



Grid Dynamics Joins Russell 2000® Index and Provides a Business Update

June 30, 2020

SAN RAMON, Calif.--(BUSINESS WIRE)--Jun. 30, 2020-- Grid Dynamics Holdings, Inc. (Nasdaq: GDYN) ("Grid Dynamics"), a leader in enterprise-level digital transformation, today announced the Company joined the Russell 2000® Index at the conclusion of the annual reconstitution of the Russell stock indexes, effective after the U.S. stock market opened on June 29, 2020. For more information on the Russell 2000® Index and the Russell indexes reconstitution, go to the "Russell Reconstitution" section on the FTSE Russell website.

"We are very pleased to be included in the Russell 2000 index," stated Leonard Livschitz, Chief Executive Officer of Grid Dynamics. "As a new public company, our inclusion represents an opportunity to increase our visibility within the investor community and expand our shareholder base."

"I am also very pleased with recent trends on the business front that reflect a pick-up of momentum with our customers," said Mr. Livschitz. "After the recent uncertainty due to COVID-19, we are witnessing signs of improving trends. Some customers have accelerated growth while others recover. Additionally, our efforts continue to pay off with new logos. We are adding new customers that are engaging Grid Dynamics with their critical digital transformation initiatives. Finally, we have been successful in collecting payments from some of our retail customers that went into cash preservation mode in the early days of the pandemic. In summary, the last couple of months point to improving trends for Grid Dynamics and we are optimistic as our customers increasingly seek our expertise in digital transformation."

About Grid Dynamics:

Grid Dynamics is a leader in driving enterprise-level digital transformation services for Fortune 1000 corporations. We work in close collaboration with our clients on digital transformation initiatives that span strategy consulting, early prototypes and enterprise-scale delivery of new digital platforms. We help organizations become more agile and create innovative digital products and experiences using our deep expertise in emerging technologies such as artificial intelligence, data science, cloud computing, Big Data and DevOps, top global engineering talent, lean software development practices, and a high-performance product culture. Headquartered in the San Francisco Bay Area with technologists located in engineering delivery centers throughout the US, Central and Eastern Europe, Grid Dynamics is known for architecting and delivering some of the largest digital transformation programs in the retail, technology and financial sectors to help its clients win market share, shorten time to market and reduce costs of digital operations on a massive scale. To learn more about Grid Dynamics, visit www.griddynamics.com, or follow us on Twitter @GridDynamics.

About FTSE Russell:

FTSE Russell is a leading global index provider creating and managing a wide range of indexes, data and analytic solutions to meet client needs across asset classes, style and strategies. Covering 98% of the investable market, FTSE Russell indexes offer a true picture of global markets, combined with the specialist knowledge gained from developing local benchmarks around the world.

FTSE Russell index expertise and products are used extensively by institutional and retail investors globally. Approximately \$16 trillion is currently benchmarked to FTSE Russell indexes. For over 30 years, leading asset owners, asset managers, ETF providers and investment banks have chosen FTSE Russell indexes to benchmark their investment performance and create investment funds, ETFs, structured products and index-based derivatives. FTSE Russell indexes also provide clients with tools for asset allocation, investment strategy analysis and risk management.

Russell indexes are widely used by investment managers and institutional investors for index funds and as benchmarks for active investment strategies. Approximately \$9 trillion in assets are benchmarked against Russell's US indexes. Russell indexes are part of FTSE Russell, a leading global index provider.

Annual Russell indexes reconstitution captures the 4,000 largest US stocks as of May 8, ranking them by total market capitalization. Membership in the small-cap Russell 2000® Index, which remains in place for one year, is based on membership in the broad-market Russell 3000® Index. FTSE Russell determines membership for its Russell indexes primarily by objective, market-capitalization rankings and style attributes.

A core set of universal principles guides FTSE Russell index design and management: a transparent rules-based methodology is informed by independent committees of leading market participants. FTSE Russell is focused on index innovation and customer partnership applying the highest industry standards and embracing the IOSCO Principles. FTSE Russell is wholly owned by London Stock Exchange Group.

For more information, visit www.ftserussell.com

Forward-Looking Statements:

This communication contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 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 and statements concerning Grid Dynamics's expectations with respect to future performance, particularly in light of the COVID-19 pandemic.

These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. Most of these factors are outside Grid Dynamics's control and are difficult to predict. Factors that may cause such differences include, but are not limited to: (i) Grid Dynamics has a relatively short operating history and 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, 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 that are affected by seasonal trends, and any decrease in demand for outsourced services in these industries may reduce Grid Dynamics' revenues and adversely affect Grid Dynamics' business, financial condition and results of operations; (iv) Grid Dynamics' revenues are highly dependent on clients primarily located in the United States, and any economic downturn in the United States or disruptions in the credit markets may have a material adverse effect on Grid Dynamics' business, financial condition and results of operations; (v) Grid Dynamics faces intense and increasing competition; (vi) 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; (vii) failure to adapt to rapidly changing technologies, methodologies and evolving industry standards may have a material adverse effect on Grid Dynamics' business, financial condition and results of operations; (ix) 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; (x) the impact of the COVID-19 pandemic has and may continue to materially adversely affect our stock price, business operations, and overall financial performance; and (xi) 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 its quarterly report on Form 10-Q and in other periodic filings Grid Dynamics makes with the Securities and Exchange Commission.

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Source: Grid Dynamics