

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: HAPPSTMNDS

Dear Sir/Madam,

Sub: Earnings Presentation 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 Earnings Presentation of the financial results of the Company for the quarter and half year ended September 30, 2024, that will be circulated to the Investors/ Analysts for the Earnings Call scheduled on November 14, 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

Q2 FY 25



About Happiest Minds

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

<p>97% Digital Born Digital</p>	<p>95% Agile Born Agile</p>	<p>281 Active Clients 82 Fortune2000 / Forbes200 Billion \$ Corporations 95% Repeat Business</p>	<p>23.1% RoCE¹ 13.5% RoE</p>
<p>Mission Statement Happiest People Happiest Customers</p> <p>SMILES Values Sharing, Mindful, Integrity, Learning, Excellence, Social Responsibility</p>	<p>6,580 Happiest Minds across 12 Countries</p> <p>27.6% Gender Diversity 3.9 rating on Glassdoor</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 21.7% In Q2 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





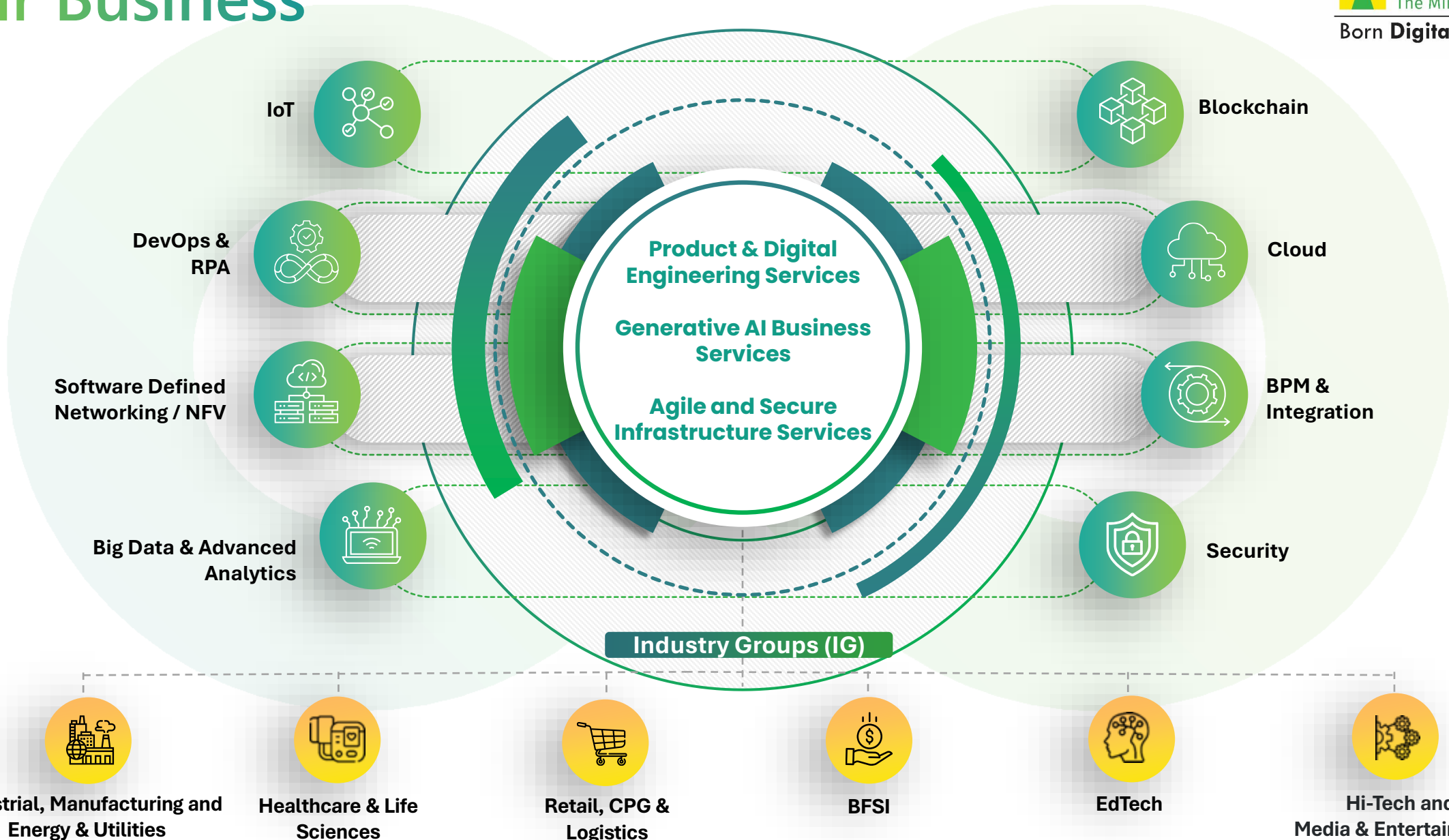
Mission, Vision and Values

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

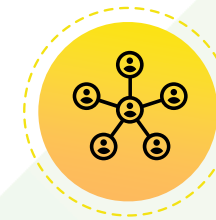
Perceive Immersively

Process Non-judgementally

Perform Empathetically

MINDFULLY AGILE

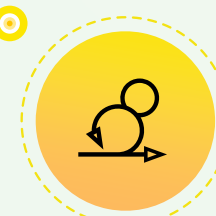
Agile Organization



Agile Business



Agile Delivery



Engineering & Operational Excellence



Key Project Wins

For a **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 **European Health Research Institute**, Happiest Minds is building their AI/ML data platform.



For a **US semiconductor company**, Happiest Minds was chosen to design and develop their reference hardware platforms.



For a **leading ANZ retailer**, Happiest Minds is providing Data Engineering and BI services (Snowflake & Power BI) for their Product Lifecycle Management project.



For a **global leader in Electronic Design Automation**, Happiest Minds is building its prototype SoC designs on FPGA platforms.



For an **Australia based healthcare training provider**, Happiest Minds has been chosen to design and build their learning platform.



For a **North America-based health-tech company** offering practice management solutions for professionals, Aureus business of Happiest Minds has been chosen to transform their entire reporting system to a Microsoft stack.



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 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 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 **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 **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



‘Top 100 India’s Best Workplaces™ for Women 2024’ by Great Place To Work®



‘Best Organizational Development & Transformation Initiative’ at the Future of L&D Summit and Awards 2024



‘WAW – Wellbeing at Workplaces Award 2024’ at the HR Anexi Conclave



‘Gold for Talent Acquisition and Silver for Future of Work’ at the Brandon Hall Group HCM Excellence Awards 2024

Analyst Mentions



Operational and Financial Metrics

Q2 FY 25



Results Q2 FY 25

All amounts in ₹ Lakhs unless stated otherwise

Particulars	Q2 FY25	Q1 FY25	QoQ	Q2 FY24	YoY	HY25	HY24	YoY
Revenues	52,164	46,382	12.5%	40,662	28.3%	98,546	79,749	23.6%
<i>Other Income</i>	2,702	2,544		2,221		5,246	3,587	
Total Income	54,867	48,926	12.1%	42,883	27.9%	103,793	83,336	24.5%
EBITDA	11,882	11,671	1.8%	10,482	13.4%	23,553	20,781	13.3%
%	21.7%	23.9%		24.4%		22.7%	24.9%	
Operating Margin¹	9,352	9,196	1.7%	8,443	10.8%	18,548	17,422	6.5%
%	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	
Profit before Non Cash/Exceptional	8,178	8,902	(8.1)%	8,581	(4.7)%	17,080	16,892	1.1%
%	14.9%	18.2%		20.0%		16.5%	20.3%	
<i>Amortization/Unwinding Interest²</i>	1,406	1,419		668		2,825	1,110	
<i>Exceptional Item</i>	-	643		-		643	-	
PBT	6,771	6,841	(1.0)%	7,912	(14.4)%	13,612	15,780	(13.7)%
%	12.3%	14.0%		18.5%		13.1%	18.9%	
Tax	1,820	1,738		2,066		3,558	4,101	
%	3.3%	3.6%		4.8%		3.4%	4.9%	
PAT	4,951	5,103	(3.0)%	5,846	(15.3)%	10,054	11,679	(13.9)%
%	9.0%	10.4%		13.6%		9.7%	14.0%	
Revenues (\$'000)	62,385	55,547	12.3%	49,121	27.0%	117,932	96,687	22.0%
Growth in CC			12.7%		28.2%			23.1%

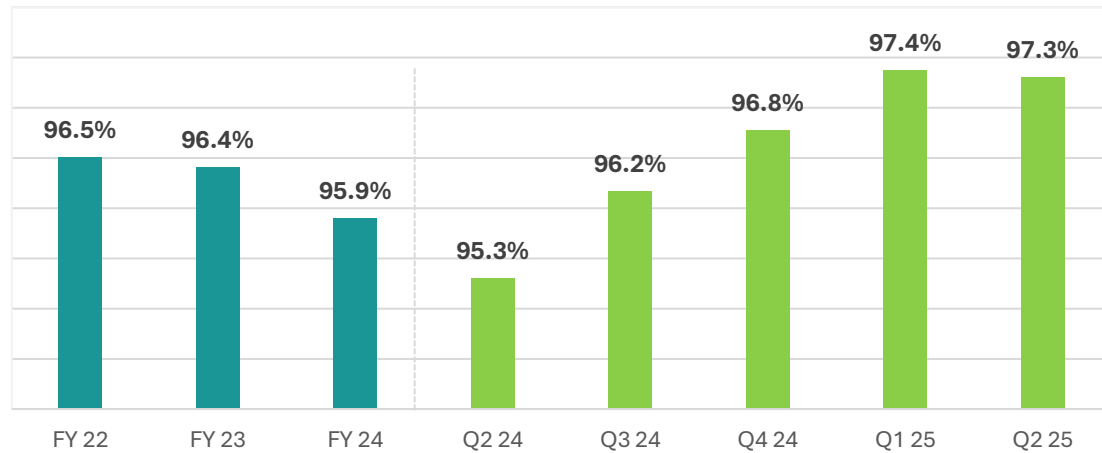
Note 1 - Operating Margin - EBITDA excluding other income

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

Born Digital . Born Agile

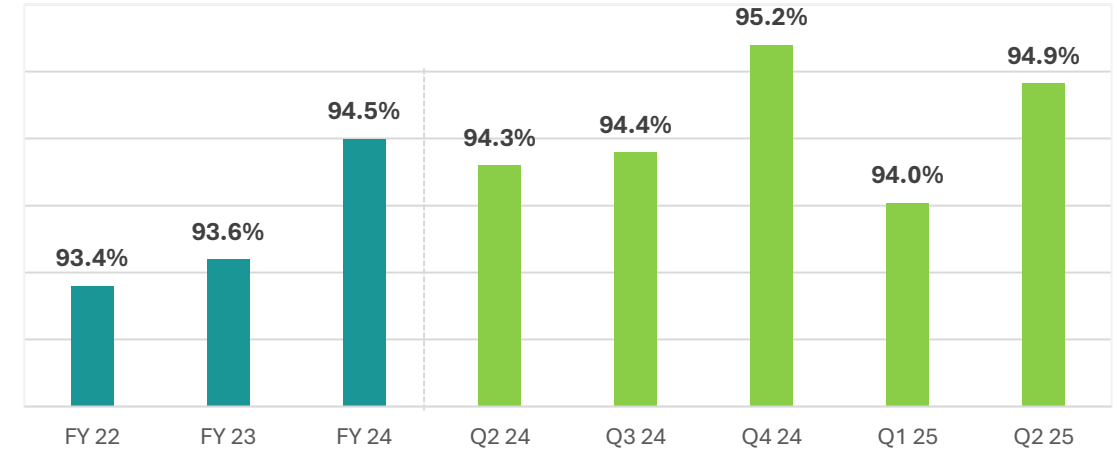
Digital

% of Revenue

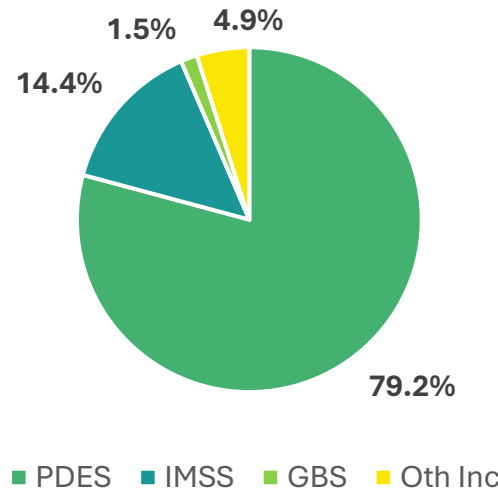


Agile

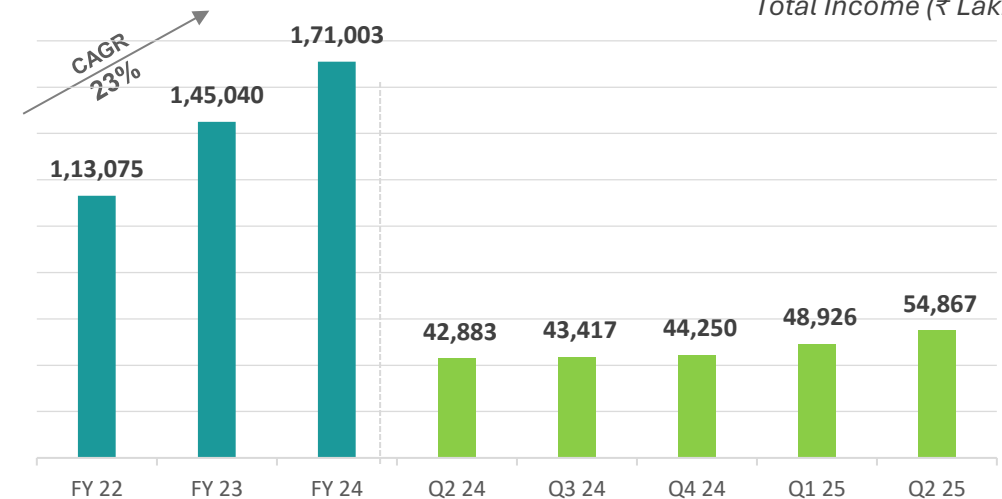
% of Revenue



Revenue by Business Unit



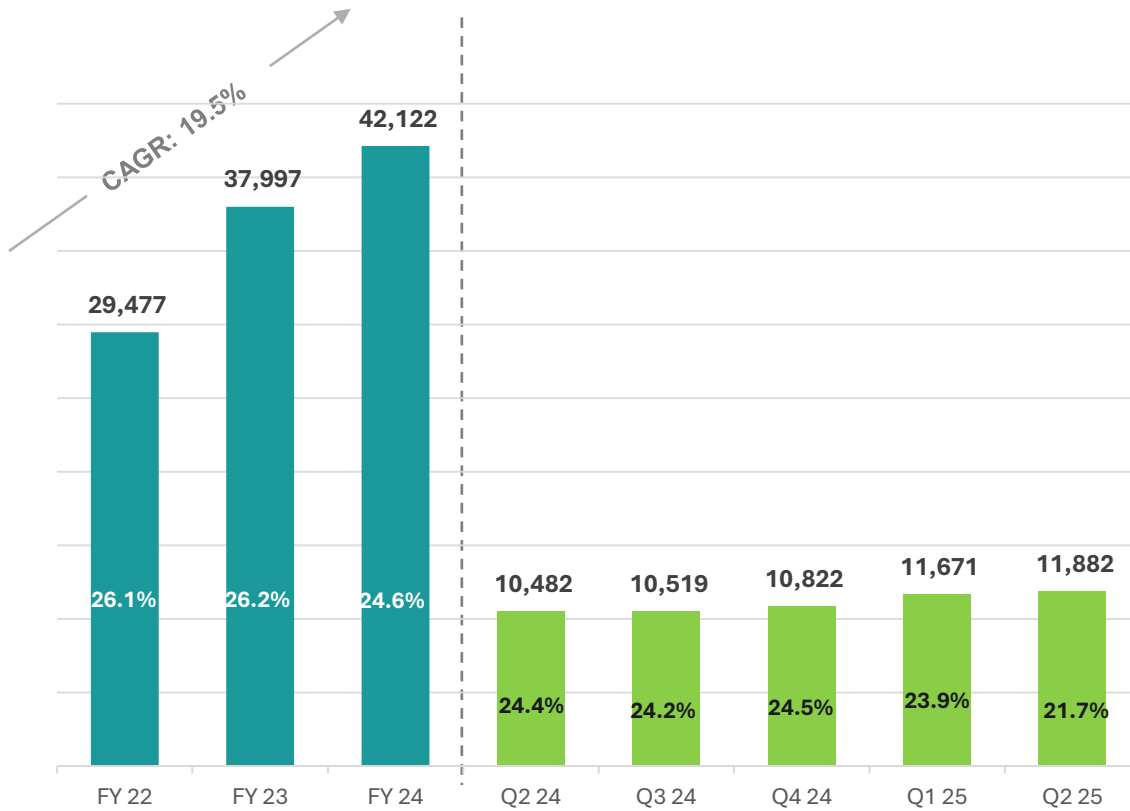
Total Income (₹ Lakhs)



Operational & Financial Metrics

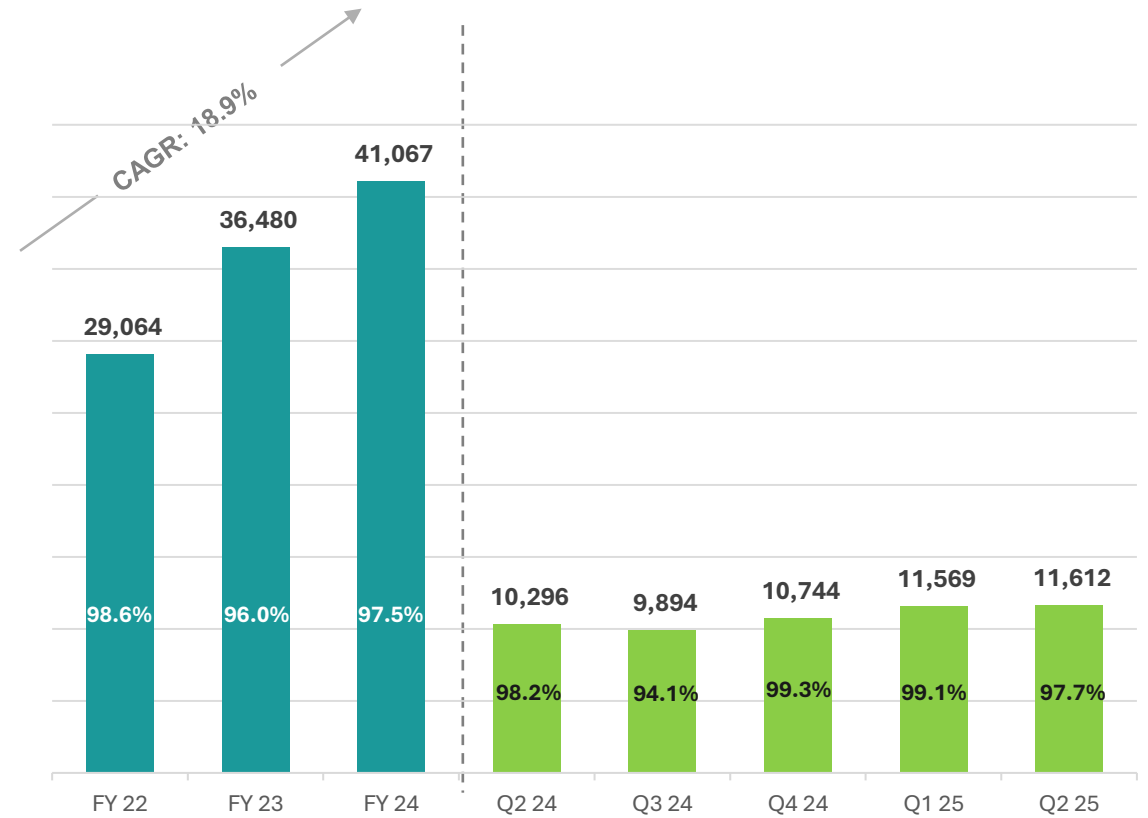
EBITDA

(₹ Lakhs) Margin



High FCF Conversion

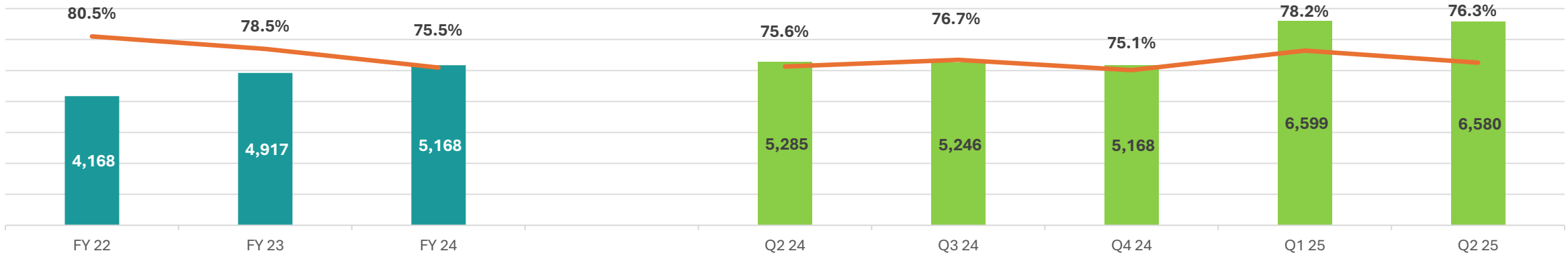
(₹ Lakhs)



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

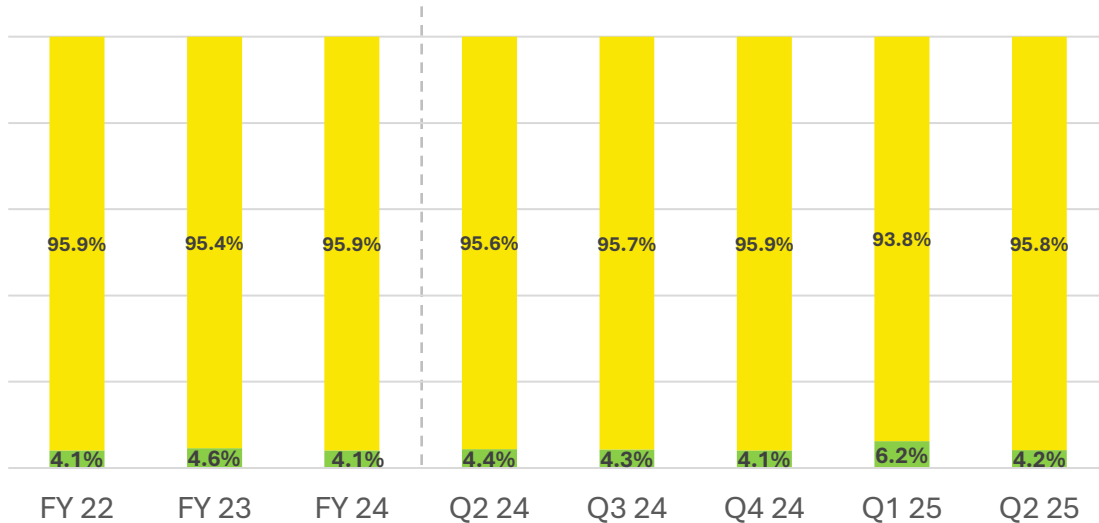
Operational & Financial Metrics

Happiest Minds & Utilization

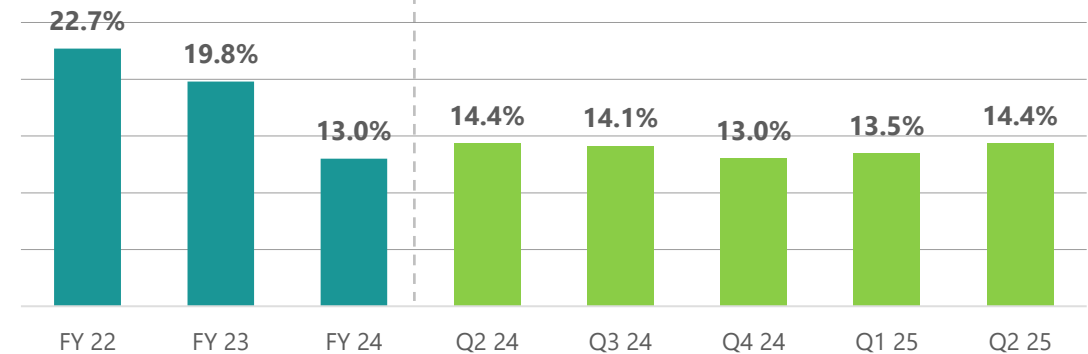


Offshore / Onsite

By Number of Employees



Voluntary Attrition % ¹



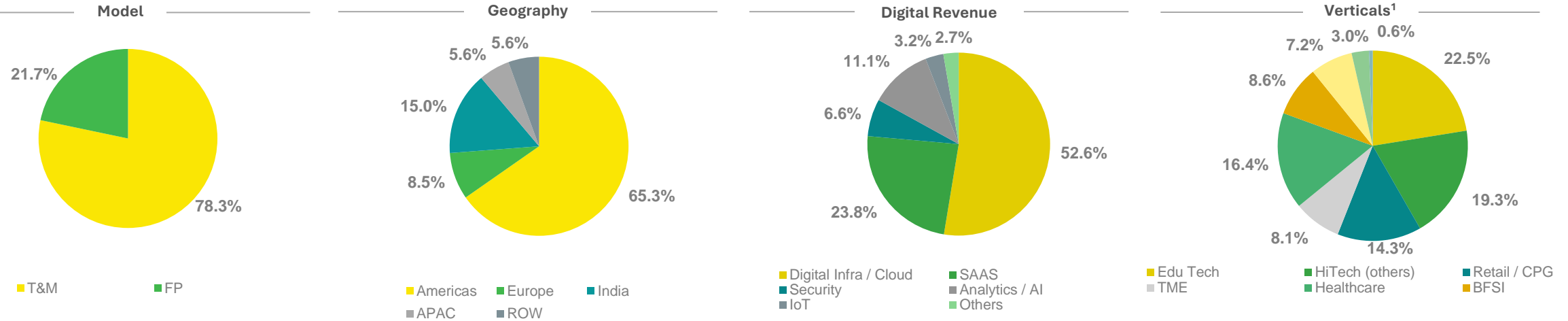
Note 1: Trailing 12 Months

■ Onsite ■ Offshore

Operational & Financial Metrics

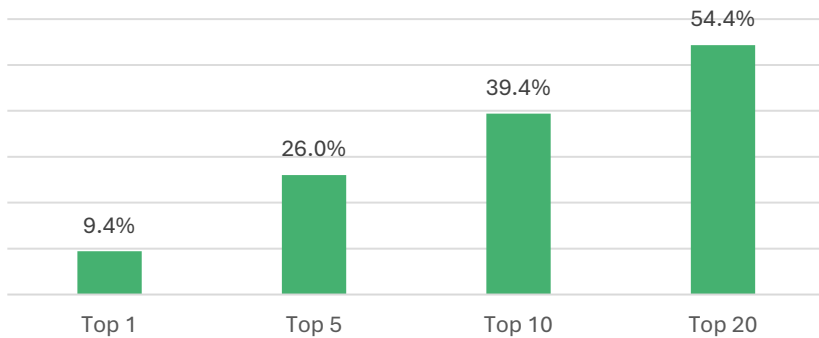
Revenue Model

Q2 25

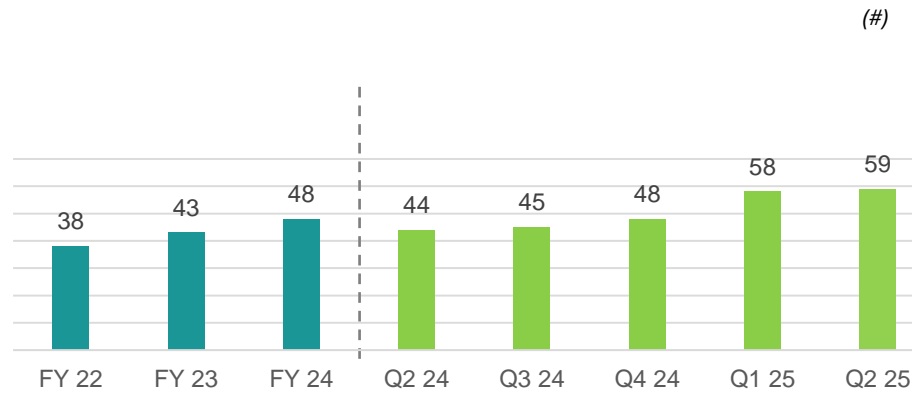


Revenue Concentration³

Q2 25 (% Revenue)

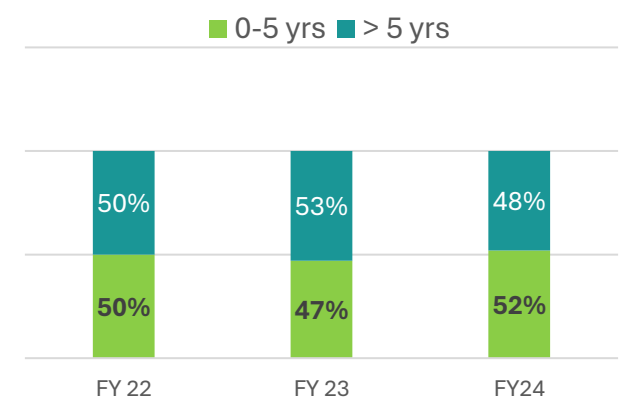


Million \$ Customers²



Tenure of Customer

% revenue from Clients

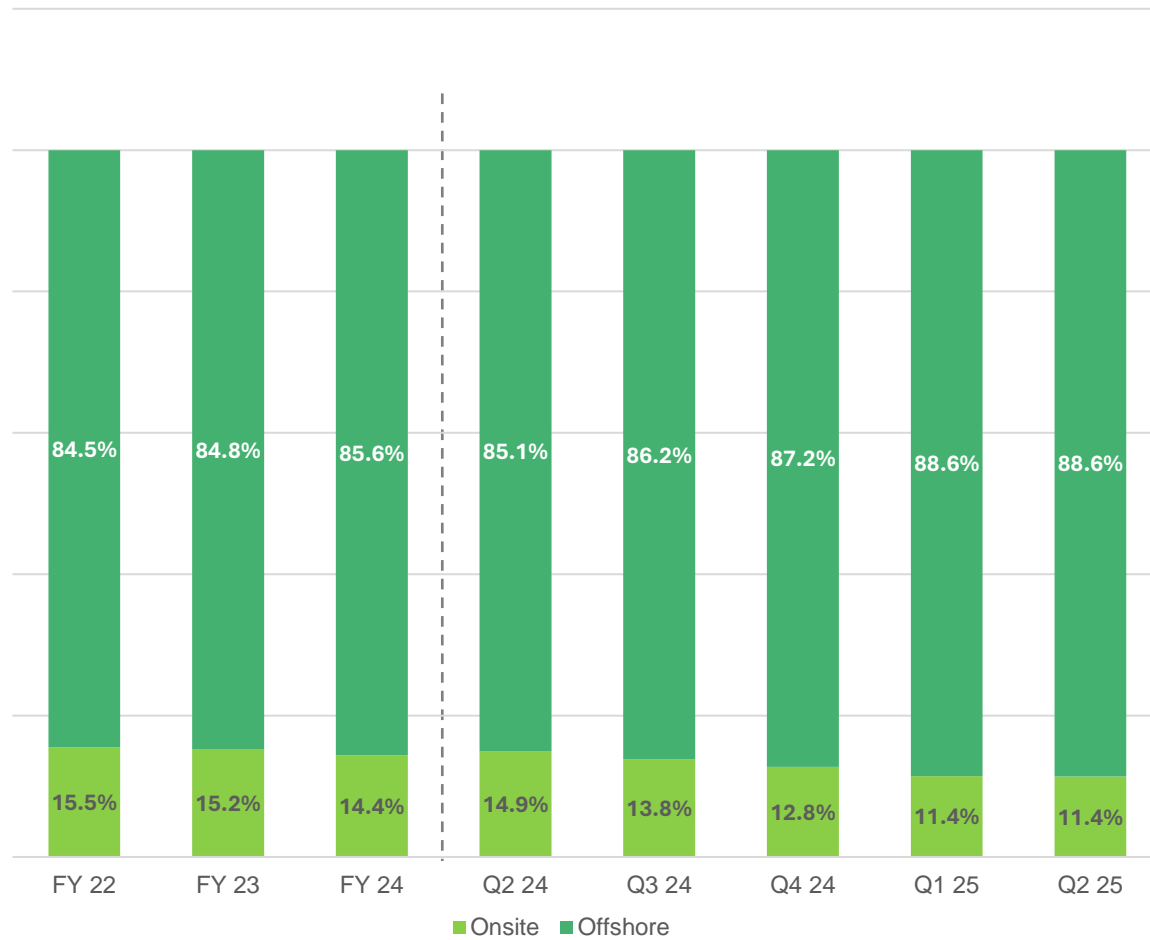


Notes: 1. TME: Travel, Media & Entertainment, 2. Based on quarterly revenues annualized. 3. Top 20 includes Top 1, 5 & 10

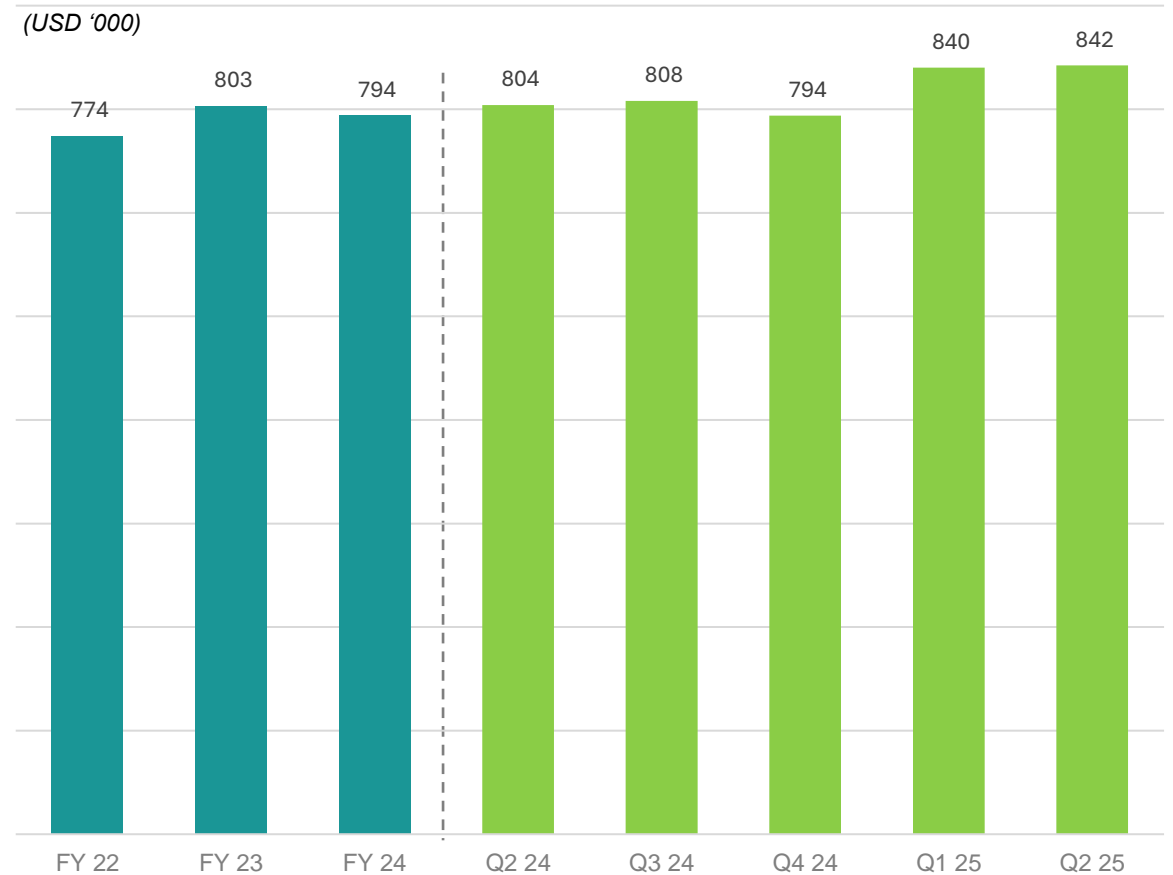
ROW* Includes - ANZ, ME, APAC, Africa & Others

Operational & Financial Metrics

Onsite/Offshore



Average Revenue / Active Customer



Operational & Financial Metrics

	FY 22	FY 23	FY24 Q2	FY24 Q3	FY24 Q4	FY 24	FY25 Q1	FY25 Q2
Verticals								
BFSI	13.2%	12.2%	10.3%	10.9%	11.4%	10.9%	16.8%	22.5%
Edutech	23.2%	23.2%	25.0%	24.0%	22.3%	23.9%	21.5%	19.3%
Healthcare*	-	-	13.8%	14.8%	16.1%	14.4%	16.4%	16.4%
Hitech	15.8%	16.9%	14.2%	14.3%	14.7%	14.5%	14.8%	14.3%
Travel, Media and Entertainment (TME)	13.2%	12.9%	11.6%	11.7%	12.2%	11.9%	10.7%	8.6%
Retail / CPG	10.3%	9.2%	7.2%	7.6%	7.8%	7.4%	7.8%	8.1%
Industrial	6.9%	8.4%	7.6%	6.8%	7.4%	7.5%	7.3%	7.2%
Manufacturing	8.6%	10.3%	6.3%	7.4%	6.3%	6.3%	4.0%	3.0%
Others	8.8%	6.9%	4.0%	2.5%	1.6%	3.1%	0.9%	0.6%
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%	42.3%	43.3%	41.8%	42.9%	47.5%	52.6%
SaaS	20.3%	20.7%	27.1%	26.8%	26.5%	25.7%	25.1%	23.8%
Security Solutions	11.9%	12.3%	9.3%	9.3%	9.6%	9.6%	8.5%	6.6%
Analytics / AI	12.1%	12.2%	12.9%	12.4%	13.8%	13.3%	12.1%	11.1%
IoT	8.6%	5.4%	3.7%	4.3%	5.0%	4.4%	4.2%	3.2%
Total	96.5%	96.4%	95.3%	96.2%	96.8%	95.9%	97.4%	97.3%
IP Led	10.3%	10.1%	10.2%	10.0%	11.4%	10.2%	10.7%	9.8%
Automation	25.4%	26.6%	29.6%	29.1%	26.9%	28.1%	23.9%	24.1%

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 22	FY 23	FY24 Q2	FY24 Q3	FY24 Q4	FY 24	FY25 Q1	FY25 Q2
Revenue by Geo								
USA	66.4%	68.1%	71.5%	70.3%	69.0%	70.7%	66.5%	65.3%
India	14.1%	15.6%	15.7%	16.4%	17.7%	16.3%	16.9%	15.0%
Europe	10.4%	9.7%	9.0%	9.0%	9.0%	8.9%	8.7%	8.5%
APAC ³	-	-	-	-	-	-	2.4%	5.6%
ROW	9.0%	6.6%	3.8%	4.4%	4.4%	4.1%	5.5%	5.6%
Million \$ Customers¹								
\$ 20 M +	-	1	1	1	1	1	1	1
\$ 10 M +	1	-	1	1	2	2	2	2
\$ 5M to \$ 10M	4	6	7	7	6	6	9	8
\$ 3M to \$ 5M	8	6	4	4	2	2	2	6
\$ 1M to \$ 3M	25	30	31	32	37	37	44	42
Total	38	43	44	45	48	48	58	59
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%	14.9%	13.8%	12.8%	14.4%	11.4%	11.4%
Offshore ²	84.5%	84.8%	85.1%	86.2%	87.2%	85.6%	88.6%	88.6%
Revenue by contracting Model								
Fixed Price	25.1%	25.3%	25.1%	27.1%	27.7%	26.1%	26.1%	21.7%
Time and Material	74.9%	74.7%	74.9%	72.9%	72.3%	73.9%	73.9%	78.3%
# Active Customers	206	237	244	245	250	250	279	281
# Billion \$ Corporation	54	55	57	59	61	61	80	82

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

Operational & Financial Metrics

	FY 22	FY 23	FY24 Q2	FY24 Q3	FY24 Q4	FY 24	FY25 Q1	FY25 Q2
Happiest Minds								
Onsite	172	227	231	224	211	211	412	274
Offshore	3,996	4,690	5,054	5,022	4,957	4,957	6,187	6,306
Onsite %	4.1%	4.6%	4.4%	4.3%	4.1%	4.1%	6.2%	4.2%
Offshore %	95.9%	95.4%	95.6%	95.7%	95.9%	95.9%	93.8%	95.8%
Utilization	80.5%	78.5%	75.6%	76.7%	75.1%	75.5%	78.2%	76.3%
Diversity	26.4%	27.4%	28.1%	27.9%	27.7%	27.7%	27.7%	27.6%
DSO								
Billed	55	54	53	57	57	57	58	46
Unbilled	35	31	30	28	29	29	26	37
Total	90	86	83	85	87	87	84	83
Earnings Per Share (EPS) ₹								
EPS	12.55	16.01	3.90	3.96	4.79	16.73	3.39	3.29
Annualized ²	12.55	16.01				16.73		13.36
Cash EPS³	17.87	24.88	5.64	5.47	5.58	22.93	6.11	6.18
Annualized ²	17.87	24.88				22.93		24.58
Capital Ratios ¹								
RoCE	34.8%	32.8%	22.9%	22.9%	22.3%	22.3%	22.4%	23.1%
RoE	27.3%	27.8%	16.9%	16.7%	16.9%	16.9%	13.9%	13.5%

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		FY24 Q2		FY 24 Q3		FY24 Q4		FY 24		FY25 Q1		FY25 Q2	
Revenue by BU																
IMSS	24,168	21.4%	30,694	21.2%	7,381	17.2%	7,299	16.8%	7,551	17.1%	29,746	17.4%	7,992	16.3%	7,876	14.4%
PDES	85,199	75.4%	1,12,236	77.4%	33,281	77.6%	33,689	77.6%	34,178	77.2%	1,32,719	77.6%	37,677	77.0%	43,442	79.2%
GBS	-	-	-	-	-	-	-	-	-	-	-	-	713	1.5%	846	1.5%
Total Revenue	1,09,367	96.8%	1,42,930	98.6%	40,662	94.8%	40,988	94.4%	41,729	94.3%	1,62,466	95.0%	46,382	94.8%	52,164	95.1%
Other Income	3,708	3.2%	2,110	1.4%	2,221	5.2%	2,429	5.6%	2,521	5.7%	8,537	5.0%	2,544	5.2%	2,702	4.9%
Total Income	1,13,075	100.0%	1,45,040	100.0%	42,883	100.0%	43,417	100.0%	44,250	100.0%	1,71,003	100.0%	48,926	100.0%	54,867	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 Q2	FY24 Q3	FY24 Q4	FY 24	FY25 Q1	FY25 Q2
Income								
Operating revenue	109,365	142,929	40,662	40,988	41,729	162,466	46,382	52,164
Other Income	3,710	2,111	2,221	2,429	2,521	8,537	2,544	2,702
Total income	113,075	145,040	42,883	43,417	44,250	171,003	48,926	54,867
Cost of revenue	64,404	82,827	24,980	25,213	25,607	99,204	28,614	33,567
Gross Margin	44,961	60,101	15,682	15,775	16,122	63,262	17,768	18,597
%	41.1%	42.0%	38.6%	38.5%	38.6%	38.9%	38.3%	35.7%
SG&A	19,193	24,215	7,421	7,685	7,821	29,677	8,642	9,417
%	17.5%	16.9%	18.3%	18.7%	18.7%	18.3%	18.6%	18.1%
EBITDA	29,477	37,997	10,482	10,519	10,822	42,122	11,671	11,882
%	26.1%	26.2%	24.4%	24.2%	24.5%	24.6%	23.9%	21.7%
Operating Margin	26,553	34,453	8,442	8,233	8,390	34,044	9,196	9,352
%	24.3%	24.1%	20.8%	20.1%	20.1%	21.0%	19.8%	17.9%
Finance cost	830	2,102	1,057	1,010	1,008	4,024	1,741	2,551
Depreciation	2,423	3,057	916	942	973	3,716	1,027	1,154
Profit before acquisition related non-cash items	26,224	32,838	8,509	8,567	8,841	34,382	8,903	8,177
%	23.2%	22.6%	19.8%	19.7%	20.0%	20.1%	18.2%	14.9%
Amortization/Unwinding Interest	1,030	1,218	597	601	521	2,316	1,419	1,406
PBT before exceptional item*	25,194	31,620	7,912	7,966	8,320	32,066	7,484	6,771
%	22.3%	21.8%	18.5%	18.3%	18.8%	18.8%	15.3%	12.3%
Exceptional items*	609	634	-	-107	-1,295	-1,402	643	-
PBT *	24,585	30,986	7,912	8,073	9,615	33,468	6,841	6,771
%	21.7%	21.4%	18.5%	18.6%	21.7%	19.6%	14.0%	12.3%
Current tax	6,310	8,508	2,237	2,192	2,809	9,518	2,114	2,179
Deferred tax	155	-621	-171	-81	-392	-889	-376	-359
Total Tax	6,465	7,887	2,066	2,111	2,417	8,629	1,738	1,820
%	5.7%	5.4%	4.8%	4.9%	5.5%	5.0%	3.6%	3.3%
PAT *	18,120	23,099	5,846	5,962	7,198	24,839	5,103	4,951
%	16.0%	15.9%	13.6%	13.7%	16.3%	14.5%	10.4%	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	Q2 FY24	Q3 FY24	FY 2024	Q1 FY25	Q2 FY25
Assets							
Non-current assets							
Property, plant and equipment	78	13,278	13,386	13,856	13,778	14,062	13,978
Goodwill	7,896	13,913	13,997	14,013	14,032	70,773	75,329
Financial & Other assets	11,788	29,594	35,841	36,903	19,192	65,379	42,125
Total non-current assets (A)	19,762	56,785	63,224	64,772	47,002	150,214	131,431
Current Assets							
Financial & Other assets							
i. Trade receivable	16,738	21,319	23,308	25,336	25,444	35,516	25,441
ii. Cash & Cash equivalents, Investments & Other financial assets	72,609	81,484	127,619	126,953	147,540	166,203	166,196
iii. Other assets	3,392	4,495	6,184	5,242	4,793	4,430	6,980
Total current assets (B)	92,739	107,298	157,111	157,531	177,777	206,149	198,616
Total assets (A + B)	112,501	164,083	220,335	222,303	224,779	356,363	330,047
Equity and Liabilities							
Total equity (A)	66,580	83,882	139,403	141,465	148,024	148,268	152,444
Non-current liabilities							
Financial liabilities	7,134	18,035	17,957	16,174	15,416	28,015	22,202
Provisions & Deferred tax liability	2,086	4,526	4,631	4,975	4,641	14,031	8,989
Total non-current liabilities (B)	9,220	22,561	22,588	21,149	20,057	42,046	31,191
Current liabilities							
Financial & Contract liabilities							
i. Trade payable	6,072	7,052	7,804	7,558	7,915	9,844	11,008
ii. Others	26,266	45,921	45,710	47,474	43,839	150,036	128,412
Provisions & Other current liabilities	4,363	4,667	4,830	4,656	4,944	6,169	6,991
Total current liabilities (C)	36,701	57,640	58,344	59,688	56,698	166,049	146,412
Total liabilities (D = B + C)	45,921	80,201	80,932	80,837	76,755	208,095	177,603
Total equity and liabilities (A + D)	112,501	164,083	220,335	222,303	224,779	356,363	330,047

Key Ratios

	Q2 FY24	FY24	Q1 FY25	Q2 FY25
Additional Balance Sheet Ratios				
Debt-Equity ratio	0.38	0.35	0.90	0.82
Debt Service Coverage ratio (DSCR)	5.00	5.25	7.39	6.68
Interest Service Coverage ratio (ISCR)	8.50	8.97	4.93	3.65
Current ratio	2.69	3.14	1.24	1.36
Long-term Debt to Working Capital ratio	0.12	0.09	0.27	0.20
Bad debts to Trade receivable ratio	0.00	0.02	0.01	0.01
Current liability ratio	0.72	0.74	0.80	0.82
Total Debt to total Assets ratio	0.24	0.23	0.38	0.38
Trade Receivable Turnover Ratio	7.29	6.95	6.09	8.20
Operating margin (%)	20%	21%	18%	18%
Net profit margin (%)	14%	15%	11%	9%

*As per the guidance note from ICAI

Global Presence



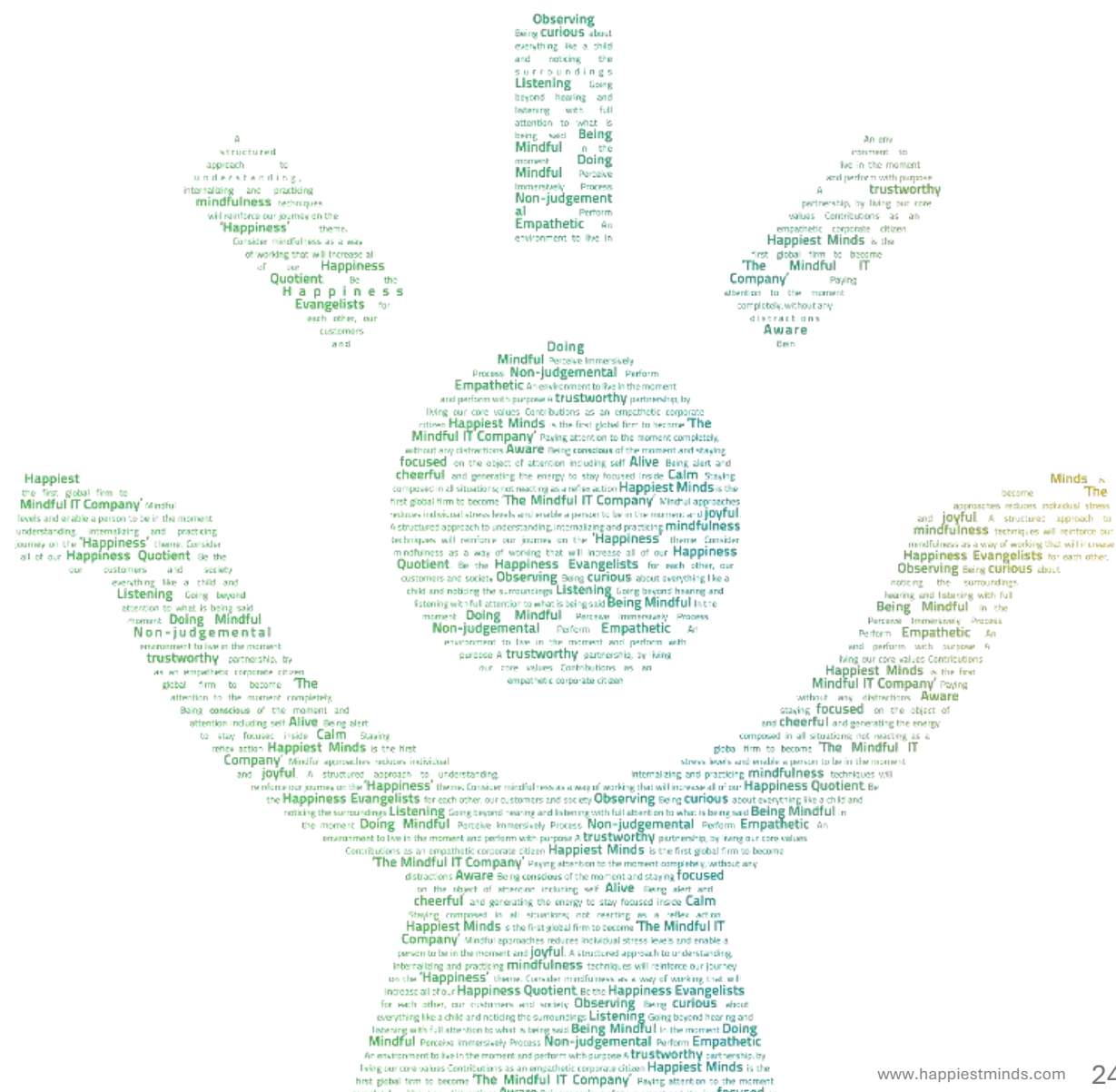
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