

August 08, 2023

Listing Compliance & Legal Regulatory
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai 400 001
Stock Code: 543227, 974728 & 974820

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 Q1 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 ended June 30, 2023.

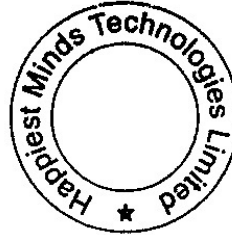
This is for your information and records.

Thanking you,

Yours faithfully,

For **Happiest Minds Technologies Limited**

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



PRESS RELEASE

Happiest Minds reports Industry leading QoQ growth of 4.7% in Total Income and maintains superior EBITDA margin of 25.5%

YoY EBIDTA growth of 17.4% to ₹ 103 Crores

Bengaluru, India, San Jose, California and London, August 08, 2023: Happiest Minds Technologies Limited (NSE:HAPPSTMNDS), a 'Born Digital. Born Agile', digital transformation and IT solutions company, today announced its consolidated results for the first quarter ended June 30, 2023 as approved by its Board of Directors.

Ashok Soota, Executive Chairman, said *"We have consistently and yet again delivered industry-leading performance both on revenue growth and profitability. The highly successful run is a result of the continued acceleration of our customer's digital journey and our ability to stay relevant to their needs. The performance wouldn't have been possible without the commitment and dedication of our Happiest Minds team which has crossed 5,000 during the quarter.*

We have set a goal of achieving US\$ 1 Billion by 2031 and our guidance of 25% is based on the same. We remain on target for achieving the goal. In our guidance of 25%, we have not been making a distinction between organic and inorganic growth. In the current year, we have been expecting to do significant acquisitions which we have not been able to close so far. We will update our guidance target in October based on the M&A progress."

Financial highlights

Quarter ended June 30, 2023

- Revenue in constant currency grew by 3.5% q-o-q and 13.8% y-o-y
- Operating Revenues in US\$ stood at \$47.6 million (growth of 3.6% q-o-q; 12.7% y-o-y)
- Total Income of ₹ 40,453 lakhs (growth of 4.7% q-o-q; 22.6% y-o-y)
- EBITDA of ₹ 10,299 lakhs, 25.5% of Total Income (growth of 2.4% q-o-q; 17.4% y-o-y)
- PAT of ₹ 5,833 lakhs (growth of 1.2% q-o-q; growth of 3.5% y-o-y)
- Free cash flows of ₹ 10,133 lakhs
- EPS (diluted) for the quarter of ₹ 4.02

All amounts in ₹ Lakhs unless stated otherwise

Particulars	Q1 FY 24	Q4 FY 23	QoQ	Q1 FY 23	YoY
Revenues	39,087	37,798	3.4%	32,892	18.8%
Other Income	1,366	845	-	104	-
Total Income	40,453	38,643	4.7%	32,996	22.6%
EBITDA	10,299	10,062	2.4%	8,775	17.4%
%	25.5%	26.0%		26.6%	
PBT	7,868	7,893	(0.3)%	7,558	4.1%
%	19.4%	20.4%		22.9%	
Tax	2,035	2,127	-	1,924	-
%	5.0%	5.5%		5.8%	
PAT	5,833	5,766	1.2%	5,634	3.5%
%	14.4%	14.9%		17.1%	
Revenues (\$'000)	47,566	45,918	3.6%	42,224	12.7%
Growth in Constant Currency	-	-	3.5%	-	13.8%

Venkatraman N, MD & CFO, said "I am extremely happy to report on our thirteenth quarter of 25% plus EBITDA and ahead of our guidance which is a validation of our value proposition and disciplined execution. The successful closure of our Qualified Institutions Placement(QIP) of ₹ 500 crores confirms the strong investor commitment to us and our growth aspirations."

Joseph Anantharaju, Executive Vice Chairman, said "Our clients remain focused on executing compressed transformations to drive efficiency, stronger growth, more agility, and to achieve greater resilience faster. Our ability to advise, shape and deliver value-led digital transformation, leveraging the breadth of technical capabilities in digital technologies and deep domain expertise is the key differentiator for Happiest Minds."

Clients:

- 243 as of June 30, 2023
- 18 additions in the quarter

Our People - Happiest Minds:

- 5,048 Happiest Minds as of June 30, 2023 (net addition for the quarter 131)
- Trailing 12 months attrition of 16.6% (19.8% in the previous quarter)
- Utilization of 74.6%

Q1 FY24 Key Project Wins:

- For a next-generation learning platform and an existing customer, Happiest Minds is their strategic partner to provide product engineering services, quality engineering and automation services across their teacher and student engagement platform. This is a consolidation deal based on the excellent service provided over an eight-year relationship and Happiest Minds is the single vendor.
- For a billion-dollar global, specialty chemicals company, Happiest Minds was appointed to draft their digital roadmap covering commercial, operations, and IT functional areas.
- For a global leader and innovator in the bioscience industry, Happiest Minds was chosen to implement cloud-based product life cycle management (PLM) solutions.
- For one of the world's largest pharmaceuticals company, this consulting-led engagement entails Happiest Minds to provide strategic quality assurance and automation services for their Digital Surgery Enablement Platform
- For a large digital transformation specialist, this multi-year multi-million-dollar deal entails Happiest Minds to deliver infrastructure and security services
- For a large enterprise software support company, Happiest Minds has signed a multi-million-dollar deal to provide managed database services and ITSM services
- For a global, high-tech engineering group based in Europe, Happiest Minds was chosen to design and implement the Modern Data Platform on Microsoft Azure
- For a global talent fulfilment enterprise in Europe, Happiest Minds was chosen to streamline multiple workflows leveraging Microsoft's Power Platform for improved employee experience and actionable intelligence for decision-makers
- For a large Middle east based petrochemical company, Happiest Minds is chosen to provide consulting-led Operational Technology (OT) Solutions
- For an Australia-based health insurance and services provider, Happiest Minds was chosen as a strategic partner to enhance their security posture by leveraging Microsoft Sentinel and CloudSecOps

Recognitions:

- Happiest Minds is recognized among Top 100 '**India's Best Companies to Work for 2023**' by Great Place To Work® Institute
- Happiest Minds' CRPP solution won '**Best Security Operation Centre of the Year**' at the CISO Summit & Awards 2023
- Happiest Minds was honored with **STPI Exports & Excellence Awards 2021-22**
- Happiest Minds won '**Digital Transformation of the Year**' at IReC Awards 2023

Analyst Mentions:

- Happiest Minds is a '**Major Contender**' in Low-Code application development services - Everest
- Happiest Minds is a '**Rising Star**' in Design & Development - ISG
- Happiest Minds is a '**Rising Star**' in Integrated User Engagement - ISG
- Happiest Minds is a '**Rising Star**' in Platforms & App Services - ISG

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

About Happiest Minds Technologies:

[Happiest Minds Technologies Limited](#) (NSE: HAPSTMNDS), a Mindful IT Company, enables [digital transformation](#) 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: [artificial intelligence](#), [blockchain](#), [cloud](#), [digital process automation](#), [internet of things](#), robotics/drones, [security](#), [virtual/augmented reality](#), etc. Positioned as 'Born Digital . Born Agile', our capabilities span digital solutions, infrastructure, product engineering and security. 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™ 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:

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