

January 17, 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: Earnings Presentation on the financial results of Q3 for FY'24

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed a copy of the Earnings Presentation of the financial results of the Company for the quarter and nine months ended December 31, 2023 that will be circulated to the Investors/ Analysts for the Earnings Call scheduled on January 18, 2024, at 09:00 A.M. (IST).

This is for your information and records.

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

Praveen Kumar Darshankar
Company Secretary & Compliance Officer
Membership No. F6706



Investor Presentation & FACT SHEET: Q3 FY 24

January 2024

About Happiest Minds

Next-Gen Digital Transformation, Infrastructure, Security and Product Engineering Services Company

<p>96% Digital Born Digital</p>	<p>94% Agile Born Agile</p>	<p>245 Active Clients 59 Fortune2000 / Forbes200 Billion \$ Corporations 92% Repeat Business</p>	<p>22.9% RoCE¹ 16.7% RoE</p>
<p>Mission Statement Happiest People Happiest Customers SMILES Values Sharing, Mindful, Integrity, Learning, Excellence, Social Responsibility</p>	<p>5,246 Happiest Minds across 7 Countries 27.9% Gender Diversity 4.0 rating on Glassdoor</p>	<p>Great Place To Work[®]</p> <ul style="list-style-type: none"> • Top 10 India's Best Workplaces™ in Health & Wellness 2022 • Top 50 India's Best Workplaces™ for Women 2023 • Top 50 India's Best Workplaces™ for Building a Culture of Innovation 2023 • Top 50 India's Best Workplaces™ in IT & IT-BPM for 2023 	<p>Q3 FY24 Revenue Growth in CC* 0.8% q-o-q 9.4% y-o-y EBITDA margin 24.2%</p>

Promoter



Ashok Soota



IPO - In September 2020

- Completed 12 years in August 2023
- Successful QIP Fund raise of ₹500 Cr /US \$61 Mn in July 2023
- Strong Management Team & Corporate Governance
- 750K+ Investors
- Robust Growth and Profitability










*Constant Currency
 Note 1 : RoCE / RoE is Nine-month annualized.

Disclaimer: All logos are the property of their respective owners.

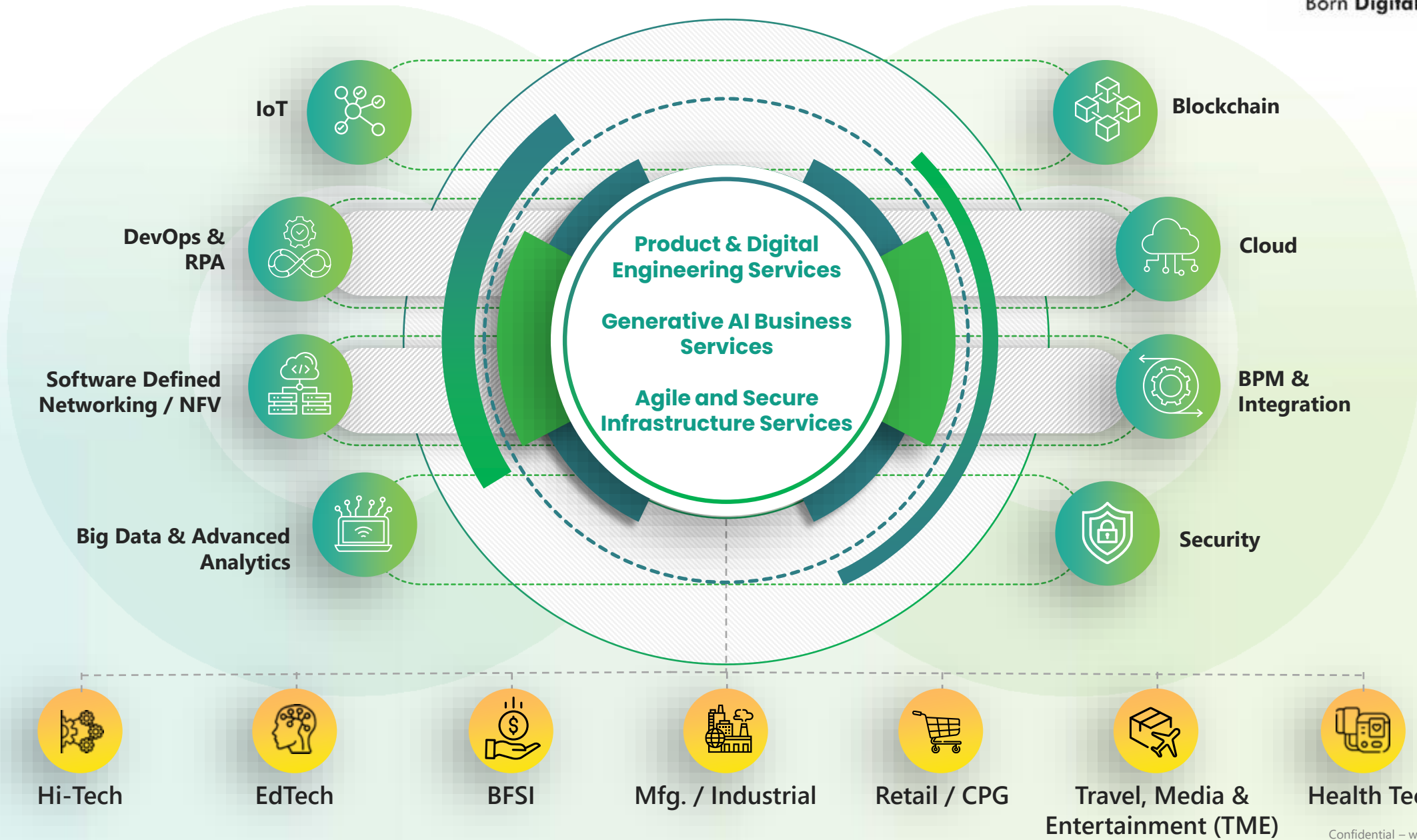
Mission, Vision and Values

Our 2021-31 Vision - DELiGHT

Our SMILES Values



Our Business



Born Digital . Born Agile The Mindful IT Company

CREATING DIGITAL CAPITAL

Business
Transformation



Business
Insights



Platformize &
Modernize



Reimagining
Customer Experience



being
mindful

In The
Moment

doing
mindful

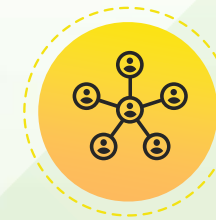
Perceive
Immersively

Process
Non-judgementally

Perform
Empathetically

MINDFULLY AGILE

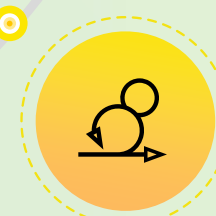
Agile
Organization



Agile
Business



Agile
Delivery



Engineering & Operational
Excellence



Key Project Wins

For a **global education and learning company**, Happiest Minds is building their Gen AI-powered hyper-personalized tutor, study plan generator and assistant platform

For one of the **largest integrated automotive service companies**, Happiest Minds was chosen as their strategic partner to accelerate their cloud journey on Microsoft Azure

For an **Australian Hi-Tech Company**, Happiest Minds has been chosen to build its digital retail platform

For an **Indian not-for-profit organization in the healthcare sector**, Happiest Minds has been chosen to upgrade its proprietary surgical platform to drive better user experience

For one of the **world's largest automobile original equipment manufacturer(OEM)**, Happiest Minds was chosen as a strategic partner to enhance dealer experience and drive omni-channel experience for their customer-facing platform

For a **leading property marketplace in South Asia**, Happiest Minds is the preferred partner to upgrade its customer-facing platform

For a **global manufacturer of materials-handling equipment**, this consulting-led engagement entails Happiest Minds to advise and build their data platform.

Awards



Top 50 India's Best Workplaces™ in IT & IT-BPM 2023 by Great Place To Work® Institute



100 Best Companies for Women in India 2023 by Avtar and Seramount



GOLD award for 2023 Integrated Annual Report from the **League of American Communication Professionals (LACP)**



Integrated Annual Report 2022 wins **GOLD** at the **SAFA Best Presented Annual Report Awards**



CULT.fit 'India's Fittest Disruptors 2023' Award



Procurement Organization of the Year at the **8th Annual ISM-INDIA Conference and CPO Awards 2023**

Analyst Mentions



'Niche & Established'
in Digital Engineering and
ER&D Services – Generative
AI Engineering Services
Zinnov Zones



Leader in Digital
Engineering and ER&D
Services – Enterprise Software
Zinnov Zones



Leader in Digital
Engineering and ER&D
Services – Consumer Software
Zinnov Zones



Leader in Digital
Engineering and ER&D
Services –Software Platform
Engineering –
Zinnov Zones



Leader in Digital
Engineering and ER&D
Services – Small and
Medium Service Providers -
Zinnov Zones




'Aspirant' in Lending IT
Services PEAK Matrix®
Assessment 2023
Everest Group



'Aspirant' in Cloud
Services in Insurance PEAK
Matrix® Assessment 2023
Everest Group



**'Transforming the
Banking Industry
with ESG Service'** –
Nelson Hall



Operational and Financial Metrics – Q3 FY24

Results Q3 FY 24

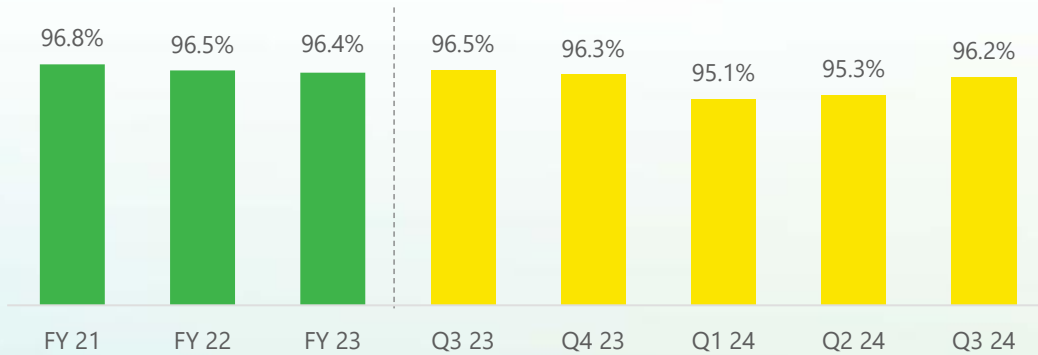
All amounts in ₹ Lakhs unless stated otherwise

Particulars	Q3 FY 24	Q2 FY 24	QoQ	Q3 FY 23	YoY	9M FY 24	9M FY 23	YoY
Revenues	40,988	40,662	0.8%	36,688	11.7%	1,20,737	1,05,131	14.8%
Other Income	2,429	2,221	-	780	-	6,016	1,266	-
Total Income	43,417	42,883	1.2%	37,468	15.9%	1,26,753	1,06,397	19.1%
EBITDA	10,519	10,482	0.4%	9,726	8.2%	31,300	27,935	12.0%
%	24.2%	24.4%		26.0%		24.7%	26.3%	
PBT	8,073	7,912	2.0%	7,524	7.3%	23,853	23,093	3.3%
%	18.6%	18.5%		20.1%		18.8%	21.7%	
Tax	2,111	2,066	-	1,766	-	6,212	5,760	-
%	4.9%	4.8%		4.7%		4.9%	5.4%	
PAT	5,962	5,846	2.0%	5,758	3.5%	17,641	17,333	1.8%
%	13.7%	13.6%		15.4%		13.9%	16.3%	
Revenues (\$'000)	49,366	49,121	0.5%	45,279	9.0%	1,46,053	1,31,850	10.8%
Growth in Constant Currency		-	0.8%	-	9.4%	-	-	11.5%

Born Digital. Born Agile

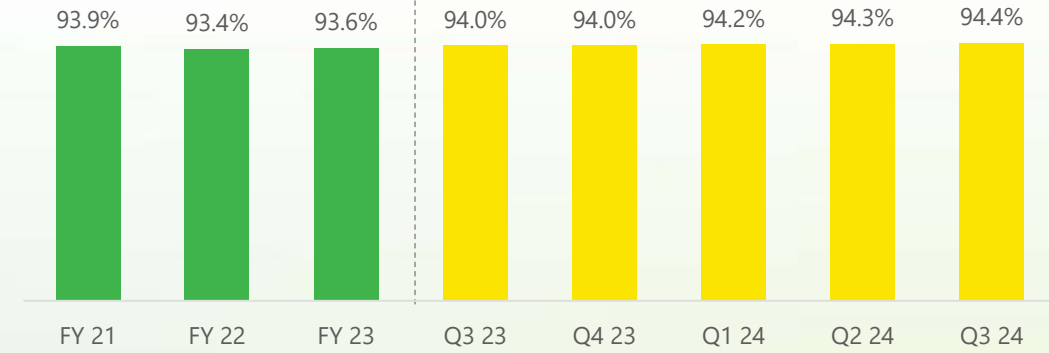
Digital

% of Revenue



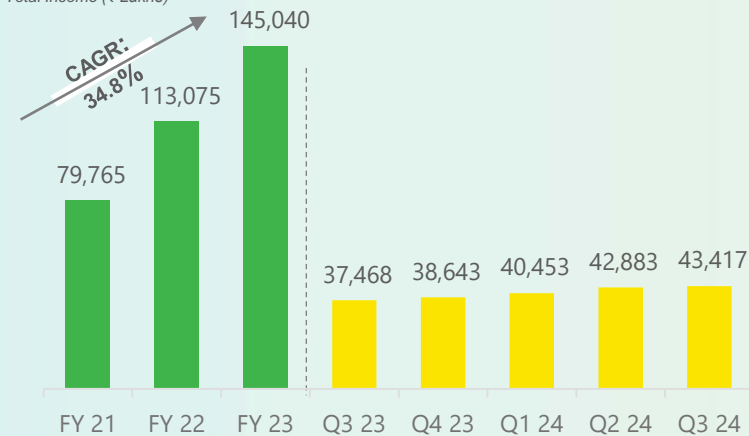
Agile

% of Revenue

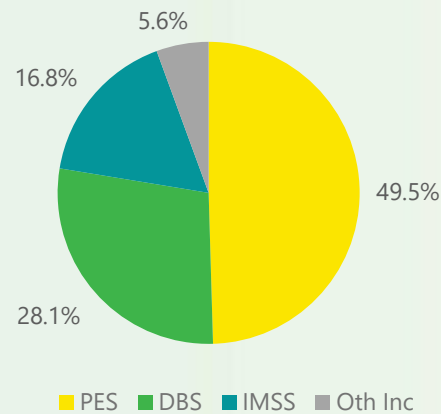


Revenue

Total Income (₹ Lakhs)

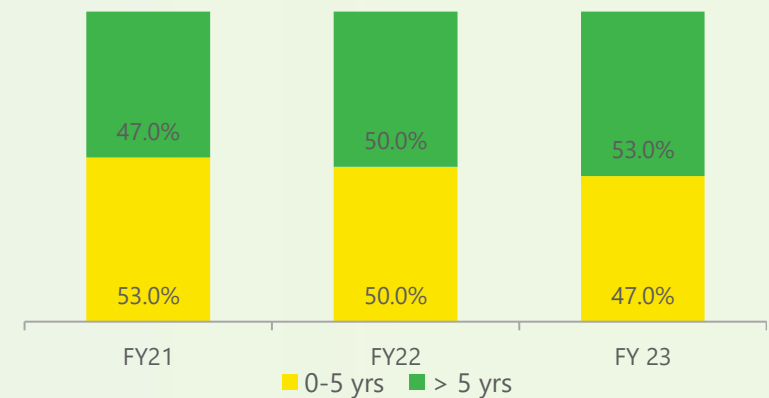


Revenue by BU



Tenure of Customer

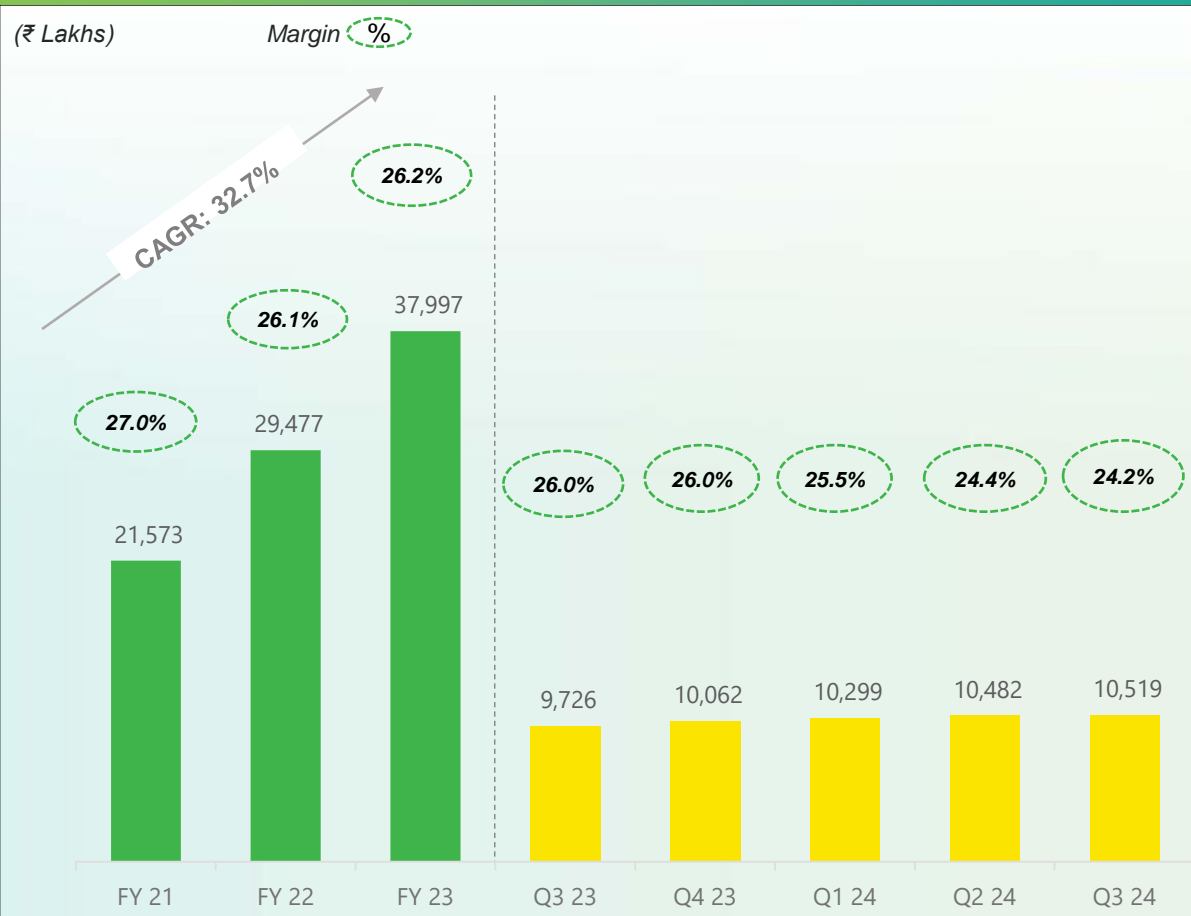
% revenue from Clients



PES : Product Engineering Services; DBS : Digital Business Solutions; IMSS : Infrastructure Management and Security Services

Operational & Financial Metrics

EBITDA

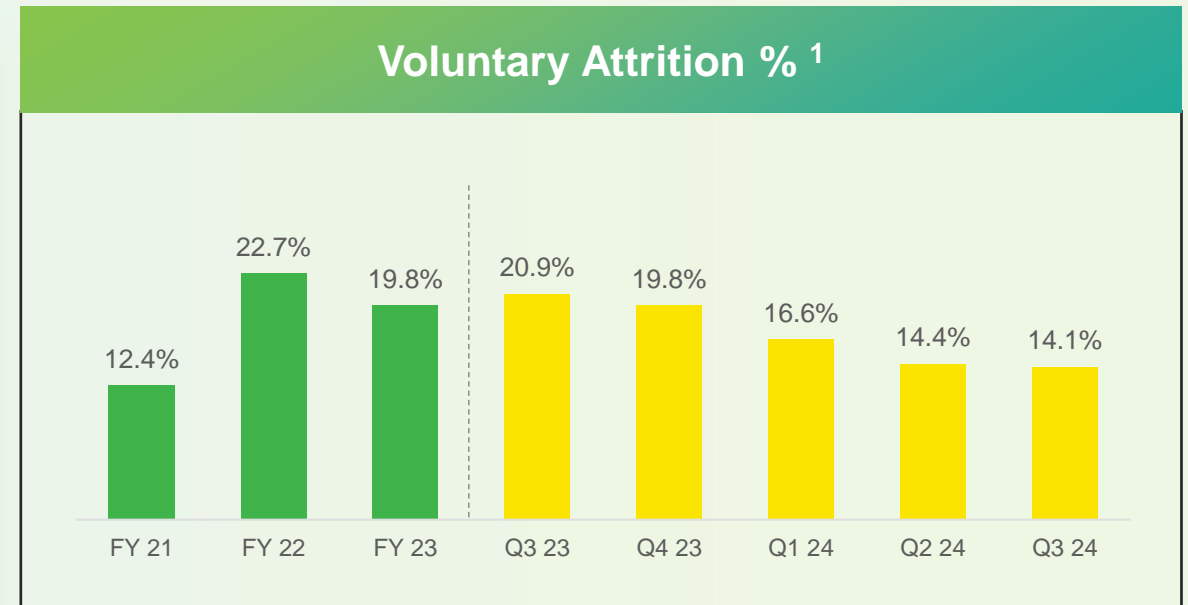
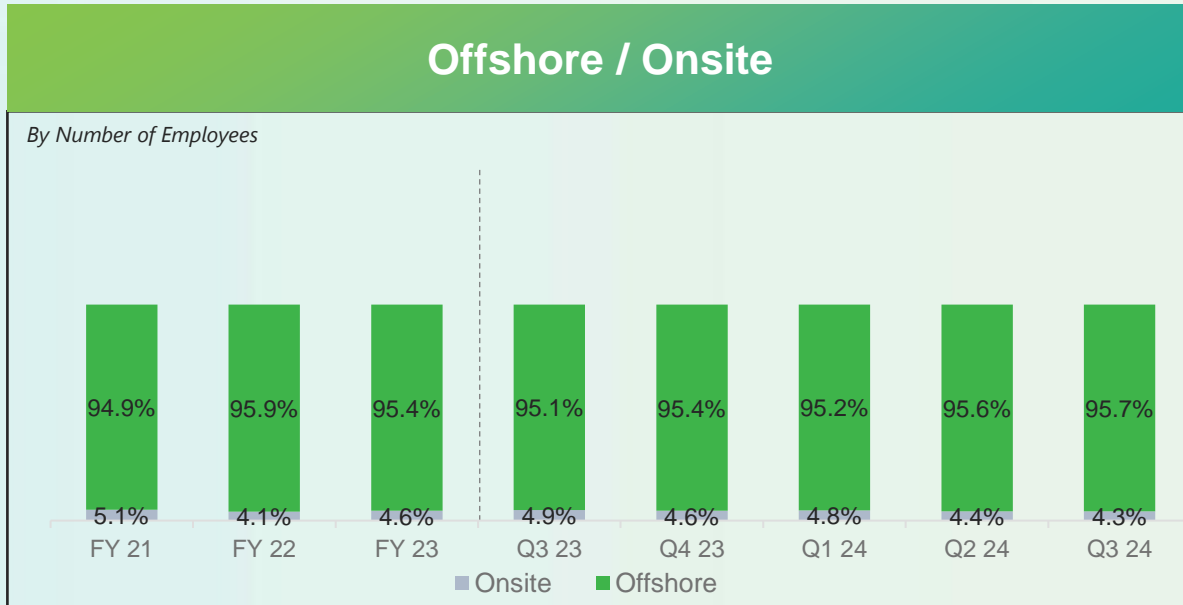
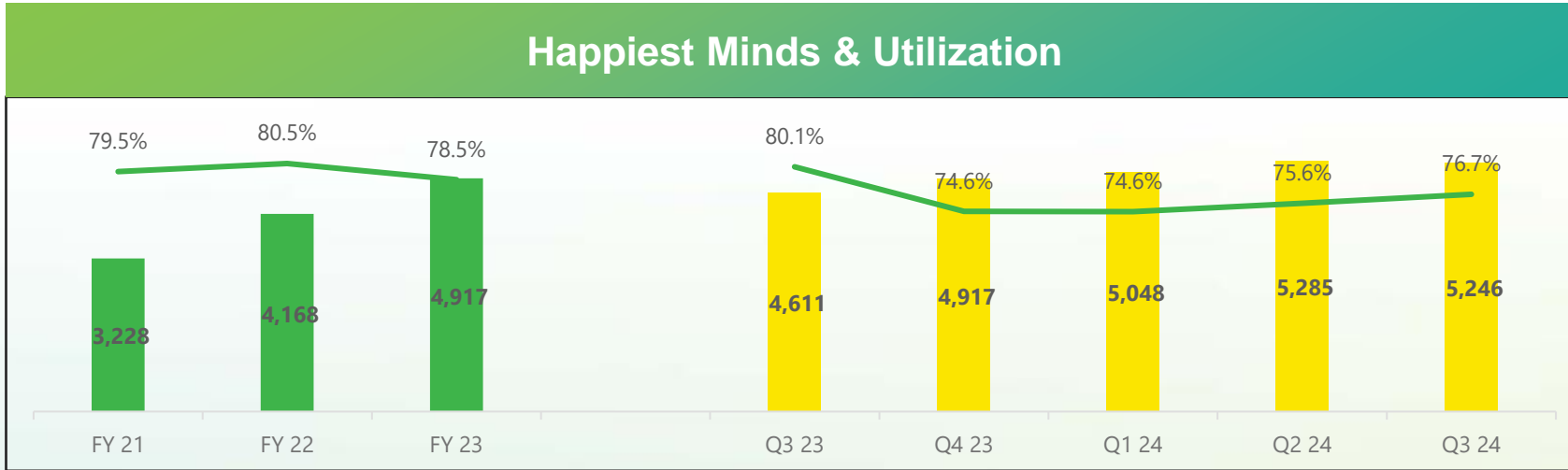


High FCF Conversion



Note: 1. FCF = Free Cash Flow Conversion = FCF/EBITDA and FCF = EBITDA – Capex. (Non-GAAP Measure)

Operational & Financial Metrics



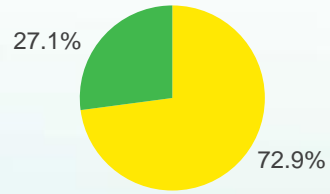
Note 1: Trailing 12 Months

Operational & Financial Metrics

Revenue Model

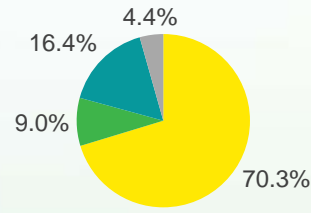
Q3 24

Model



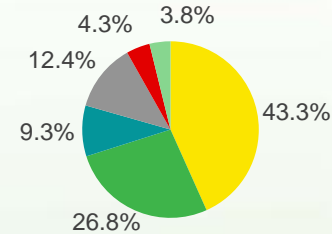
T&M FP

Geography



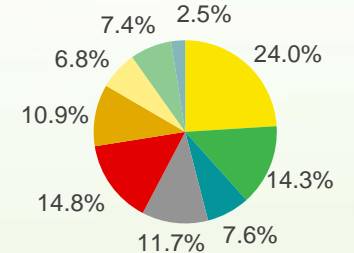
Americas Europe India ROW

Digital Revenue¹



Digital Infra / Cloud SAAS Security Analytics / AI IoT Others

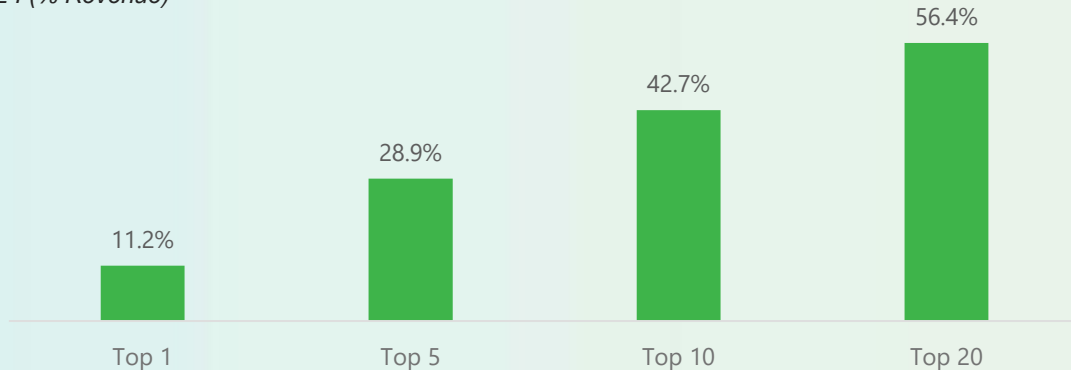
Verticals¹



Edu Tech HiTech (others) Retail / CPG Healthcare BFSI Industrial TME MFG Others

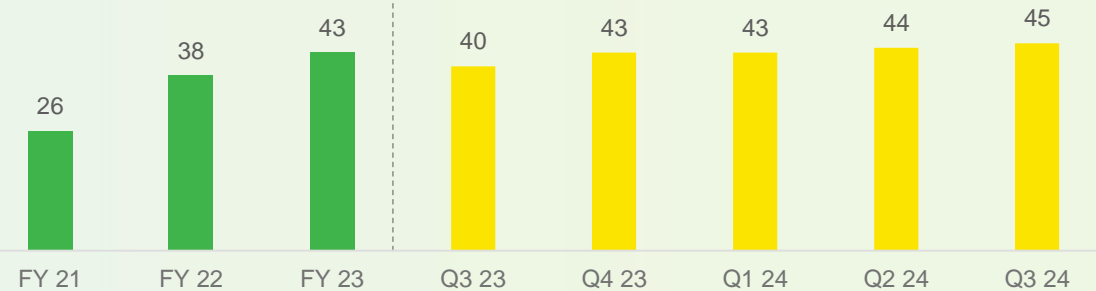
Revenue Concentration³

Q3 24 (% Revenue)



Million \$ Customers²

(#)

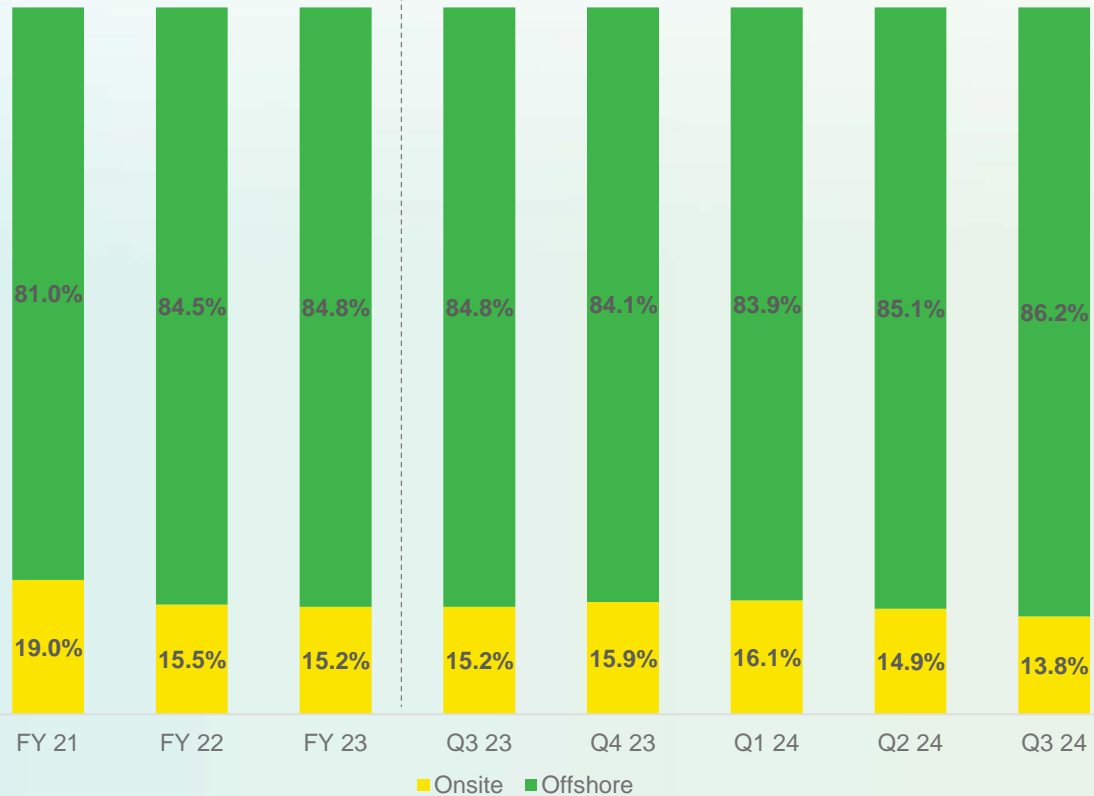


Notes: 1. TME: Travel, Media & Entertainment, 2. Based on quarterly revenues annualized. 3. Top 20 includes Top 1, 5 & 10

Operational & Financial Metrics

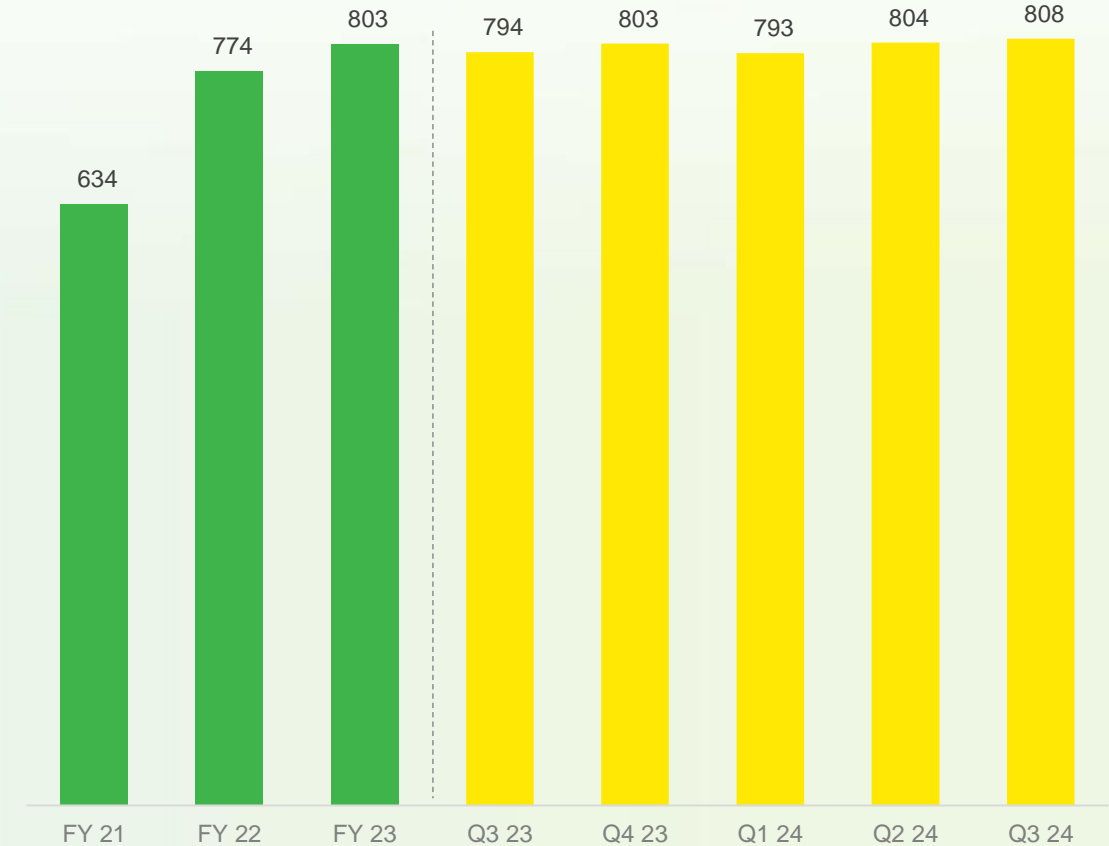
Onsite/Offshore

By Revenue



Average Revenue / Active Customer

(USD '000)



Operational & Financial Metrics

	FY21	FY 22	FY23 Q3	FY23 Q4	FY 23	FY24 Q1	FY24 Q2	FY24 Q3
Verticals								
Edutech	25.6%	23.2%	23.2%	22.2%	23.2%	24.1%	25.0%	24.0%
Hitech	18.2%	15.8%	15.7%	19.5%	16.9%	14.8%	14.2%	14.3%
BFSI	16.4%	13.2%	10.3%	10.8%	12.2%	11.0%	10.3%	10.9%
Travel, Media and Entertainment (TME)	13.6%	13.2%	13.1%	13.2%	12.9%	12.0%	11.6%	11.7%
Healthcare*	-	-	-	-	-	12.9%	13.8%	14.8%
Retail / CPG	5.4%	10.3%	10.4%	7.7%	9.2%	7.1%	7.2%	7.6%
Industrial	7.1%	6.9%	9.2%	8.3%	8.4%	8.2%	7.6%	6.8%
Manufacturing	6.6%	8.6%	10.0%	10.7%	10.3%	5.4%	6.3%	7.4%
Others	7.1%	8.8%	8.2%	7.5%	6.9%	4.4%	4.0%	2.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Digital Service Offerings								
Digital infrastructure/Cloud	41.6%	43.6%	45.4%	46.9%	45.8%	44.2%	42.3%	43.3%
SaaS	22.7%	20.3%	20.1%	20.1%	20.7%	22.2%	27.1%	26.8%
Security Solutions	8.7%	11.9%	13.4%	12.0%	12.3%	10.1%	9.3%	9.3%
Analytics/AI	13.3%	12.1%	12.5%	11.9%	12.2%	13.9%	12.9%	12.4%
IoT	10.5%	8.6%	5.2%	5.4%	5.4%	4.6%	3.7%	4.3%
Total	96.8%	96.5%	96.5%	96.3%	96.4%	95.1%	95.3%	96.2%
Automation	25.2%	25.4%	27.7%	27.3%	26.6%	28.3%	29.6%	29.1%

Note : All metrics are reported as % of operating revenues:

*Healthcare carved out as a separate vertical from Q1FY24 onwards. Some customers which were earlier part of HiTech / MFG / Others have been regrouped

Operational & Financial Metrics

	FY 21	FY 22	FY23 Q3	FY23 Q4	FY 23	FY24 Q1	FY24 Q2	FY24 Q3
Revenue by Geo								
USA	73.4%	66.4%	67.5%	70.5%	68.1%	71.9%	71.5%	70.3%
India	11.8%	14.1%	15.4%	15.0%	15.6%	15.5%	15.7%	16.4%
Europe	10.4%	10.4%	9.4%	9.4%	9.7%	8.7%	9.0%	9.0%
ROW	4.4%	9.0%	7.7%	5.1%	6.6%	3.9%	3.8%	4.4%
Million \$ Customers¹								
\$ 20 M +			1	1	1	1	1	1
\$ 10 M +	1	1	1	-	-	-	1	1
\$ 5M to \$ 10M	3	4	4	6	6	6	7	7
\$ 3M to \$ 5M	6	8	7	6	6	5	4	4
\$ 1M to \$ 3M	16	25	27	30	30	31	31	32
Total	26	38	40	43	43	43	44	45
Tenure of customers								
0 - 5 Years	53.0%	50.0%	-	-	47.0%	-	-	-
> 5 Years	47.0%	50.0%	-	-	53.0%	-	-	-
Revenue Mix								
Onsite	19.0%	15.5%	15.2%	15.9%	15.2%	16.1%	14.9%	13.8%
Offshore ²	81.0%	84.5%	84.8%	84.1%	84.8%	83.9%	85.1%	86.2%
Revenue by contracting Model								
Fixed Price	21.7%	25.1%	26.4%	25.5%	25.3%	24.5%	25.1%	25.6%
Time and Material	78.3%	74.9%	73.6%	74.5%	74.7%	75.5%	74.9%	74.4%
# Active Customers	173	206	230	237	237	243	244	245
# Billion \$ Corporation	46	54	55	55	55	57	57	59

Note: 1: Based on quarter revenue annualized 2: Offshore: Revenues from customers served from India;

Operational & Financial Metrics

	FY21	FY22	FY23 Q3	FY23 Q4	FY23	FY24 Q1	FY24 Q2	FY24 Q3
Happiest Minds								
Onsite	166	172	228	227	227	244	231	224
Offshore	3,062	3,996	4,383	4,690	4,690	4,804	5,054	5,022
Onsite %	5.1%	4.1%	4.9%	4.6%	4.6%	4.8%	4.4%	4.3%
Offshore %	94.9%	95.9%	95.1%	95.4%	95.4%	95.2%	95.6%	95.7%
Utilization	79.5%	80.5%	80.1%	74.6%	78.5%	74.6%	75.6%	76.7%
Diversity	24.5%	26.4%	27.7%	27.4%	27.4%	27.6%	28.1%	27.9%
DSO								
Billed	57	55	60	54	54	58	53	57
Unbilled	28	35	29	31	31	31	30	28
Total	85	90	90	86	86	88	83	85
EPS ₹ : Diluted	11.45	12.55	3.98	3.98	16.01	4.02	3.90	3.96
Capital Ratios¹								
RoCE	31.2%	34.8%	34.9%	32.8%	32.8%	33.1%	22.9%	22.9%
RoE	29.8%	27.3%	29.4%	27.8%	27.8%	26.0%	16.9%	16.7%

Note: 1: Capital Return Ratios are YTD Annualized

Operational & Financial Metrics

All figures in ₹ Lakhs

	FY21		FY22		FY23 Q3		FY23 Q4		FY23		FY24 Q1		FY24 Q2		FY24 Q3	
Revenue by BU																
IMSS	16,421	20.6%	24,168	21.4%	7,912	21.1%	7,525	19.5%	30,694	21.2%	7,516	18.6%	7,381	17.2%	7,299	16.8%
DBS	21,288	26.7%	32,891	29.1%	11,266	30.1%	11,180	28.9%	43,070	29.7%	11,175	27.6%	11,672	27.2%	12,181	28.1%
PES	39,632	49.7%	52,308	46.3%	17,511	46.7%	19,093	49.4%	69,165	47.7%	20,396	50.4%	21,609	50.4%	21,508	49.5%
Total Revenue	77,341	97.0%	109,367	96.7%	36,688	97.9%	37,798	97.8%	142,929	98.5%	39,087	96.6%	40,662	94.8%	40,988	94.4%
Other income	2,424	3.0%	3,708	3.3%	780	2.1%	845	2.2%	2,111	1.5%	1,366	3.4%	2,221	5.2%	2,429	5.6%
Total income	79,765	100%	113,075	100%	37,468	100%	38,643	100%	145,040	100%	40,453	100%	42,883	100.0%	43,417	100%

IMSS: Infrastructure Management & Security Services
DBS : Digital Business Services
PES: Product Engineering Services

Summary Profit & Loss Statement

All figures in ₹ Lakhs

	FY 21	FY 22	FY 23 Q3	FY 23 Q4	FY 23	FY 24 Q1	FY 24 Q2	FY 24 Q3
Income								
Operating revenue	77,341	1,09,365	36,688	37,798	1,42,929	39,087	40,662	40,988
Other income	2,424	3,710	780	845	2,111	1,366	2,221	2,429
Total income	79,765	1,13,075	37,468	38,643	1,45,040	40,453	42,883	43,417
Cost of revenue	44,382	64,404	21,394	22,342	82,827	23,404	24,980	25,213
Gross margin	32,959	44,961	15,294	15,456	60,101	15,683	15,682	15,775
%	42.6%	41.1%	41.7%	40.9%	42.0%	40.1%	38.6%	38.5%
SG&A	13,810	19,193	6,348	6,239	24,215	6,750	7,421	7,685
%	17.9%	17.5%	17.3%	16.5%	16.9%	17.3%	18.3%	18.7%
EBITDA	21,573	29,477	9,726	10,062	37,997	10,299	10,482	10,519
%	27.0%	26.1%	26.0%	26.0%	26.2%	25.5%	24.4%	24.2%
Depreciation	2,274	3,288	992	1,294	4,191	1,424	1,455	1,481
%	2.9%	3.0%	2.7%	3.4%	2.9%	3.6%	3.6%	3.6%
EBIT	19,299	26,189	8,734	8,768	33,806	8,875	9,027	9,038
%	24.2%	23.2%	23.3%	22.7%	23.3%	21.9%	21.1%	20.8%
Finance cost	697	995	576	875	2,186	1,007	1,115	1,072
PBT before exceptional item*	18,602	25,194	8,158	7,893	31,620	7,868	7,912	7,966
%	23.3%	22.2%	21.8%	20.4%	21.7%	19.4%	18.5%	18.3%
Exceptional Items⁺	-	609	634	-	634	-	-	(107)
PBT *	18,602	24,585	7,524	7,893	30,986	7,868	7,912	8,073
%	23.3%	21.7%	20.1%	20.4%	21.4%	19.4%	18.5%	18.6%
Current tax	3,527	6,310	2,335	2,210	8,508	2,280	2,237	2,192
Deferred tax	(1,171)	155	(569)	(83)	(621)	(245)	(171)	(81)
Total Tax	2,356	6,465	1,766	2,127	7,887	2,035	2,066	2,111
%	3.0%	5.7%	4.7%	5.5%	5.4%	5.0%	4.8%	4.9%
PAT *	16,246	18,120	5,758	5,766	23,099	5,833	5,846	5,962
%	20.4%	16.0%	15.4%	14.9%	15.9%	14.4%	13.6%	13.7%

⁺Exceptional items for FY22 & Q3 FY23 refers to Loss on Fair Valuation of Warrant Liability. For Q3FY24 - Gain on fair valuation of contingent consideration

Condensed Balance Sheet

	31.03.2021	31.03.2022	31.12.2022	31.03.2023	30.06.2023	30.09.2023	31.12.2023
Assets							
Non-current Assets							
Property, plant and equipment	69	78	12,899	13,278	13,202	13,386	13,856
Goodwill	7,644	7,896	8,562	13,913	13,901	13,997	14,013
Financial & Other assets	10,029	11,788	77,536	29,594	27,642	35,841	36,903
Total non-current assets (A)	17,742	19,762	98,997	56,785	54,745	63,224	64,772
Current assets							
Financial & Other assets							
i. Trade receivable	12,192	16,738	23,250	21,319	24,534	23,308	25,336
ii. Cash & Cash equivalents, Investments & Other financial assets	60,928	72,609	17,061	81,484	85,516	1,27,619	1,26,953
iii. Other assets	1,333	3,392	2,811	4,495	5,260	6,184	5,242
Total current assets (B)	74,453	92,739	43,122	1,07,298	1,15,310	1,57,111	1,57,531
Total assets (A + B)	92,195	1,12,501	1,42,119	1,64,083	1,70,055	2,20,335	2,22,303
Equity and Liabilities							
Total equity (A)	54,599	66,580	77,791	83,882	90,395	1,39,403	1,41,465
Non-current liabilities							
Financial liabilities	7,339	7,134	18,678	18,035	17,483	17,957	16,174
Provisions & Deferred tax liability	2,378	2,086	2,344	4,526	4,577	4,631	4,975
Total non-current liabilities (B)	9,717	9,220	21,022	22,561	22,060	22,588	21,149
Current liabilities							
Financial & Contract liabilities							
i. Trade payable	4,101	6,072	5,779	7,052	8,007	7,804	7,558
ii. Others	20,340	26,266	33,767	45,921	44,595	45,710	47,474
Provisions & Other current liabilities	3,438	4,363	3,760	4,667	4,998	4,830	4,656
Total current liabilities (C)	27,879	36,701	43,306	57,640	57,600	58,344	59,688
Total liabilities (D = B + C)	37,596	45,921	64,328	80,201	79,660	80,932	80,837
Total equity and liabilities (A + D)	92,195	1,12,501	1,42,119	1,64,083	1,70,055	2,20,335	2,22,303

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