

May 08, 2023

Listing Compliance & Legal Regulatory  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai 400 001  
Stock Code: 543227 & 974728

Listing & Compliance  
National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex  
Bandra East, Mumbai 400 051  
Stock Code: HAPSTMNDS

Dear Sir/Madam,

**Sub: Earnings Presentation on the financial results of Q4 for FY'23**

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 financial year ended March 31, 2023 that will be circulated to the Investors/ Analysts for the Earnings Call scheduled on May 08, 2023, at 05:00 p.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



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# Investor Presentation & FACT SHEET: Q4 FY 23

May 2023

# About Happiest Minds

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

<p><b>96% Digital</b> <b>Born Digital</b></p>	<p><b>94% Agile</b> <b>Born Agile</b></p>	<p><b>237 Active Clients</b> <b>55</b> Fortune2000 / Forbes200 Billion \$ Corporations <b>91%</b> Repeat Business</p>	<p><b>33.1% RoCE</b> <b>28.1% RoE</b></p>
<p><b>Mission Statement</b> <b>Happiest People</b> <b>Happiest Customers</b></p> <p><b>SMILES Values</b> Sharing, Mindful, Integrity, Learning, Excellence, Social Responsibility</p>	<p><b>4,917</b> <b>Happiest Minds</b> across <b>7</b> Countries <b>27.4% Gender Diversity</b> <b>4.3 rating on Glassdoor</b></p>	<p><b>Great Place To Work</b>®</p> <ul style="list-style-type: none"> <li>• <b>Top 10</b> India's Best Workplaces™ in Health &amp; Wellness 2022</li> <li>• <b>Top 25</b> India's Best Workplaces™ in IT &amp; IT-BPM 2022</li> <li>• <b>Top 50</b> India's Best Workplaces™ for Women 2022</li> <li>• <b>Top 50</b> India's Best Workplaces™ for Building a Culture of Innovation 2023</li> </ul>	<p><b>Growth in Constant</b> <b>Currency 23.7%</b> <b>EBITDA margin 26.2%</b></p>

**Promoter**



**Ashok Soota**



**IPO** - In September 2020

- Completed 11 years in August 2022
- Strong Management Team & Corporate Governance
- 700K+ Investors
- Robust Growth and Profitability

**Great Place To Work**®

Gold  
**Microsoft Partner**





**'Best Governed Company'**  
in Medium Category



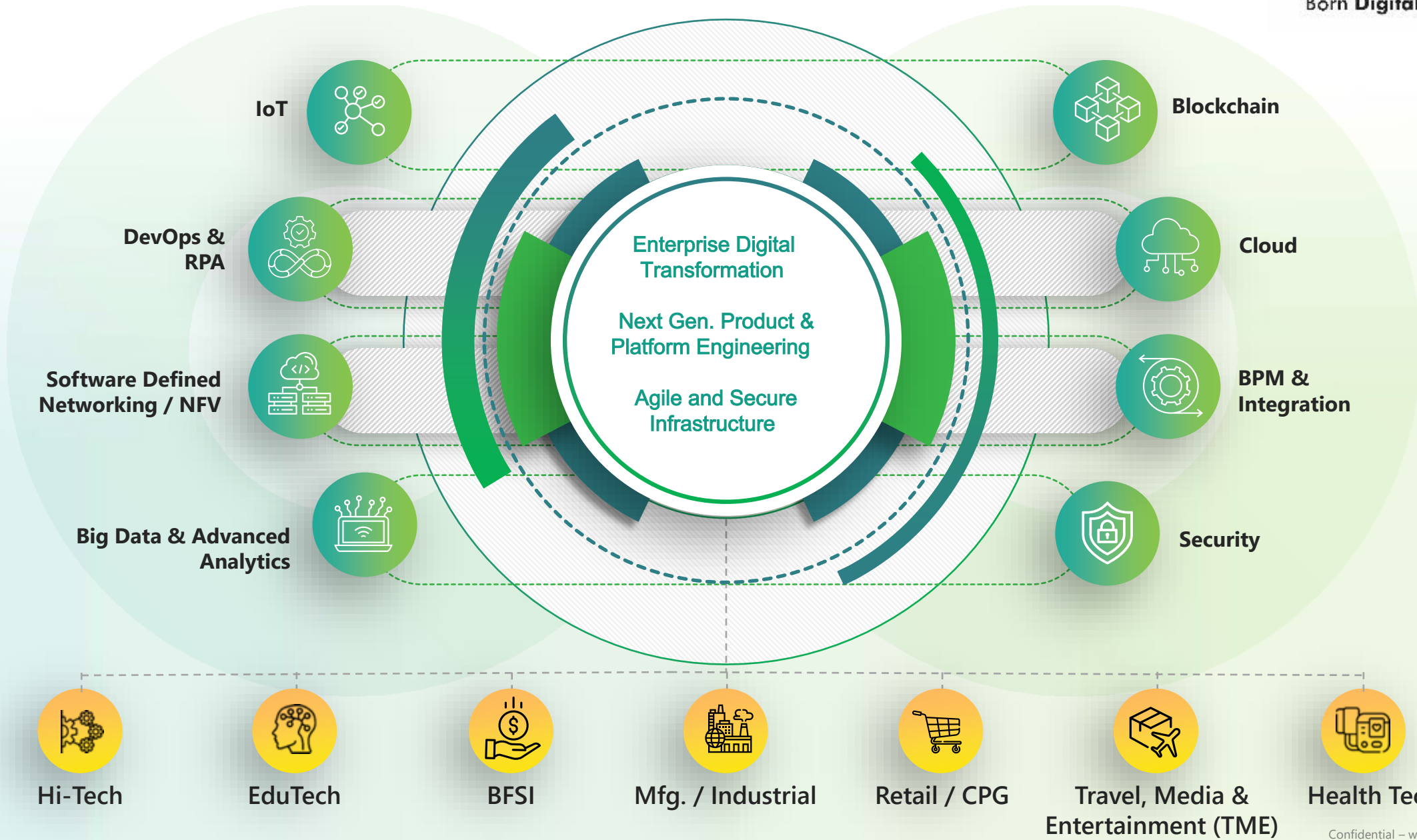
# Mission, Vision and Values

## Our 2021-31 Vision - DELiGHT

## Our SMILES Values

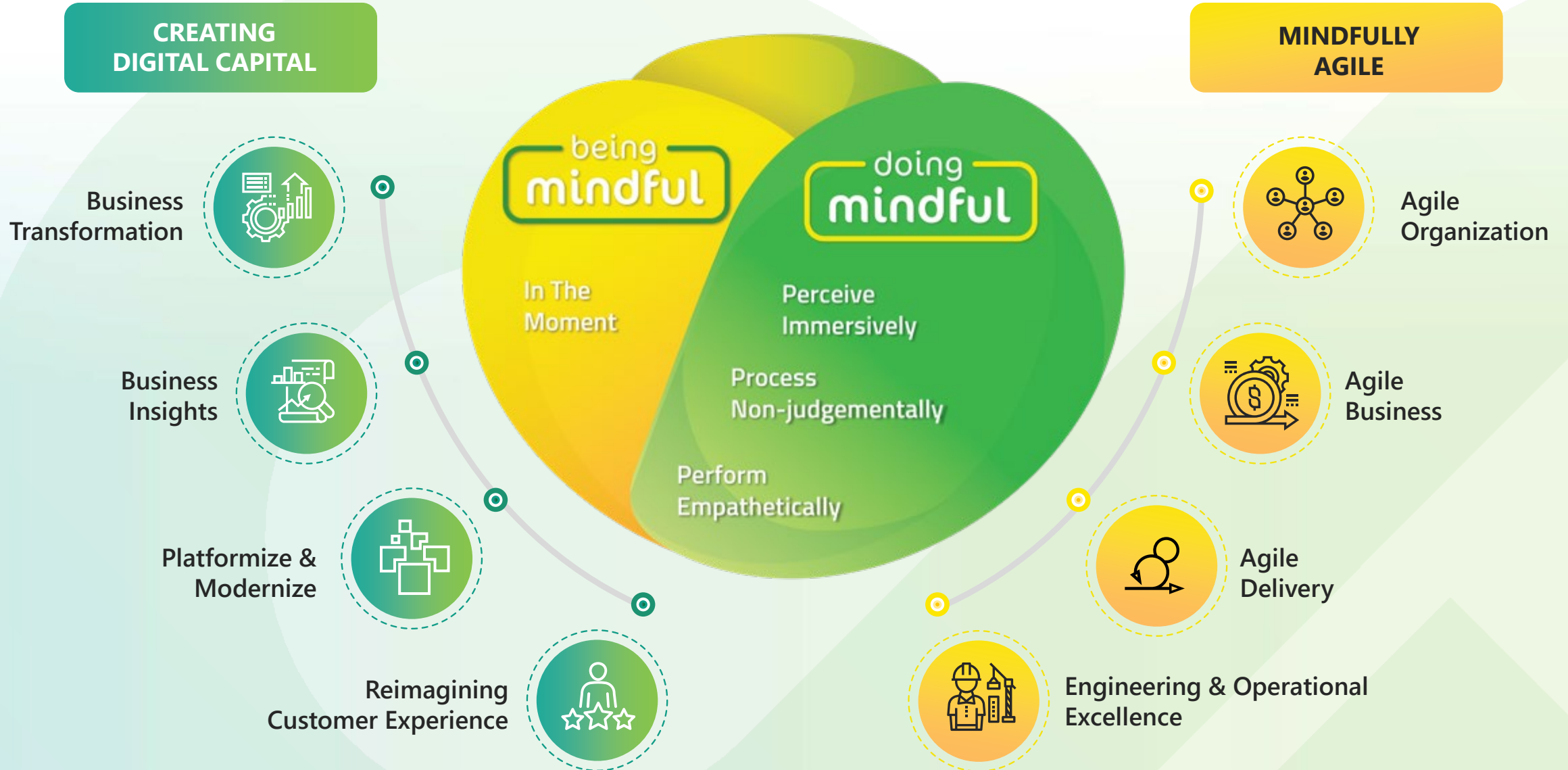


# Our Business





# Born Digital . Born Agile ∞ The Mindful IT Company



# Key Project Wins

For a **large EduTech company** that enables learners and academic institutions to achieve their goals, Happiest Minds was chosen as their strategic partner to provide digital engineering and test automation services.

For a **leading provider of hardware for the gaming industry**, Happiest Minds was chosen to provide embedded and software development services

For a **world leader in the recreational travel and hospitality industry**, this consulting-led engagement entails Happiest Minds to evaluate, recommend and advise for building their ESG Reporting Platform

For a **global industrial technology leader**, Happiest Minds is providing application testing services

For this **existing client in the property and casualty insurance industry** in North America, Happiest Minds has been chosen to provide security services

For a **large loyalty program provider in the ANZ region**, Happiest Minds is chosen to provide consulting, support and implementation services to enhance security and privacy environments around data and cloud

For this **Australia-based existing client in the Quick Service Restaurant industry**, Happiest Minds is a partner of choice in their digital transformational initiatives

For a **reputed Hi-Tech company providing digital transformational services in the middle east**, Happiest Minds has been chosen to provide cloud migration services

For an **India-based international provider of quality B2B solutions in the higher education space**, Happiest Minds is building their next-gen platform for test prep leveraging cloud

For a **reputed India-headquartered global automotive company**, Happiest Minds has been chosen to provide engineering services leveraging 5G for their connected car program

# Awards & Analyst Mentions



Happiest Minds won the **ICAI Award for Excellence in Financial Reporting 2021-22**



Happiest Minds' MD & CFO, Mr. **Venkatraman Narayanan** recognized as a **'Leading CFO of the Year'** at the **CII CFO Excellence Awards 2022**



Happiest Minds is among **Top 50 India's Best Workplaces™ for Building a Culture of Innovation 2023.**



Happiest Minds is among **Top 10 India's Best Workplaces™ in Health & Wellness 2022**



**Priya Kanduri** was awarded at **'Women In Tech Leadership Awards 2023'** by AIM



**Priya Kanduri** was awarded at **'Women at Work Achiever of the Year 2023'** by FKCCI


## Analyst Mentions



Happiest Minds is selected as **'Standout Casestudy'**

**ISG Digital Case Study Awards 2022**



The background is a complex digital visualization. It features a blue grid pattern overlaid on a blurred image of a modern skyscraper. A prominent feature is a candlestick chart with yellow and white bars, indicating price movements. Additionally, there are network-like structures with nodes and connecting lines, and various geometric shapes and arrows scattered across the scene, creating a high-tech, data-driven atmosphere.

# Operational and Financial Metrics – Q4 FY23

# Results Q4 FY 23

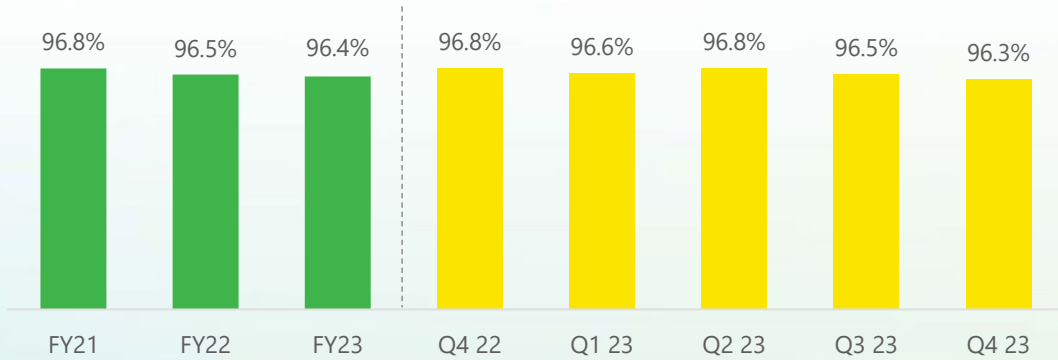
All amounts in ₹ Lakhs unless stated otherwise

Particulars	Q4 FY 23	Q3 FY 23	QoQ	Q4 FY 22	YoY	FY 23	FY 22	YoY
<b>Revenues</b>	<b>37,798</b>	36,688	<b>3.0%</b>	30,057	<b>25.8%</b>	<b>142,929</b>	109,365	<b>30.7%</b>
<b>Other Income</b>	<b>845</b>	780	-	991	-	<b>2,111</b>	3,710	-
<b>Total Income</b>	<b>38,643</b>	37,468	<b>3.1%</b>	31,048	<b>24.5%</b>	<b>145,040</b>	113,075	<b>28.3%</b>
<b>EBITDA</b>	<b>10,062</b>	9,726	<b>3.5%</b>	8,158	<b>23.3%</b>	<b>37,997</b>	29,477	<b>28.9%</b>
%	<b>26.0%</b>	26.0%		26.3%		<b>26.2%</b>	26.1%	
<b>PBT</b>	<b>7,893</b>	7,524	<b>4.9%</b>	6,988	<b>13.0%</b>	<b>30,986</b>	24,585	<b>26.0%</b>
%	<b>20.4%</b>	20.1%		22.5%		<b>21.4%</b>	21.7%	
<b>Tax</b>	<b>2,127</b>	1,766	-	1,777	-	<b>7,887</b>	6,465	-
%	<b>5.5%</b>	4.7%		5.7%		<b>5.4%</b>	5.7%	
<b>PAT</b>	<b>5,766</b>	5,758	<b>0.1%</b>	5,211	<b>10.7%</b>	<b>23,099</b>	18,120	<b>27.5%</b>
%	<b>14.9%</b>	15.4%		16.8%		<b>15.9%</b>	16.0%	
<b>Revenues (\$'000)</b>	<b>45,918</b>	45,279	<b>1.4%</b>	39,876	<b>15.2%</b>	<b>177,768</b>	146,634	<b>21.2%</b>
<b>Growth in Constant Currency</b>	-	-	<b>1.3%</b>	-	<b>17.6%</b>	-	-	<b>23.7%</b>

# Born Digital. Born Agile

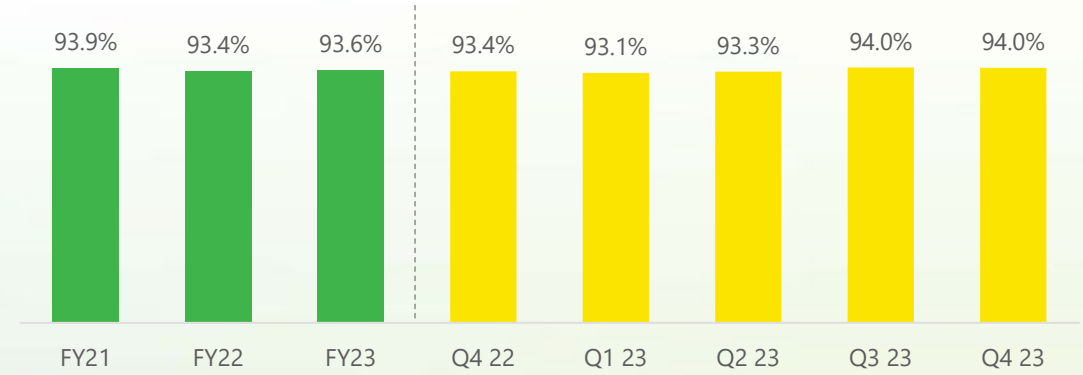
## Digital

% of Revenue



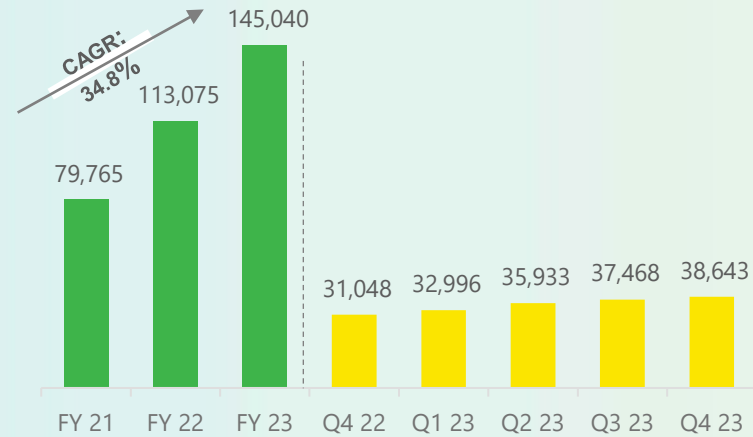
## Agile

% of Revenue

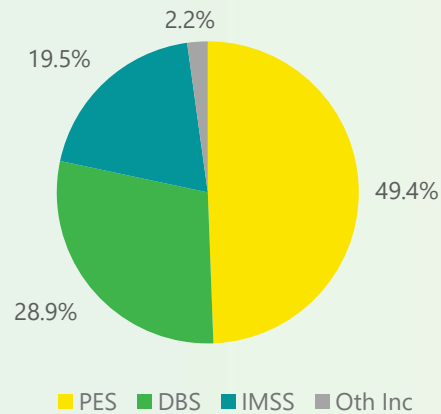


## Revenue

Total Income (₹ Lakhs)

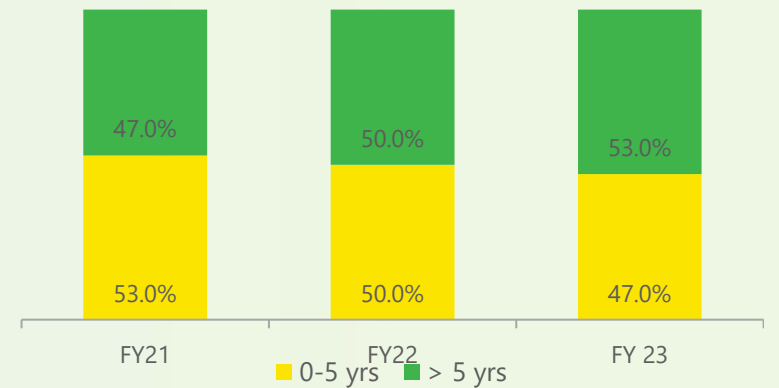


## Revenue by BU



## Tenure of Customer

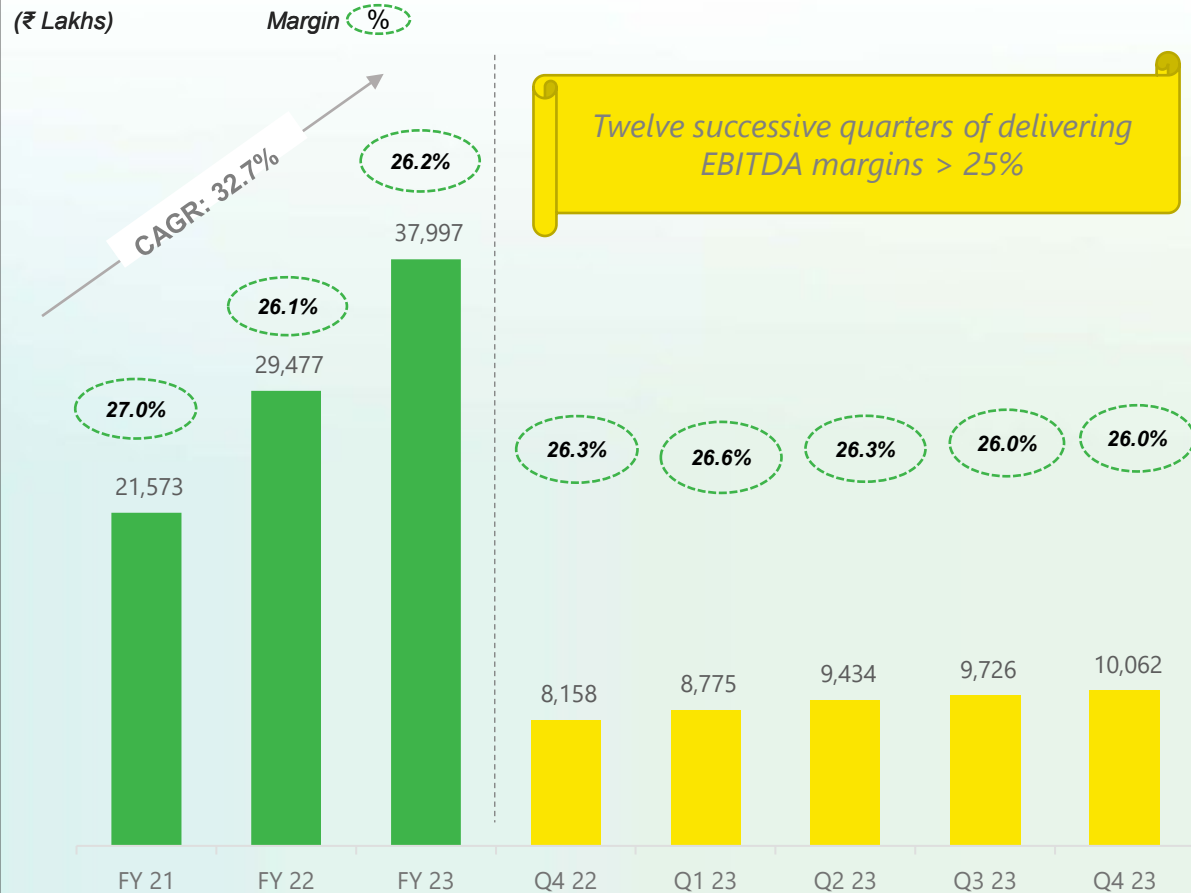
% revenue from Clients



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

# Operational & Financial Metrics

## EBITDA



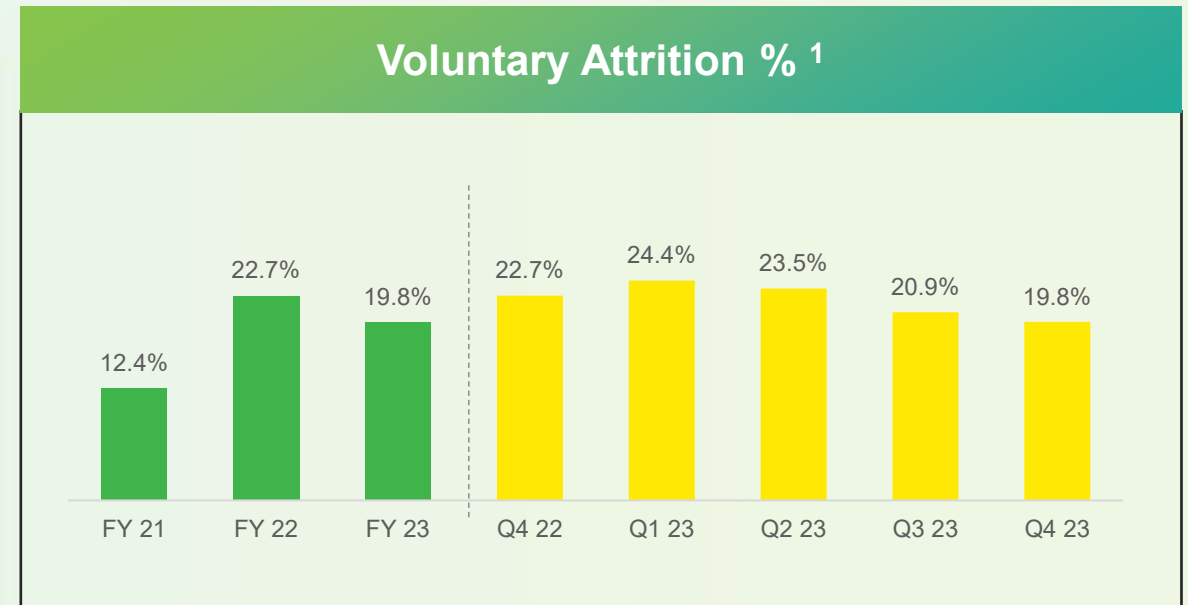
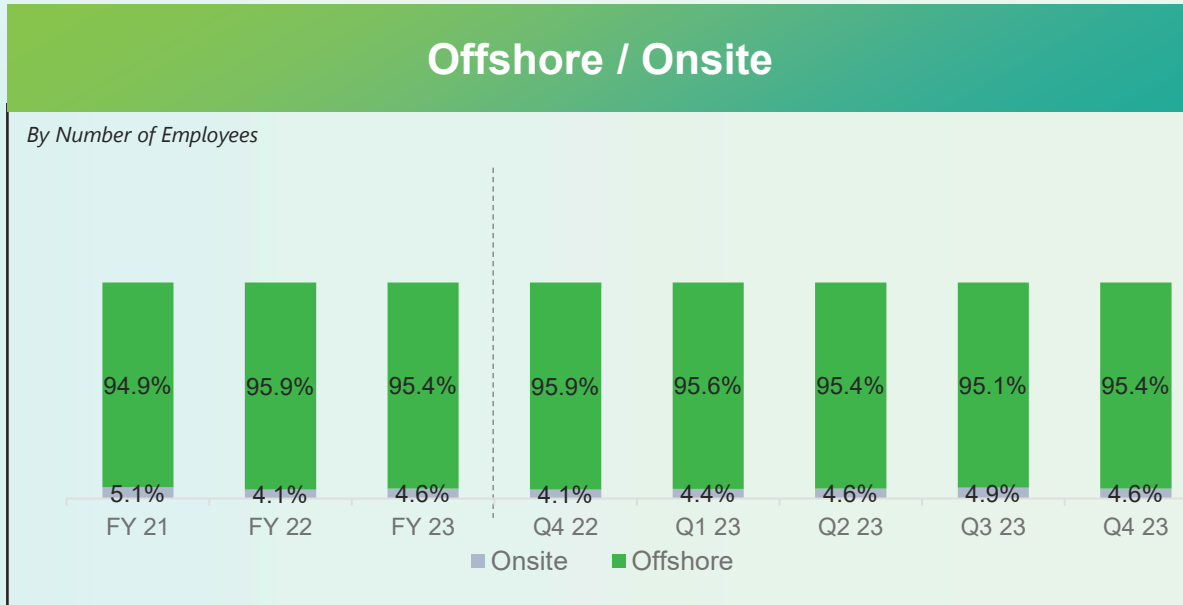
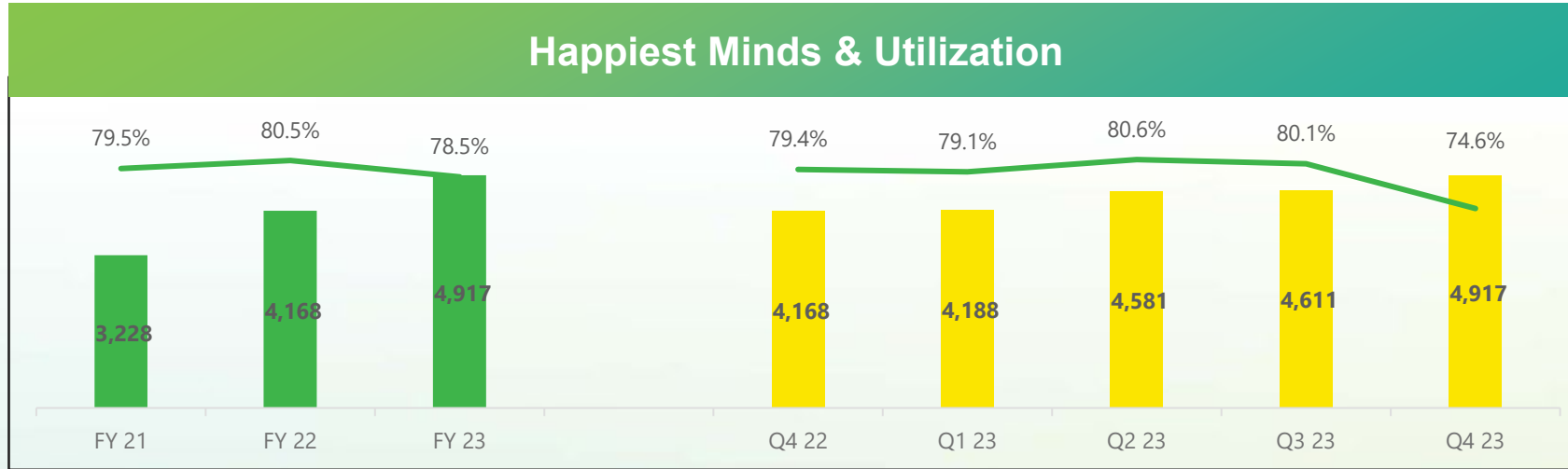
## High FCF Conversion



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



# Operational & Financial Metrics



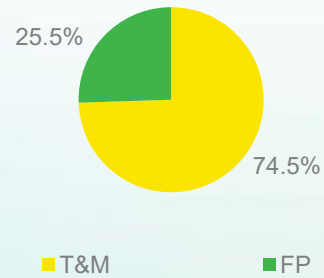
Note 1: Trailing 12 Months

# Operational & Financial Metrics

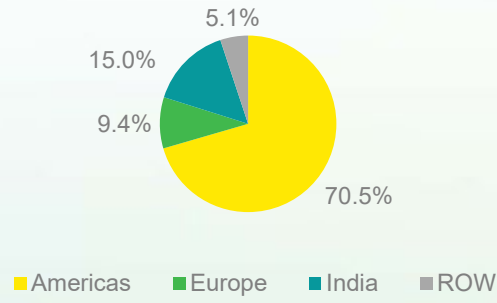
## Revenue Model

Q4 23

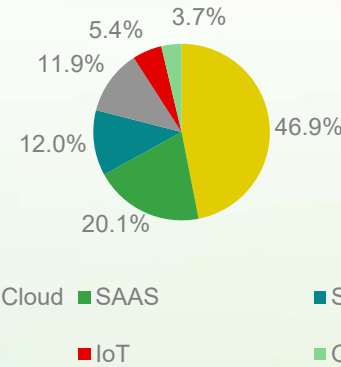
Model



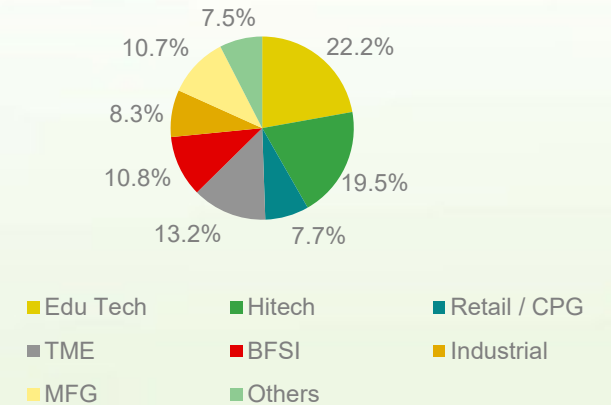
Geography



Digital Revenue<sup>1</sup>

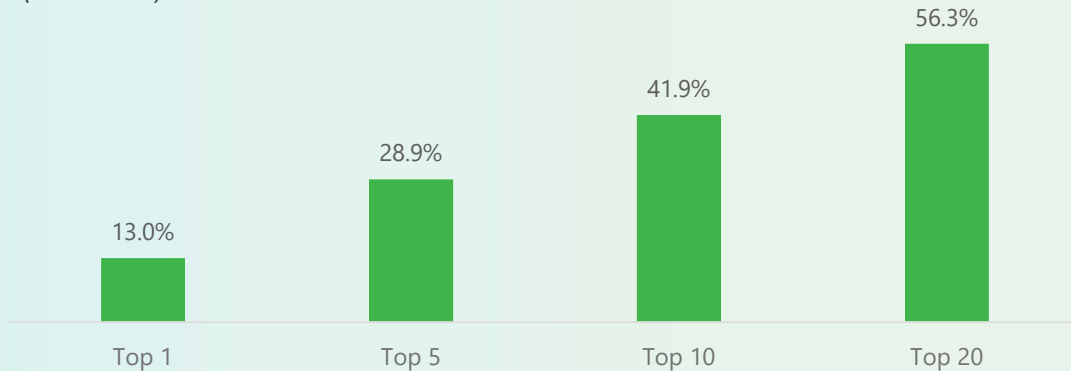


Vertical<sup>1</sup>



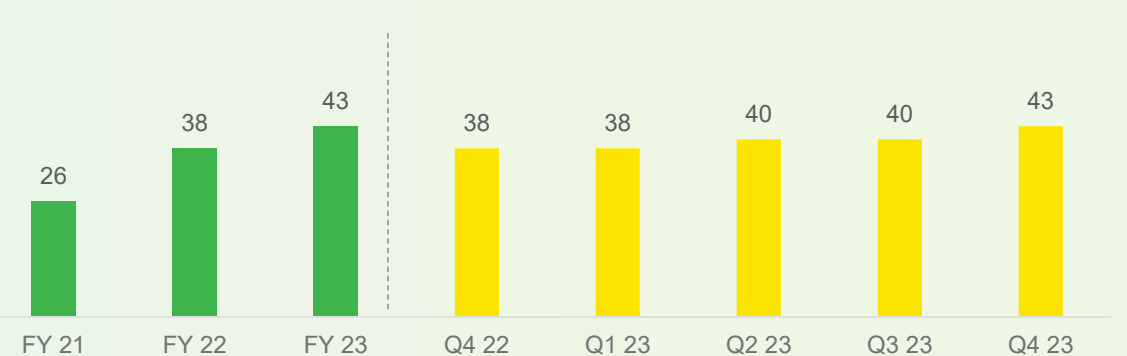
## Revenue Concentration<sup>3</sup>

Q4 23 (% Revenue)



## Million \$ Customers<sup>2</sup>

(#)

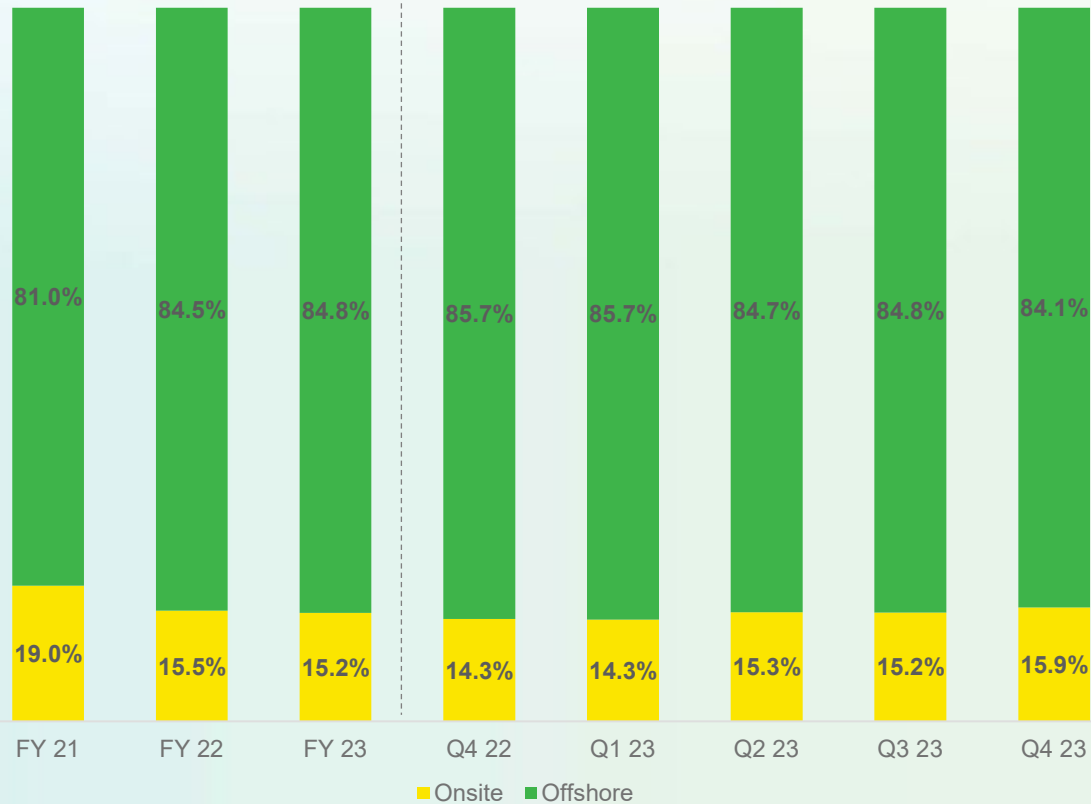


Notes: 1. TME: Travel, Media & Entertainment, 2. Based on quarterly revenues annualized. 3. Top 20 includes Top 1, 5 & 10

# Operational & Financial Metrics

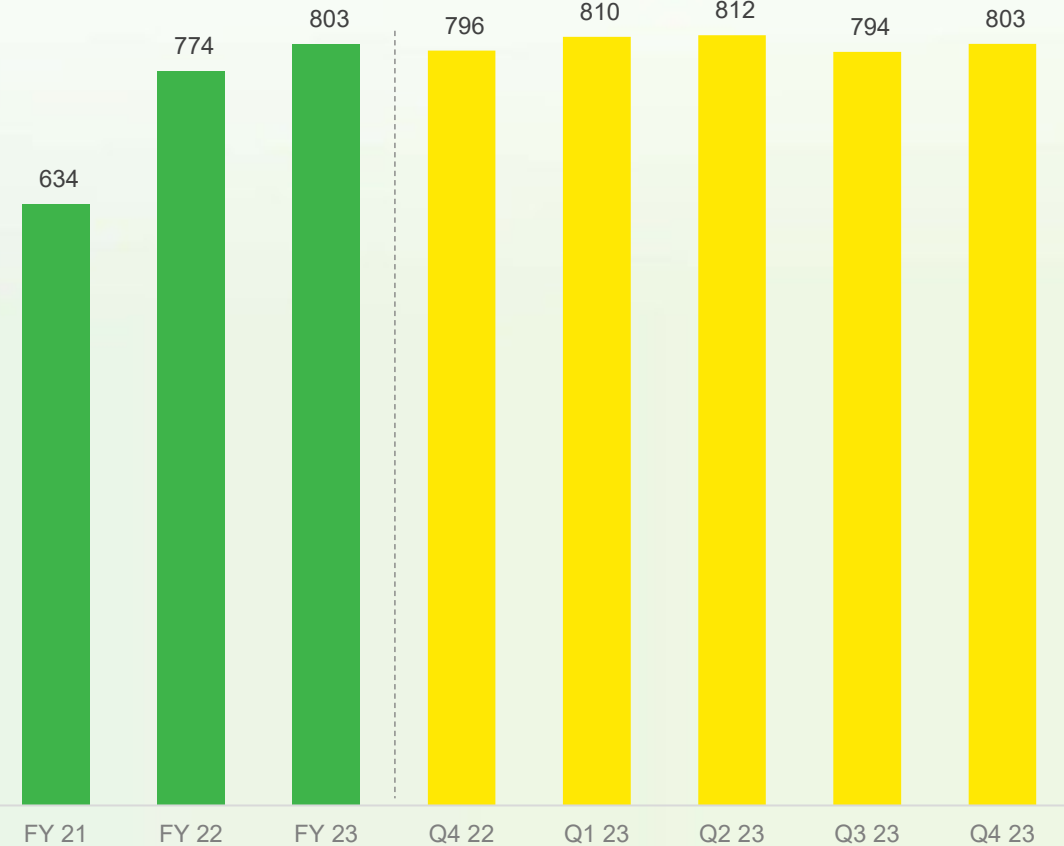
## Onsite/Offshore

By Revenue



## Average Revenue / Active Customer

(USD '000)



# Operational & Financial Metrics

	FY21	FY22 Q4	FY 22	FY23 Q1	FY23 Q2	FY23 Q3	FY23 Q4	FY 23
<b>Customer Industry group</b>								
Edutech	25.6%	23.6%	23.2%	23.7%	23.8%	23.2%	22.2%	23.2%
Hitech	18.2%	16.7%	15.8%	15.6%	16.6%	15.7%	19.5%	16.9%
BFSI	16.4%	13.7%	13.2%	13.7%	14.2%	10.3%	10.8%	12.2%
Travel, Media and Entertainment (TME)	13.6%	13.7%	13.2%	12.7%	12.5%	13.1%	13.2%	12.9%
Retail / CPG	5.4%	10.1%	10.3%	10.0%	8.9%	10.4%	7.7%	9.2%
Industrial	7.1%	6.6%	6.9%	8.2%	7.7%	9.2%	8.3%	8.4%
Manufacturing	6.6%	10.1%	8.6%	10.0%	10.4%	10.0%	10.7%	10.3%
Others	7.1%	5.4%	8.8%	6.1%	5.8%	8.2%	7.5%	6.9%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Digital Service Offerings</b>								
Digital infrastructure/Cloud	41.6%	45.5%	43.6%	45.7%	45.4%	45.4%	46.9%	45.8%
SaaS	22.7%	21.7%	20.3%	21.5%	21.3%	20.1%	20.1%	20.7%
Security Solutions	8.7%	11.8%	11.9%	11.7%	12.3%	13.4%	12.0%	12.3%
Analytics/AI	13.3%	11.3%	12.1%	11.6%	12.8%	12.5%	11.9%	12.2%
IoT	10.5%	6.6%	8.6%	6.2%	5.1%	5.2%	5.4%	5.4%
<b>Total</b>	<b>96.8%</b>	<b>96.8%</b>	<b>96.5%</b>	<b>96.6%</b>	<b>96.8%</b>	<b>96.5%</b>	<b>96.3%</b>	<b>96.4%</b>
<b>Automation</b>	25.2%	26.2%	25.4%	26.0%	25.4%	27.7%	27.3%	26.6%

Note : All metrics are reported as % of operating revenues



# Operational & Financial Metrics

	FY 21	FY22 Q4	FY 22	FY23 Q1	FY23 Q2	FY23 Q3	FY23 Q4	FY 23
<b>Revenue by Geo</b>								
USA	73.4%	65.7%	66.4%	66.6%	67.9%	67.5%	70.5%	68.1%
India	11.8%	16.2%	14.1%	15.8%	16.1%	15.4%	15.0%	15.6%
Europe	10.4%	10.4%	10.4%	10.7%	9.3%	9.4%	9.4%	9.7%
ROW	4.4%	7.8%	9.0%	6.9%	6.7%	7.7%	5.1%	6.6%
<b>Million \$ Customers<sup>1</sup></b>								
\$ 10 M +	1	1	1	2	2	2	1	1
\$ 5M to \$ 10M	3	4	4	4	4	4	6	6
\$ 3M to \$ 5M	6	8	8	7	7	7	6	6
\$ 1M to \$ 3M	16	25	25	25	27	27	30	30
<b>Total</b>	<b>26</b>	<b>38</b>	<b>38</b>	<b>38</b>	<b>40</b>	<b>40</b>	<b>43</b>	<b>43</b>
<b>Tenure of customers</b>								
0 - 5 Years	53.0%	-	50.0%	-	-	-	-	47.0%
> 5 Years	47.0%	-	50.0%	-	-	-	-	53.0%
<b>Revenue Mix</b>								
Onsite	19.0%	14.3%	15.5%	14.3%	15.3%	15.2%	15.9%	15.2%
Offshore <sup>2</sup>	81.0%	85.7%	84.5%	85.7%	84.7%	84.8%	84.1%	84.8%
<b>Revenue by contracting Model</b>								
Fixed Price	21.7%	24.5%	25.1%	24.9%	24.4%	26.4%	25.5%	25.3%
Time and Material	78.3%	75.5%	74.9%	75.1%	75.6%	73.6%	74.5%	74.7%
<b># Active Customers</b>	173	206	206	211	226	230	237	237
<b># Billion \$ Corporation</b>	46	54	54	56	54	55	55	55

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

# Operational & Financial Metrics

	FY21	FY22 Q4	FY22	FY23 Q1	FY23 Q2	FY23 Q3	FY23 Q4	FY23
<b>Happiest Minds</b>								
Onsite	166	172	172	185	210	228	227	227
Offshore	3,062	3,996	3,996	4,003	4,371	4,383	4,690	4,690
Onsite %	5.1%	4.1%	4.1%	4.4%	4.6%	4.9%	4.6%	4.6%
Offshore %	94.9%	95.9%	95.9%	95.6%	95.4%	95.1%	95.4%	95.4%
<b>Utilization</b>	79.5%	79.4%	80.5%	79.1%	80.6%	80.1%	74.6%	78.5%
<b>Diversity</b>	24.5%	26.4%	26.4%	26.0%	27.6%	27.7%	27.4%	27.4%
<b>DSO</b>								
Billed	57	55	55	58	60	60	54	54
Unbilled	28	35	35	36	31	29	31	31
<b>Total</b>	<b>85</b>	<b>90</b>	<b>90</b>	<b>94</b>	<b>91</b>	<b>90</b>	<b>86</b>	<b>86</b>
<b>EPS ₹ : Diluted</b>	11.45	3.58	12.55	3.88	4.09	3.98	3.98	16.01
<b>Capital Ratios<sup>1</sup></b>								
RoCE	31.2%	34.8%	34.8%	39.1%	35.2%	34.9%	33.1%	33.1%
RoE	29.8%	27.3%	27.3%	31.5%	31.3%	29.4%	28.1%	28.1%

Note: 1: Capital Return Ratios are YTD Annualized

# Operational & Financial Metrics

All figures in ₹ Lakhs

	FY21		FY22 Q4		FY22		FY23 Q1		FY23 Q2		FY23 Q3		FY23 Q4		FY23	
<b>Revenue by BU</b>																
IMSS	16,421	20.6%	6,848	22.1%	24,168	21.4%	7,356	22.3%	7,902	22.0%	7,912	21.1%	7,525	19.5%	30,694	21.2%
DBS	21,288	26.7%	8,762	28.2%	32,891	29.1%	9,903	30.0%	10,722	29.8%	11,266	30.1%	11,180	28.9%	43,070	29.7%
PES	39,632	49.7%	14,447	46.5%	52,308	46.3%	15,633	47.4%	16,927	47.1%	17,511	46.7%	19,093	49.4%	69,165	47.7%
<b>Total Revenue</b>	<b>77,341</b>	<b>97.0%</b>	<b>30,057</b>	<b>96.8%</b>	<b>109,367</b>	<b>96.7%</b>	<b>32,892</b>	<b>99.7%</b>	<b>35,551</b>	<b>98.9%</b>	<b>36,688</b>	<b>97.9%</b>	<b>37,798</b>	<b>97.8%</b>	<b>142,929</b>	<b>98.5%</b>
Other income	2,424	3.0%	991	3.2%	3,708	3.3%	104	0.3%	382	1.1%	780	2.1%	845	2.2%	2,111	1.5%
<b>Total income</b>	<b>79,765</b>	<b>100%</b>	<b>31,048</b>	<b>100%</b>	<b>113,075</b>	<b>100%</b>	<b>32,996</b>	<b>100%</b>	<b>35,933</b>	<b>100%</b>	<b>37,468</b>	<b>100%</b>	<b>38,643</b>	<b>100%</b>	<b>145,040</b>	<b>100%</b>

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 Q4	FY 22	FY 23 Q1	FY 23 Q2	FY 23 Q3	FY 23 Q4	FY 23
<b>Income</b>								
Operating revenue	77,341	30,057	109,365	32,892	35,551	36,688	37,798	142,929
Other income	2,424	991	3,710	104	382	780	845	2,111
<b>Total income</b>	<b>79,765</b>	<b>31,048</b>	<b>113,075</b>	<b>32,996</b>	<b>35,933</b>	<b>37,468</b>	<b>38,643</b>	<b>145,040</b>
Cost of revenue	44,382	17,289	64,404	18,499	20,592	21,394	22,342	82,827
<b>Gross margin</b>	<b>32,959</b>	<b>12,768</b>	<b>44,961</b>	<b>14,393</b>	<b>14,959</b>	<b>15,294</b>	<b>15,456</b>	<b>60,101</b>
%	42.6%	42.5%	41.1%	43.8%	42.1%	41.7%	40.9%	42.0%
SG&A	13,810	5,601	19,193	5,722	5,907	6,348	6,239	24,215
%	17.9%	18.6%	17.5%	17.4%	16.6%	17.3%	16.5%	16.9%
<b>EBITDA</b>	<b>21,573</b>	<b>8,158</b>	<b>29,477</b>	<b>8,775</b>	<b>9,434</b>	<b>9,726</b>	<b>10,062</b>	<b>37,997</b>
%	27.0%	26.3%	26.1%	26.6%	26.3%	26.0%	26.0%	26.2%
Depreciation	2,274	884	3,288	934	971	992	1,294	4,191
%	2.9%	2.9%	3.0%	2.8%	2.7%	2.7%	3.4%	2.9%
<b>EBIT</b>	<b>19,299</b>	<b>7,274</b>	<b>26,189</b>	<b>7,841</b>	<b>8,463</b>	<b>8,734</b>	<b>8,768</b>	<b>33,806</b>
%	24.2%	23.4%	23.2%	23.8%	23.6%	23.3%	22.7%	23.3%
Finance cost	697	286	995	283	452	576	875	2,186
<b>PBT before exceptional item*</b>	<b>18,602</b>	<b>6,988</b>	<b>25,194</b>	<b>7,558</b>	<b>8,011</b>	<b>8,158</b>	<b>7,893</b>	<b>31,620</b>
%	23.3%	22.4%	22.2%	22.9%	22.3%	21.8%	20.4%	21.7%
<b>Exceptional Items<sup>+</sup></b>	-	-	609	-	-	634	-	634
<b>PBT *</b>	<b>18,602</b>	<b>6,988</b>	<b>24,585</b>	<b>7,558</b>	<b>8,011</b>	<b>7,524</b>	<b>7,893</b>	<b>30,986</b>
%	23.3%	22.5%	21.7%	22.9%	22.3%	20.1%	20.4%	21.4%
Current tax	3,527	1,737	6,310	2,325	1,638	2,335	2,210	8,508
Deferred tax	(1,171)	40	155	(401)	432	(569)	(83)	(621)
<b>Total Tax</b>	<b>2,356</b>	<b>1,777</b>	<b>6,465</b>	<b>1,924</b>	<b>2,070</b>	<b>1,766</b>	<b>2,127</b>	<b>7,887</b>
%	3.0%	5.7%	5.7%	5.8%	5.8%	4.7%	5.5%	5.4%
<b>PAT *</b>	<b>16,246</b>	<b>5,211</b>	<b>18,120</b>	<b>5,634</b>	<b>5,941</b>	<b>5,758</b>	<b>5,766</b>	<b>23,099</b>
%	20.4%	16.8%	16.0%	17.1%	16.5%	15.4%	14.9%	15.9%

\* Exceptional items for FY22 & Q3 FY23 refers to Loss on Fair Valuation of Warrant Liability



# Condensed Balance Sheet

All figures in ₹ Lakhs

	31.03.2021	31.12.2021	31.03.2022	30.06.2022	30.09.2022	31.12.2022	31.03.2023
<b>Assets</b>							
<b>Non-current Assets</b>							
Property, plant and equipment	69	77	78	89	12,894	12,899	13,278
Goodwill	7,644	7,772	7,896	8,202	8,430	8,562	13,913
Financial & Other assets	10,029	20,609	11,788	24,594	34,347	77,536	29,594
<b>Total non-current assets (A)</b>	<b>17,742</b>	<b>28,458</b>	<b>19,762</b>	<b>32,885</b>	<b>55,671</b>	<b>98,997</b>	<b>56,785</b>
<b>Current assets</b>							
Financial & Other assets							
i. Trade receivable	12,192	18,212	16,738	20,937	22,408	23,250	21,319
ii. Cash & Cash equivalents, Investments & Other financial assets	60,928	59,928	72,609	65,503	55,746	17,061	81,484
iii. Other assets	1,333	2,655	3,392	1,782	3,420	2,811	4,495
<b>Total current assets (B)</b>	<b>74,453</b>	<b>80,795</b>	<b>92,739</b>	<b>88,222</b>	<b>81,574</b>	<b>43,122</b>	<b>107,298</b>
<b>Total assets (A + B)</b>	<b>92,195</b>	<b>109,253</b>	<b>112,501</b>	<b>121,107</b>	<b>137,245</b>	<b>142,119</b>	<b>164,083</b>
<b>Equity and Liabilities</b>							
<b>Total equity (A)</b>	<b>54,599</b>	<b>61,035</b>	<b>66,580</b>	<b>71,907</b>	<b>74,591</b>	<b>77,791</b>	<b>83,882</b>
<b>Non-current liabilities</b>							
Financial liabilities	7,339	12,907	7,134	8,761	18,759	18,678	18,035
Provisions & Deferred tax liability	2,378	2,340	2,086	1,966	2,205	2,344	4,526
<b>Total non-current liabilities (B)</b>	<b>9,717</b>	<b>15,247</b>	<b>9,220</b>	<b>10,727</b>	<b>20,964</b>	<b>21,022</b>	<b>22,561</b>
<b>Current liabilities</b>							
Financial & Contract liabilities							
i. Trade payable	4,101	5,775	6,072	6,967	6,907	5,779	7,052
ii. Others	20,340	23,340	26,266	27,230	30,697	33,767	45,921
Provisions & Other current liabilities	3,438	3,856	4,363	4,276	4,086	3,760	4,667
<b>Total current liabilities (C)</b>	<b>27,879</b>	<b>32,971</b>	<b>36,701</b>	<b>38,473</b>	<b>41,690</b>	<b>43,306</b>	<b>57,640</b>
<b>Total liabilities (D = B + C)</b>	<b>37,596</b>	<b>48,218</b>	<b>45,921</b>	<b>49,200</b>	<b>62,654</b>	<b>64,328</b>	<b>80,201</b>
<b>Total equity and liabilities (A + D)</b>	<b>92,195</b>	<b>109,253</b>	<b>112,501</b>	<b>121,107</b>	<b>137,245</b>	<b>142,119</b>	<b>164,083</b>

