

November 13, 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: HAPSTMNDS

Dear Sir/Madam,

**Sub: Press Release on the financial results of Q2 for FY'25**

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 half year ended September 30, 2024.

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 Q2 revenues of US \$ 62.4 Million, propels ahead with growth of 12.7% q-o-q ; 28.2% y-o-y in constant currency**

### **EBITDA grows 13.4% to ₹ 119 Crores**

**Bengaluru, Seattle and London, November 13, 2024:** Happiest Minds Technologies Limited (NSE:HAPPSTMNDS), a 'Born Digital. Born Agile', a digital transformation and IT solutions company, today announced its consolidated results for the second quarter ended September 30, 2024, as approved by its Board of Directors.

**Ashok Soota, Executive Chairman,** said, *"Happiest Minds has delivered our best growth results since the last two years with 12.7% QoQ growth and 28.2% YoY growth. The transformational changes we initiated this year are all gathering momentum. These changes include the acquisition of PureSoftware and Aureus, the creation of our GenAI Business Unit (GBS), hiring a senior leader to expand net new (NN Sales), and creating six Industry Groups, each headed by an Industry Manager. The full impact of all these changes on revenue and growth will become visible in the quarters ahead."*

#### **Key Financial highlights**

##### **Quarter ended September 30, 2024**

- Revenue in constant currency grew 12.7% q-o-q and 28.2% y-o-y
- Operating Revenues in US \$ stood at \$62.4 million growing 12.3% q-o-q and 27.0% y-o-y
- Total Income of ₹ 54,867 lakhs growing 12.1% q-o-q and 27.9% y-o-y
- EBITDA of ₹ 11,882 lakhs, 21.7% of Total Income (growth of 1.8% q-o-q and 13.4% y-o-y)
- PAT of ₹ 4,951 lakhs 9.0% of Total Income (decline of 3.0% q-o-q and 15.3% y-o-y)\*
- Free cash flows of ₹ 11,612 Lakhs and EPS (diluted) at ₹ 3.29

##### **Half year ended September 30, 2024**

- Revenue in constant currency grew 23.1% y-o-y
- Operating Revenues in US \$ stood at \$117.9 million growing 22.0% y-o-y
- Total Income of ₹ 103,793 lakhs growing 24.5% y-o-y
- EBITDA of ₹ 23,553 lakhs, 22.7% of Total Income (growth of 13.3% y-o-y)
- PAT of ₹ 10,054 lakhs 9.7% of Total Income (Decline of 13.9% y-o-y)\*
- Free cash flows of ₹ 23,181 Lakhs and EPS (diluted) at ₹ 6.68

*\*Decline primarily due to acquisition related non-cash charge and financing costs.*

All amounts in ₹ Lakhs unless stated otherwise.

Particulars	Q2 FY25	Q1 FY25	QoQ	Q2 FY24	YoY	HY25	HY24	YoY
<b>Revenues</b>	<b>52,164</b>	46,382	<b>12.5%</b>	40,662	<b>28.3%</b>	<b>98,546</b>	79,749	<b>23.6%</b>
<i>Other Income</i>	2,702	2,544		2,221		5,246	3,587	
<b>Total Income</b>	<b>54,867</b>	48,926	<b>12.1%</b>	42,883	<b>27.9%</b>	<b>103,793</b>	83,336	<b>24.5%</b>
<b>EBITDA</b>	<b>11,882</b>	11,671	<b>1.8%</b>	10,482	<b>13.4%</b>	<b>23,553</b>	20,781	<b>13.3%</b>
%	21.7%	23.9%		24.4%		22.7%	24.9%	
<b>Operating Margin<sup>1</sup></b>	<b>9,352</b>	9,196	<b>1.7%</b>	8,443	<b>10.8%</b>	<b>18,548</b>	17,422	<b>6.5%</b>
%	17.9%	19.8%		20.8%		18.8%	21.8%	
<i>Finance Cost</i>	2,551	1,741		1,055		4,291	2,002	
<i>Depreciation</i>	1,154	1,029		846		2,183	1,887	
<b>Profit before Non Cash/Exceptional</b>	<b>8,178</b>	8,902	<b>(8.1)%</b>	8,581	<b>(4.7)%</b>	<b>17,080</b>	16,892	<b>1.1%</b>
%	14.9%	18.2%		20.0%		16.5%	20.3%	
<i>Amortization/Unwinding Interest<sup>2</sup></i>	1,406	1,419		668		2,825	1,110	
<i>Exceptional Item</i>	-	643		-		643	-	
<b>PBT</b>	<b>6,771</b>	6,841	<b>(1.0)%</b>	7,912	<b>(14.4)%</b>	<b>13,612</b>	15,780	<b>(13.7)%</b>
%	12.3%	14.0%		18.5%		13.1%	18.9%	
<b>Tax</b>	<b>1,820</b>	1,738		2,066		<b>3,558</b>	4,101	
%	3.3%	3.6%		4.8%		3.4%	4.9%	
<b>PAT</b>	<b>4,951</b>	5,103	<b>(3.0)%</b>	5,846	<b>(15.3)%</b>	<b>10,054</b>	11,679	<b>(13.9)%</b>
%	9.0%	10.4%		13.6%		9.7%	14.0%	
<b>Revenues (\$'000)</b>	<b>62,385</b>	55,547	<b>12.3%</b>	49,121	<b>27.0%</b>	<b>117,932</b>	96,687	<b>22.0%</b>
<b>Growth in CC</b>			<b>12.7%</b>		<b>28.2%</b>			<b>23.1%</b>

Note 1 – Operating Margin – EBITDA excluding other income

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

**Venkatraman Narayanan, MD & CFO**, said, "We are pleased about our growth in revenues and profits in the first half of FY25. Total income has grown by ₹205 crores, EBITDA by ₹28 crores and Operating Margins by ₹12 crores. Revenue growth of 28.2% in constant currency and EBITDA margin of 22.7% compare well with our guidance range of 30% to 35% and 20% to 22%, respectively. Our growth in margins is after counting for significant investments in our Gen AI business unit and higher than comparable company compensation increases for our people."

**Joseph Anantharaju, Executive Vice Chairman**, said, "The results demonstrate Happiest Minds' commitment to its customers and be the partner of choice in their strategic imperatives. Backed by our strong capabilities in Data, AI, GenAI, Automation, IoT and Cyber Security, the quarter was marked by solid new wins and expanding our base into existing client relationships through our strong account mining practices."

#### Clients:

- 281 as of September 30, 2024
- 11 additions in the quarter

#### Our People - Happiest Minds:

- 6,580 Happiest Minds as of September 30, 2024
- Trailing 12-month attrition of 14.4% (13.5% in the previous quarter)
- Utilization of 76.3%, from 78.2% in last quarter

## Q2 FY25 Key wins

- For a **USA-based energy tech company**, this new win entails Happiest Minds providing consulting-led solution to develop their unified IoT platform for the combined heat and power solution.
- For a **US semiconductor company**, Happiest Minds was chosen to design and develop their reference hardware platforms.
- For a **global leader in Electronic Design Automation**, Happiest Minds is building its prototype SoC designs on FPGA platforms.
- For a **North America-based health-tech company** offering practice management solutions for professionals, Happiest Minds has been chosen to transform their entire reporting system to a Microsoft stack.
- For the **world's leading digital twin platform** for the energy sector, Happiest Minds was chosen to drive their Gen AI Innovation aimed at field data collection and retrieval.
- For **one of the largest brewers in the world**, Happiest Minds has been chosen as a strategic partner to drive their Analytics and AI initiatives for demand forecasting.
- For a **European Health Research Institute**, Happiest Minds is building their AI/ML data platform.
- For a **leading ANZ retailer**, Happiest Minds is providing Data Engineering and BI services (Snowflake & Power BI) for their Product Lifecycle Management project.
- For an **Australia based healthcare training provider**, Happiest Minds has been chosen to design and build their learning platform.
- For a **leading FinTech trading platform in the Middle East**, Happiest Minds was chosen as a partner to secure its critical IT infrastructure and business applications.
- For an **Africa-based market leader in logistics and supply chain**, Happiest Minds has been chosen to implement core banking and Buy Now Pay Later (BNPL) modules from its award-winning Arttha® Platform.
- For a **large public sector bank based out of India**, Happiest Minds has been chosen as their strategic cybersecurity partner to oversee the end-to-end design and implementation of their cyber security program.

## Awards

- Happiest Minds is recognized among **Top 100 India's Best Workplaces™ for Women 2024** by Great Place To Work®
- Happiest Minds was awarded for Best Organizational Development & Transformation Initiative at **Future of L&D Summit and Awards 2024**
- Happiest Minds was awarded **WAW – Wellbeing at Workplaces Award 2024** at the HR Anexi Conclave
- Happiest Minds was awarded Gold and Silver at the **Brandon Hall Group HCM Excellence Awards 2024**

## Analyst Mentions

- Happiest Minds is **“Established & Expansive”** in Digital Engineering and ER&D Services – Zinnov Zones
- Happiest Minds is in **“Leadership Zone & Recognized as a Noteworthy Player”** in the Consumer Software – Zinnov Zones
- Happiest Minds is in **“Leadership Zone”** in Enterprise Software – Zinnov Zones
- Happiest Minds is in **“Leadership Zone”** in Software Platform Engineering – Zinnov Zones
- Happiest Minds is in **“Noteworthy Player”** in the Overall Data & AI Engineering Services – Zinnov Zones
- Happiest Minds is in **“Leadership Zone”** in Experience Engineering – Zinnov Zones
- Happiest Minds is **“Major Contender”** – Everest PEAK Matrix for Software Product Engineering Services
- Happiest Minds is **“Major Contender”** in BFSI, Retail, Healthcare, ISV & Internet, Media & Entertainment - Everest PEAK Matrix for Software Product Engineering Services
- Happiest Minds is **Major Contender** in Everest Group's Cybersecurity Services PEAK Matrix® Assessment 2024 - North America

## Announcements

- The Board of Directors of the Company, at their meeting held on November 13, 2024, has recommended an interim dividend of ₹ 2.5 per equity share of face value ₹ 2/- for the financial year 2024-25, subject to shareholder approval.

**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 Product & Digital Engineering Services (PDES), Generative AI Business Services (GBS) and Infrastructure Management & Security Services (IMSS). We deliver these services across industry groups: Banking, Financial Services & Insurance (BFSI), EdTech, Healthcare & Life Sciences, Hi-Tech and Media & Entertainment, Industrial, Manufacturing, Energy & Utilities, and Retail, CPG & Logistics. 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 Bengaluru, India with operations in the U.S., UK, Canada, Australia, and the 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.

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