### **Conference Call and Webcast**

Grid Dynamics will host a video conference call at 4:30 p.m. ET on Thursday, April 30, 2026 to discuss its first quarter financial results. Investors and other interested parties can access a webcast of the video conference call on the Investor Relations section of the Company’s website at <https://www.griddynamics.com/investors>.

A replay will also be available after the call at <https://www.griddynamics.com/investors> with the passcode \$Q1@2026.

### **About Grid Dynamics**

Grid Dynamics (Nasdaq: GDYN) is a premier AI transformation partner for the Fortune 1000. We combine deep AI expertise with proven enterprise-scale delivery to help clients identify where to invest in AI, build systems that work at scale, and capture real business value from AI deployments. A key differentiator for Grid Dynamics is our almost a decade of leadership in

enterprise AI. Founded in 2006, Grid Dynamics is headquartered in Silicon Valley with offices across the Americas, Europe, and India.

To learn more about Grid Dynamics, please visit <https://www.griddynamics.com>. Follow us on [LinkedIn](#).

### **Non-GAAP Financial Measures**

To supplement the financial measures presented in Grid Dynamics press release in accordance with generally accepted accounting principles in the United States (“GAAP”), the Company also presents non-GAAP measures of financial performance.

A “non-GAAP financial measure” refers to a numerical measure of Grid Dynamics historical or future financial performance or financial position that is included in (or excluded from) the most directly comparable measure calculated and presented in accordance with GAAP. Grid Dynamics provides certain non-GAAP measures as additional information relating to its operating results as a complement to results provided in accordance with GAAP. The non-GAAP financial information presented herein should be considered in conjunction with, and not as a substitute for or superior to, the financial information presented in accordance with GAAP and should not be considered a measure of liquidity and profitability.

Grid Dynamics has included these non-GAAP financial measures because they are financial measures used by Grid Dynamics’ management to evaluate Grid Dynamics’ core operating performance and trends, to make strategic decisions regarding the allocation of capital and new investments and are among the factors analyzed in making performance-based compensation decisions for key personnel.

Grid Dynamics believes the use of non-GAAP financial measures, as a supplement to GAAP measures, is useful to investors in that they eliminate items that are either not part of core operations or do not require a cash outlay, such as stock-based compensation expense. Grid Dynamics believes these non-GAAP measures provide investors and other users of its financial information consistency and comparability with its past financial performance and facilitate period to period comparisons of operations. Grid Dynamics believes these non-GAAP measures are useful in evaluating its operating performance compared to that of other companies in its industry, as they generally eliminate the effects of certain items that may vary for different companies for reasons unrelated to overall operating performance.

There are significant limitations associated with the use of non-GAAP financial measures. Further, these measures may differ from the non-GAAP information, even where similarly titled, used by other companies and therefore should not be used to compare our performance to that of other companies. Grid Dynamics compensates for these limitations by providing investors and other users of its financial information a reconciliation of non-GAAP measures to the related GAAP financial measures. Grid Dynamics encourages investors and others to review its financial information in its entirety, not to rely on any single financial measure, and to view its non-GAAP measures in conjunction with GAAP financial measures. Please see the reconciliation of non-GAAP financial measures to the most directly comparable GAAP measures attached to this release.

### **Forward-Looking Statements**

This communication contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that are not historical facts, and involve risks and uncertainties that could cause actual results of Grid Dynamics to differ materially from those expected and projected. These forward-looking statements can be identified by the use of forward-looking terminology, including the words “believes,” “estimates,” “anticipates,” “expects,” “intends,” “plans,” “may,” “will,” “potential,” “projects,” “predicts,” “continue,” or “should,” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include, without limitation, the quotations of management, the section titled “Financial Outlook,” and statements concerning Grid Dynamics’s expectations with respect to future performance, particularly in light of the macroeconomic and geopolitical environment, including the Russian invasion of Ukraine.

Factors that may cause such differences include, but are not limited to: (i) Grid Dynamics operates in a rapidly evolving industry, which makes it difficult to evaluate future prospects and may increase the risk that it will not continue to be successful; (ii) Grid Dynamics may be unable to effectively manage its growth or achieve anticipated growth, particularly as it expands into new geographies, which could place significant strain on Grid Dynamics' management personnel, systems and resources; (iii) Grid Dynamics' revenues are highly dependent on a limited number of clients and industries, and any decrease in demand for outsourced services in these industries, or in general as a result of artificial intelligence ("AI") or other technologies, may reduce Grid Dynamics' revenues and adversely affect Grid Dynamics' business, financial condition and results of operations; (iv) macroeconomic conditions, inflationary pressures, the risk of recession, the impact of tariffs and other factors impacting world trade, and the geopolitical climate, including the Russian invasion of Ukraine and the conflict with Iran, have and may continue to materially adversely affect our stock price, business operations, overall financial performance and growth prospects; (v) Grid Dynamics' revenues are highly dependent on clients primarily located in the United States, and any economic downturn in the United States or in other parts of the world, including Europe or disruptions in the credit markets may have a material adverse effect on Grid Dynamics' business, financial condition and results of operations; (vi) Grid Dynamics faces intense and increasing competition; (vii) Grid Dynamics' failure to successfully attract, hire, develop, motivate and retain highly skilled personnel could materially adversely affect Grid Dynamics' business, financial condition and results of operations; (viii) failure to adapt to rapidly changing technologies, methodologies and evolving industry standards, including those relating to AI, may have a material adverse effect on Grid Dynamics' business, financial condition and results of operations; (ix) issues relating to the use of AI technologies may result in reputational harm or liability, (x) security breaches and other incidents could expose us to liability and cause our business and reputation to suffer; (xi) failure to successfully deliver contracted services or causing disruptions to clients' businesses may have a material adverse effect on Grid Dynamics' reputation, business, financial condition and results of operations; (xii) risks and costs related to acquiring and integrating other companies; (xiii) risks relating to the global regulatory environment as well as legal proceedings and other claims, (xiv) risks related to the new and rapidly challenging AI business and (xv) other risks and uncertainties indicated in Grid Dynamics filings with the SEC.

Grid Dynamics cautions that the foregoing list of factors is not exclusive. Grid Dynamics cautions readers not to place undue reliance upon any forward-looking statements, which speak only as of the date made. Grid Dynamics does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in its expectations or any change in events, conditions or circumstances on which any such statement is based. Further information about factors that could materially affect Grid Dynamics, including its results of operations and financial condition, is set forth under the "Risk Factors" section of the Company's annual report on Form 10-K filed March 5, 2026 and in other periodic filings Grid Dynamics makes with the SEC.

## **Contacts**

**Grid Dynamics Investor Relations:**  
**[investorrelations@griddynamics.com](mailto:investorrelations@griddynamics.com)**

**Schedule 1:**  
**GRID DYNAMICS HOLDINGS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME/(LOSS)**  
**Unaudited**  
**(In thousands, except per share data)**

	<b>Three Months Ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
Revenues	\$ 104,100	\$ 100,415
Cost of revenues	67,868	63,418
<b>Gross profit</b>	<b>36,232</b>	<b>36,997</b>
<b>Operating expenses</b>		
Engineering, research, and development	6,079	6,486
Sales and marketing	7,694	8,257
General and administrative	26,140	24,291
<b>Total operating expenses</b>	<b>39,913</b>	<b>39,034</b>
<b>Loss from operations</b>	<b>(3,681)</b>	<b>(2,037)</b>
Other income, net	3,241	4,506
<b>Income/(loss) before income taxes</b>	<b>(440)</b>	<b>2,469</b>
Provision/(benefit) for income taxes	1,033	(443)
<b>Net income/(loss)</b>	<b>\$ (1,473)</b>	<b>\$ 2,912</b>
<b>Income/(loss) per share</b>		
Basic	\$ (0.02)	\$ 0.03
Diluted	\$ (0.02)	\$ 0.03
<b>Weighted average shares outstanding</b>		
Basic	84,680	84,123
Diluted	84,680	87,786

**Schedule 2:**  
**GRID DYNAMICS HOLDINGS, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
**Unaudited**  
**(In thousands, except per share data)**

	As of	
	March 31, 2026	December 31, 2025
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 327,468	\$ 342,058
Trade receivables, net of allowance of \$3,916 and \$3,721 as of March 31, 2026 and December 31, 2025, respectively	87,422	79,485
Prepaid expenses and other current assets	17,348	17,987
Total current assets	432,238	439,530
Property and equipment, net	17,805	17,666
Operating lease right-of-use assets, net	16,694	16,383
Intangible assets, net	39,576	41,608
Goodwill	83,975	84,364
Deferred tax assets	9,409	8,865
Other noncurrent assets	5,319	4,474
<b>Total assets</b>	<b>\$ 605,016</b>	<b>\$ 612,890</b>
<b>Liabilities and equity</b>		
Current liabilities		
Accounts payable	\$ 4,330	\$ 3,698
Accrued compensation and benefits	27,790	25,555
Operating lease liabilities, current	5,374	6,253
Accrued expenses and other current liabilities	17,372	16,608
Total current liabilities	54,866	52,114
Deferred tax liabilities	7,690	7,920
Operating lease liabilities, noncurrent	12,042	10,783
Contingent consideration payable, noncurrent	301	—
<b>Total liabilities</b>	<b>\$ 74,899</b>	<b>\$ 70,817</b>
<b>Stockholders' equity</b>		
Common stock, \$0.0001 par value; 110,000 shares authorized; 85,570 and 84,843 issued, 83,568 and 84,642 outstanding, as of March 31, 2026 and December 31, 2025, respectively	\$ 9	\$ 8
Additional paid-in capital	549,651	545,188
Accumulated deficit	(3,650)	(2,177)
Treasury stock	(13,464)	(2,000)
Accumulated other comprehensive income/(loss)	(2,429)	1,054
<b>Total stockholders' equity</b>	<b>\$ 530,117</b>	<b>\$ 542,073</b>

**Total liabilities and stockholders' equity**

<u>\$</u>	<u>605,016</u>	<u>\$</u>	<u>612,890</u>
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**Schedule 3:**  
**GRID DYNAMICS HOLDINGS, INC.**  
**RECONCILIATION OF NON-GAAP INFORMATION**  
**Unaudited**  
**(In thousands, except per share data)**

	<b>Three Months Ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
Revenues	\$ 104,100	\$ 100,415
Cost of revenues	67,868	63,418
<b>GAAP gross profit</b>	<b>36,232</b>	<b>36,997</b>
Stock-based compensation	510	570
<b>Non-GAAP gross profit</b>	<b>\$ 36,742</b>	<b>\$ 37,567</b>

	<b>Three Months Ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
<b>GAAP net income/(loss)</b>	<b>\$ (1,473)</b>	<b>\$ 2,912</b>
<i>Adjusted for:</i>		
Depreciation and amortization	5,203	4,719
Provision/(benefit) for income taxes	1,033	(443)
Stock-based compensation	8,454	10,743
Transaction and transformation-related costs <sup>(1)</sup>	526	438
Geographic reorganization <sup>(2)</sup>	361	344
Restructuring costs <sup>(3)</sup>	1,655	402
Interest and other income, net <sup>(4)</sup>	(3,241)	(4,506)
<b>Non-GAAP EBITDA</b>	<b>\$ 12,518</b>	<b>\$ 14,609</b>

- (1) Transaction and transformation-related costs include, when applicable, external deal costs, transaction-related professional fees, transaction-related retention bonuses, which are allocated proportionally across cost of revenues, engineering, research and development, sales and marketing and general and administrative expenses as well as other transaction-related costs including integration expenses consisting of outside professional and consulting services.
- (2) Geographic reorganization includes expenses connected with military actions of Russia against Ukraine and the exit plan announced by the Company and includes travel and relocation-related expenses of employees from the aforementioned countries, severance payments, allowances as well as legal and professional fees related to geographic repositioning in various locations. These expenses are incremental to those expenses incurred prior to the crisis, clearly separable from normal operations, and not expected to recur once the crisis has subsided and operations return to normal.
- (3) Our restructuring costs are comprised of severance charges and respective taxes, and are included in General and administrative expenses in the Company's unaudited condensed consolidated statements of income/(loss).
- (4) Interest and other income, net consist primarily of gains and losses on foreign currency transactions, fair value adjustments, interest on cash held at banks and returns on investments in money-market funds, and other miscellaneous non-operating expenses.

**Three Months Ended  
March 31,**

	2026	2025
<b>GAAP net income/(loss)</b>	<b>\$ (1,473)</b>	<b>\$ 2,912</b>
<i>Adjusted for:</i>		
Stock-based compensation	8,454	10,743
Transaction and transformation-related costs <sup>(1)</sup>	526	438
Geographic reorganization <sup>(2)</sup>	361	344
Restructuring costs <sup>(3)</sup>	1,655	402
Other (income)/expense, net <sup>(4)</sup>	(691)	(1,301)
Tax impact of non-GAAP adjustments <sup>(5)</sup>	(1,335)	(3,586)
<b>Non-GAAP net income</b>	<b>\$ 7,497</b>	<b>\$ 9,952</b>
Number of shares used in the GAAP diluted EPS	84,680	87,786
<b>GAAP diluted EPS</b>	<b>\$ (0.02)</b>	<b>\$ 0.03</b>
Number of shares used in the non-GAAP diluted EPS	85,912	87,786
<b>Non-GAAP diluted EPS</b>	<b>\$ 0.09</b>	<b>\$ 0.11</b>

- (1) Transaction and transformation-related costs include, when applicable, external deal costs, transaction-related professional fees, transaction-related retention bonuses, which are allocated proportionally across cost of revenues, engineering, research and development, sales and marketing and general and administrative expenses as well as other transaction-related costs including integration expenses consisting of outside professional and consulting services.
- (2) Geographic reorganization includes expenses connected with military actions of Russia against Ukraine and the exit plan announced by the Company and includes travel and relocation-related expenses of employees from the aforementioned countries, severance payments, allowances as well as legal and professional fees related to geographic repositioning in various locations. These expenses are incremental to those expenses incurred prior to the crisis, clearly separable from normal operations, and not expected to recur once the crisis has subsided and operations return to normal.
- (3) Our restructuring costs are comprised of severance charges and respective taxes, and are included in General and administrative expenses in the Company's unaudited condensed consolidated statements of income/(loss).
- (4) Other (income)/expense, net consists primarily of gains and losses on foreign currency transactions, fair value adjustments, and other miscellaneous non-operating income and expense.
- (5) Reflects the estimated tax impact of the non-GAAP adjustments presented in the table.

**Schedule 4:**  
**GRID DYNAMICS HOLDINGS, INC.**  
**REVENUES BY VERTICALS**  
**Unaudited**  
**(In thousands, except percentages)**

	<b>Three Months Ended</b>			
	<b>March 31,</b>			
	<b>2026</b>		<b>2025</b>	
	<b>(in thousands, except percentages)</b>			
Technology, Media and Telecom	\$ 30,759	29.5 %	\$ 23,602	23.5 %
Retail	29,569	28.4 %	31,521	31.4 %
Finance	24,454	23.5 %	25,028	24.9 %
CPG/Manufacturing	9,762	9.4 %	10,771	10.7 %
Healthcare and Pharma	2,154	2.1 %	2,405	2.4 %
Other	7,402	7.1 %	7,088	7.1 %
<b>Total</b>	<b>\$ 104,100</b>	<b>100.0 %</b>	<b>\$ 100,415</b>	<b>100.0 %</b>