

Investor Presentation

Q3 FY 25



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>278 Active Clients 85 Fortune2000 / Forbes200 Billion \$ Corporations 95% Repeat Business</p>	<p>21.8% RoCE¹ 14.0% RoE</p>
<p>Mission Statement Happiest People Happiest Customers</p> <p>SMILES Values Sharing, Mindful, Integrity, Learning, Excellence, Social Responsibility</p>	<p>6,630 Happiest Minds across 13 Countries 27.3% Gender Diversity</p>	<p>Great Place To Work[®]</p> <ul style="list-style-type: none"> • Top 100 India's Best Workplaces™ in IT & IT-BPM for 2023 • Top 50 India's Best Workplaces™ for Building a Culture of Innovation 2023 • Top 100 India's Best Workplaces™ for Women 2024 • Top 50 India's Best Workplaces™ in Health & Wellness 2024 	<p>Constant Currency growth of 28.2% y-o-y EBITDA margin 21.1% In Q3 FY25</p>




Promoter


Ashok Soota

 **IPO** - In September 2020


- Completed 13 years in August 2024
- 770,000 shareholders
- Experienced and diverse board of eight
- Professional management led by the Executive Board




Golden Peacock
Corporate Governance Award 2022
Business Excellence Award 2021



Great Place To Work[®]



50
BEST FIRMS FOR
DATA SCIENTISTS
TO WORK FOR
2024
CIM



AVATAR
The Power of Diversity
seramount
part of ENEC

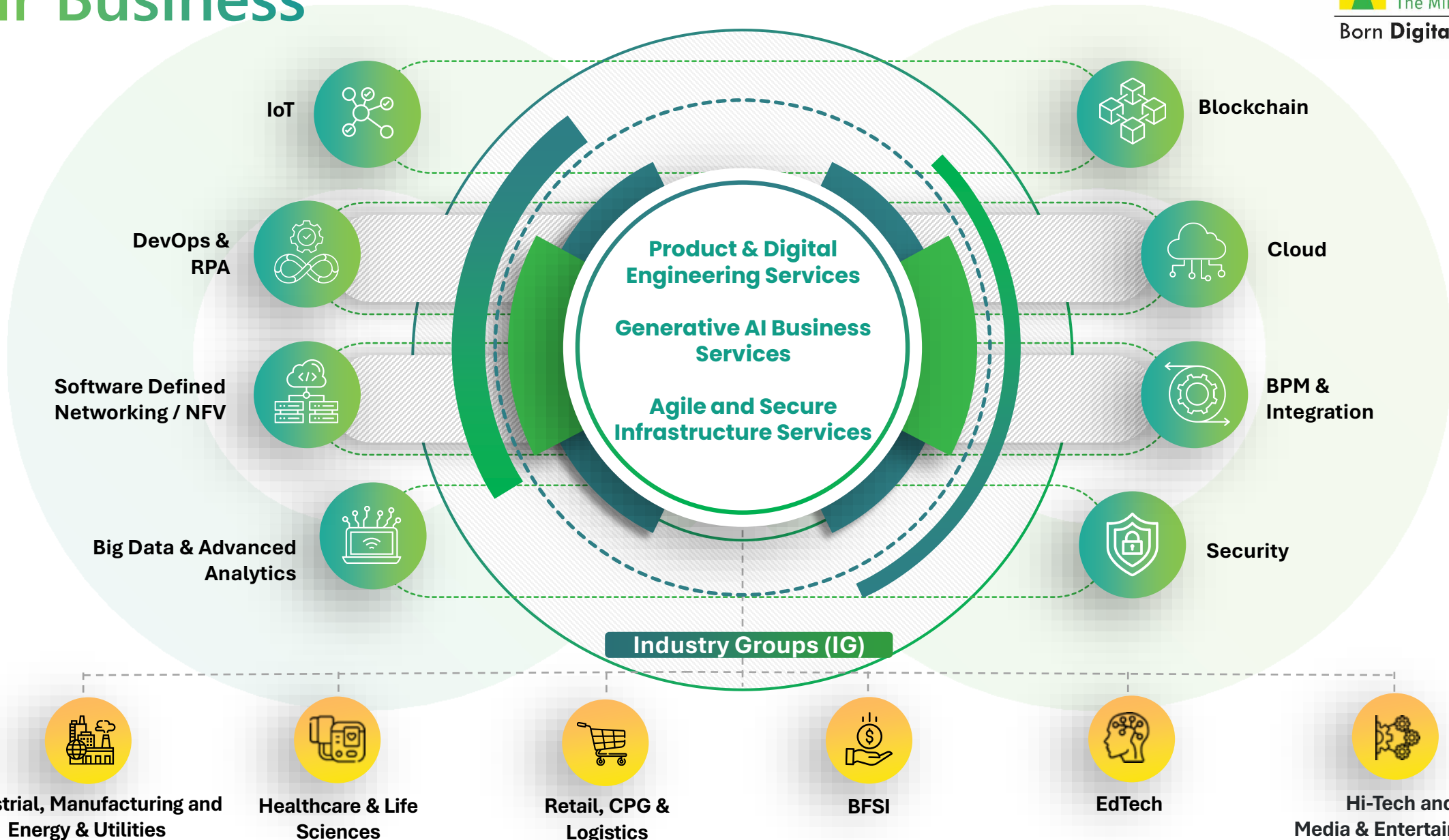
Mission, Vision and Values

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

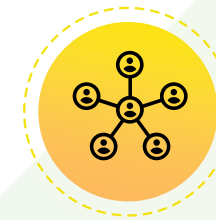
Perceive Immersively

Process Non-judgementally

Perform Empathetically

MINDFULLY AGILE

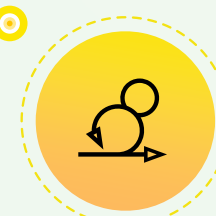
Agile Organization



Agile Business



Agile Delivery



Engineering & Operational Excellence



Key Project Wins

For a **global technology & service major**, Happiest Minds is partnering to implement core banking technology to streamline operations and enhance client satisfaction, for the mortgage division of a large multinational banking and financial services company



For a **global EV Original Equipment Manufacturer (OEM)**, Happiest Minds was chosen as one of the key partners to build their data platform

For a **US logistics tech provider**, Happiest Minds is driving their digital transformation agenda and building intelligent conversational dashboards using Gen AI



For an **India-based global payments solution company**, Happiest Minds was chosen to co-develop multiple mission-critical applications



For an **American multinational financial services company**, Happiest Minds is transforming their Enterprise Content Management Systems



For a **global MedTech company**, Happiest Minds is leveraging Microsoft Power Platform to build their engineering platform



For a **US Healthtech company**, Happiest Minds is providing Infrastructure Management Services



For a **Middle East based global bank**, Happiest Minds is providing Risk and Governance consulting services

Awards



Happiest Minds' Integrated Annual Report 2024, **ranked #42 globally, wins Gold and Silver Awards** at the LACP 2024 Spotlight Awards

Recognized among 2024 Avtar & Seramount Best Companies for **Women in India in IT and Exemplar of Inclusion in the Most Inclusive Companies Index**

Top 100 India's Best Workplaces™ for IT & IT-BPM 2024 by Great Place To Work®

Analyst **Mentions**



Operational and Financial Metrics

Q3 FY 25



Results Q3 FY 25

All amounts in ₹ Lakhs unless stated otherwise

Particulars	Q3 FY25	Q2 FY25	QoQ	Q3 FY24	YoY	9M FY25	9M FY24	YoY
Revenues (\$'000)	62,719	62,385	0.5%	49,366	27.0%	180,651	146,053	23.7%
Growth in CC			0.8%		28.2%			24.8%
Revenues	53,081	52,164	1.8%	40,988	29.5%	151,627	120,737	25.6%
<i>Other Income</i>	2,296	2,703		2,429		7,543	6,016	
Total Income	55,376	54,867	0.9%	43,417	27.5%	159,170	126,753	25.6%
EBITDA	11,686	11,882	(1.6)%	10,519	11.1%	35,240	31,300	12.6%
%	21.1%	21.7%		24.2%		22.1%	24.7%	
Operating Margin¹	9,264	9,352	(0.9)%	8,232	12.5%	27,812	25,654	8.4%
%	17.5%	17.9%		20.1%		18.3%	21.2%	
<i>Finance Cost</i>	2,442	2,551		1,014		6,733	3,012	
<i>Depreciation</i>	1,172	1,154		871		3,512	2,872	
Profit before Non Cash/Exceptional	8,073	8,178	(1.3)%	8,634	(6.5)%	24,995	25,415	(1.7)%
%	14.6%	14.9%		19.9%		15.7%	20.1%	
<i>Amortization/Unwinding Interest²</i>	1,178	1,406		668		3,845	1,668	
<i>Exceptional Item</i>	-	-		107		(643)	107	
PBT	6,894	6,771	1.8%	8,073	(14.6)%	20,508	23,854	(14.0)%
%	12.5%	12.3%		18.6%		12.9%	18.8%	
Tax	1,884	1,820		2,111		5,443	6,211	
%	3.4%	3.3%		4.9%		3.4%	4.9%	
PAT	5,010	4,951	1.2%	5,962	(16.0)%	15,065	17,643	(14.6)%
%	9.0%	9.0%		13.7%		9.5%	13.9%	

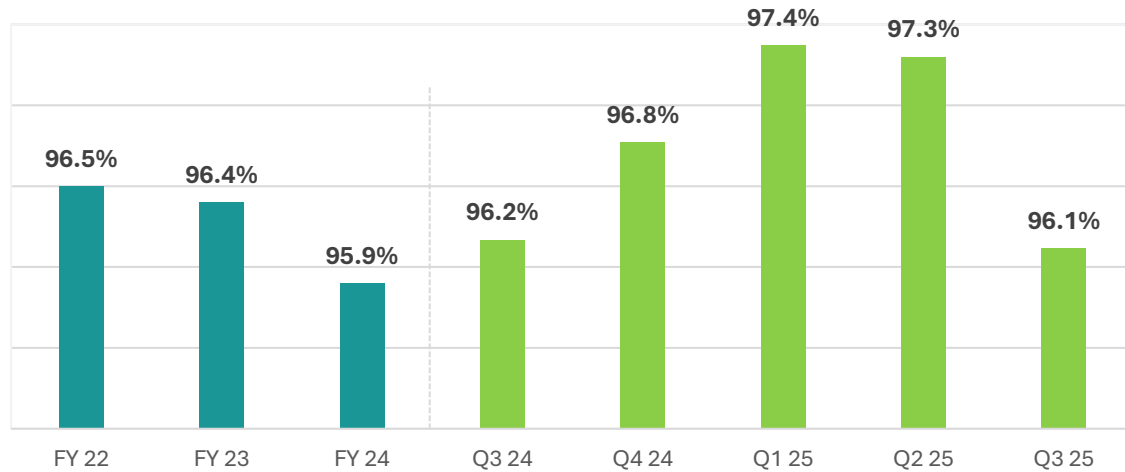
Note 1 - Operating Margin - EBITDA excluding other income

Note 2 - Amortization and unwinding interest are non cash items from the acquisition

Born Digital . Born Agile

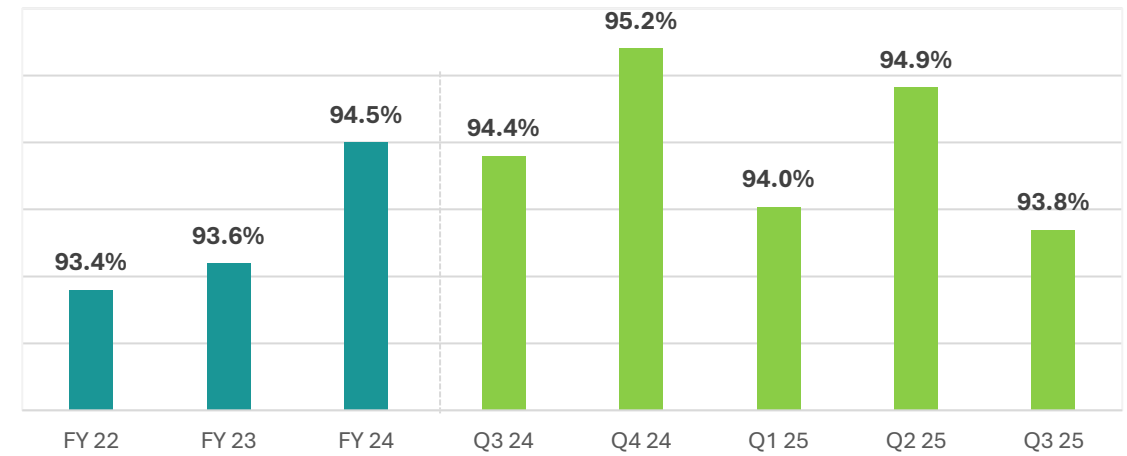
Digital

% of Revenue

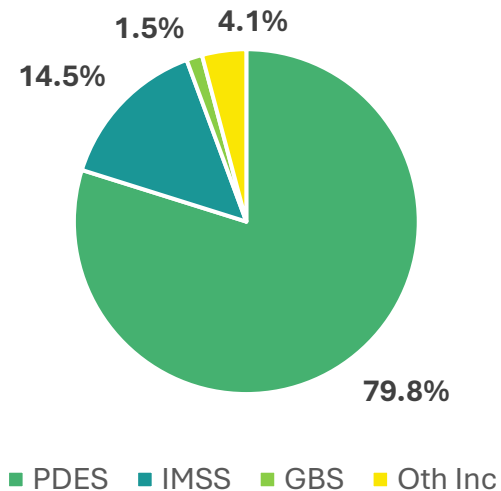


Agile

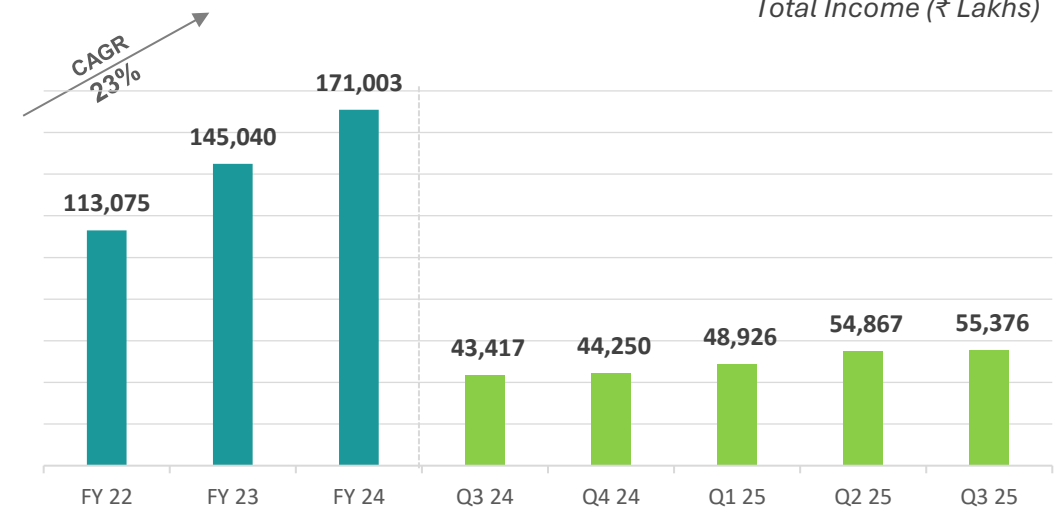
% of Revenue



Revenue by Business Unit



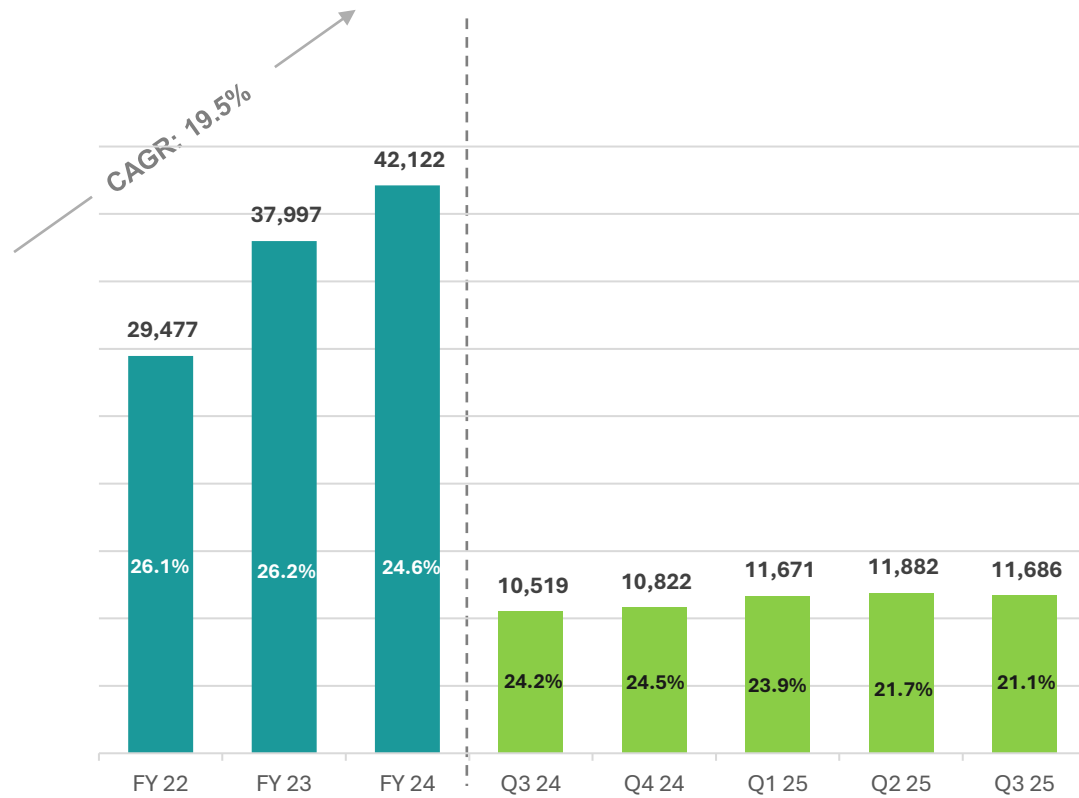
Total Income (₹ Lakhs)



Operational & Financial Metrics

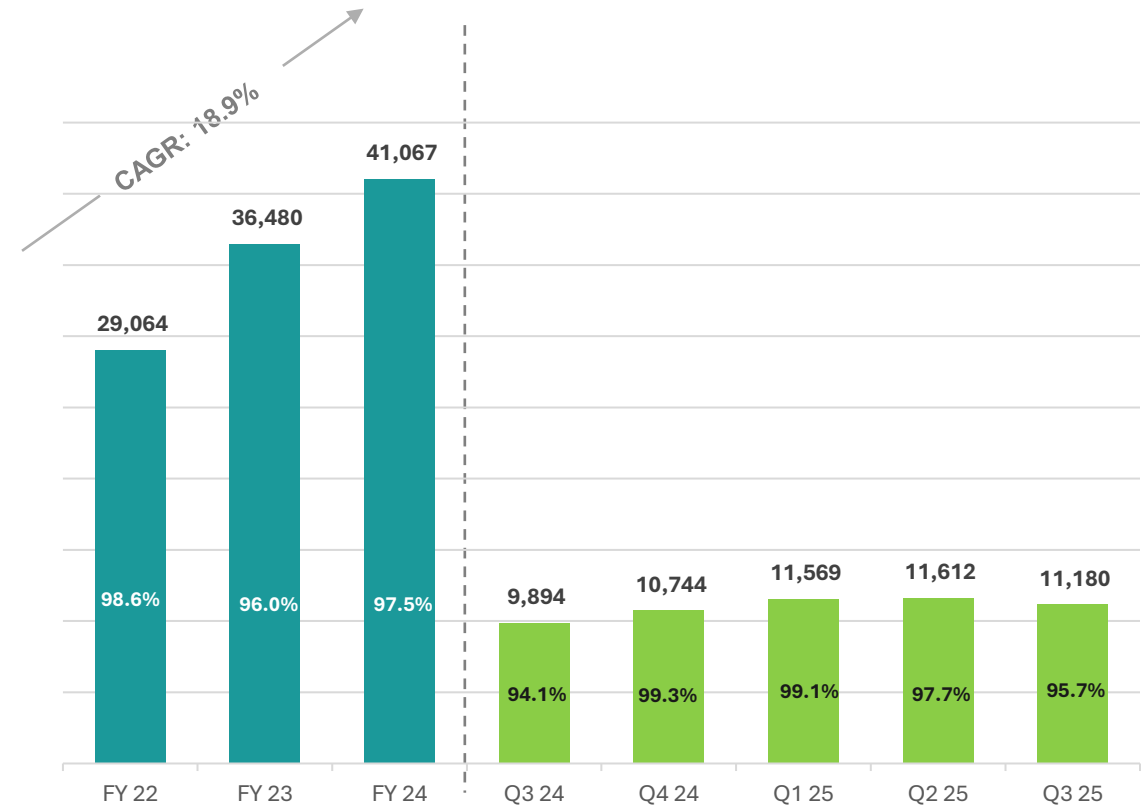
EBITDA

(₹ Lakhs) Margin



High FCF Conversion

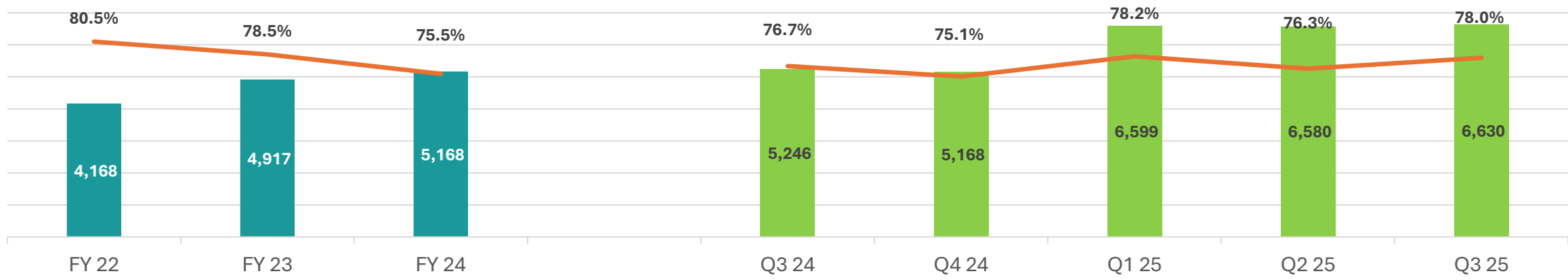
(₹ Lakhs)



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

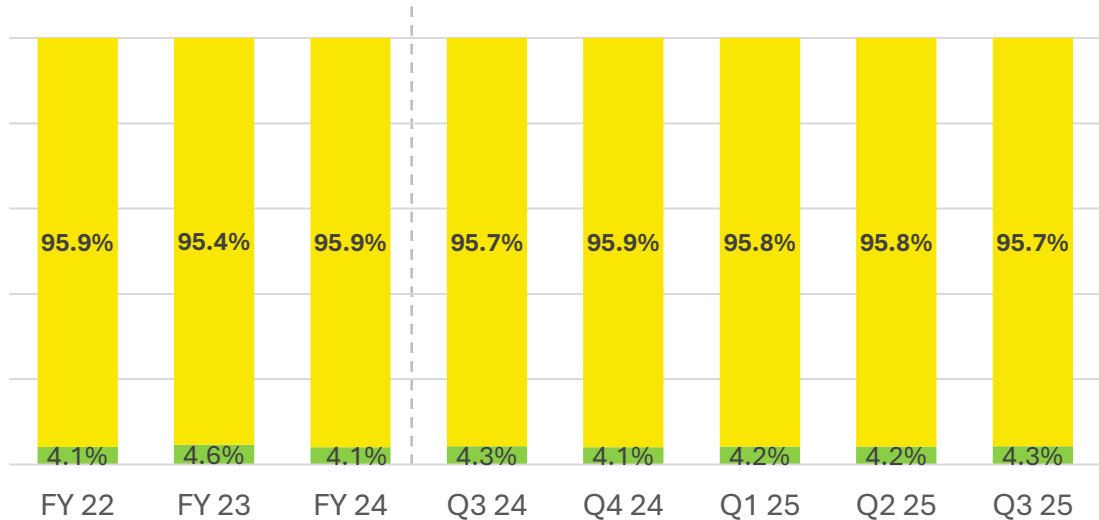
Operational & Financial Metrics

Happiest Minds & Utilization

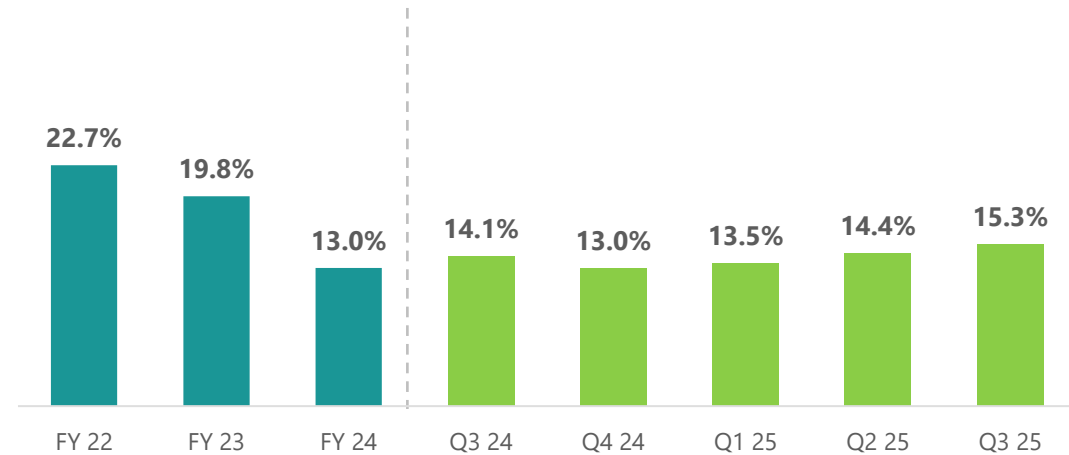


Offshore / Onsite

By Number of Employees



Voluntary Attrition % ¹



Note 1: Trailing 12 Months

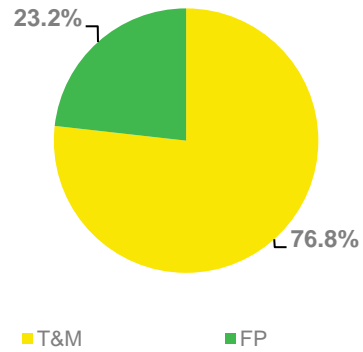
■ Onsite ■ Offshore

Operational & Financial Metrics

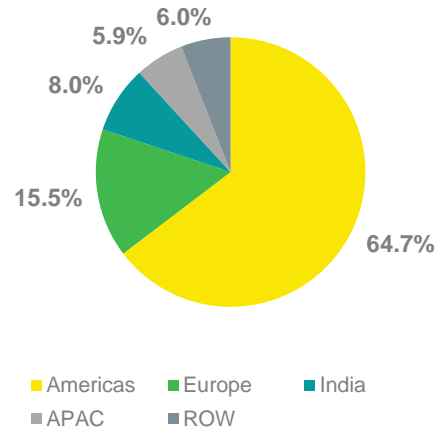
Revenue Model

Q3 25

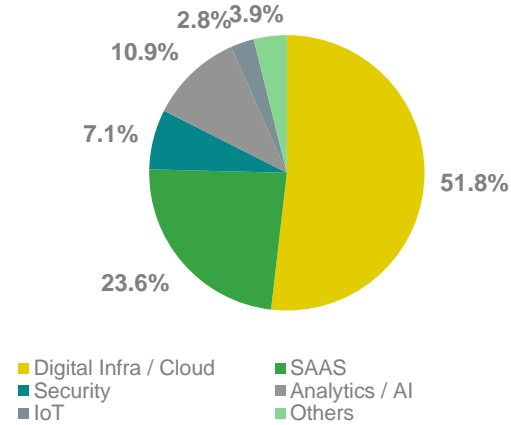
Model



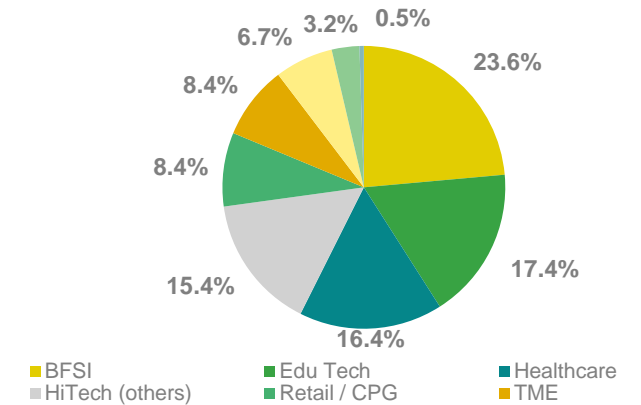
Geography



Digital Revenue

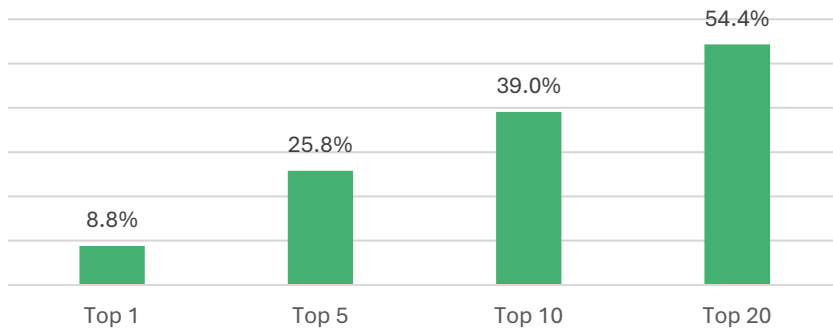


Verticals¹



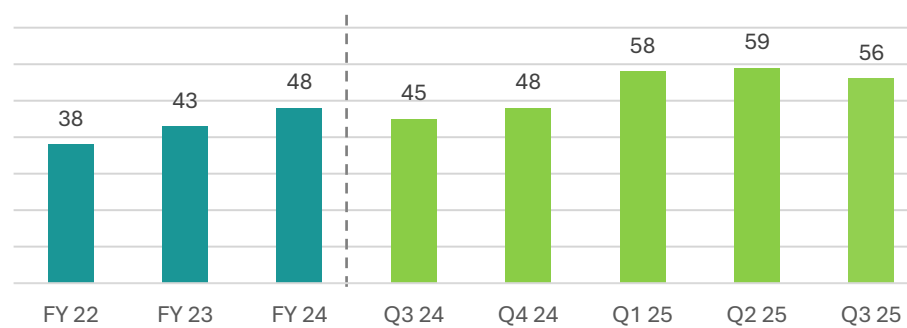
Revenue Concentration³

Q3 25 (% Revenue)



Million \$ Customers²

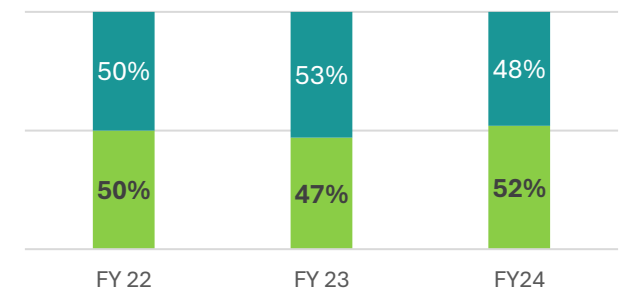
(#)



Tenure of Customer

% revenue from Clients

0-5 yrs > 5 yrs

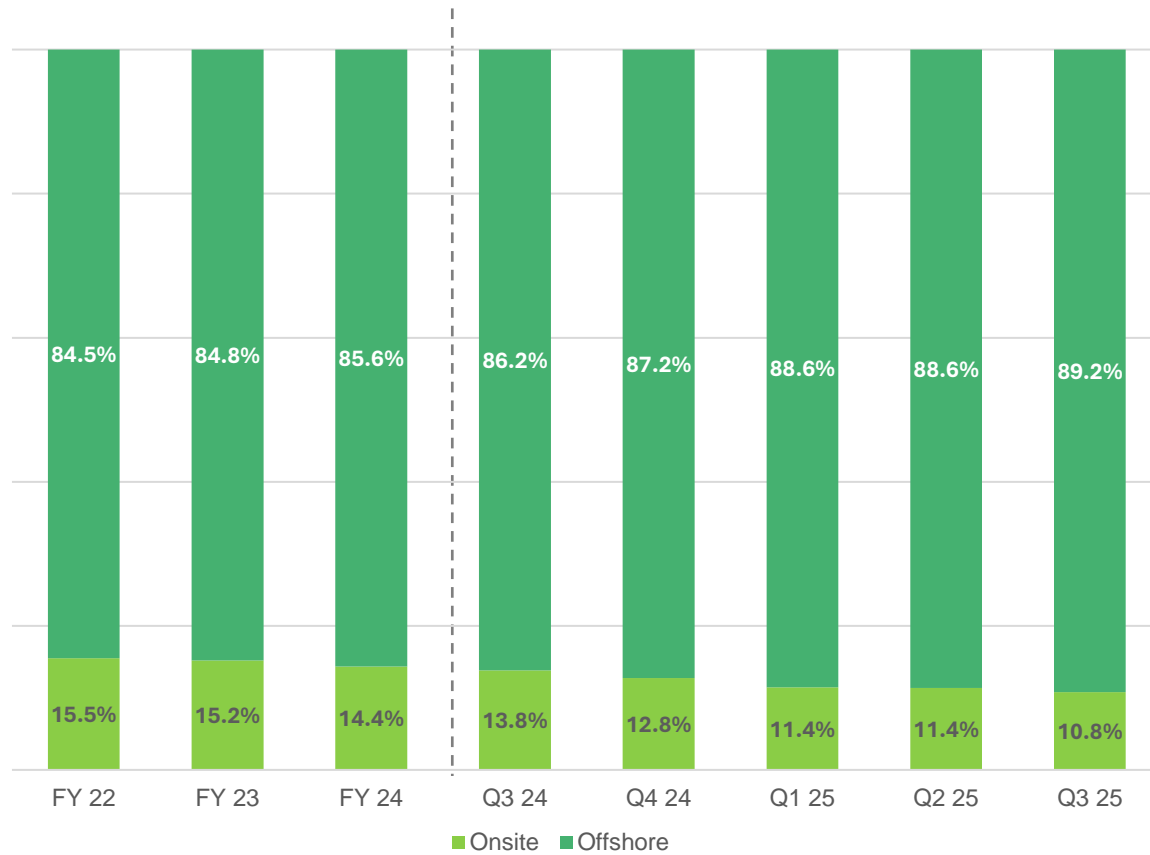


Notes: 1. TME: Travel, Media & Entertainment, 2. Based on quarterly revenues annualized. 3. Top 20 includes Top 1, 5 & 10

ROW* Includes - ANZ, ME, APAC, Africa & Others

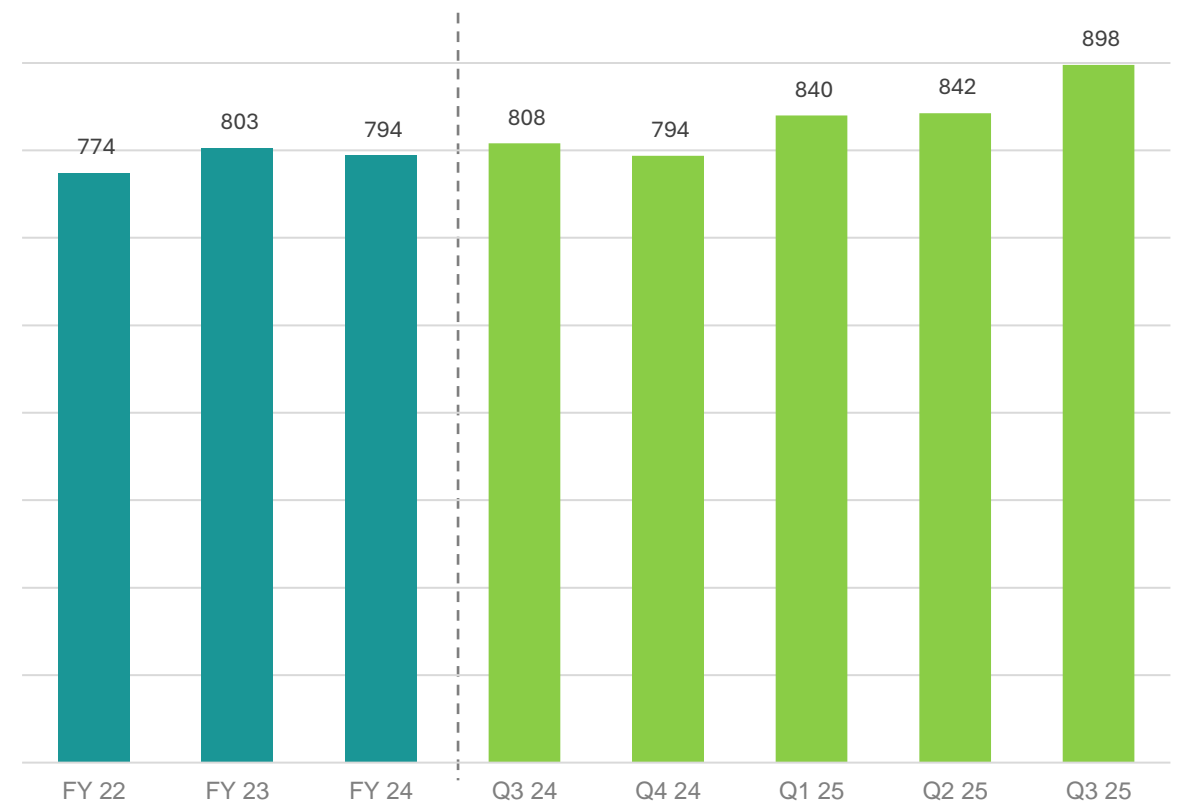
Operational & Financial Metrics

Onsite/Offshore



Average Revenue / Active Customer

(USD '000)



Operational & Financial Metrics

	FY 22	FY 23	FY24 Q3	FY24 Q4	FY 24	FY25 Q1	FY25 Q2	FY25 Q3
Verticals								
BFSI	13.2%	12.2%	10.9%	11.4%	10.9%	16.8%	22.5%	23.6%
Edutech	23.2%	23.2%	24.0%	22.3%	23.9%	21.5%	19.3%	17.4%
Healthcare	-	-	14.8%	16.1%	14.4%	16.4%	16.4%	16.4%
Hitech	15.8%	16.9%	14.3%	14.7%	14.5%	14.8%	14.3%	15.4%
Travel, Media and Entertainment (TME)	13.2%	12.9%	11.7%	12.2%	11.9%	10.7%	8.6%	8.4%
Retail / CPG	10.3%	9.2%	7.6%	7.8%	7.4%	7.8%	8.1%	8.4%
Industrial	6.9%	8.4%	6.8%	7.4%	7.5%	7.3%	7.2%	6.7%
Manufacturing	8.6%	10.3%	7.4%	6.3%	6.3%	4.0%	3.0%	3.2%
Others	8.8%	6.9%	2.5%	1.6%	3.1%	0.9%	0.6%	0.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Digital Service Offerings								
Digital infrastructure / cloud	43.6%	45.8%	43.3%	41.8%	42.9%	47.5%	52.6%	51.8%
SaaS	20.3%	20.7%	26.8%	26.5%	25.7%	25.1%	23.8%	23.6%
Security Solutions	11.9%	12.3%	9.3%	9.6%	9.6%	8.5%	6.6%	7.1%
Analytics / AI	12.1%	12.2%	12.4%	13.8%	13.3%	12.1%	11.1%	10.9%
IoT	8.6%	5.4%	4.3%	5.0%	4.4%	4.2%	3.2%	2.8%
Total	96.5%	96.4%	96.2%	96.8%	95.9%	97.4%	97.3%	96.1%
IP Led	10.3%	10.1%	10.0%	11.4%	10.2%	10.7%	9.8%	11.6%
Automation	25.4%	26.6%	29.1%	26.9%	28.1%	23.9%	24.1%	24.7%

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 22	FY 23	FY24 Q3	FY24 Q4	FY 24	FY25 Q1	FY25 Q2	FY25 Q3
Revenue by Geo								
USA	66.4%	68.1%	70.3%	69.0%	70.7%	66.5%	65.2%	64.7%
India	14.1%	15.6%	16.4%	17.7%	16.3%	16.9%	15.1%	15.5%
Europe	10.4%	9.7%	9.0%	9.0%	8.9%	8.7%	8.5%	8.0%
APAC ³	-	-	-	-	-	2.4%	5.6%	5.9%
ROW	9.0%	6.6%	4.4%	4.4%	4.1%	5.5%	5.6%	6.0%
Million \$ Customers¹								
\$ 20 M +	-	1	1	1	1	1	1	1
\$ 10 M +	1	-	1	2	2	2	2	3
\$ 5M to \$ 10M	4	6	7	6	6	9	8	7
\$ 3M to \$ 5M	8	6	4	2	2	2	6	7
\$ 1M to \$ 3M	25	30	32	37	37	44	42	38
Total	38	43	45	48	48	58	59	56
Tenure of customers								
0 - 5 Years	50.0%	47.0%			52.0%			
> 5 Years	50.0%	53.0%			48.0%			
Revenue Mix								
Onsite	15.5%	15.2%	13.8%	12.8%	14.4%	11.4%	11.4%	10.8%
Offshore ²	84.5%	84.8%	86.2%	87.2%	85.6%	88.6%	88.6%	89.2%
Revenue by contracting Model								
Fixed Price	25.1%	25.3%	27.1%	27.7%	26.1%	26.1%	21.7%	23.2%
Time and Material	74.9%	74.7%	72.9%	72.3%	73.9%	73.9%	78.3%	76.8%
# Active Customers								
	206	237	245	250	250	279	281	278
# Billion \$ Corporation								
	54	55	59	61	61	80	82	85

Note: 1: Based on quarter revenue annualized 2: Offshore: Revenues from customers served from India 3: APAC reporting started from Q1FY25

Operational & Financial Metrics

	FY 22	FY 23	FY24 Q3	FY24 Q4	FY 24	FY25 Q1	FY25 Q2	FY25 Q3
Happiest Minds								
Onsite	172	227	224	211	211	279	274	284
Offshore	3,996	4,690	5,022	4,957	4,957	6,320	6,306	6,346
Onsite %	4.1%	4.6%	4.3%	4.1%	4.1%	4.2%	4.2%	4.3%
Offshore %	95.9%	95.4%	95.7%	95.9%	95.9%	95.8%	95.8%	95.7%
Utilization	80.5%	78.5%	76.7%	75.1%	75.5%	78.2%	76.3%	78.0%
Diversity	26.4%	27.4%	27.9%	27.7%	27.7%	27.7%	27.6%	27.3%
DSO								
Billed	55	54	57	57	57	58	46	48
Unbilled	35	31	28	29	29	26	37	36
Total	90	86	85	87	87	84	83	84
Earnings Per Share (EPS) ₹								
EPS	12.55	16.01	3.96	4.79	16.73	3.39	3.29	3.33
Annualized ²								13.34
Cash EPS³	17.87	24.88	5.47	5.58	22.93	6.11	6.18	6.16
Annualized ²								24.60
Capital Ratios ¹								
RoCE	34.8%	32.8%	22.9%	22.3%	22.3%	22.4%	23.1%	21.8%
RoE	27.3%	27.8%	16.7%	16.9%	16.9%	13.9%	13.5%	14.0%

Note: 1: Capital Return Ratios are YTD Annualized, Note:2 Cash EPS & EPS has been annualized

Note:3 Cash EPS – Cash Flow from Operating Activities divided by number of Outstanding Shares

Operational & Financial Metrics

All figures in ₹ Lakhs

	FY 22		FY 23		FY 24 Q3		FY24 Q4		FY 24		FY25 Q1		FY25 Q2		FY25 Q3	
Revenue by BU																
IMSS	24,168	21.4%	30,694	21.2%	7,299	16.8%	7,551	17.1%	29,746	17.4%	7,992	16.3%	7,876	14.4%	8,045	14.5%
PDES	85,199	75.4%	112,236	77.4%	33,689	77.6%	34,178	77.2%	132,719	77.6%	37,677	77.0%	43,442	79.2%	44,215	79.8%
GBS	-	-	-	-	-	-	-	-	-	-	713	1.5%	846	1.5%	821	1.5%
Total Revenue	109,367	96.8%	142,930	98.6%	40,988	94.4%	41,729	94.3%	162,466	95.0%	46,382	94.8%	52,164	95.1%	53,081	95.9%
Other Income	3,708	3.2%	2,110	1.4%	2,429	5.6%	2,521	5.7%	8,537	5.0%	2,544	5.2%	2,703	4.9%	2,295	4.1%
Total Income	113,075	100.0%	145,040	100.0%	43,417	100.0%	44,250	100.0%	171,003	100.0%	48,926	100.0%	54,867	100.0%	55,376	100.0%

IMSS: Infrastructure Management & Security Services. |. PDES : Product & Digital Engineering Services. |. GBS: Generative AI Business Services

*GBS started its operations from Q1FY25 onwards.

Profit & Loss Statement

All figures in ₹ Lakhs

	FY 22	FY 23	FY24 Q3	FY24 Q4	FY 24	FY25 Q1	FY25 Q2	FY25 Q3
Income								
Operating revenue	109,365	142,929	40,988	41,729	162,466	46,382	52,164	53,081
Other Income	3,710	2,111	2,429	2,521	8,537	2,544	2,702	2,296
Total income	113,075	145,040	43,417	44,250	171,003	48,926	54,867	55,377
Cost of revenue	64,404	82,827	25,213	25,607	99,204	28,614	33,567	33,691
Gross Margin	44,961	60,101	15,775	16,122	63,262	17,768	18,597	19,390
%	41.1%	42.0%	38.5%	38.6%	38.9%	38.3%	35.7%	36.5%
SG&A	19,193	24,215	7,685	7,821	29,677	8,642	9,417	9,999
%	17.5%	16.9%	18.7%	18.7%	18.3%	18.6%	18.1%	18.8%
EBITDA	29,477	37,997	10,519	10,822	42,122	11,671	11,882	11,686
%	26.1%	26.2%	24.2%	24.5%	24.6%	23.9%	21.7%	21.1%
Operating Margin	26,553	34,453	8,233	8,390	34,044	9,196	9,352	9,264
%	24.3%	24.1%	20.1%	20.1%	21.0%	19.8%	17.9%	17.5%
Finance cost	830	2,102	1,010	1,008	4,024	1,741	2,551	2,442
Depreciation	2,423	3,057	942	973	3,716	1,027	1,154	1,172
Profit before acquisition related non-cash items	26,224	32,838	8,567	8,841	34,382	8,903	8,177	8,072
%	23.2%	22.6%	19.7%	20.0%	20.1%	18.2%	14.9%	14.6%
Amortization/Unwinding Interest	1,030	1,218	601	521	2,316	1,419	1,406	1,178
PBT before exceptional item*	25,194	31,620	7,966	8,320	32,066	7,484	6,771	6,894
%	22.3%	21.8%	18.3%	18.8%	18.8%	15.3%	12.3%	12.4%
Exceptional items*	609	634	-107	-1,295	-1,402	643	-	-
PBT *	24,585	30,986	8,073	9,615	33,468	6,841	6,771	6,894
%	21.7%	21.4%	18.6%	21.7%	19.6%	14.0%	12.3%	12.4%
Current tax	6,310	8,508	2,192	2,809	9,518	2,114	2,179	2,210
Deferred tax	155	-621	-81	-392	-889	-376	-359	-326
Total Tax	6,465	7,887	2,111	2,417	8,629	1,738	1,820	1,884
%	5.7%	5.4%	4.9%	5.5%	5.0%	3.6%	3.3%	3.4%
PAT *	18,120	23,099	5,962	7,198	24,839	5,103	4,951	5,010
%	16.0%	15.9%	13.7%	16.3%	14.5%	10.4%	9.0%	9.0%

*+Exceptional items for FY22 & FY23 refers to Loss on Fair Valuation of Warrant Liability. For Q3FY24 & Q4FY24 is Gain on fair valuation of contingent consideration, For Q1 FY25 is Expense on acquisitions.

Condensed Balance Sheet

All figures in ₹ Lakhs

	FY 2022	FY 2023	Q3 FY24	FY 2024	Q1 FY25	Q2 FY25	Q3 FY25
Assets							
Non-current assets							
Property, plant and equipment	78	13,278	13,856	13,778	14,062	13,978	13,894
Goodwill	7,896	13,913	14,013	14,032	70,773	75,329	75,891
Financial & Other assets	11,788	29,594	36,903	19,192	65,379	42,125	40,348
Total non-current assets (A)	19,762	56,785	64,772	47,002	1,50,214	1,31,431	1,30,133
Current Assets							
Financial & Other assets							
i. Trade receivable	16,738	21,319	25,336	25,444	35,516	25,441	26,927
ii. Cash & Cash equivalents, Investments & Other financial assets	72,609	81,484	1,26,953	1,47,540	1,66,203	1,66,196	1,70,380
iii. Other assets	3,392	4,495	5,242	4,793	4,430	6,980	6,746
Total current assets (B)	92,739	1,07,298	1,57,531	1,77,777	2,06,149	1,98,616	2,04,053
Total assets (A + B)	1,12,501	1,64,083	2,22,303	2,24,779	3,56,363	3,30,047	3,34,186
Equity and Liabilities							
Total equity (A)	66,580	83,882	1,41,465	1,48,024	1,48,268	1,52,444	1,53,580
Non-current liabilities							
Financial liabilities	7,134	18,035	16,174	15,416	28,015	22,202	23,576
Provisions & Deferred tax liability	2,086	4,526	4,975	4,641	14,031	8,989	10,107
Total non-current liabilities (B)	9,220	22,561	21,149	20,057	42,046	31,191	33,683
Current liabilities							
Financial & Contract liabilities							
i. Trade payable	6,072	7,052	7,558	7,915	9,844	11,008	10,873
ii. Others	26,266	45,921	47,474	43,839	1,50,036	1,28,412	1,28,844
Provisions & Other current liabilities	4,363	4,667	4,656	4,944	6,169	6,991	7,206
Total current liabilities (C)	36,701	57,640	59,688	56,698	1,66,049	1,46,412	1,46,922
Total liabilities (D = B + C)	45,921	80,201	80,837	76,755	2,08,095	1,77,603	1,80,606
Total equity and liabilities (A + D)	1,12,501	1,64,083	2,22,303	2,24,779	3,56,363	3,30,047	3,34,186

Key Ratios

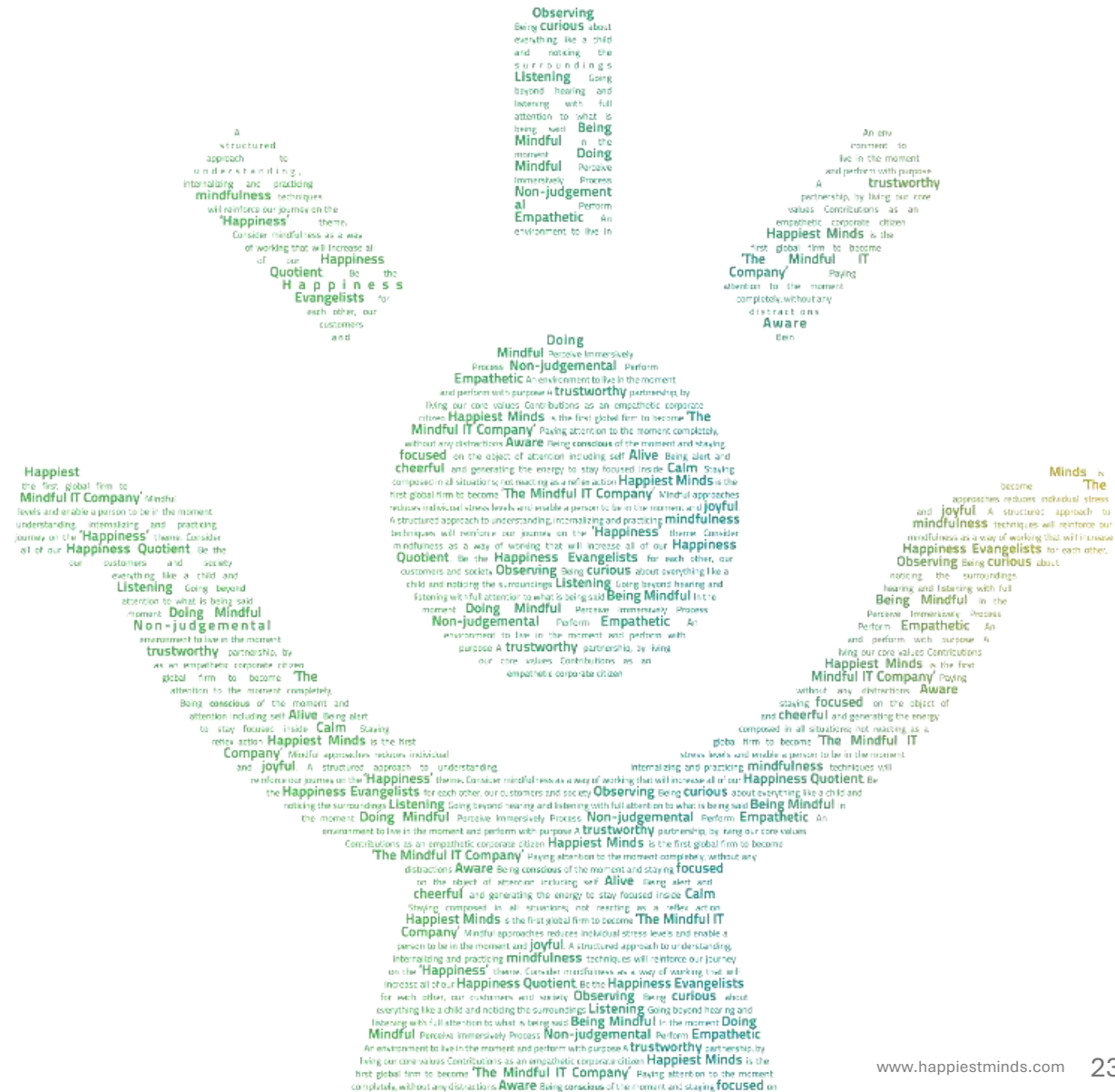
	Q3 FY24	FY24	Q2 FY25	Q3 FY25
Additional Balance Sheet Ratios				
Debt-Equity	0.37	0.35	0.82	0.83
Debt Service Coverage (DSCR)	4.96	5.25	6.68	7.03
Interest Service Coverage (ISCR)	8.89	8.97	3.65	3.82
Current Assets to Current Liabilities	2.64	3.14	1.37	1.39
Long-term Debt to Working Capital	0.12	0.09	0.20	0.18
Bad Debts to Trade Receivable	0.00	0.02	0.00	0.01
Current Liability to Total Liabilities	0.74	0.74	0.82	0.81
Total Debt to Total Assets	0.24	0.23	0.38	0.38
Trade Receivable Turnover	7.03	6.95	8.20	8.18
Operating margin (%)	20%	21%	18%	18%
Net profit margin (%)	15%	15%	9%	9%

*As per the guidance note from ICAI

Thank You

Happiest People · Happiest Customers

India | United States | United Kingdom | Canada | Australia | Dubai



The word cloud contains the following key terms and phrases:

- Observing:** Being curious about everything like a child and noticing the surroundings.
- Listening:** Going beyond hearing and listening with full attention to what is being said.
- Being Mindful:** In the moment and staying focused on the object of attention including self.
- Doing:** Performing processes non-judgementally.
- Empathetic:** An environment to live in the moment and perform with purpose.
- Non-judgemental:** An environment to live in the moment and perform with purpose.
- Trustworthy:** Partnership by living our core values.
- Partnership:** Contributions as an empathetic corporate citizen.
- Values:** Contributions as an empathetic corporate citizen.
- Happiest Minds:** Is the first global firm to become The Mindful IT Company.
- Happiest People:** Mindful approaches reduce individual stress levels and enable a person to be in the moment.
- Happiest Customers:** Mindful approaches reduce individual stress levels and enable a person to be in the moment.
- Happiness:** A structured approach to understanding, internalizing and practicing mindfulness techniques will reinforce our journey on the 'Happiness' theme.
- Happiness Quotient:** Be the Happiness Evangelists for each other, our customers and society.
- Aware:** Being conscious of the moment and staying focused on the object of attention including self.
- Focused:** On the object of attention including self.
- Alive:** Being alert and cheerful and generating the energy to stay focused inside.
- Calm:** Staying composed in all situations; not reacting as a reflex action.