

Happiest Minds Technologies Limited Regd. Office: #53/1-4, Hosur Main Road, Madivala, Bengaluru-560068, Karnataka, India CIN of the Co. L72900KA2011PLC057931 P: +91 80 6196 0300, F: +91 80 6196 0700 Website: www.happiestminds.com Email: investors@happiestminds.com

May 06, 2024

Listing Compliance & Legal Regulatory BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 Stock Code: 543227, 974728, 974820 & 975101 Listing & Compliance National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai 400 051 Stock Code: HAPPSTMNDS

Dear Sir/Madam,

#### Sub: Press Release on the financial results of Q4 for FY'24

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed a copy of the Press Release on the financial results of the Company for the quarter and financial year ended March 31, 2024.

This is for your information and records.

Thanking you, Yours faithfully, For **Happiest Minds Technologies Limited** 







### PRESS RELEASE

## Happiest Minds reports industry leading growth and on track for vision of \$1 Bn revenues by 2031.

# Revenues at US\$ 196.1 Mn, grew 11% growth in constant currency; Beats EBITDA guidance at 24.6%

Proposes final dividend of ₹ 3.25 per share; total dividend for the year of ₹5.75.

**Bengaluru, India, San Jose, California and London, May 6<sup>th</sup>, 2024:** Happiest Minds Technologies Limited (NSE:HAPPSTMNDS), a 'Born Digital. Born Agile', digital transformation and IT solutions company, today announced its consolidated results for the fourth quarter and year ended March 31, 2024, as approved by its Board of Directors.

**Ashok Soota, Executive Chairman,** said "Happiest Minds has demonstrated resilience in achieving our financial objectives for the long term. The newly created Gen AI business unit, creation of six new Industry Groups and successful closure of two acquisitions has put us back on course towards accomplishing our long-term vision of US \$ 1Bn in revenues by FY31."

#### **Financial highlights**

#### Quarter ended March 31, 2024

- Revenue in constant currency grew by 1.4% q-o-q and 9.5% y-o-y
- Operating Revenues in US\$ stood at \$50.1 million (growth of 1.4% q-o-q: 9.1% y-o-y)
- Total Income of ₹ 44,250 lakhs (growth of 1.9% q-o-q; 14.5% y-o-y)
- EBITDA of ₹ 10,822 lakhs, 24.5% of Total Income (growth of 2.9% q-o-q; 7.6% y-o-y)
- PAT of ₹ 7,198 lakhs (growth of 20.7% q-o-q; 24.8% y-o-y)
- Free cash flows of ₹ 10,744 Lakhs
- EPS (diluted) for the quarter at ₹ 4.79

#### Year ended March 31, 2024

- Revenue in constant currency grew by 11% y-o-y
- Operating Revenues in US\$ stood at \$196.1 million (growth of 10.3% y-o-y)
- Total Income of ₹ 171,003 lakhs (growth of 17.9% y-o-y)
- EBITDA of ₹ 42,122 lakhs, 24.6% of Total Income (growth of 10.9% y-o-y)
- PAT of ₹ 24,839 lakhs (growth of 7.5% y-o-y)
- Free cash flows of ₹ 41,069 Lakhs
- EPS (diluted) for the full year of ₹ 16.73



born Digital . born Agi

|                             |          |          |               |          |                 | All amounts in ₹ Lakhs unless stated otherwise |         |                |
|-----------------------------|----------|----------|---------------|----------|-----------------|--|---------|----------------|
| Particulars                 | Q4 FY 24 | Q3 FY 24 | QoQ           | Q4 FY 23 | ΥοΥ             | FY 24  | FY 23   | ΥοΥ            |
| Revenues                    | 41,729   | 40,988   | 1.8%          | 37,798   | 10.4%           | 162,466  | 142,929 | 13.7%          |
| Other Income                | 2,521    | 2,429    | <b>3.8</b> %  | 845      | 1 <b>98.3</b> % | 8,537  | 2,111   | 304.4%         |
| Total Income                | 44,250   | 43,417   | <b>1.9</b> %  | 38,643   | 14.5%           | 171,003  | 145,040 | 17. <b>9</b> % |
| EBITDA                      | 10,822   | 10,519   | <b>2.9</b> %  | 10,062   | 7.6%            | 42,122   | 37,997  | <b>10.9</b> %  |
| %                           | 24.5%    | 24.2%    |               | 26.0%    |                 | 24.6%  | 26.2%   |                |
| РВТ                         | 9,615    | 8,073    | <b>19</b> .1% | 7,893    | 21.8%           | 33,468   | 30,986  | <b>8.0</b> %   |
| %                           | 21.7%    | 18.6%    |               | 20.4%    |                 | 19.6%  | 21.4%   |                |
| Тах                         | 2,417    | 2,111    |               | 2,127    |                 | 8,629  | 7,887   |                |
| %                           | 5.5%     | 4.9%     |               | 5.5%     |                 | 5.0%   | 5.4%    |                |
| РАТ                         | 7,198    | 5,962    | 20.7%         | 5,766    | 24.8%           | 24,839   | 23,099  | 7.5%           |
| %                           | 16.3%    | 13.7%    |               | 14.9%    |                 | 14.5%  | 15.9%   |                |
| Revenues (\$'000)           | 50,077   | 49,366   | 1.4%          | 45,918   | <b>9</b> .1%    | 196, 130                                       | 177,768 | 10.3%          |
| Growth in Constant Currency |          |          | 1.4%          |          | <b>9</b> .5%    |  |         | 11.0%          |

**Venkatraman Narayanan, MD & CFO,** said "Happy to report a full year revenue growth in constant currency of 11% and EBITDA of 24.6%. I am proud of our performance especially in the face of a challenging year faced by our industry. Acquisition of PureSoftware Technologies and Macmillan Learning should help us in our growth story while delivering value to all our stakeholders"

**Joseph Anantharaju, Executive Vice Chairman**, said, "We have onboarded ten new customers and have built up a good sales pipeline for FY25. This, along with the cross-selling opportunities afforded by our acquisitions, we are well positioned for a rewarding FY25. Our Customer Happiness Survey this year has yielded excellent and best net promoter scores, validating our compelling customer value proposition and quality execution."

#### **Clients:**

- 250 as of March 31, 2024
- 10 additions in the quarter

#### **Our People - Happiest Minds:**

- 5,168 Happiest Minds as of March 31, 2024
- Trailing 12-month attrition of 13.0% (14.1% in the previous quarter)
- Utilization of 75.1%, from 76.7% in last quarter



#### Q4 FY24 Key wins

- For **Enercon**, a leading wind energy technology company, Happiest Minds was chosen as a strategic partner to build their platform which optimizes wind energy generation.
- For **MindSculpt Analytics**, a **Healthcare Solutions Company**, Happiest Minds is building an advanced AI Medical Preventive & Diagnostic solution.
- For a **prominent credit union service organization**, Happiest Minds is building two highly replicable GenAl solutions that help with training their employees on performance management and customer support.
- For a **South East Asian Bottling company**, Happiest Minds is engaged in building GenAl solutions that allow employees to converse in both local language and English against Enterprise knowledge.
- For **the professional services arm of a global hyperscaler**, Happiest Minds was chosen to design and configure an end-to-end secure and scalable connected vehicle platform on their cloud platform.
- For a **global consumer products company (CPG)**, this new win entails Happiest Minds to revamp the User Experience of front facing applications of their Distributed Management Systems.
- For the **world's premier entertainment company** and an existing customer, Happiest Minds expanded its presence to provide product engineering services for their Imagineering division.
- For a **global movie chain**, Happiest Minds is providing digital transformation services leveraging the Pimcore <sup>®</sup> Platform.
- For a **supply chain enabler in the healthcare industry**, Happiest Minds is their strategic partner in engineering and development for their mission critical applications.
- For a **EduTech company** which enables regional universities drive accelerated online programs, Happiest Minds was chosen to provide digital engineering services for their technology platform.
- For an **international education services company**, Happiest Minds is helping to build nextgeneration solution for increased engagement and improved efficiency with students and universities.
- For a **reputed MedTech company**, this new win entails Happiest Minds to build their asset management platform to provide actionable insights to the field service technicians.

#### **Award Wins:**

- Happiest Minds is recognized among '**Top 50 India's Best Workplaces™ in Health and** Wellness 2023' by Great Place To Work® Institute
- Happiest Minds awarded the '**Best Tech for Security'** Award at the 3rd Edition of the IDEA Awards
- Happiest Minds awarded the '**Top Firms to Work for in AI & Analytics**' and Sridhar Mantha recognized as '**AI Leader of the Year**' at the 3AI ACME Awards

#### **Analyst Mentions**



- Happiest Minds is 'Aspirant' in Retail IT Services Everest
- Happiest Minds is 'Pioneers' in Service Providers ESG Index 2023-2024 Avasant

#### Announcements

• The Board of Directors of the Company at their meeting held on May 6, 2024 has recommended a final dividend of ₹3.25 per equity share of face value ₹ 2/- for the financial year 2023-24 subject to shareholder approval.

### For further details please refer to the Investors presentation hosted on the company website – – Investors section

#### About Happiest Minds Technologies:

<u>Happiest Minds Technologies Limited</u> (NSE: HAPPSTMNDS), a Mindful IT Company, enables <u>digital</u> <u>transformation</u> for enterprises and technology providers by delivering seamless customer experiences, business efficiency and actionable insights. We do this by leveraging a spectrum of disruptive technologies such as: <u>artificial intelligence</u>, <u>blockchain</u>, <u>cloud</u>, <u>digital process automation</u>, <u>internet of things</u>, robotics/drones, <u>security</u>, <u>virtual/augmented reality</u>, etc. Positioned as 'Born Digital . Born Agile', our capabilities span Product & Digital Engineering Services (PDES), Generative AI Business Services (GBS) and Infrastructure Management & Security Services (IMSS). We deliver these services across industry sectors such as automotive, BFSI, consumer packaged goods, e-commerce, EduTech, engineering R&D, healthcare, hi-tech, manufacturing, retail and travel/transportation/hospitality. The company has been recognized for its excellence in Corporate Governance practices by Golden Peacock and ICSI. A Great Place to Work-Certified<sup>™</sup> company, Happiest Minds is headquartered in Bangalore, India with operations in the U.S., UK, Canada, Australia and Middle East.

#### Safe harbor

This release may contain certain forward-looking statements, which involves risks and uncertainties that could cause our future results to differ materially from those in such forward-looking statements. The COVID-19 pandemic could decrease our customers' technology spend, delaying prospective customers' purchasing decisions, and impact our ability to provide services; all of which could adversely affect our future revenue, margin, and overall financial performance. Our operations could also be negatively impacted by a range of external factors not within our control including those due to the pandemic. We do not undertake to update any of our forward-looking statements that may be made from time to time by us or on our behalf.

For more information, contact:

Media Contact: media@happiestminds.com

Investors Relations: IR@happiestminds.com