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

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2026

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

Commission File Number 001-34099

MASTECH DIGITAL, INC.

(Exact name of registrant as specified in its charter)

PENNSYLVANIA
(State or other jurisdiction of
incorporation or organization)

26-2753540
(I.R.S. Employer
Identification No.)

1305 Cherrington Parkway, Building 210, Suite 400
Moon Township, Pennsylvania
(Address of principal executive offices)

15108
(Zip Code)

Registrant's telephone number, including area code: (412) 787-2100

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, par value \$.01 per share	MHH	NYSE American

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	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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

The number of shares of the registrant's Common Stock, par value \$.01 per share, outstanding as of April 30, 2026 was 11,998,186.

MASTECH DIGITAL, INC.
QUARTERLY REPORT ON FORM 10-Q
FOR THE QUARTER ENDED March 31, 2026

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PART I. FINANCIAL INFORMATION**ITEM 1. FINANCIAL STATEMENTS**

MASTECH DIGITAL, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Amounts in thousands, except per share data)
(Unaudited)

	Three Months Ended	
	March 31,	
	2026	2025
Revenues	\$ 41,083	\$ 48,317
Cost of revenues	30,058	35,425
Gross profit	11,025	12,892
Selling, general and administrative expenses	10,974	14,745
Income (loss) from operations	51	(1,853)
Interest income (expense), net	288	115
Other income (expense), net	318	(24)
Income (loss) before income taxes	657	(1,762)
Income tax expense (benefit)	393	(323)
Net income (loss)	\$ 264	\$ (1,439)
Earnings (loss) per share:		
Basic	0.02	\$ (0.12)
Diluted	0.02	\$ (0.12)
Weighted average common shares outstanding:		
Basic	11,828	11,753
Diluted	11,894	11,753

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

MASTECH DIGITAL, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Amounts in thousands)
(Unaudited)

	Three Months Ended	
	March 31,	
	2026	2025
Net income (loss)	\$ 264	\$ (1,439)
Other comprehensive income (loss):		
Foreign currency translation adjustments	(561)	30
Total other comprehensive income (loss), net of taxes	(561)	30
Total comprehensive income (loss)	\$ (297)	\$ (1,409)

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

MASTECH DIGITAL, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Amounts in thousands, except share and per share data)
(Unaudited)

	March 31, 2026	December 31, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 33,550	\$ 36,533
Accounts receivable, net of allowance for credit losses of \$269 in 2026 and \$275 in 2025	21,847	20,648
Unbilled receivables	5,868	5,748
Prepaid and other current assets	5,301	5,647
Total current assets	66,566	68,576
Equipment, enterprise software, and leasehold improvements, at cost:		
Equipment	3,778	3,817
Enterprise software	4,189	4,185
Leasehold improvements	739	738
	8,706	8,740
Less – accumulated depreciation and amortization	(7,316)	(7,183)
Net equipment, enterprise software, and leasehold improvements	1,390	1,557
Operating lease right-of-use assets, net	2,266	2,534
Deferred income taxes	1,941	2,583
Deferred financing costs, net	71	95
Deferred compensation, net	875	1,000
Non-current deposits	523	530
Goodwill, net of impairment	27,210	27,210
Intangible assets, net of amortization	7,152	7,755
Total assets	\$ 107,994	\$ 111,840
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	3,360	3,451
Accrued payroll and related costs	10,453	15,391
Current portion of operating lease liability	1,312	1,283
Other accrued liabilities	674	898
Deferred revenue	214	41
Total current liabilities	16,013	21,064
Long-term liabilities:		
Long-term operating lease liability, less current portion	810	1,138
Long-term severance liability	110	330
Total liabilities	16,933	22,532
Commitments and contingent liabilities (Note 5)		
Shareholders' equity:		
Preferred Stock, no par value; 20,000,000 shares authorized; none outstanding	—	—
Common Stock, par value \$.01; 100,000,000 shares authorized and 14,020,047 shares issued as of March 31, 2026 and 13,715,016 shares issued as of December 31, 2025	140	137
Additional paid-in-capital	44,562	42,515
Retained earnings	56,691	56,427
Accumulated other comprehensive income (loss)	(3,201)	(2,640)
Treasury stock, at cost; 2,022,864 shares as of March 31, 2026 and 2,022,864 shares as of December 31, 2025	(7,131)	(7,131)
Total shareholders' equity	91,061	89,308
Total liabilities and shareholders' equity	\$ 107,994	\$ 111,840

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

MASTECH DIGITAL, INC.
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(Amounts in thousands)
(Unaudited)

	Common Stock	Additional Paid-in Capital	Accumulated Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
Balances, December 31, 2025	\$ 137	\$ 42,515	\$ 56,427	\$ (7,131)	\$ (2,640)	\$ 89,308
Net gain	—	—	264	—	—	264
Other comprehensive loss, net of taxes	—	—	—	—	(561)	(561)
Stock-based compensation expense	—	750	—	—	—	750
Stock options exercised	3	1,297	—	—	—	1,300
Balances, March 31, 2026	<u>\$ 140</u>	<u>\$ 44,562</u>	<u>\$ 56,691</u>	<u>\$ (7,131)</u>	<u>\$ (3,201)</u>	<u>\$ 91,061</u>

	Common Stock	Additional Paid-in Capital	Accumulated Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
Balances, December 31, 2024	\$ 135	\$ 38,277	\$ 55,817	\$ (4,885)	\$ (1,910)	\$ 87,434
Net (loss)	—	—	(1,439)	—	—	(1,439)
Other comprehensive gain, net of taxes	—	—	—	—	30	30
Stock-based compensation expense	—	895	—	—	—	895
Stock Options Exercised	—	27	—	—	—	27
Balances, March 31, 2025	<u>\$ 135</u>	<u>\$ 39,199</u>	<u>\$ 54,378</u>	<u>\$ (4,885)</u>	<u>\$ (1,880)</u>	<u>\$ 86,947</u>

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

MASTECH DIGITAL, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in thousands)
(Unaudited)

	Three Months Ended March 31,	
	2026	2025
OPERATING ACTIVITIES:		
Net income (loss)	\$ 264	\$ (1,439)
Adjustments to reconcile net income (loss) to cash provided by (used in) operating activities:		
Depreciation and amortization	803	832
Bad debt expense	(6)	—
Interest amortization of deferred financing costs	24	24
Stock-based compensation expense	750	895
Deferred income taxes, net	637	3
Operating lease assets and liabilities, net	20	15
Amortization of deferred compensation	125	125
Unrealized FX on monetary items	(102)	73
Working capital items:		
Accounts receivable and unbilled receivables	(1,313)	(703)
Prepaid and other current assets	210	(127)
Accounts payable	(78)	(942)
Accrued payroll and related costs	(4,452)	(1,729)
Other accrued liabilities	(217)	162
Deferred revenue	173	(111)
Net cash flows provided by (used in) operating activities	<u>(3,162)</u>	<u>(2,922)</u>
INVESTING ACTIVITIES:		
Recovery of (payment for) non-current deposits	(15)	(19)
Capital expenditures	(66)	(114)
Net cash flows (used in) investing activities	<u>(81)</u>	<u>(133)</u>
FINANCING ACTIVITIES:		
Proceeds from the issuance of common shares	3	0
Proceeds from the exercise of stock options	681	27
Net cash flows provided by (used in) financing activities	<u>684</u>	<u>27</u>
Effect of exchange rate changes on cash and cash equivalents	(424)	(49)
Net change in cash and cash equivalents	(2,983)	(3,077)
Cash and cash equivalents, beginning of period	36,533	27,742
Cash and cash equivalents, end of period	<u>\$ 33,550</u>	<u>\$ 24,665</u>

Certain prior period amounts have been reclassified to conform to the current period presentation, including revisions to the classification of certain cash flow items.

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

MASTECH DIGITAL, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2026 AND 2025
(Unaudited)

1. Description of Business and Basis of Presentation:

Basis of Presentation

References in this Quarterly Report on Form 10-Q to “we”, “our”, “Mastech Digital”, “Mastech” or “the Company” refer collectively to Mastech Digital, Inc. and its wholly owned operating subsidiaries, which are included in these Condensed Consolidated Financial Statements (the “Financial Statements”).

Description of Business

We are a provider of Digital Transformation IT services to primarily large and medium-sized organizations.

Our portfolio of offerings includes a combination of professional services and staffing solutions designed to support our clients’ digital and technology initiatives. Beginning on January 1, 2026, we report our operations through two segments: Talent and Data & AI. This change reflects a realignment of the Company’s internal management and reporting structure under its operating strategy, whereby the Chief Operating Decision Maker evaluates operating performance and allocates resources based on these two segments. Prior-period segment information has been recast to conform to the current presentation.

The Data & AI segment consists of direct client engagements that are managed as services-led accounts. These offerings include data management and analytics, digital transformation consulting, AI and Industry Solutions, data engineering and IT services, and managed services. These services are delivered through a mix of on-site and offshore resources and may be structured as project-based, time-and-materials, or fixed-price arrangements. Our capabilities in this segment have been expanded through acquisitions, including InfoTrellis, Inc. (“InfoTrellis”) in 2017, which added specialized data and analytics expertise, and AmberLeaf Partners, Inc. (“AmberLeaf”) in 2020, which enhanced our customer experience consulting and managed services offerings.

The Talent segment consists of staffing engagements that provide clients with access to skilled technology professionals across a broad range of digital and mainstream IT disciplines. These engagements include both intermediated arrangements through managed service providers (“MSPs”) and system integrators, as well as certain direct client staffing relationships that are managed as staffing-only engagements. Our digital technology capabilities include data management, analytics, cloud, mobility, social, and artificial intelligence. We serve organizations with significant IT spending and recurring staffing needs, as well as clients with project-based staffing requirements.

Accounting Principles

The accompanying Financial Statements have been prepared by management in accordance with U.S. generally accepted accounting principles (“GAAP”) for interim financial information and applicable rules and regulations of the Securities and Exchange Commission (the “SEC”). Accordingly, they do not include all of the information and disclosures required by U.S. GAAP for complete consolidated financial statements. In the opinion of management, all adjustments, consisting principally of normal recurring adjustments, considered necessary for a fair presentation have been included. The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the Financial Statements and the accompanying notes. Actual results could differ from these estimates. These Financial Statements should be read in conjunction with the Company’s audited consolidated financial statements and accompanying notes for the year ended December 31, 2025, included in our Annual Report on Form 10-K filed with the SEC on March 18, 2026. Additionally, our operating results for the three months ended March 31, 2026, are not necessarily indicative of the results that can be expected for the year ending December 31, 2026 or for any other period.

Principles of Consolidation

The Financial Statements include the accounts of the Company and its wholly-owned subsidiaries. All material intercompany transactions and balances have been eliminated in consolidation.

Critical Accounting Policies

Please refer to Note 1 “Summary of Significant Accounting Policies” of the Consolidated Financial Statements and “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and

Estimates” in our Annual Report on Form 10-K for the year ended December 31, 2025, for a more detailed discussion of our significant accounting policies and critical accounting estimates. There were no material changes to these critical accounting policies during the three months ended March 31, 2026.

Segment Reporting

The Company has two reportable segments, in accordance with Accounting Standards Codification (“ASC”) Topic 280 “Disclosures About Segments of an Enterprise and Related Information”: Talent and Data & AI. See Note 12, “Business Segments and Geographic Information”, for additional information regarding the Company’s reportable segments.

2. Revenue from Contracts with Customers

The Company recognizes revenue on time-and-material contracts over time as services are performed and expenses are incurred. Time-and-material contracts typically bill at an agreed-upon hourly rate, plus out-of-pocket expense reimbursement. Out-of-pocket expense reimbursement amounts vary by assignment, but on average represent less than 2% of the total contract revenues. Revenue is earned on a per transaction or labor hour basis, as that amount directly corresponds to the value of the Company’s performance. Revenue recognition is negatively impacted by holidays and consultant vacation and sick days.

The Company recognizes revenue on fixed price contracts over time as services are rendered and uses a cost-based input method to measure progress. Determining a measure of progress requires management to make judgments that affect the timing of revenue recognized. Under the cost-based input method, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues, including estimated fees or profits, are recorded proportionally as costs are incurred. The Company has determined that the cost-based input method provides a fair depiction of the transfer of goods or services to the customer. Estimated losses are recognized immediately in the period in which current estimates indicate a loss. We record deferred revenues when cash payments are received or due in advance of our performance, including amounts which may be refundable.

The Company’s time-and-material and fixed price revenue streams are recognized over time as the customer receives and consumes the benefits of the Company’s performance as the work is performed.

In certain situations related to client direct hire assignments, where the Company’s fee is contingent upon the hired resources continued employment with the client, revenue is not fully recognized until such employment conditions are satisfied.

We do not sell, lease or otherwise market computer software or hardware, and, essentially, 100% of our revenue is derived from the sale of data and analytics, IT staffing and digital transformation services. We expense sales commissions in the same period in which revenues are realized. These costs are recorded within sales, general and administrative expenses.

Each contract the Company enters into is assessed to determine the promised services to be performed and includes identification of the performance obligations required by the contract. In substantially all of our contracts, we have identified a single performance obligation for each contract either because the promised services are distinct, or the promised services are highly interrelated and interdependent and therefore represent a combined single performance obligation.

Beginning in January 1, 2026, the Company reports its operations through two segments: Services and Data & AI.

The Data & AI segment provides direct client engagements that are managed as services-led accounts. These offerings include data management and analytics, digital transformation consulting, AI and Industry Solutions, staffing to direct customers, data engineering and IT services, and managed services. Engagements are typically project-based and may be structured as time-and-material or fixed-price arrangements and delivered using a combination of on-site and offshore resources.

The Talent segment consists of staffing engagements that provide clients with access to skilled technology professionals across a broad range of digital and mainstream IT disciplines. These engagements include both intermediated arrangements through managed service providers and system integrators, as well as certain direct client staffing relationships that are managed as staffing-only engagements. Substantially all revenue within this segment is recognized over time as services are performed, generally based on hours worked.

The following table depicts the disaggregation of our revenues by contract type and operating segment:

	Three Months Ended March 31,	
	2026	2025
(Amounts in thousands)		
Data and AI Segment		
Time-and-material Contracts	\$ 12,446	\$ 12,685
Fixed-price Contracts	138	3,312
Subtotal Data & AI	\$ 12,584	\$ 15,997
Talent Segment		
Time-and-material Contracts	\$ 28,499	\$ 32,320
Subtotal Talent	\$ 28,499	\$ 32,320
Total Revenues	\$ 41,083	\$ 48,317

For the three months ended March 31, 2026, the Company had one client (Fidelity = 24.5%) that exceeded 10% of total revenues. For the three months ended March 31, 2025, the Company had the three clients (Fidelity = 12.9%, CGI = 11.9% and Populus = 11.7%) that each exceeded 10% of total revenues.

The Company's top ten clients represented approximately 60% and 56% of total revenues for the three months ended March 31, 2026 and 2025, respectively.

The following table presents our revenue from external customers disaggregated by geography, based on the work location of our customers:

	Three Months Ended March 31,	
	2026	2025
(Amounts in thousands)		
United States	\$ 40,394	\$ 47,752
Canada	102	130
India and Other	587	435
Total revenues	\$ 41,083	\$ 48,317

3. Goodwill and Other Intangible Assets, net

Goodwill is allocated to the Company's reporting units within its Talent and Data & AI segments. In connection with the Company's adoption of its revised segment reporting structure effective January 1, 2026, goodwill and identifiable intangible assets were reassigned to the Company's reporting units using a relative fair value approach. The reassignment did not impact the Company's total consolidated goodwill or intangible asset balances.

Goodwill associated with the Talent segment relates to the Company's 2015 acquisition of Hudson Global Resources Management's U.S. IT staffing business. Goodwill associated with the Data & AI segment includes amounts related to the Company's acquisitions of the services division of InfoTrellis in 2017 and AmberLeaf in 2020, as well as a portion of goodwill originally arising from the Company's 2015 acquisition of Hudson Global Resources Management's U.S. IT staffing business that was reallocated in connection with the segment realignment.

The Company recorded goodwill impairment charges of \$5.3 million in 2023 and \$9.7 million in 2018 related to its Data & AI segment. These impairments were primarily attributable to declines in revenue levels and lower projected future revenues.

A continued decline in operating performance or adverse changes in market conditions affecting the Company's Talent segment could adversely affect the estimated fair value of the related reporting unit. If such trends persist, there is a risk that a goodwill impairment charge may be required in a future reporting period.

A reconciliation of the beginning and ending amounts of goodwill by operating segment for the periods ended March 31, 2026 and December 31, 2025 is as follows:

	Three Months Ended March 31, 2026	Twelve Months Ended December 31, 2025
(in thousands)		
Talent:		
Beginning balance	\$ 5,393	\$ 5,393
Goodwill recorded	—	—
Impairment	—	—
Ending Balance	<u>\$ 5,393</u>	<u>\$ 5,393</u>
Data & AI:		
Beginning balance	\$ 21,817	\$ 21,817
Goodwill recorded	—	—
Impairment	—	—
Ending Balance	<u>\$ 21,817</u>	<u>\$ 21,817</u>

The Company is amortizing the identifiable intangible assets on a straight-line basis over estimated average lives ranging from 3 to 12 years. Identifiable intangible assets were comprised of the following as of March 31, 2026 and December 31, 2025:

As of March 31, 2026				
(Amounts in thousands)	Amortization Period (In Years)	Gross Carrying Value	Accumulative Amortization	Net Carrying Value
Talent:				
Client relationships	12	\$ 5,119	\$ 4,604	\$ 515
Covenant-not-to-compete	5	204	204	—
Trade name	3	159	159	—
Data & AI:				
Client relationships	12	22,521	16,048	6,473
Covenant-not-to-compete	5	1,316	1,316	—
Trade name	5	1,801	1,801	—
Technology	7	1,979	1,815	164
Total Intangible Assets		<u>\$ 33,099</u>	<u>\$ 25,947</u>	<u>\$ 7,152</u>
As of December 31, 2025				
(Amounts in thousands)	Amortization Period (In Years)	Gross Carrying Value	Accumulative Amortization	Net Carrying Value
Talent:				
Client relationships	12	\$ 5,119	\$ 4,497	\$ 622
Covenant-not-to-compete	5	204	204	—
Trade name	3	159	159	—
Data & AI:				
Client relationships	12	22,521	15,580	6,941
Covenant-not-to-compete	5	1,316	1,316	—
Trade name	5	1,801	1,801	—
Technology	7	1,979	1,787	192
Total Intangible Assets		<u>\$ 33,099</u>	<u>\$ 25,344</u>	<u>\$ 7,755</u>

Amortization expense for the three months ended March 31, 2026 and 2025 totaled \$603,000 and \$650,000 respectively, and is included in selling, general and administrative expenses in the Consolidated Statement of Operations.

The estimated aggregate amortization expense for intangible assets for the years ending December 31, 2026 through 2030 is as follows:

	Years Ended December 31,				
	2026	2027	2028	2029	2030
	(Amounts in thousands)				
Amortization expense	\$ 2,413	\$ 2,025	\$ 1,637	\$ 1,000	\$ 248

4. Leases

The Company rents certain office facilities under noncancelable operating leases. As of March 31, 2026, approximately 94,000 square feet of office space is utilized for our sales and recruiting offices, delivery centers, and corporate headquarters. All of our leases are classified as operating leases. The average initial lease term is 3.6 years. Several leases have an option to renew, at our sole discretion, for an additional term. Our present lease terms range from less than one year to 3.5 years with a weighted average of 2.1 years. Leases with an initial term of twelve months or less are not recorded on the balance sheet.

The following table summarizes the balance sheet classification of the lease assets and related lease liabilities:

	March 31, 2026	December 31, 2025
	(in thousands)	
Assets:		
Long-term operating lease right-of-use assets	\$ 2,266	\$ 2,534
Liabilities:		
Short-term operating lease liability	\$ 1,312	\$ 1,283
Long-term operating lease liability	810	1,138
Total Liabilities	\$ 2,122	\$ 2,421

Future minimum rental payments for office facilities and equipment under the Company's noncancelable operating leases are as follows:

	Amount as of March 31, 2026 (in thousands)
2026 (for remainder of year)	\$ 1,048
2027	753
2028	259
2029	197
Total	\$ 2,257
Less: Imputed interest	(135)
Present value of operating lease liabilities	\$ 2,122

The weighted average discount rate used to calculate the present value of future lease payments was 5.8%.

We recognize rent expense for these leases on a straight-line basis over the lease term. Rental expense for the three months ended March 31, 2026 and 2025 totaled \$0.4 million in each period.

Total cash paid for lease liabilities for the three months ended March 31, 2026 and 2025 totaled \$0.4 million in each period.

The Company entered into two new lease arrangements for which the lease commencement dates had not occurred as of March 31, 2026, as discussed below:

On March 5, 2026, the Company entered into a lease agreement (the "Lease") with EPC-CW15, LLC (the "Landlord") for approximately 5,895 square feet of office space located at 3300 Olympus Boulevard, Suite 560, Dallas, Texas 75019 (the "Property"). The Lease is expected to commence on August 24, 2026 (or such later date as specified in the Lease) and has an initial term of five years following a five-month rent abatement period, unless earlier terminated in accordance with its terms. The Company has the option to renew the Lease for one additional five-year period.

In addition to the Lease described above, on December 16, 2025, the Company entered into a managed office space service agreement with Symbiyont Asset Management Private Limited for office premises in Bengaluru, India, comprising 96 seats and an initial term of 36 months. As lease commencement was contingent upon the premises being made available for the Company's intended use, and fit-outs and formal handover were completed in April 2026, the Company determined April 1, 2026 to be the lease commencement date under applicable accounting guidance.

5. Commitments and Contingencies

In the ordinary course of our business, the Company is involved in a number of lawsuits and administrative proceedings. While uncertainties are inherent in the final outcome of these matters, the Company's management believes, after consultation with legal counsel, that the disposition of these proceedings should not have a material adverse effect on our financial position, results of operations or cash flows.

6. Employee Benefit Plan

The Company provides an Employee Retirement Savings Plan (the "Retirement Plan") under Section 401(k) of the Internal Revenue Code of 1986, as amended (the "Code"), that covers substantially all U.S. based salaried and W-2 hourly employees. Employees may contribute a percentage of eligible compensation to the Retirement Plan, subject to certain limits under the Code. The Company did not provide for any matching contributions for the three months ended March 31, 2026 and 2025.

7. Stock-Based Compensation

In 2008, the Company adopted a Stock Incentive Plan. This stock incentive plan was amended and restated effective as of May 14, 2024 and further amended on May 14, 2025 (as amended from time to time, the "Plan"). The Plan provides that up to 6,200,000 shares of the Company's common stock, par value \$0.01 per share ("Common Stock") shall be allocated for issuance to directors, officers, employees and consultants of the Company. Grants under the Plan may be made in the form of stock options, stock appreciation rights, performance share awards, restricted stock awards or stock awards. As of March 31, 2026, there were 784,000 shares available for grant under the Plan.

The following table summarizes the equity awards granted during the three months ended March 31, 2026 and 2025:

	Three Months Ended March 31,	
	2026	2025
Equity Awards Granted		
Restricted stock (shares)	132,735	22,140
Stock options (shares)	20,000	702,358
Average exercise price (options)	\$ 6.33	\$ 15.41
Restricted stock units (RSUs)	37,953	—

Of the restricted stock granted during the three months ended March 31, 2026, 100,314 shares vested immediately upon grant but are subject to restriction that prohibits disposal of these restricted shares until March 30, 2028, subject to immediate lapse of any restriction due to (i) separation from the Company for any reason, (ii) death, or (iii) disability. The remaining restricted stock awards vest one year from the date of grant. While ownership rights attach at the grant date, these shares are subject to transfer restrictions and do not become freely transferable until vesting. The 100,314 shares issued during the period were in settlement of previously accrued cash compensation and did not result in additional stock-based compensation expense.

During the three months ended March 31, 2026, the Company granted 37,953 restricted stock units ("RSUs"), which vest one year from the date of grant. These awards were granted in anticipation of shareholder approval of an amendment to the Company's equity incentive plan, which was subsequently approved at the 2026 annual meeting of shareholders. Accordingly, the Company is recognizing compensation expense for these awards over the vesting period.

The following table summarizes Stock-based compensation expense during the three months ended March 31, 2026 and 2025:

	Three Months Ended March 31,	
	2026	2025
Stock Based Compensation Expense	\$ 750,000	\$ 895,000

Stock-based compensation expense is included in selling, general and administrative expenses in the Condensed Consolidated Statements of Operations.

The following table summarizes shares issued during the three months ended March 31, 2026 and 2025:

	Three Months Ended	
	March 31,	
	2026	2025
Shares Issued		
Restricted stock vesting	116,919	17,921
Stock option exercises	188,112	—
Total shares issued	305,031	17,921

In October 2018, the Board of Directors of the Company approved the Mastech Digital, Inc. 2019 Employee Stock Purchase Plan (the “Employee Stock Purchase Plan”). The Employee Stock Purchase Plan is intended to meet the requirements of Section 423 of the Code and was approved by the Company’s shareholders to be qualified. On May 15, 2019, the Company’s shareholders approved the Employee Stock Purchase Plan. Under the Employee Stock Purchase Plan, 600,000 shares of Common Stock (subject to adjustment upon certain changes in the Company’s capitalization) are available for purchase by eligible employees who become participants in the Employee Stock Purchase Plan. The purchase price per share is 85% of the lesser of (i) the fair market value per share of Common Stock on the first day of the offering period, or (ii) the fair market value per share of Common Stock on the last day of the offering period.

The Company’s eligible full-time employees are able to contribute up to 15% of their base compensation into the Employee Stock Purchase Plan, subject to an annual limit of \$25,000 per person. Employees are able to purchase Company Common Stock at a 15% discount to the lower of the fair market value of the Company’s Common Stock on the initial or final trading dates of each six-month offering period. Offering periods begin on January 1 and July 1 of each year. The Company uses the Black-Scholes option pricing model to determine the fair value of Employee Stock Purchase Plan share-based payments. The fair value of the six-month “look-back” option in the Company’s Employee Stock Purchase Plan is estimated by adding the fair value of 15% of one share of stock to 85% of the fair value of an option on one share of stock. The Company utilized U.S. Treasury yields as of the grant date for its risk-free interest rate assumption, matching the Treasury yield terms to the six-month offering period. The Company utilized historical company data to develop its dividend yield and expected volatility assumptions.

On February 16, 2026, the Company’s Board of Directors approved the termination of the Stock Purchase Plan. The termination will become effective on July 1, 2026, following completion of the current offering period ending June 30, 2026. Shares issuable under the current offering period will be issued in accordance with the terms of the plan, and no additional offering periods will commence thereafter.

During the three months ended March 31, 2026 and 2025, there were no shares issued under the Employee Stock Purchase Plan. Stock-based compensation expense related to the Stock Purchase Plan for the three months ended March 31, 2026 and 2025 totaled \$5,000 and \$21,000, respectively, and is included in selling, general and administrative expenses in the Condensed Consolidated Statements of Operations. As of March 31, 2026, there were 416,945 shares available for purchases under the Employee Stock Purchase Plan.

8. Credit Facility

On July 13, 2017, the Company entered into a Credit Agreement (the “Credit Agreement”) with PNC Bank, as administrative agent, swing loan lender and issuing lender, PNC Capital Markets LLC, as sole lead arranger and sole book-runner, and certain financial institution parties thereto as lenders (the “Lenders”). The Credit Agreement, as amended, provides for a total aggregate commitment of \$53.1 million, consisting of (i) a revolving credit facility (the “Revolver”) in an aggregate principal amount not to exceed \$40 million and (ii) a \$13.1 million term loan facility (the “Term Loan), as more fully described in Exhibit 10.1 to the Company’s Form 8-Ks filed with the SEC on July 19, 2017, April 25, 2018, October 7, 2020, Exhibit 10.2 to the Form 8-K/A filed with the SEC on January 4, 2022 and Exhibits 10.11 and 10.12 to the Company’s Form 10-K filed with the SEC on March 15, 2024. Additionally, the facility includes an accordion feature for additional borrowing of up to \$20 million upon satisfaction of certain conditions.

The Revolver expires in December 2026 and includes swing loan and letter of credit sub-limits in the aggregate amount not to exceed \$6.0 million for swing loans and \$5.0 million for letters of credit. Borrowings under the Revolver may be denominated in U.S. dollars or Canadian dollars. The maximum borrowings in U.S. dollars may not exceed the sum of 85% of eligible U.S. accounts receivable and 60% of eligible U.S. unbilled receivables, less a reserve amount established by the administrative agent. The maximum

borrowings in Canadian dollars may not exceed the lesser of (i) \$10.0 million; and (ii) the sum of 85% of eligible Canadian receivables, plus 60% of eligible Canadian unbilled receivables, less a reserve amount established by the administrative agent.

Amounts borrowed under the Term Loan were required to be repaid in consecutive quarterly installments of \$1.1 million through and including the maturity date of October 1, 2024. In August 2022, the Company prepaid \$7.6 million of the outstanding term loan with excess cash balances. The final term loan payment of \$1.1 million was made on January 3, 2023, taking the outstanding balance to zero.

Borrowings under the Revolver and the Term Loan, which may be made at the Company's election, bear interest at either (a) the higher of PNC's prime rate or the federal funds rate plus 0.50%, plus an applicable margin determined based upon the Company's senior leverage ratio or (b) the Secured Overnight Financing Rate ("SOFR"), plus an applicable margin determined based upon the Company's senior leverage ratio. The applicable margin on the base rate is between 0.50% and 1.25% on Revolver borrowings and between 1.75% and 2.50% on Term Loan borrowings. The applicable margin on the SOFR is between 1.50% and 2.25% on Revolver borrowings and between 2.75% and 3.50% on Term Loan borrowings. A 20 to 30-basis point per annum commitment fee on the unused portion of the Revolver is charged and due monthly in arrears. The applicable commitment fee is determined based upon the Company's senior leverage ratio.

The Company pledged substantially all of its assets in support of the Credit Agreement. The Credit Agreement contains standard financial covenants, including, but not limited to, covenants related to the Company's senior leverage ratio and fixed charge ratio (as defined under the Credit Agreement) and limitations on liens, indebtedness, guarantees, contingent liabilities, loans and investments, distributions, leases, asset sales, stock repurchases and mergers and acquisitions. As of March 31, 2026, the Company was in compliance with all applicable provisions of the Credit Agreement.

In connection with securing the commitments under the Credit Agreement and the April 20, 2018, October 1, 2020, December 29, 2021 and December 29, 2023 amendments to the Credit Agreement, the Company paid a commitment fee and incurred deferred financing costs totaling \$1,039,000, which were capitalized and are being amortized as interest expense over the life of the Credit Facility. Deferred financing costs of \$71,000 and \$95,000 (net of amortization) as of March 31, 2026, and December 31, 2025, respectively, are presented as long-term assets in the Company's Consolidated Balance Sheets.

As of March 31, 2026, and December 31, 2025, the Company's outstanding borrowings under the Revolver totaled zero dollars; and unused borrowing capacity available was approximately \$21.3 million and \$19.9 million, respectively. There were no outstanding borrowings under the Term Loan at March 31, 2026, and December 31, 2025. On May 9, 2024, the Company issued two standby Letters of Credit for \$162,000 each from PNC Bank to a Vietnam client to secure certain performance and advance payment guarantees made to the client on an existing fixed price Data and Analytics Services assignment. As of March 21, 2026 the letters of credit expired without payment and will not be renewed.

9. Income Taxes

The components of income (loss) before income taxes, as shown in the accompanying Financial Statements, consisted of the following for the three months ended March 31, 2026 and 2025:

	Three Months Ended March 31,	
	2026	2025
(Amounts in thousands)		
Income (loss) before income taxes:		
Domestic	\$ 136	\$ (2,586)
Foreign	521	824
Income (loss) before income taxes	<u>\$ 657</u>	<u>\$ (1,762)</u>

The Company has foreign subsidiaries that generate revenues from non-U.S. clients and provide services to the Company's U.S. operations. As a result, a portion of the Company's earnings is subject to foreign tax jurisdictions, which may have tax rates that differ from those in the United States.

The provision (benefit) for income taxes, as shown in the accompanying Financial Statements, consisted of the following for the three months ended March 31, 2026 and 2025:

	Three Months Ended March 31,	
	2026	2025
(Amounts in thousands)		
Current provision (benefit):		
Federal	\$ (353)	\$ (576)
State	(58)	(106)
Foreign	169	356
Total current provision (benefit)	<u>(242)</u>	<u>(326)</u>
Deferred provision (benefit):		
Federal	558	22
State	98	4
Foreign	(21)	(23)
Total deferred provision (benefit)	<u>635</u>	<u>3</u>
Change in valuation allowance	-	-
Total provision (benefit) for income taxes	<u>\$ 393</u>	<u>\$ (323)</u>

The reconciliation of income taxes computed using the statutory U.S. income tax rate and the provision (benefit) for income taxes for the three months ended March 31, 2026 and 2025 were as follows (amounts in thousands):

	Three Months Ended March 31, 2026		Three Months Ended March 31, 2025	
	Income taxes computed at the federal statutory rate	\$ 138	21.0%	\$ (370)
State income taxes, net of federal tax benefit	40	6.1	(102)	(5.8)
Stock-based compensation shortfalls	85	12.9	(22)	(1.2)
Non-deductible executive compensation	76	11.6	—	—
Difference in income tax rate on foreign earnings/other	54	8.2	171	9.7
	<u>\$ 393</u>	<u>59.8%</u>	<u>\$ (323)</u>	<u>(18.3)%</u>

The Company evaluates deferred income taxes on a quarterly basis to determine whether valuation allowances are required or should be adjusted. Accounting guidance requires the Company to assess whether valuation allowances should be established against deferred tax assets based on all available evidence, both positive and negative, using a “more likely than not” standard. This assessment considers, among other factors, the nature of cumulative losses, forecasts of future profitability, the duration of statutory carryforward periods, and available tax planning strategies.

At March 31, 2026 and 2025, the Company’s valuation allowance relates primarily to net operating losses in Ireland and the United Kingdom, totaling approximately \$435,000 and \$452,000, respectively. These valuation allowances reflect uncertainties regarding the Company’s ability to realize these deferred tax assets in future periods.

10. Shareholders’ Equity

On February 8, 2023, the Company announced that its Board of Directors authorized a share repurchase program for up to

500,000 shares of the Company's common stock. On February 19, 2025, the Board approved a one-year extension of the program through February 8, 2026. The share repurchase program expired in accordance with its terms on February 8, 2026.

During the three months ended March 31, 2026 and 2025, the Company did not repurchase any shares under this program. The program expired with 124,000 shares remaining available for repurchase.

On February 16, 2026, the Board of Directors authorized a new share repurchase program under which the Company may repurchase up to \$5.0 million of its outstanding common stock. Repurchases under the program may be made from time to time through privately negotiated transactions, block purchases, or other means, and the program may be modified, suspended, or terminated at any time at the discretion of the Board. The timing and amount of repurchases, if any, will depend on business, market, and economic conditions, as well as other factors. No repurchases were made under this program during the three months ended March 31, 2026.

Additionally, the Company may repurchase shares from time to time to satisfy employee tax withholding obligations related to its Stock Incentive Plan. The Company did not repurchase any shares for this purpose during the three months ended March 31, 2026 and 2025.

11. Earnings (Loss) Per Share

The computation of basic earnings (loss) per share is based on the Company's net income (loss) divided by the weighted average number of common shares outstanding. Diluted earnings (loss) per share reflect the potential dilution that could occur if outstanding stock options were exercised or restricted stock units settled. The dilutive effect of stock options was calculated using the treasury stock method.

For the three months ended March 31, 2026, there were 2,649,000 anti-dilutive stock options excluded from the computation of diluted earnings per share. For the three months ended March 31, 2025, all stock options and restricted shares were anti-dilutive and excluded from the computation of diluted (loss) per share.

12. Business Segments and Geographic Information

Beginning January 1, 2026, the Company reports its operations through two reportable segments: Talent and Data & AI. This change reflects a realignment of the Company's internal management and reporting structure under its operating strategy, whereby the Chief Operating Decision Maker evaluates operating performance and allocates resources based on these two segments. Prior-period segment information has been recast to conform to the current presentation.

The Data & AI segment consists of direct client engagements that are managed as services-led accounts. These offerings include data management and analytics, digital transformation consulting, AI and Industry Solutions, staffing to direct customers, data engineering and IT services, and managed services. Engagements are typically project-based and may be structured as time-and-material or fixed-price arrangements and delivered using a combination of on-site and offshore resources.

The Talent segment consists of staffing engagements that provide clients with access to skilled technology professionals across a broad range of digital and mainstream IT disciplines. These engagements include both intermediated arrangements through managed service providers and system integrators that are managed as staffing-only engagements. Substantially all revenue within this segment is recognized over time as services are performed, generally based on hours worked

	Three Months Ended March 31,	
	2026	2025
(Amounts in thousands)		
Revenues:		
Data & AI	\$ 12,584	\$ 15,997
Talent	28,499	32,320
Total revenues	<u>\$ 41,083</u>	<u>\$ 48,317</u>
Cost of Revenues:		
Data & AI	\$ 7,900	\$ 9,963
Talent	22,158	25,462
Total cost of revenues ¹	<u>\$ 30,058</u>	<u>\$ 35,425</u>
Gross Profit:		
Data & AI	\$ 4,684	\$ 6,034
Talent	6,341	6,858
Total gross profit ¹	<u>\$ 11,025</u>	<u>\$ 12,892</u>
Gross Margin %:		
Data & AI	37.2%	37.7%
Talent	22.2%	21.2%
Total gross margin % ¹	<u>26.8%</u>	<u>26.7%</u>
Sales & Marketing Expenses:		
Data & AI	\$ 1,898	\$ 2,469
Talent	935	1,832
Total sales & marketing expenses	<u>\$ 2,833</u>	<u>\$ 4,301</u>

	Three Months Ended March 31,	
	2026	2025
(Amounts in thousands)		
Operations Expenses:		
Data & AI	\$ 805	\$ 478
Talent	951	1,741
Total operations expenses	<u>\$ 1,756</u>	<u>\$ 2,219</u>
General & Administrative Expenses:		
Data & AI	\$ 2,429	\$ 2,815
Talent	3,354	3,351
Total general & administrative expenses	<u>\$ 5,783</u>	<u>\$ 6,166</u>
Segment operating income (loss):		
Data & AI	\$ (448)	\$ 272
Talent	1,101	(66)
Subtotal	653	206
Unallocated Cost:		
Amortization of acquired intangible assets	\$ (603)	\$ (650)
Severance expense	—	(1,409)
Interest income (expense), FX, gains (losses) and other, net	607	91
Income (loss) before income taxes	<u>\$ 657</u>	<u>\$ (1,762)</u>

Below is geographic information related to our revenues from external customers:

	Three Months Ended March 31,	
	2026	2025
(Amounts in thousands)		
United States	\$ 40,394	\$ 47,752
Canada	102	130
India and Other	587	435
Total revenues	<u>\$ 41,083</u>	<u>\$ 48,317</u>

The Company does not disclose total assets by reportable segment, as such information is not regularly provided to the Company's Chief Operating Decision Maker ("CODM"). A significant portion of the Company's assets is utilized across both segments and is not specifically attributable to individual segments.

13. Recently Issued Accounting Standards

Recent Accounting Pronouncements not yet adopted

In November 2024, the FASB issued ASU 2024-03, “Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses”. The amendments in this ASU require more detailed disclosures about an entity’s business expenses. Additional interim and annual reporting disclosures in the notes to financial statements include the amounts of inventory purchases, employee compensation, depreciation, amortization of intangible assets and a qualitative description of amounts that are not separately disclosed. The amendments in this ASU are effective for annual periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. Early adoption is permitted. The Company does not expect this ASU to have a material impact on its financial statements.

Recent Adopted Accounting Pronouncements

In July 2025, the FASB issued ASU 2025-05, “Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets.” The amendments in this ASU introduce a practical expedient for all entities and provide entities other than public business entities with an accounting policy election when applying Topic 326 to current accounts receivable and contract assets arising from transactions under Topic 606, Revenue from Contracts with Customers. The practical expedient is intended to simplify the estimation of expected credit losses for short-term trade receivables and contract assets when such losses are expected to be immaterial. The amendments are effective for fiscal years beginning after December 15, 2025, including interim periods within those fiscal years. Early adoption is permitted. The Company does not expect this ASU to have a material impact on its financial statements.

A variety of proposed or otherwise potential accounting standards are currently under consideration by standard-setting organizations and certain regulatory agencies. Because of the tentative and preliminary nature of such proposed standards, management has not yet determined the effect, if any that the implementation of such proposed standards would have on the Company’s consolidated financial statements.

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

You should read the following discussion in conjunction with our audited consolidated financial statements and accompanying notes for the year ended December 31, 2025, included in our Annual Report on Form 10-K, filed with the Securities and Exchange Commission (“SEC”) on March 18, 2026.

This quarterly report on Form 10-Q contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements about future events, future performance, plans, strategies, expectations, prospects, competitive environment and regulations. Forward-looking statements include all statements that are not historical facts and can be identified by the use of forward-looking terminology such as the words, “may”, “will”, “expect”, “anticipate”, “believe”, “estimate”, “plan”, “intend” or the negative of these terms or similar expressions in this quarterly report on Form 10-Q. We have based these forward-looking statements on our current views with respect to future events and financial performance. Our actual financial performance could differ materially from those projected in the forward-looking statements due to the inherent uncertainty of estimates, forecasts and projections and our financial performance may be better or worse than anticipated. Given these uncertainties, you should not put undue reliance on any forward-looking statements. All of the forward-looking statements are qualified in their entirety by reference to the factors discussed under “Risk Factors”, “Forward-Looking Statements” and elsewhere in our Annual Report on Form 10-K for the year ended December 31, 2025. Forward-looking statements represent our estimates and assumptions only as of the date that they were made. We do not undertake any duty to update forward-looking statements and the estimates and assumptions associated with them, after the date of this quarterly report on Form 10-Q, except to the extent required by applicable securities laws.

Website Access to SEC Reports:

The Company’s website is www.mastechdigital.com. The Company’s Annual Report on Form 10-K for the year ended December 31, 2025, current reports on Form 8-K and all other reports filed with the SEC, are available free of charge on the Investors page. The website is updated as soon as reasonably practical after such reports are filed electronically with the SEC.

Critical Accounting Policies

Please refer to Note 1 “Summary of Significant Accounting Policies” of the Consolidated Financial Statements and “Management’s Discussion and Analysis of Financial Condition and Results of Operations–Critical Accounting Policies and Estimates” in our Annual Report on Form 10-K for the year ended December 31, 2025 for a more detailed discussion of our significant accounting policies and critical accounting estimates. There were no material changes to these critical accounting policies during the three months ended March 31, 2026.

2024 Primentor, Inc. Consulting Agreement

On January 12, 2024, the Company entered into a consulting services agreement with Primentor, Inc. (“Primentor”) under which Primentor provides to the Company strategic advisory and management consulting services, as well as other business and organizational strategy services as requested by the Company’s Board of Directors. The initial term of the agreement is three years, commencing on January 12, 2024. The Company may elect to renew the agreement for successive one-year terms, subject to mutual agreement with Primentor regarding the scope of services and related fees.

During 2024 and 2025, the Company incurred consulting expenses of approximately \$1.1 million and \$0.3 million, respectively. The Company expects to incur approximately \$0.2 million in consulting expenses during 2026, plus reimbursement of reasonable and documented out-of-pocket expenses incurred by Primentor in rendering such services.

Transition of the Company’s finance and accounting functions to India:

During the first quarter of 2025, the Company’s Board of Directors made the decision to implement a long-term cost-cutting initiative to transition the Company’s finance and accounting functions to India. During 2025, the Company incurred \$1.2 million of severance costs and \$0.7 million of costs related to the duplication of resources and travel expenses during the training and knowledge transfer process. The transition was completed as of December 31, 2025.

Overview:

We are a provider of digital transformation IT services to primarily large and medium-sized organizations. Our portfolio combines project-based professional services with flexible staffing solutions to support our clients’ evolving digital and technology

needs.

Effective January 1, 2026, we realigned our reporting structure and now operate through two reportable segments: Talent and Data & AI. This change reflects how management evaluates performance and allocates resources across our core offerings. Prior-period information has been recast to conform to the current presentation.

Our Data & AI segment is focused on delivering consulting and managed services engagements that help clients design, build, and optimize their data and digital platforms. These offerings are typically delivered on a project or managed services basis and leverage a combination of on-site and offshore delivery capabilities. Our Data & AI capabilities have been developed both organically and through acquisitions, including InfoTrellis in 2017, which expanded our data and analytics expertise, and AmberLeaf in 2020, which strengthened our customer experience and managed services offerings.

Our Talent segment provides staffing solutions that enable clients to access skilled technology professionals across a broad range of digital and mainstream IT disciplines. These engagements include both direct client relationships and intermediated arrangements through managed service providers and systems integrators. This segment allows clients to scale their technology teams efficiently while maintaining flexibility in response to changing business conditions.

Across both segments, we serve a diversified set of industries, including financial services, government, healthcare, manufacturing, retail, technology, telecommunications, and transportation. Our client base includes organizations with ongoing technology investment needs, as well as those undertaking discrete digital transformation initiatives.

Data & AI Segment:

We provide information regarding new bookings within our Data & AI segment, which represents the estimated value of client engagements, including renewals and extensions of existing contracts. We believe this metric provides useful insight into trends in the volume of new business over time. New bookings can vary significantly from period to period due to the timing of contract awards, particularly for larger engagements. The conversion of bookings into revenue is influenced by several factors, including the nature and scope of services, contract duration, and the pace of client spending. Additionally, substantially all of our client contracts are terminable by the client on short notice, with little or no termination penalties. New bookings involve estimates and judgments, and there are no third-party standards governing their calculation. Accordingly, bookings should not be considered a substitute for, or comparable to, revenue measures. We do not update previously reported bookings for subsequent contract modifications, terminations, or reductions.

Economic Trends and Outlook:

Our business outlook is influenced by general economic conditions in North America and globally. Demand for our services, particularly within the Talent segment, is closely tied to employment levels, corporate spending, and overall economic activity. Periods of economic expansion typically lead to increased demand for our services, while periods of economic uncertainty or contraction may result in reduced client spending. In recent periods, economic conditions have been characterized by ongoing uncertainty, including inflationary pressures, interest rate volatility, and evolving trade and immigration policies. These dynamics have contributed to longer client decision-making cycles and more cautious spending patterns.

A significant portion of our revenues is generated from a limited number of clients. As a result, our operating results may be impacted by the financial condition and spending patterns of these clients, which may cause our performance to differ from broader market trends.

Within the Talent segment, a meaningful portion of revenues is generated through relationships with systems integrators and managed service providers (“MSPs”). These arrangements may exert pressure on pricing and margins over time.

Results of Operations for the Three Months Ended March 31, 2026 as Compared to the Three Months Ended March 31, 2025:

Revenues:

Revenues for the three months ended March 31, 2026 totaled \$41.1 million, compared to \$48.3 million for the corresponding three-month period in 2025. This 15% year-over-year revenue decrease reflected a 12% revenue decrease in our Talent segment and a 21% decline in our Data & AI segment. For the three months ended March 31, 2026, the Company had one client that had revenues in excess of 10% of total revenues (Fidelity 24.5%). For the three months ended March 31, 2025, the Company had three clients that

each had revenues in excess of 10% of total revenues (Fidelity = 12.9%, CGI = 11.9% and Populus = 11.7%). The Company's top ten clients represented approximately 60% and 56% of total revenues for the three months ended March 31, 2026 and 2025, respectively.

Below is a tabular presentation of revenues by reportable segment for the three months ended March 31, 2026 and 2025, respectively:

<u>Revenues (Amounts in millions)</u>	<u>Three Months Ended March 31, 2026</u>	<u>Three Months Ended March 31, 2025</u>
Data & AI	\$ 12.6	\$ 16.0
Talent	28.5	32.3
Total revenues	<u>\$ 41.1</u>	<u>\$ 48.3</u>

Revenues from our Data & AI segment totaled \$12.6 million in the three months ended March 31, 2026, which decreased compared to \$16.0 million in the corresponding period last year. The year-over-year decrease in revenues primarily reflects softer demand and slower client decision-making cycles for new projects in 2026. New bookings in the first quarter of 2026 totaled approximately \$13.6 million, compared to bookings of \$15.3 million in the first quarter of 2025, reflecting continued caution among clients with respect to discretionary spending amid macroeconomic uncertainty.

Revenues from our Talent segment totaled \$28.5 million in the three months ended March 31, 2026, compared to \$32.3 million during the corresponding 2025 period. The year-over-year decline in revenue primarily reflects lower billable consultants in 2026. Billable consultants at March 31, 2026 totaled 619-consultants compared to 782-consultants one year earlier. Our average bill rate during the first quarter of 2026 was \$90.91 per hour compared to \$87.82 per hour in the corresponding 2025 quarter. The increase in average bill rate was due to higher value assignments during the first quarter of 2026 and was reflective of the types of skill sets that we deployed to clients.

Gross Margins:

Gross profits in the first quarter of 2026 totaled \$11.0 million, which was \$1.9 million lower than the first quarter of 2025 gross profits. Gross profit as a percentage of revenue was 26.8% for the three-month period ended March 31, 2026, compared to 26.7% during the same period of 2025. This 10-basis point reduction in gross margins reflected higher margins in our Talent segment, offset by lower margins from our Data & AI segment during the current quarter.

Below is a tabular presentation of gross margin by reporting segment for the three months ended March 31, 2026 and 2025, respectively:

<u>Gross Margin</u>	<u>Three Months Ended March 31, 2026</u>	<u>Three Months Ended March 31, 2025</u>
Data & AI	37.2%	37.7%
Talent	22.2%	21.2%
Total gross margin	<u>26.8%</u>	<u>26.7%</u>

Gross margins from our Data & AI segment were 37.2% of revenues during the first quarter of 2026, which represented a decrease of 50-basis points compared to 37.7% of revenues during the first quarter of 2025. The margin reduction was primarily the result of a lower utilization rate in the 2026 quarter compared to the first quarter of 2025.

Gross margins from our Talent segment were 22.2% in the first quarter of 2026 compared to 21.2% during the corresponding quarter of 2025. This 100-basis point increase was due to higher quality placements and better pricing on new assignments in 2026.

Selling, General and Administrative (“SG&A”) Expenses:

Below is a tabular presentation of operating expenses by expense category for the three months ended March 31, 2026 and 2025, respectively:

SG&A Expenses (Amounts in millions)	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Data & AI Segment		
Sales and Marketing	\$ 1.9	\$ 2.5
Operations	0.8	0.5
General & Administrative	2.4	2.8
Subtotal Data & AI	\$ 5.1	\$ 5.8
Talent Segment		
Sales and Marketing	\$ 0.9	\$ 1.8
Operations	1.0	1.7
General & Administrative	3.4	3.4
Subtotal Talent	\$ 5.3	\$ 6.9
Amortization of Acquired Intangible Assets	\$ 0.6	\$ 0.6
Severance Expense	0.0	1.4
Total SG&A Expenses	\$ 11.0	\$ 14.7

SG&A expenses for the three months ended March 31, 2026, totaled \$11.0 million or 26.8% of total revenues, compared to \$14.7 million or 30.4% of total revenues for the three months ended March 31, 2025. Excluding the severance expense in the 2025 period and the amortization of acquired intangible assets in both periods, SG&A expense as a percentage of total revenues would have been 25.3% and 26.3%, respectively.

Fluctuations within SG&A expense components during the first quarter of 2026, compared to the first quarter of 2025, included the following:

- Sales and marketing expense was \$1.5 million lower in the 2026 period compared to the corresponding 2025 period. Sales and marketing expense in our Data & AI segment decreased by \$0.6 million, driven primarily by lower payroll and related costs. Sales and marketing expense in our Talent segment decreased by \$0.9 million, resulting from lower payroll and related costs, as well as reduced marketing spend.
- Operations expenses decreased by \$0.4 million in the 2026 period compared to the corresponding 2025 period. Operations expense increased by \$0.3 million in our Data & AI segment due to AI related personnel investments and decreased by \$0.7 million in our Talent segment due to staff reductions.
- General and administrative expenses decreased by \$0.4 million in the 2026 period compared to the corresponding 2025 period. General and administrative expenses in our Data & AI segment decreased by \$0.4 million primarily due to lower payroll and related costs in the 2026 period. In our Talent segment, general and administrative expenses remained flat.
- Amortization of acquired intangible assets was \$0.6 million in both the 2026 period and the corresponding 2025 period.
- Severance expense included in SG&A was \$1.4 million in the 2025 period, compared to no severance expense in the first quarter of 2026. The expense related to the Company's exiting Chief Financial Officer.

Other Income / (Expense) Components:

Other Income / (Expense) for the three months ended March 31, 2026, consisted of interest income of \$288,000 and foreign exchange gains of \$319,000. For the three months ended March 31, 2025, Other Income / (Expense) consisted of interest income of \$115,000 and foreign exchange losses of (\$24,000). The higher level of interest income was reflective of higher cash balances in the 2026 period.

Income Tax Expense:

Income tax expense for the three months ended March 31, 2026, totaled \$393,000, representing an effective tax rate on pre-tax income of 59.8%, compared to (\$323,000) benefit for the three months ended March 31, 2025, which represented an effective tax rate on a pre-tax loss of 18.3%. The main driver for the higher tax rate in the 2026 period is the shortfall in the expected benefit from stock options, and disallowed executive compensation.

Liquidity and Capital Resources:

Financial Conditions and Liquidity:

As of March 31, 2026, we had no bank debt, cash balances on hand of \$33.6 million and approximately \$21.3 million of borrowing capacity under our existing credit facility.

Historically, we have funded our organic business needs with cash generated from operating activities. Controlling our operating working capital levels by closely managing our accounts receivable balance is an important element of cash generation. As of March 31, 2026, our accounts receivable “days sales outstanding” (“DSOs”) increased to 60-days, compared to 56-days reported at March 31, 2025.

We believe that cash provided by operating activities, cash balances on hand and current availability under our credit facility will be adequate to fund our business needs and support our share repurchase program that we announced in February 2026 over the next twelve months, absent any acquisition-related activities.

Cash flows provided by (used in) operating activities:

Cash (used in) operating activities for the three months ended March 31, 2026, totaled (\$3.2) million compared to (\$2.9) million during the three months ended March 31, 2025. Operating cash flows for the 2026 period were driven by net income of \$0.3 million, non-cash charges of \$2.3 million, and a (\$5.7) million use of cash from changes in operating working capital. The use of cash from working capital was primarily attributable to a decrease in accrued payroll and related costs, reflecting the timing of annual bonus payments, as well as an increase in accounts receivable. In the prior year period, cash (used in) operating activities reflected a net loss of (\$1.4) million, non-cash charges of \$2.0 million, and a (\$3.5) million use of cash from changes in operating working capital. Working capital changes in 2025 were similarly driven by higher accounts receivable and the timing of compensation-related payments.

Cash flows (used in) investing activities:

Cash (used in) investing activities was (\$0.1) million in both the three months ended March 31, 2026 and 2025. Investing activities in both periods consisted primarily of capital expenditures and changes in non-current deposits.

Cash flows provided by (used in) financing activities:

Cash provided by financing activities for the three months ended March 31, 2026 totaled \$0.7 million and consisted primarily of proceeds from the exercise of stock options. Cash provided by financing activities for the three months ended March 31, 2025, was minimal and consisted of proceeds from the issuance of common shares.

Off-Balance Sheet Arrangements:

Other than \$324,000 in outstanding letters of credit issued under our Credit Agreement, we do not have any off-balance sheet arrangements. For further details about the outstanding letters of credit, refer to Note 8 — “Credit Facility” in the Notes to Condensed Consolidated Financial Statements included herein.

Inflation:

We do not believe that inflation had a significant impact on our results of operations for the periods presented, although economic uncertainty, including the concerns of our clients and other companies with respect to inflationary conditions in North America and elsewhere, has had and may continue to have an adverse impact on the demand for our services. On an ongoing basis, we attempt to minimize any effects of inflation on our operating results by controlling operating costs and, whenever possible, seek to ensure that billing rates reflect increases in costs due to inflation. However, high levels of inflation may result in higher interest rates which could increase our borrowing costs in the future if we elect to draw on our current or future credit facilities.

In addition, refer to “Item 1A. Risk factors” in our 2025 Annual Report on Form 10-K for a discussion about risks that inflation directly or indirectly may pose to our business.

Seasonality:

Our consultants' billable hours are affected by national holidays and vacation policies. Accordingly, we generally have lower utilization rates and higher benefit costs during the fourth quarter. Additionally, assignment completions tend to be higher near the end of the calendar year, which largely impacts our revenue and gross profit performance during the subsequent quarter.

Recently Issued Accounting Standards:

Recent accounting pronouncements are described in Note 13 to the accompanying financial statements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

In addition to the inherent operational risks, the Company is exposed to certain market risks, primarily related to changes in interest rates and currency fluctuations.

Interest Rates

As of March 31, 2026, we had no outstanding borrowings under the Credit Agreements — Refer to Note 8 — “Credit Facility” in the Notes to Condensed Consolidated Financial Statements, included herein.

Currency Fluctuations

The reporting currency of the Company and its subsidiaries is the U.S. dollar. The functional currency of the Company’s subsidiary in Canada is the U.S. dollar because the majority of its revenue is denominated in U.S. dollars. The functional currencies of the Company’s Indian and European subsidiaries are the local currency of the location of such subsidiary. The results of operations of the Company’s Indian and European subsidiaries are translated at the monthly average exchange rates prevailing during the period. The financial position of the Company’s Indian and European subsidiaries is translated at the current exchange rates at the end of the period, and the related translation adjustments are recorded as a component of accumulated other comprehensive income (loss) within Shareholders’ Equity. Gains and losses resulting from foreign currency transactions are included as a component of other income (expense), net in the Condensed Consolidated Statements of Operations, and have not been material for all periods presented. A hypothetical 10% increase or decrease in overall foreign currency rates in the first six months of 2025 would not have had a material impact on our consolidated financial statements.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the reports that the Company files or submits under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), is recorded, processed, summarized, and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to the Company’s management, including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

As of the end of the period covered by this report, the Company carried out an evaluation, under the supervision and with the participation of Company management, including the Chief Executive Officer and the Chief Financial Officer, of the effectiveness of the design and operation of the Company’s disclosure controls and procedures pursuant to Exchange Act Rules 13a-15(b). Based upon that evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that the Company’s disclosure controls and procedures were effective.

We do not expect that our disclosure controls and procedures will prevent all errors and all instances of fraud. Disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the disclosure controls and procedures are met. Further, the design of disclosure controls and procedures must reflect the fact that there are resource constraints, and the benefits must be considered relative to their costs. Because of the inherent limitations in all disclosure controls and procedures, no evaluation of disclosure controls and procedures can provide absolute assurance that we have detected all our control deficiencies and instances of fraud, if any. The design of disclosure controls and procedures also is based partly on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

Changes in Internal Control over Financial Reporting

There were no changes in the Company’s internal control over financial reporting during the quarter ended March 31, 2026 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

In the ordinary course of our business, we are involved in a number of lawsuits and administrative proceedings. While uncertainties are inherent in the final outcome of these matters, management believes, after consultation with legal counsel, that the disposition of these proceedings should not have a material adverse effect on our financial position, results of operations or cash flows.

ITEM 1A. RISK FACTORS

There have been no material changes from the risk factors as previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on March 18, 2026.

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

A summary of our Common Stock repurchased during the quarter ended March 31, 2026 is set forth in the following table:

Period	Total Number of Shares Purchased (1)	Average Price per Share (1)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (1)	Maximum Number of Shares that May Yet Be Purchased Under this Plan or Programs (1)
January 1, 2026 — January 31, 2026	—	\$ —	—	123,556
February 1, 2026 — February 8, 2026	—	\$ —	—	123,556
Total	—	\$ —	—	123,556

- (1) On February 8, 2023, the Company announced that the Board of Directors authorized a share repurchase program of up to 500,000 shares of Common Stock over a two-year period. Repurchases under the program may occur from time to time in the open market, through privately negotiated transactions, through block purchases or other purchase techniques (including Rule 10b5-1 programs), or by any combination of such methods, and the program may be modified, suspended or terminated at any time at the discretion of the Board of Directors. On February 19, 2025, the Company announced that the Board of Directors had authorized an extension of its previously announced share repurchase program for an additional year through February 8, 2026. The Company did not repurchase any shares of its Common Stock in 2026, and on February 8, 2026, this share repurchase program expired by its terms.

Period	Total Number of Shares Purchased (2)	Average Price per Share (2)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (2)	Maximum Dollars that May Yet Be Used Under this Plan or Programs (2)
February 16, 2026 — February 28, 2026	—	\$ —	—	5,000,000
March 1, 2026 — March 31, 2026	—	\$ —	—	5,000,000
Total	—	\$ —	—	5,000,000

- (2) On February 16, 2026, the Company’s Board of Directors authorized a new share repurchase program pursuant to which the Company may repurchase up to \$5.0 million of its common stock. Repurchases under the program may occur from time to time in the open market, through privately negotiated transactions, through block purchases or other purchase techniques, or by any combination of such methods, and the program may be modified, suspended or terminated at any time at the discretion of the Company’s Board of Directors. The authorization became effective on February 16, 2026. The Company did not repurchase any shares of its Common Stock during the quarter ended March 31, 2026.

ITEM 5. OTHER INFORMATION

Rule 10b5-1 Trading Plans of Directors and Section 16 Officers

During the fiscal quarter ended September 30, 2025, none of our directors or officers (as defined in Exchange Act Rule 16a-1(f)) informed us of the adoption, modification or termination of a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as those terms are defined in Regulation S-K, Item 408.

ITEM 6. EXHIBITS

(a) Exhibits

- 10.1 [Lease Agreement between EPC-CW15, LLC, as Landlord, and Mastech Digital, Inc., as Tenant, effective March 5, 2026, incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K, filed with the Securities and Exchange Commission on March 11, 2026.](#)
- 10.2 [Restricted Stock Agreement between Mastech Digital, Inc. and Nirav Patel, dated March 30, 2026, incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K, filed with the Securities and Exchange Commission on April 3, 2026.](#)
- 31.1 [Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 by the Chief Executive Officer is filed herewith.](#)
- 31.2 [Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 by the Chief Financial Officer is filed herewith.](#)
- 32.1 [Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, by the Chief Executive Officer is furnished herewith.](#)
- 32.2 [Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, by the Chief Financial Officer is furnished herewith.](#)
- 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 Document.
- 101.CAL Inline XBRL Taxonomy Extension Calculation Linkbase Document.
- 101.DEF Inline XBRL Taxonomy Extension Definition Linkbase Document.
- 101.LAB Inline XBRL Taxonomy Extension Label Linkbase Document.
- 101.PRE Inline XBRL Taxonomy Extension Presentation Linkbase Document.
- 104 Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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, on this 15th day of May, 2026.

May 15, 2026

MASTECH DIGITAL, INC.

/s/ NIRAV PATEL

Nirav Patel
Chief Executive Officer

/s/ KANNAN SUGANTHARAMAN

Kannan Sugantharaman
Chief Financial Officer
(Principal Financial Officer)

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

I, Nirav Patel, certify that:

1. I have reviewed this report on Form 10-Q of Mastech Digital, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15(d)-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 case of the annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

MASTECH DIGITAL, INC.

Date: May 15, 2026

/S/ NIRAV PATEL

Nirav Patel
Chief Executive Officer

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

I, Kannan Sugantharaman, certify that:

1. I have reviewed this report on Form 10-Q of Mastech Digital, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15(d)-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 case of the annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

MASTECH DIGITAL, INC.

Date: May 15, 2026

/S/ KANNAN SUGANTHARAMAN

Kannan Sugantharaman
Chief Financial Officer

**Certification Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of Mastech Digital, Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Nirav Patel, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/S/ NIRAV PATEL

Nirav Patel

Chief Executive Officer

Date: May 15, 2026

**Certification Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of Mastech Digital, Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Kannan Sugantharaman, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/S/ KANNAN SUGANTHARAMAN

Kannan Sugantharaman
Chief Financial Officer

Date: May 15, 2026
