

October 20, 2022

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

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 Q2 for FY'23

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 September 30, 2022.

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 delivers Industry leading y-o-y growth 34.4% reporting revenues of ₹ 356 Crores and continues to deliver superior EBITDA at 26.3%

Net Profit at ₹ 59 Crores grows 33.7% Y-o-Y and 5.4% Q-o-Q

Bengaluru, India, San Jose, California and London, October 20, 2022: Happiest Minds Technologies Limited (NSE:HAPPSTMNDS), a 'Born Digital. Born Agile', digital transformation and IT solutions company, today announced its consolidated results for the second quarter ended September 30, 2022 as approved by its Board of Directors.

Financial highlights

Quarter ended September 30, 2022

- Operating Revenues in US\$ stood at \$44.3 million (growth of **5.0 %** q-o-q; **23.8%** y-o-y)
- Total Income of ₹ 35,933 lakhs (growth of 8.9% q-o-q; 31.1% y-o-y)
- EBITDA of ₹ 9,434 lakhs, 26.3% of Total Income (growth of 7.5% q-o-q; 34.1% y-o-y)
- PAT of ₹ 5,941 lakhs (growth of 5.4% q-o-q; 33.7% y-o-y)
- Free cash flows of ₹ 8,580 lacs
- EPS (diluted) for the quarter of ₹ 4.09 (growth of 5.4% q-o-q; 33.7% y-o-y)

Half year ended September 30, 2022

- Operating Revenues in US\$ stood at \$86.6 million (growth of 25.5% y-o-y)
- Total Income of ₹ 68,929 lakhs (growth of 30.5% y-o-y)
- EBITDA of ₹ 18,209 lakhs, 26.5% of Total Income (growth of 33.6% y-o-y)
- PAT of ₹ 11,575 lakhs (growth of 44.4% y-o-y)
- Free cash flows of ₹ 17,219 lacs
- EPS (diluted) for half year of ₹ 7.99 (growth of 44.2% y-o-y)

All amounts in ₹ Lakhs unless stated otherwise

Particulars	Q2 FY 23	Q1 FY 23	QoQ	Q2 FY 22	YoY	HY FY 23	HY FY 22	YoY
Revenues (\$'000)	44,347	42,224	5.0%	35,809	23.8%	86,571	68,960	25.5%
Revenues	35,551	32,892	8.1%	26,453	34.4%	68,443	50,914	34.4%
Other Income	382	104	-	959	-	486	1,885	-
Total Income	35,933	32,996	8.9%	27,412	31.1%	68,929	52,799	30.5%
EBITDA	9,434	8,775	7.5%	7,034	34.1%	18,209	13,631	33.6%
%	26.3%	26.6%		25.7%		26.4%	25.8%	
PBT before Exceptional Item	8,011	7,558	6.0%	5,935	35.0%	15,569	11,663	33.5%
%	22.3%	22.9%		21.7%		22.6%	22.1%	
Exceptional Item*	-	-		-		-	(609)	
PBT	8,011	7,558	6.0%	5,935	35.0%	15,569	11,054	40.8%
%	22.3%	22.9%		21.7%		22.6%	20.9%	
Tax	2,070	1,924	7.6%	1,491	38.8%	3,994	3,037	31.5%
%	5.8%	5.8%		5.4%		5.8%	5.8%	
PAT	5,941	5,634	5.4%	4,444	33.7%	11,575	8,017	44.4%
%	16.5%	17.1%		16.2%		16.8%	15.2%	

* Loss on Fair Valuation of Warrant Liability

Ashok Soota, Executive Chairman, "We have yet again delivered on our promise of delivering industry leading growth with profitability. Our results reflect the 360-degree value we create for our customers with our breadth and depth of offerings".

Venkatraman N, MD & CFO, "I am extremely happy with our financial performance and I believe its testimony to the good work we doing for our customers. This will be 10th quarter in succession where we have delivered EBITDA margins of more than 25%. Separately, being awarded the prestigious Golden Peacock Award for Excellence in Corporate Governance makes me very proud as it's a validation of our efforts to build an institution on a strong, ethical and moral foundation".

Joseph Anantharaju, Executive Vice Chairman, "The results reflect the relevance of our digital offerings to our clients and our ability to navigate an uncertain environment based on our value proposition of revenue enhancement and resilience. We ensure that our customers remain committed to their digital strategy and sustain their investment across various initiatives. This provides opportunities to continue expanding our presence and add value to these initiatives."

Clients:

- 226 as of September 30, 2022
- 16 additions in the quarter

Our People - Happiest Minds:

- 4,581 Happiest Minds as of September 30, 2022 (net addition for the quarter **393**)
- Trailing 12 months attrition of 23.5%

- Utilization of 80.6%, from 79.1% in last quarter

Q2 FY23 Key Project Wins:

- For a global energy company, Happiest Minds was chosen to provide digital transformation services across its multiple lines of businesses
- For a Fortune 100 pharmaceutical corporation, Happiest Minds is working with its IT organization on cloud and data projects
- For a US-based food retailer, Happiest Minds is helping them in launching their e-commerce initiatives
- For a leading US energy company, Happiest Minds was chosen to build a platform for their last mile delivery services
- For a global communications company, Happiest Minds was chosen to design and implement one of their analytics products
- For a European digital housing marketplace, Happiest Minds is enhancing and maintaining its digital platform
- For an ANZ-based leading fashion clothing and accessory brand, Happiest Minds is building its new data platform and also implementing cybersecurity solutions
- For the Asia Pacific subsidiary of a beverages major, Happiest Minds is automating two of its key business processes using the Microsoft Power Platform

Recognitions and CSR :

- Happiest Minds wins the prestigious '**Golden Peacock Award for excellence in Corporate Governance 2022**'
- Happiest Minds is recognized among '**Top 50 Best Workplaces for Women™ 2022**' by Great Place To Work® Institute
- Happiest Minds is ranked #68 among '**Best Workplaces in Asia™ 2022**' by Great Place To Work® Institute
- Happiest Minds achieves **Select Tier Partner Status with Snowflake**
- A molecular testing laboratory was inaugurated at Jayadeva Institute of Cardiovascular Sciences and Research in Bengaluru as part of Happiest Minds contribution of rupees one crore to establish a testing lab and 3 ICU Ventilator Beds
- On World Ozone Day 16th September, Happiest Minds Commissioned 183kWp Solar Power Plant at its corporate headquarters in Bengaluru in-line with its vision to achieve carbon neutrality in its operations by 2030

Expansion

- Happiest Minds expands into the east Indian city of Bhubaneswar in Odisha, operations to begin by December 2022. Project plan including request for allotment of land to build campus has been favorably heard by the Government of Odisha.
- Happiest Minds Strengthens its Bengaluru presence with purchase of office space of 2.4 Lakhs square feet in Electronics City and expands its capacity in its existing development center at Noida

Analyst Mentions

- Happiest Minds is a '**Major Contender**' in Everest Industry 4.0 PEAK Matrix® 2022
- Happiest Minds is an '**Aspirant**' in Everest IT Security Services PEAK Matrix® 2022 – North America

Announcements:

- The Board of Directors of the Company at their meeting held on October 20, 2022 has declared an interim dividend of ₹ 2 per equity share of face value ₹ 2/- for the financial year 2022-23. Record date for the purpose of interim dividend has been fixed on November 3, 2022 and the dividend will be paid on and after November 15, 2022

**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: HAPPSTMNDS), 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.

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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