

May 05, 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: Outcome of the Board Meeting held on May 05, 2022**

We wish to inform that the Board of Directors of the Company at its meeting held today i.e., May 05, 2022, has approved the audited financial statements of the Company (both standalone and consolidated) prepared in accordance with Indian Accounting Standards (IndAS) for the quarter and financial year ended as on March 31, 2022 and recommended a final dividend of Rs.2/- per equity share of Rs.2/- each for the financial year ended March 31, 2022, subject to the approval of the members at the ensuing 11<sup>th</sup> Annual General Meeting of the Company (AGM).

Further, the AGM has been scheduled on Thursday, June 30, 2022, through Video Conference / Other Audio-Visual means without the physical presence of the members at a common venue. The Register of Members of the Company will be closed from Saturday, June 25, 2022, to Thursday, June 30, 2022 (both days inclusive) for the purpose of AGM, annual closing and for determining entitlement of members for the final dividend for FY'22. The record date for payment of the final dividend would be June 24, 2022, and the dividend approved by the members will be paid on and after July 05, 2022.

Further, we are happy to inform that M/s. Deloitte Haskin and Sells, Chartered Accountants (FRN-008072S), Statutory Auditors of the Company, have issued the Auditor's Report with unmodified opinion on the audited financial results of the Company (both standalone and consolidated) for the financial year ended March 31, 2022.

A copy of the said Financial Results, Investor presentation and Press release are enclosed herewith. The Board meeting commenced at 8.30 pm and concluded at 9.00 pm.

This is for your information and records.

Thanking you,  
Yours faithfully,  
For **Happiest Minds Technologies Limited**



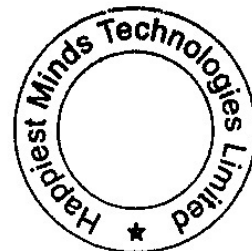
**Praveen Kumar Darshankar**  
**Company Secretary & Compliance Officer**  
**Membership No. F6706**



(Rs. in lakhs)

**Statement of Audited Consolidated Financial Results for the quarter and year ended March 31, 2022**

Particulars	Quarter ended			Year ended	
	March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
	Refer note 3	(Unaudited)	Refer Note 2	Audited	Refer Note 2
<b>I. Revenue</b>					
(a) Revenue from contracts with customers	30,057	28,394	22,071	1,09,365	77,341
(b) Other income	991	834	303	3,710	2,424
<b>Total revenue</b>	<b>31,048</b>	<b>29,228</b>	<b>22,374</b>	<b>1,13,075</b>	<b>79,765</b>
<b>II. Expenses</b>					
(a) Employee benefits expense	16,694	16,049	12,292	62,000	45,238
(b) Finance costs	286	298	209	995	649
(c) Depreciation and amortisation expense	884	847	734	3,288	2,274
(d) Other expenses	6,196	5,491	4,215	21,598	13,002
<b>Total expenses</b>	<b>24,060</b>	<b>22,685</b>	<b>17,450</b>	<b>87,881</b>	<b>61,163</b>
<b>III. Profit before exceptional items and tax (I-II)</b>	<b>6,988</b>	<b>6,543</b>	<b>4,924</b>	<b>25,194</b>	<b>18,602</b>
IV. Exceptional items (refer note 8)	-	-	-	(609)	-
<b>V. Profit before tax (III-IV)</b>	<b>6,988</b>	<b>6,543</b>	<b>4,924</b>	<b>24,585</b>	<b>18,602</b>
<b>VI. Tax expense</b>					
Current tax	1,737	1,466	889	6,266	3,527
Tax expense for earlier periods	-	-	-	44	-
Deferred tax charge / (credit)	40	185	430	155	(1,171)
<b>Total Tax expense</b>	<b>1,777</b>	<b>1,651</b>	<b>1,319</b>	<b>6,465</b>	<b>2,356</b>
<b>VII. Profit for the period / year (V-VI)</b>	<b>5,211</b>	<b>4,892</b>	<b>3,605</b>	<b>18,120</b>	<b>16,246</b>
<b>VIII. Other comprehensive income, net of tax [(loss)/profit]</b>					
(i) Item to be reclassified to profit or loss in subsequent periods / year					
Exchange difference on translating the financial statements of a foreign operation	29	48	18	202	22
Net movement of effective portion of cash flow hedges [gain/(loss)]	(405)	234	(7)	(316)	1,236
Income tax effect	102	(58)	2	80	(127)
(ii) Item not to be reclassified to profit or loss in subsequent periods / year					
Re-measurement gains/ (losses) on defined benefit plans	26	(49)	40	(97)	(144)
Income tax effect	(7)	12	(10)	24	36
<b>IX. Total comprehensive income for the period / year (VII-VIII)</b>	<b>4,956</b>	<b>5,079</b>	<b>3,648</b>	<b>18,013</b>	<b>17,269</b>
<b>X. Paid-up equity share capital (Rs. 2/- each)</b>				2,854	2,837
<b>XI. Other equity</b>				63,726	51,762
<b>XI. Earnings per share ("EPS") (of Rs. 2/- each) (not annualised for quarters):</b>					
Basic EPS (Rs.)	3.68	3.44	2.55	12.84	11.75
Diluted EPS (Rs.)	3.58	3.38	2.48	12.55	11.45



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Happiest Minds Technologies Limited

CIN : L72900KA2011PLC057931

Regd. Office:#53/1-4, Hosur Main Road, Madivala (next to Madivala Police Station) Bangalore 560 068, Karnataka, India

Website: www.happiestminds.com , Email: IR@happiestminds.com , Tel: +91 80 6196 0300

Audited Consolidated Statement of Assets and Liabilities as at March 31, 2022

(Rs. in lakhs)

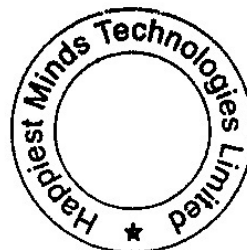
SI No	Particulars	As at March 31, 2022 Refer note	As at March 31, 2021 (Audited)
	<b>ASSETS</b>		
<b>A</b>	<b>Non-current assets</b>		
	Property, plant and equipment	78	69
	Capital work-in-progress	-	14
	Goodwill	7,896	7,644
	Other intangible assets	2,396	2,966
	Right-of-use assets	5,390	2,150
	Intangible assets under development	35	-
	Financial assets:		
	i. Investments	762	-
	ii. Other financial assets	1,827	2,458
	Income tax assets (net)	680	1,408
	Other assets	1	7
	Deferred tax assets, net	697	1,026
	<b>Total non-current assets</b>	<b>19,762</b>	<b>17,742</b>
<b>B</b>	<b>Current assets</b>		
	Financial assets		
	i. Investments	46,400	39,148
	ii. Trade receivables	16,738	12,192
	iii. Cash and cash equivalents	6,729	8,583
	iv. Bank balance other cash and cash equivalent	10,071	5,935
	v. Loans	4	14
	vi. Other financial assets	9,405	6,779
	Other assets	3,392	1,802
	<b>Total current assets</b>	<b>92,739</b>	<b>74,453</b>
	<b>Total assets (A+B)</b>	<b>1,12,501</b>	<b>92,195</b>
	<b>EQUITY AND LIABILITIES</b>		
<b>C</b>	<b>Equity</b>		
	Equity share capital	2,854	2,837
	Other equity	63,726	51,762
	<b>Total Equity</b>	<b>66,580</b>	<b>54,599</b>
<b>D</b>	<b>Non-current liabilities</b>		
	Financial liabilities		
	i. Borrowings	1,724	3,661
	ii. Lease liabilities	4,119	1,223
	iii. Other Financial liabilities	1,291	2,455
	Provisions	1,618	1,653
	Deferred tax liabilities (net)	468	725
	<b>Non-current liabilities</b>	<b>9,220</b>	<b>9,717</b>
<b>E</b>	<b>Current liabilities</b>		
	Contract liability	1,346	674
	Financial liabilities		
	i. Borrowings	17,340	12,969
	ii. Lease liabilities	1,792	1,422
	iii. Trade payables		
	(A) Total outstanding dues of Small Enterprises and Micro enterprises	79	95
	(B) Total outstanding dues of creditors other than small enterprises and micro enterprises	5,993	4,404
	iv. Other financial liabilities	5,788	4,877
	Income tax liabilities (net)	239	-
	Other current liabilities	2,426	1,930
	Provisions	1,698	1,508
	<b>Total current liabilities</b>	<b>36,701</b>	<b>27,879</b>
<b>F</b>	<b>Total liabilities (D+E)</b>	<b>45,921</b>	<b>37,596</b>
	<b>Total equity and liabilities (C+F)</b>	<b>1,12,501</b>	<b>92,195</b>



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**Audited Consolidated Statement of Cash Flows for the year ended March 31, 2022**

(Rs. in lakhs)		
	Year ended March 31, 2022 Refer note	Year ended March 31, 2021 (Audited)
<b>A. Cash flow from operating activities</b>		
Profit before tax	24,585	18,602
Adjustments to reconcile profits before tax to net cash flows:		
Depreciation and amortization expense	3,288	2,274
(Gain)/ loss on disposal of property, plant and equipment, net	(10)	-
Share-based payment expense	300	297
Gain on investments carried at fair value through profit and loss	(368)	(184)
Gain on sale of investments carried at fair value through profit and loss	(1,377)	(671)
Interest income	(636)	(838)
Fair value loss on warrant liability	609	-
Gain on liquidation of subsidiary	-	(82)
Net unrealised foreign exchange loss	404	66
Rent concession	(323)	(302)
Impairment loss on financial assets	189	1,021
Finance costs	995	649
<b>Operating profit before working capital changes</b>	<b>27,656</b>	<b>20,832</b>
<b>Movements in working capital</b>		
Increase in trade receivables	(4,526)	(511)
Decrease in loans	10	50
Increase in non-financial assets	(1,610)	(279)
Increase in financial assets	(3,078)	(1,429)
Increase/ (decrease) in trade payables	1,489	(644)
Increase/ (decrease) in financial liabilities	1,004	(1,684)
Increase in provisions	58	516
Increase/ (decrease) in contract liabilities	660	(43)
Increase in other non-financial liabilities	496	1,109
<b>Cash generated from operating activities</b>	<b>22,159</b>	<b>17,917</b>
Income tax paid (net of refunds)	(5,347)	(3,600)
<b>Net cash generated from operating activities (A)</b>	<b>16,812</b>	<b>14,317</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(67)	(78)
Purchase of intangible assets	(346)	(19)
Proceeds from sale of property, plant and equipment	10	-
Proceeds from subleasing the premises	-	7
Investment in equity shares of TECH4TH Solutions Inc.	(762)	0
Maturities of / Investments in fixed deposits, net	(3,020)	6,931
Investment in equity shares of subsidiary acquired	-	(6,025)
Investments in mutual funds	(40,049)	(69,269)
Proceeds from sale of mutual funds	34,542	39,313
Interest received	84	777
<b>Net cash used in investing activities (B)</b>	<b>(9,608)</b>	<b>(28,363)</b>
<b>C. Cash flow from financing activities</b>		
Repayment of long-term borrowings	(2,053)	(1,256)
Proceeds from long-term borrowings	-	5,981
Security deposits given	-	(300)
Net proceeds from short-term borrowings	4,012	4,213
Payment of principal portion of lease liabilities	(1,702)	(1,661)
Payment of interest portion of lease liabilities	(487)	(328)
Payment of contingent consideration	(1,861)	-
Dividend paid	(6,830)	-
Proceeds from exercise of share options	171	72
Proceeds from Initial Public Offerings (IPO) (net of offer expenses)	-	10,544
Interest paid	(328)	(281)
<b>Net cash generated from/(used in) financing activities (C)</b>	<b>(9,078)</b>	<b>16,984</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(1,874)</b>	<b>2,938</b>
Net foreign exchange difference	20	(6)
Cash and cash equivalents at the beginning of the year	8,583	4,353
Cash acquired on acquisition of subsidiary	-	1,298
<b>Cash and cash equivalents at the end of the year</b>	<b>6,729</b>	<b>8,583</b>
<b>Non-cash investing activities:</b>		
Acquisition of subsidiary	-	3,695
Acquisition of Right-of-use assets	5,487	1,075



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**Notes to Statement of Audited Consolidated Financial Results for the quarter ended and year ended March 31, 2022**

1. In terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, this Statement of Audited Consolidated Financial Results for the quarter and year ended March 31, 2022 ("Audited Consolidated Financial Results") of Happiest Minds Technologies Limited (the "Holding Company" or the "Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 5, 2022.

2. The financial results of the Group for quarter ended March 31, 2021 and year ended March 31, 2021 were subject to limited review/audit by M/s S.R.Batlboi & Associates LLP, Chartered Accountants, the predecessor auditor who have expressed an unmodified review conclusion / audit opinion respectively.

3. The figures of the quarter ended March 31, 2022 are the balancing figures between audited figures in respect of full financial year upto March 31, 2022 and the published year-to-date figure upto December 31, 2021 being the date of the end of the third quarter of the financial year. The published year-to-date results upto December 31, 2021 was subjected to a limited review by the Statutory Auditors of the Company.

4. The Audited Consolidated Financial Results of the Group have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act 2013, as amended, read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended and SEBI Circular No.CIR/CFD/CMD/1/44/2019 dated March 29, 2019.

5. The Board of Directors of the Company at their meeting held on May 5, 2022 have, for the financial year ended March 31, 2022, recommended the payout of a final dividend of Rs. 2/- per equity share of face value Rs.2/- each. This recommendation is subject to approval of shareholders at the 11th Annual General Meeting of the Company scheduled to be held on June 30, 2022.

6. The financial results of the Company on standalone basis is as follows:

(Rs. in lakhs)

Particulars	Quarter ended			Year ended	
	March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
	Refer note 3	(Unaudited)	Refer note 2	(Audited)	Refer note 2
Total revenue (including other income)	29,724	27,431	21,127	1,07,125	78,438
Profit before tax	8,084	6,005	5,064	25,085	18,602
Profit for the period / year	6,221	4,478	3,692	18,648	16,193
Total comprehensive income for the period / year ended	5,937	4,617	3,716	18,339	17,193

7. The segment reporting of the Group has been prepared in accordance with Ind AS-108 on 'Operating Segments'. The Group executive management committee examines the Group's performance on the basis of its business units and has identified three reportable segments: Infrastructure Management & Security Services (IMSS), Digital Business Solutions (DBS) and Product Engineering Services (PES).

Segment wise revenue and results are as follows:

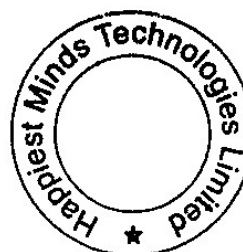
(Rs. in lakhs)

Particulars	Quarter ended			Year ended	
	March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
	Refer note 3	(Unaudited)	Refer note 2	(Audited)	Refer note 2
<b>1. Segment revenue</b>					
IMSS	6,848	6,322	4,487	24,168	16,421
DBS	8,762	8,510	6,995	32,887	21,288
PES	14,447	13,562	10,589	52,310	39,632
<b>Total</b>	<b>30,057</b>	<b>28,394</b>	<b>22,071</b>	<b>1,09,365</b>	<b>77,341</b>
<b>2. Segment results</b>					
IMSS	1,739	1,553	1,035	5,917	3,967
DBS	2,261	2,649	2,511	8,789	7,106
PES	5,929	5,396	4,324	20,693	15,924
<b>Total</b>	<b>9,929</b>	<b>9,598</b>	<b>7,870</b>	<b>35,399</b>	<b>26,997</b>
Unallocable other income	991	834	259	3,710	2,340
Unallocable finance cost	(286)	(298)	(207)	(995)	(642)
Unallocable depreciation and amortisation expenses	(884)	(847)	(709)	(3,288)	(2,198)
Other unallocable expenses	(2,762)	(2,744)	(2,289)	(10,241)	(7,895)
Tax (expense) / credit	(1,777)	(1,651)	(1,319)	(6,465)	(2,356)
<b>Profit after tax</b>	<b>5,211</b>	<b>4,892</b>	<b>3,605</b>	<b>18,120</b>	<b>16,246</b>

Segment wise assets and liabilities are as follows:

(Rs. in lakhs)

Particulars	March 31, 2022	March 31, 2021
	(Audited)	Refer note 2
<b>1. Segment assets</b>		
IMSS	7,202	4,282
DBS	19,140	5,741
PES	12,632	8,284
Other unallocable assets	73,527	73,888
<b>Total assets</b>	<b>1,12,501</b>	<b>92,195</b>
<b>2. Segment liabilities</b>		
IMSS	1,234	396
DBS	9,144	1,874
PES	1,884	1,174
Other unallocable liabilities	33,659	34,152
<b>Total liabilities</b>	<b>45,921</b>	<b>37,596</b>



*[Handwritten Signature]*

Happiest Minds Technologies Limited  
CIN : L72900KA2011PLC057931

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Website: www.happiestminds.com , Email: IR@happiestminds.com , Tel: +91 80 6196 0300

**Notes to Statement of Audited Consolidated Financial Results for the quarter ended and year ended March 31, 2022**

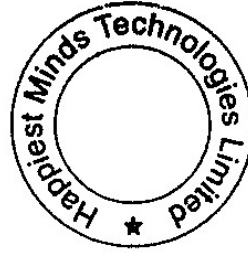
8. The Group had acquired 100% voting interest in Happiest Minds Inc. (erstwhile PGS Inc.) vide definitive agreements signed on January 27, 2021, for a total recorded consideration of US \$ 13.31 million (INR 9,720 lakhs), comprising cash consideration of US \$ 8.25 million (INR 6,025 lakhs) and fair-valued contingent consideration in the form of warrants of US \$ 5.06 million (INR 3,696 lakhs) payable over the next 3 years. The contingent consideration was classified as a financial liability within the scope of Ind AS 109 'Financial Instruments' and was measured at fair value. Ind AS 109 mandates that any subsequent changes in such fair value will have to be recognized in the statement of profit and loss. The Group carried out a fair valuation during the year ended March 31, 2022 and there was increase in the liability basis increasing expectation of payout. The said increase amounting to Rs 609 lakhs has been recognised in the statement of profit and loss and disclosed as 'Exceptional Item'.

9. The full impact of COVID-19 still remains uncertain and could be different from the estimates considered while preparing these Audited Consolidated Financial Results. The Company will continue to closely monitor any material changes to future economic conditions.

10. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period in which the Code becomes effective.

11. Previous year's figures have been regrouped/ reclassified wherever necessary to conform with current year classification.

12. The above Audited Consolidated Financials Results of the Group are available on Company's website www.happiestminds.com and also on the website of BSE (www.bseindia.com) and NSE (www.nseindia.com), where the shares of the Company are listed.



For and on behalf of the Board  
For Happiest Minds Technologies Limited

A handwritten signature in black ink, appearing to read "Venkatraman Narayanan".

Venkatraman Narayanan  
Managing Director & Chief Financial Officer  
DIN : 01856347

Place: Bengaluru, India  
Date: May 5, 2022

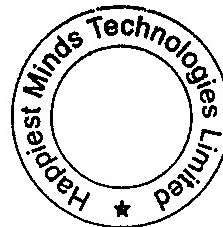
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Website: www.happiestminds.com , Email: IR@happiestminds.com , Tel: +91 80 6196 0300

(Rs. in lakhs)

Statement of Audited Standalone Financial Results for the quarter and year ended March 31, 2022

Particulars	Quarter ended			Year ended	
	March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
	Refer Note 3	(Unaudited)	Refer Note 2	(Audited)	Refer Note 2
<b>I. Revenue</b>					
(a) Revenue from contracts with customers	28,682	26,588	20,826	1,03,354	76,096
(b) Other income	1,042	843	301	3,771	2,342
<b>Total revenue</b>	<b>29,724</b>	<b>27,431</b>	<b>21,127</b>	<b>1,07,125</b>	<b>78,438</b>
<b>II. Expenses</b>					
(a) Employee benefits expense	16,492	15,876	12,066	61,210	45,012
(b) Finance costs	221	230	204	830	645
(c) Depreciation and amortisation expense	665	630	522	2,423	2,063
(d) Other expenses	4,871	4,690	3,271	17,577	12,116
<b>Total expenses</b>	<b>22,249</b>	<b>21,426</b>	<b>16,063</b>	<b>82,040</b>	<b>59,836</b>
<b>III. Profit before exceptional items and tax (I-II)</b>	<b>7,475</b>	<b>6,005</b>	<b>5,064</b>	<b>25,085</b>	<b>18,602</b>
IV. Exceptional items (Refer note 7)	609	-	-	-	-
<b>V. Profit before tax (III-IV)</b>	<b>8,084</b>	<b>6,005</b>	<b>5,064</b>	<b>25,085</b>	<b>18,602</b>
<b>VI. Tax expense</b>					
Current tax	1,772	1,262	889	6,004	3,527
Deferred tax charge / (credit)	91	265	483	433	(1,118)
<b>Total tax expense</b>	<b>1,863</b>	<b>1,527</b>	<b>1,372</b>	<b>6,437</b>	<b>2,409</b>
<b>VII. Profit for the period / year (V-VI)</b>	<b>6,221</b>	<b>4,478</b>	<b>3,692</b>	<b>18,648</b>	<b>16,193</b>
<b>VIII. Other comprehensive income, net of tax [(loss)/profit]</b>					
(i) Item to be reclassified to profit or loss in subsequent periods / year					
Net movement of effective portion of cash flow hedges [gain/(loss)]	(405)	234	(7)	(316)	1,236
Income tax effect	102	(58)	1	80	(128)
(ii) Item not to be reclassified to profit or loss in subsequent periods / year					
Re-measurement gains/ (losses) on defined benefit	26	(49)	40	(97)	(144)
Income tax effect	(7)	12	(10)	24	36
<b>IX. Total comprehensive income for the period / year (VII-VIII)</b>	<b>5,937</b>	<b>4,617</b>	<b>3,716</b>	<b>18,339</b>	<b>17,193</b>
<b>X. Paid-up equity share capital (Rs. 2/- each)</b>				2,854	2,837
<b>XI. Other equity</b>				64,120	51,830
<b>XI. Earnings per share ("EPS") (of Rs. 2/- each) (not annualised for quarters):</b>					
Basic EPS (Rs.)	4.38	3.14	2.61	13.21	11.71
Diluted EPS (Rs.)	4.28	3.09	2.54	12.91	11.41



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Happiest Minds Technologies Limited

CIN : L72900KA2011PLC057931

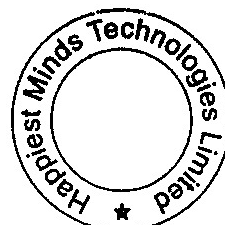
Regd. Office:#53/1-4, Hosur Main Road, Madivala (next to Madivala Police Station) Bangalore 560 068, Karnataka, India

Website: www.happiestminds.com , Email: IR@happiestminds.com , Tel: +91 80 6196 0300

Audited Standalone Statement of Assets and Liabilities as at March 31, 2022

(Rs. in lakhs)

SI No	Particulars	As at March 31, 2022 (Audited)	As at March 31, 2021 Refer Note 2
	<b>ASSETS</b>		
<b>A</b>	<b>Non-current assets</b>		
	Property, plant and equipment	77	67
	Capital work-in-progress	-	14
	Goodwill	611	611
	Other intangible assets	271	65
	Right-of-use assets	5,389	2,149
	Intangible assets under development	35	-
	Financial assets:		
	i. Investment	6,025	9,720
	ii. Loans	2,274	-
	iii. Other financial assets	1,827	2,458
	Income tax assets (net)	679	1,408
	Other assets	1	7
	Deferred tax assets, net	697	1,026
	<b>Total non-current assets</b>	<b>17,886</b>	<b>17,525</b>
<b>B</b>	<b>Current assets</b>		
	Financial assets		
	i. Investments	46,400	39,148
	ii. Trade receivables	16,127	11,610
	iii. Cash and cash equivalents	5,601	7,952
	iv. Bank balance other than cash and cash equivalent	10,071	5,935
	v. Loans	4	14
	vi. Other financial assets	8,955	6,740
	Other assets	3,235	1,771
	<b>Total current assets</b>	<b>90,393</b>	<b>73,170</b>
	<b>Total assets (A+B)</b>	<b>1,08,279</b>	<b>90,695</b>
	<b>EQUITY AND LIABILITIES</b>		
<b>C</b>	<b>Equity</b>		
	Equity share capital	2,854	2,837
	Other equity	64,120	51,830
	<b>Total Equity</b>	<b>66,974</b>	<b>54,667</b>
<b>D</b>	<b>Non-current liabilities</b>		
	Financial liabilities		
	i. Borrowings	1,724	3,661
	ii. Lease liabilities	4,119	1,223
	iii. Other financial liabilities	-	2,455
	Provisions	1,618	1,653
	<b>Total non-current liabilities</b>	<b>7,461</b>	<b>8,992</b>
<b>E</b>	<b>Current liabilities</b>		
	Contract liability	972	365
	Financial liabilities		
	i. Borrowings	17,340	12,969
	ii. Lease liabilities	1,792	1,422
	iii. Trade payables		
	(A) Total outstanding dues of Small Enterprises and Micro enterprises	79	95
	(B) Total outstanding dues of creditors other than small enterprises and micro enterprises	5,215	3,876
	iv. Other financial liabilities	4,321	4,877
	Other current liabilities	2,427	1,924
	Provisions	1,698	1,508
	<b>Total current liabilities</b>	<b>33,844</b>	<b>27,036</b>
<b>F</b>	<b>Total liabilities (D+E)</b>	<b>41,305</b>	<b>36,028</b>
	<b>Total equity and liabilities (C+F)</b>	<b>1,08,279</b>	<b>90,695</b>



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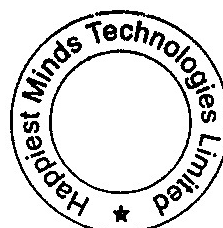
Happiest Minds Technologies Limited  
CIN : L72900KA2011PLC057931

Regd. Office:#53/1-4, Hosur Main Road, Madivala (next to Madivala Police Station) Bangalore 560 068, Karnataka, India  
Website: www.happiestminds.com , Email: IR@happiestminds.com , Tel: +91 80 6196 0300

Audited Standalone Statement of Cash Flows for the year ended March 31, 2022

(Rs. in lakhs)

	Year ended March 31, 2022 (Audited)	Year ended March 31, 2021 Refer Note 2
<b>A. Cash flow from operating activities</b>		
Profit before tax	25,085	18,602
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortization expense	2,423	2,063
Share-based payment expense	300	297
Gain on investments carried at fair value through profit and loss	(1,377)	(184)
Gain on sale of investments carried at fair value through profit and loss	(368)	(671)
Interest income	(667)	(838)
(Gain)/ loss on disposal of property, plant and equipment, net	(10)	-
Net unrealised foreign exchange loss / (gain)	354	73
Rent concession	(323)	(302)
Impairment loss on financial assets	33	945
Finance costs	830	645
<b>Operating profit before working capital changes</b>	<b>26,280</b>	<b>20,630</b>
<b>Movements in working capital</b>		
Increase in trade receivables	(4,415)	(1,247)
Decrease in loans	10	50
Increase in non-financial assets	(1,484)	(213)
Increase in financial assets	(2,635)	(1,445)
Increase in trade payables	1,303	176
Increase/ (decrease) in financial liabilities	648	(1,269)
Increase in provisions	58	516
Increase/ (decrease) in contract liabilities	607	(18)
Increase in other non-financial liabilities	830	1,407
<b>Cash generated from operating activities</b>	<b>21,202</b>	<b>18,587</b>
Income tax paid (net of refunds)	(5,275)	(3,600)
<b>Net cash generated from operating activities (A)</b>	<b>15,927</b>	<b>14,987</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(67)	(78)
Purchase of intangible assets	(346)	(19)
Proceeds from sale of property, plant and equipment	10	-
Maturities of / Investments in fixed deposits, net	(3,020)	6,931
Investment in equity shares of subsidiary acquired	-	(6,025)
Loan to subsidiary	(2,231)	-
Investments in mutual funds	(40,049)	(69,269)
Proceeds from sale of mutual funds	34,542	39,313
Interest received	84	777
<b>Net cash used in investing activities (B)</b>	<b>(11,077)</b>	<b>(28,370)</b>
<b>C. Cash flow from financing activities</b>		
Repayment of long-term borrowings	(2,053)	(1,257)
Proceeds from long-term borrowings	-	5,982
Security deposits given	-	(300)
Net proceeds from short-term borrowings	4,012	4,213
Payment of principal portion of lease liabilities	(1,702)	(1,657)
Payment of interest portion of lease liabilities	(487)	(328)
Dividend paid	(6,830)	-
Proceeds from exercise of share options	171	72
Proceeds from Initial Public Offerings (IPO) (net of offer expenses)	-	10,544
Interest paid	(328)	(278)
<b>Net cash generated from/(used in) financing activities (C)</b>	<b>(7,217)</b>	<b>16,991</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(2,367)</b>	<b>3,608</b>
Net foreign exchange difference	16	(6)
Cash and cash equivalents at the beginning of the year	7,952	4,350
<b>Cash and cash equivalents at the end of the year</b>	<b>5,601</b>	<b>7,952</b>
<b>Non-cash investing activities:</b>		
Acquisition of subsidiary	-	3,695
Acquisition of Right-of-use assets	5,487	1,075



*Signature*

**Notes to Statement of Audited Standalone Financial Results for the quarter ended and year ended March 31, 2022**

1. In terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, this Statement of Audited Standalone Financial Results for the quarter and year ended March 31, 2022 ("Audited Standalone Financial Results") of Happiest Minds Technologies Limited (the "Company") has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 5, 2022.

2. The financial results of the Company for quarter ended March 31, 2021 and year ended March 31, 2021 were subject to limited review/audit by M/s S.R.Batlboi & Associates LLP, Chartered Accountants, the predecessor auditor who have expressed an unmodified review conclusion / audit opinion respectively.

3. The figures of the quarter ended March 31, 2022 are the balancing figures between audited figures in respect of full financial year upto March 31, 2022 and the unaudited published year-to-date figure upto December 31, 2021 being the date of the end of the third quarter of the financial year. The published year-to-date results upto December 31, 2021 was subjected to a limited review by the Statutory Auditors of the Company.

4. The Audited Standalone Financial Results of the Company have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act 2013, as amended, read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended and SEBI Circular No.CIR/CFD/CMD1/44/2019 dated March 29, 2019.

5. The Board of Directors of the Company at their meeting held on May 5, 2022 have for the financial year ended March 31, 2022 recommended the payout of a final dividend of Rs.2/- per equity share of face value Rs.2/- each. This recommendation is subject to approval of shareholders at the 11th Annual General Meeting of the Company scheduled to be held on June 30, 2022.

6. The Company publishes standalone financial statements along with the consolidated financial statements. In accordance with Ind AS 108, Operating segments, the Company has disclosed the segment information in the audited interim consolidated financial statements. Accordingly, the segment information is given in the audited consolidated financial results of Happiest Minds Technologies Limited and its subsidiary for the quarter and year ended March 31, 2022.

7. The Company had acquired 100% voting interest in Happiest Minds Inc. (erstwhile PGS Inc.) vide definitive agreements signed on January 27, 2021, for a total recorded consideration of US \$ 13.31 million (INR 9,720 Lakhs), comprising cash consideration of US \$ 8.25 million (INR 6,025 lakhs) and fair-valued contingent consideration in the form of warrants of US \$ 5.06 million (INR 3,696 lakhs) payable over next 3 years. The contingent consideration was classified as a financial liability within the scope of Ind AS 109 'Financial Instruments' and was measured at fair value, Ind AS 109 mandates that any subsequent changes in such fair value will have to be recognized in the statement of profit and loss, the Company carried out a fair valuation during the quarter ended June 30, 2021, and there was increase in the liability basis increasing expectation of payout. The said increase amounting to INR 609 lakhs had been recognized in the statement of profit and loss disclosed as 'Exceptional Item'.

During the quarter ended March 31, 2022, the Company re-evaluated its primary obligation for pay-outs of the contingent consideration and concluded that the obligation for the pay-out of the contingent consideration is with its subsidiary, Happiest Minds Inc., and the Company's obligation is restricted to ensure that sufficient cash flows are available with Happiest Minds Inc. to meet its obligations. Consequently, the contingent consideration of US \$ 5.89 million (INR 4,305 lakhs) and investment in Happiest Minds Inc. (erstwhile PGC Inc.) of US\$ 5.06 million (INR 3,696 lakhs) has been reversed in the standalone balance sheet of the Company. As a result, fair value loss on contingent consideration of INR 609 lakhs recognized as an exceptional item in the quarter ended June 30, 2021 is reversed in profit and loss account for quarter ended March 31, 2022.

8. The full impact of COVID-19 still remains uncertain and could be different from the estimates considered while preparing these Audited Standalone Financial Results. The Company will continue to closely monitor any material changes to future economic conditions.

9. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period in which the Code becomes effective.

10. Previous year's figures have been regrouped/ reclassified wherever necessary to conform with current year classification.

11. The above Audited Standalone Financials Results of the Company are available on Company's website www.happiestminds.com and also on the website of BSE (www.bseindia.com) and NSE (www.nseindia.com), where the shares of the Company are listed.

For and on behalf of the Board  
For Happiest Minds Technologies Limited



Venkatraman Narayanan  
Managing Director & Chief Financial Officer  
DIN : 01856347

# Investor Presentation & Fact sheet: Q4 FY 22

May 2022



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This presentation 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.

---

# Happiest Minds

Next Generation Digital Transformation, Infrastructure, Security and Product Engineering Services Company



IPO

In September 2020

- Completed 10 years of existence in August 2021
- Strong Management Team & Corporate Governance
- 700K + Investors
- Robust Growth and Profitability

Promoter



Ashok Soota

**97%**  
Digital

**'Born Digital. Born Agile'**

**Mission Statement**  
**Happiest People**  
**Happiest Customers**

**SMILES Values**  
Sharing, Mindful, Integrity,  
Learning, Excellence, Social  
Responsibility

**93%**  
Agile

**4,168 Happiest  
Minds**

across **7 Countries**  
**Diversity 26.4%**

**206**

**Active clients**

**54** Fortune2000 / Forbes200 /  
Billion \$ corporations  
**85%** of repeat business

**Great Place To Work**

- Ranked **#21** – India's Best Companies to work for 2021
- Ranked **#63** Asia's Best Workplaces 2021
- India's Top **50** Best Workplaces for Women 2021
- India's Top **15** Best Workplaces in Health & Wellness 2021

**39.8%**

**RoCE<sup>1</sup>**

**27.3%**

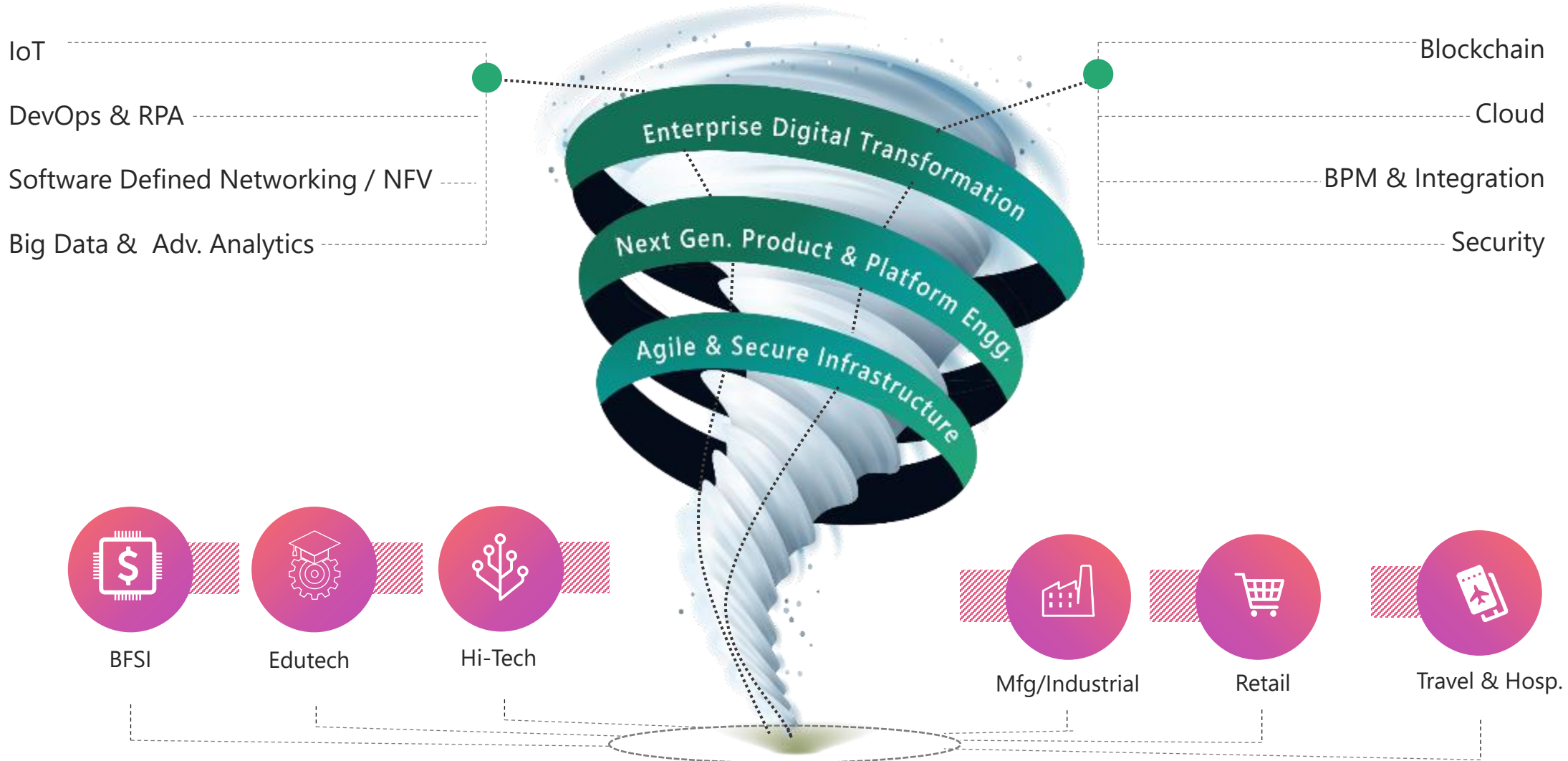
**RoE**

**4.4**  
**rating**

on **Glassdoor**



\*All logos are properties of their respective owners Note 1 : ROCE / ROE is for full year FY 22



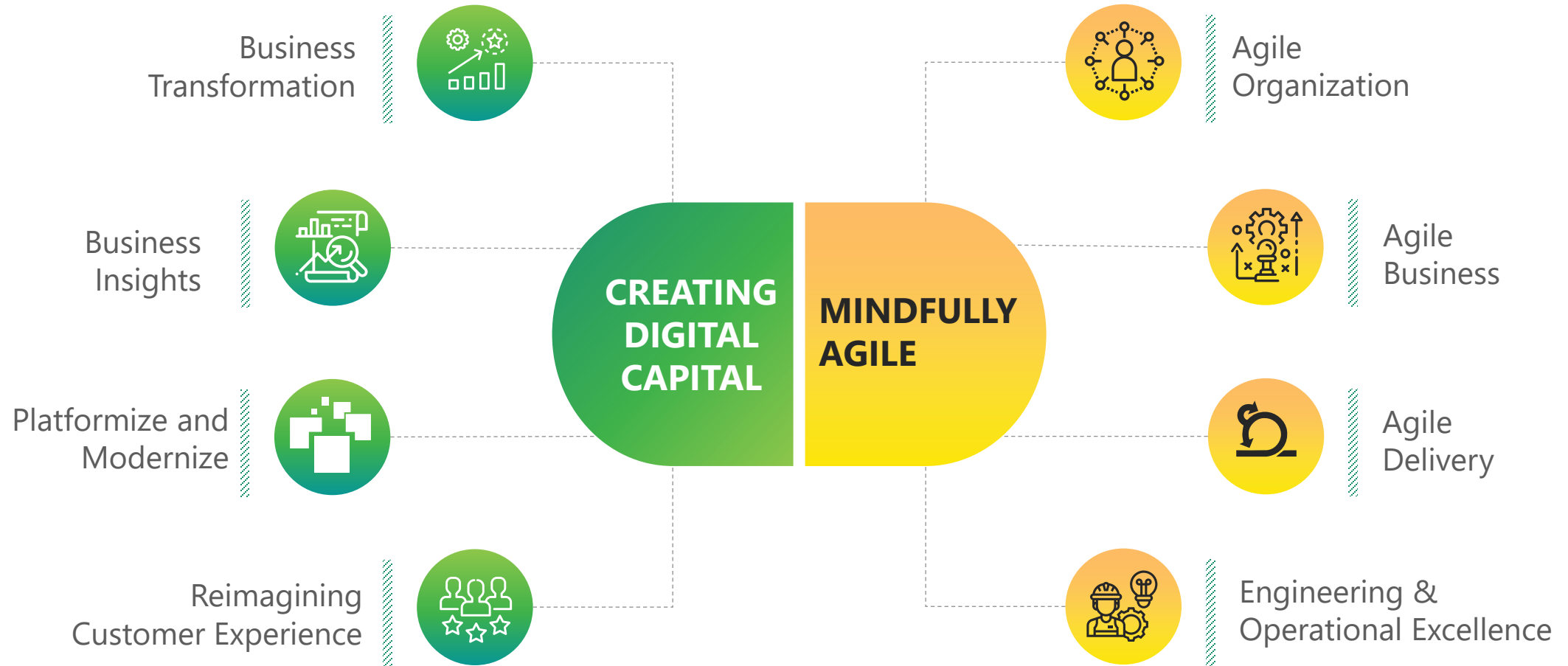
# Mission, Vision & Values

## Our 2021-31 Vision - DELIGHT

## Our SMILES Values



# Born Digital. Born Agile.





# Q4 Key Project Wins

**For an EU multinational manufacturing company, Happiest Minds has taken ownership of building their Test Automation Framework & DevOps projects**

**For a large US fashion retailer, Happiest Minds was chosen as their application security services partner**

**For a Fortune 100 American multinational technology conglomerate, Happiest Minds was awarded the project for data center automation.**

**For one of the largest passenger vehicle manufacturers in India, Happiest Minds was selected as the partner of choice for their digital initiatives**

**For a US supply chain company, Happiest Minds was chosen as their Digital partner for their Product Development work**

**For a leading digital housing solution provider in Nordics, Happiest Minds was chosen as their Digital partner for building its cloud-native customer journey platform**

# Analyst Mentions

Happiest Minds is recognized as a 'Major Contender' in **Everest Group PEAK Matrix for Digital Engineering**



Happiest Minds is featured in NASSCOM's report on **India Cybersecurity Industry Services & Product Growth Story**

# Award Wins



Happiest Minds is ranked among **India's Top 15 Best Workplaces in Health and Wellness 2021** by Great Place to Work® Institute.  
Received special recognition for supporting employees and their families during COVID-19 crisis.



Ashok Soota is among **India's 100 Great People Managers 2021** by Great Manager Institute®

# Operational and Financial Metrics – Q4 & FY22

# Results Q4 & FY 22

All amounts in ₹ Lakhs unless stated otherwise

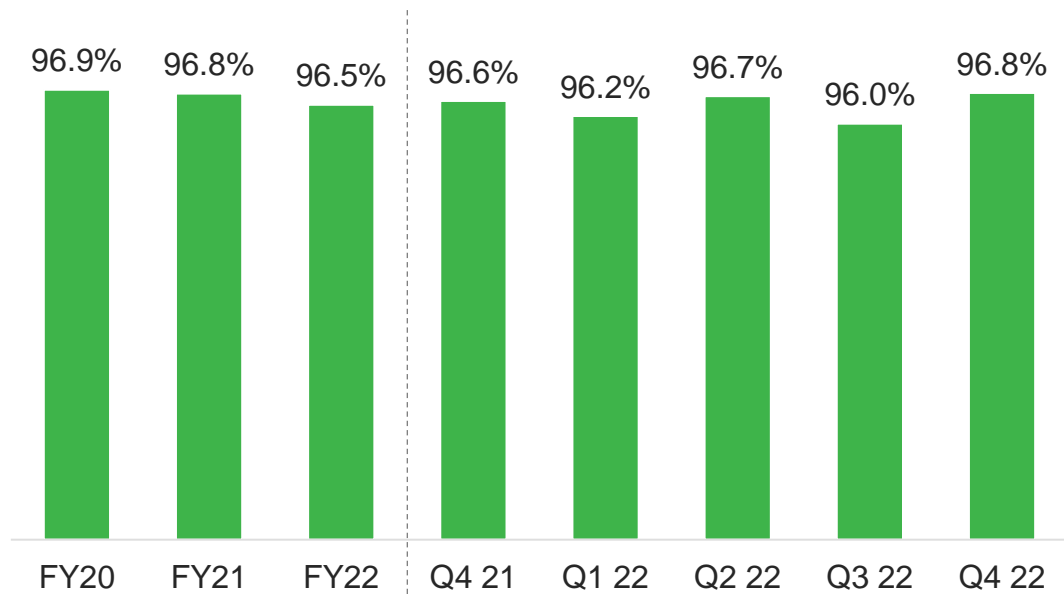
Particulars	Q4 FY 22	Q3 FY 22	QoQ	Q4 FY 21	YoY	FY 22	FY 21	YoY
Revenues (\$'000)	39,876	37,796	5.5%	30,235	31.9%	146,634	104,592	40.2%
Revenues	30,057	28,394	5.9%	22,071	36.2%	109,365	77,341	41.4%
Other Income	991	834	18.8%	303	226.6%	3,710	2,424	53.0%
Total Income	31,048	29,228	6.2%	22,374	38.8%	113,075	79,765	41.8%
EBITDA	8,158	7,688	6.1%	5,867	39.0%	29,477	21,525	36.9%
%	26.3%	26.3%		26.2%		26.1%	27.0%	
PBT before Exceptional Item	6,988	6,543	6.8%	4,924	41.9%	25,194	18,602	35.4%
%	22.5%	22.4%		22.0%		22.3%	23.3%	
Exceptional Item*	-	-		-		(609)	-	
PBT	6,988	6,543	6.8%	4,924	41.9%	24,585	18,602	32.2%
%	22.5%	22.4%		22.0%		21.7%	23.3%	
Tax	1,777	1,651	7.6%	1,319	34.7%	6,465	2,356	174.4%
%	5.7%	5.6%		5.9%		5.7%	3.0%	
PAT	5,211	4,892	6.5%	3,605	44.5%	18,120	16,246	11.5%
%	16.8%	16.7%		16.1%		16.0%	20.4%	

\* Loss on Fair Valuation of Warrant Liability

# Born Digital. Born Agile.

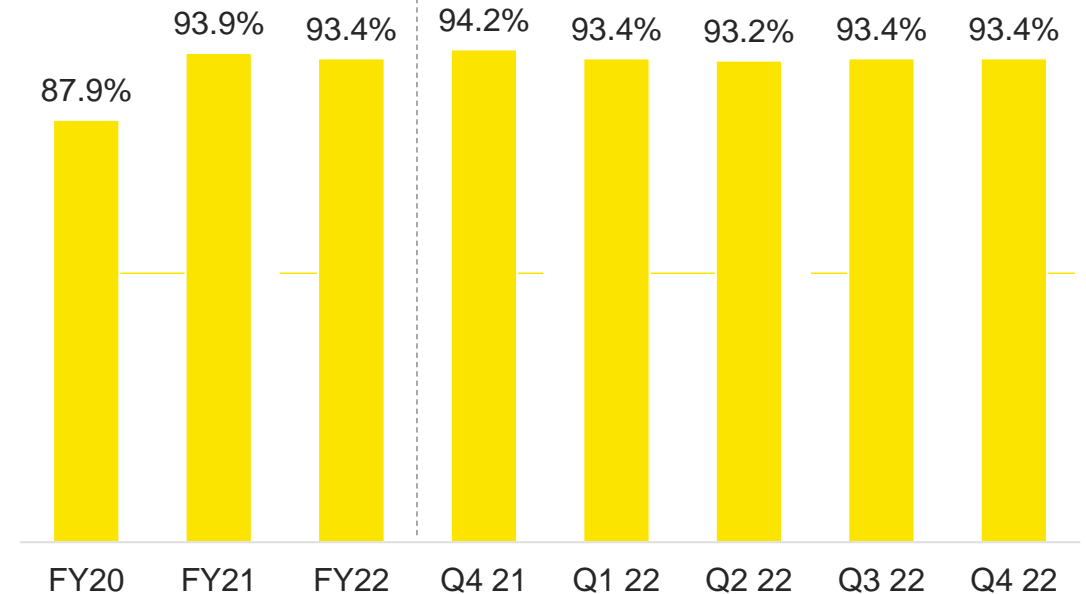
## Digital

% of Revenue



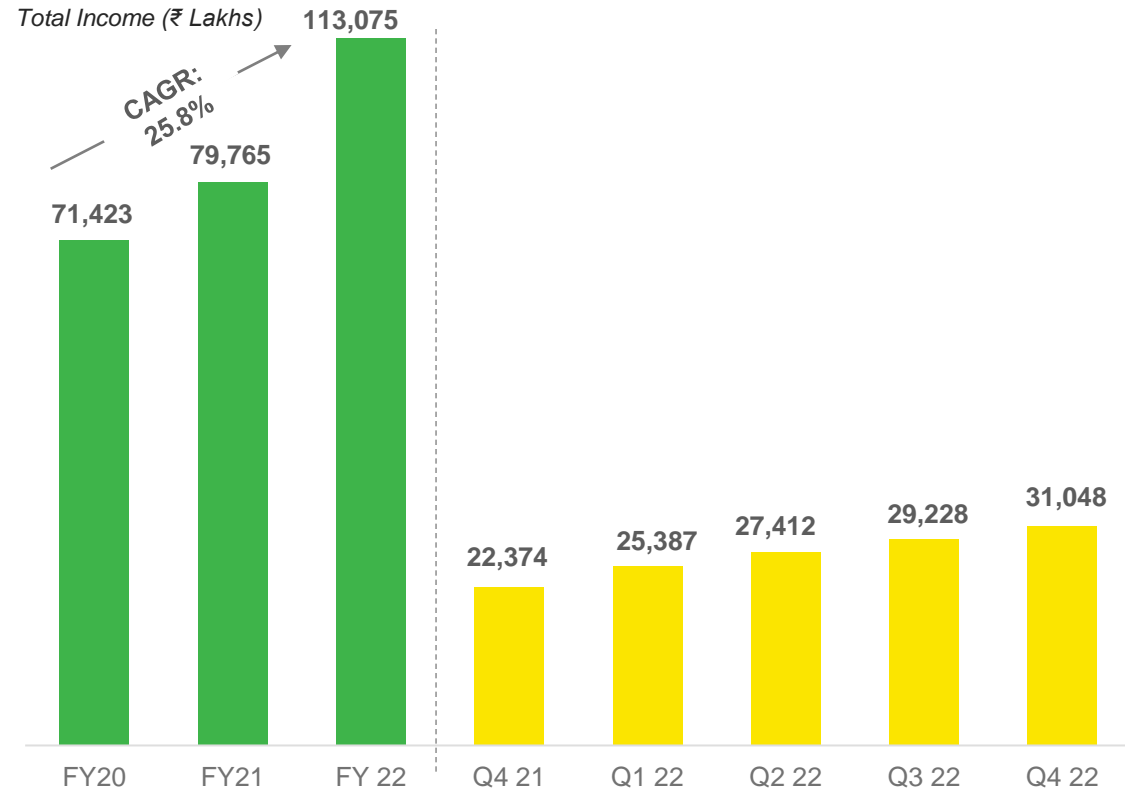
## Agile

% of Revenue

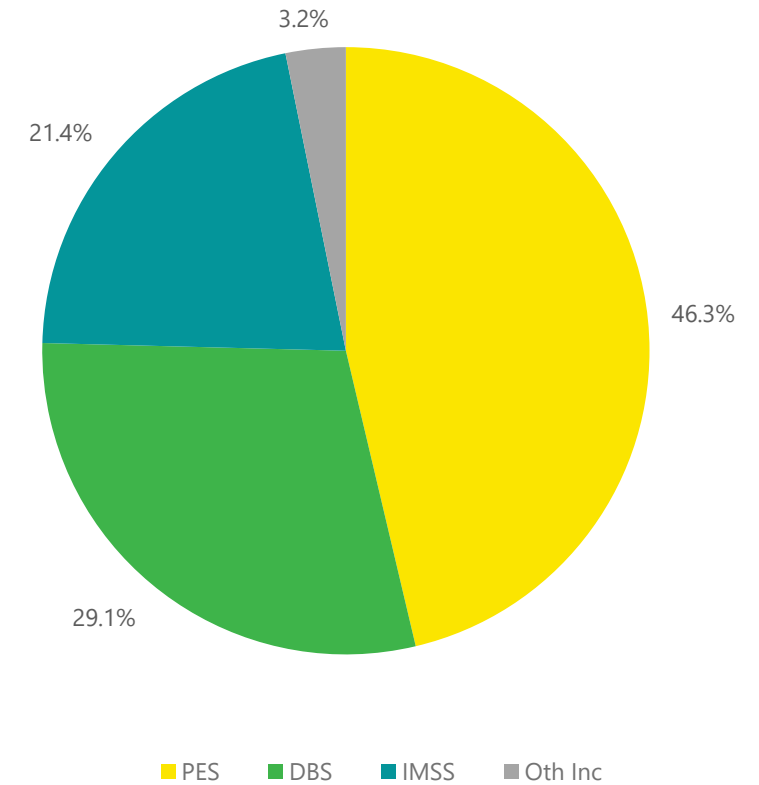


# Operational & Financial Metrics

## Revenue

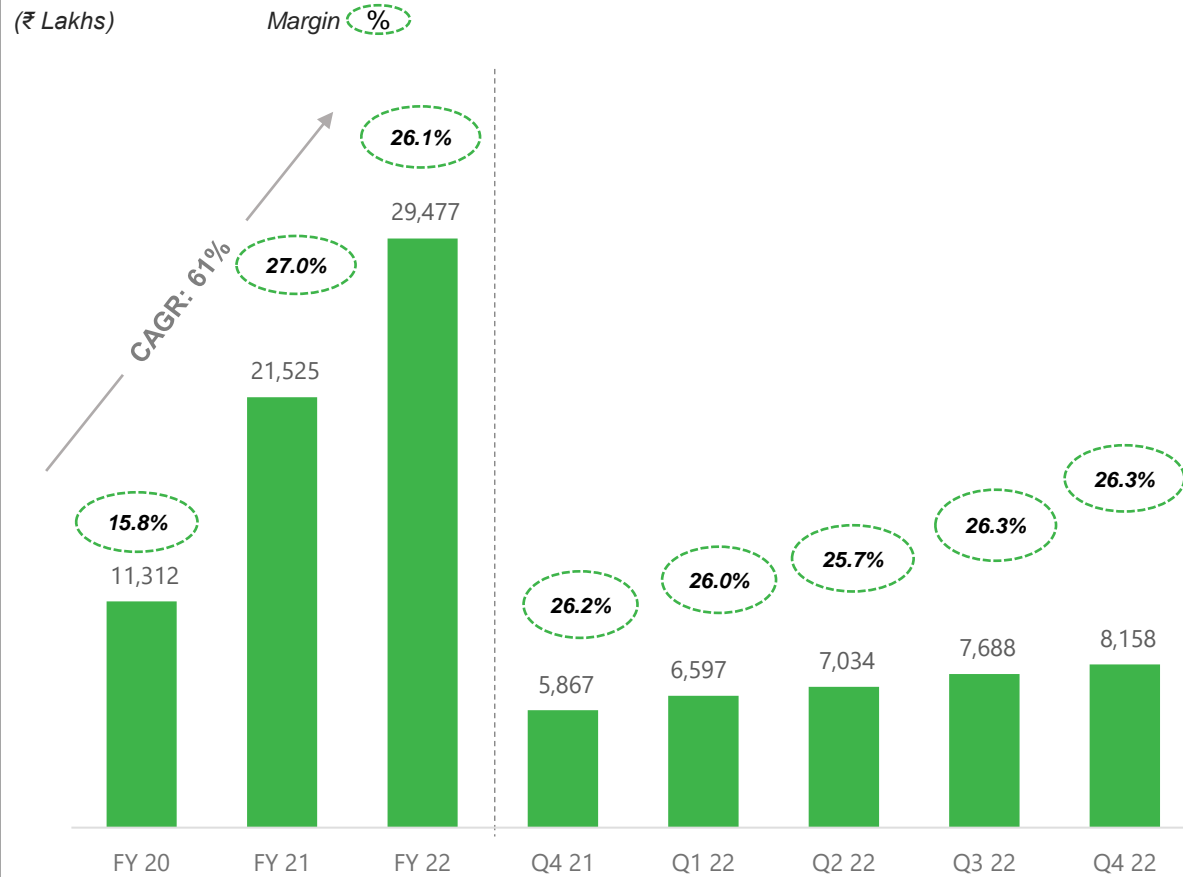


## Revenue by BU

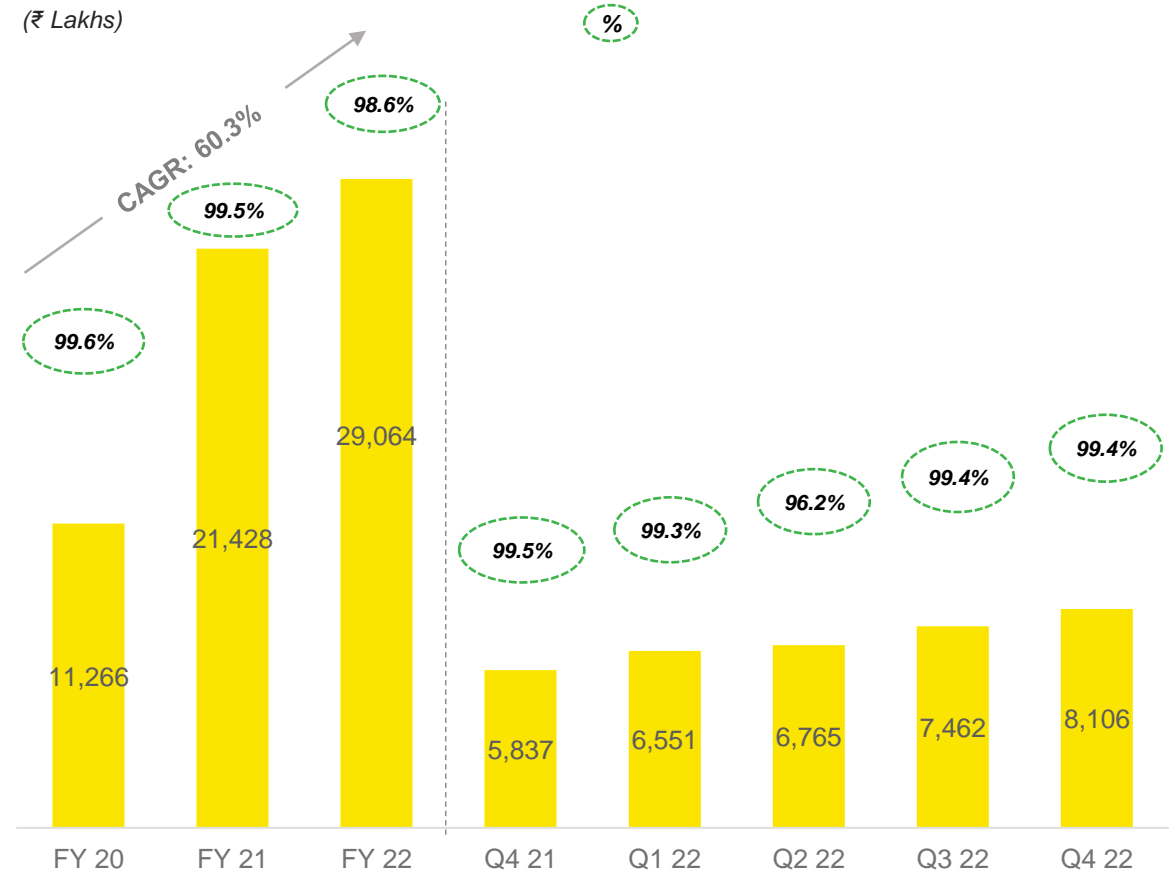


# Operational & Financial Metrics

## EBITDA



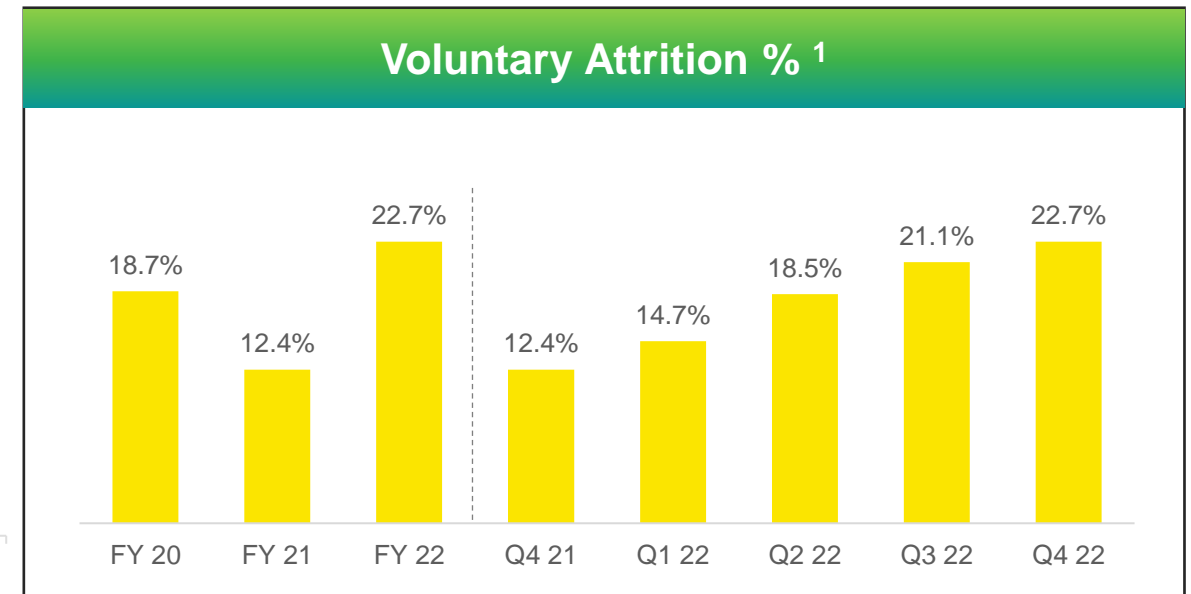
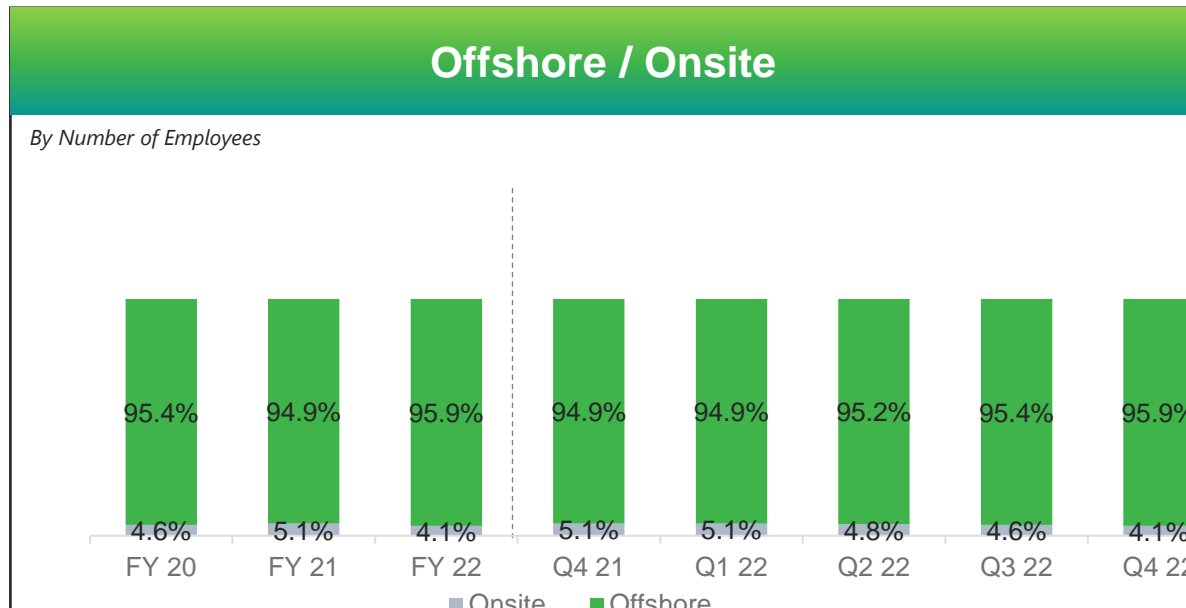
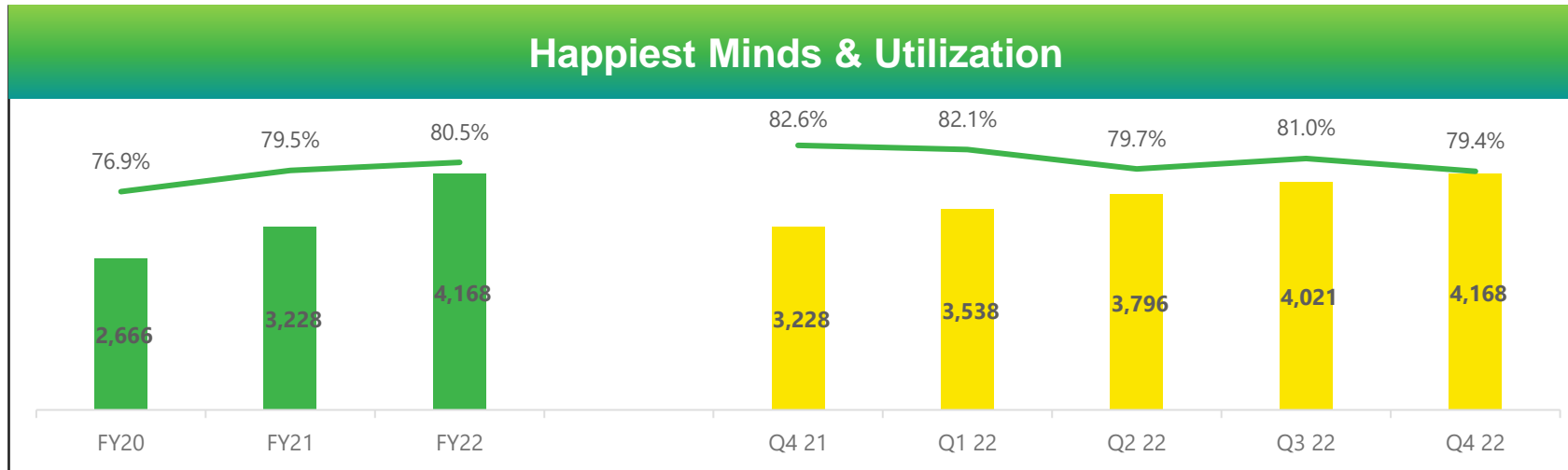
## High FCF<sup>1</sup> conversion



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



# Operational & Financial Metrics



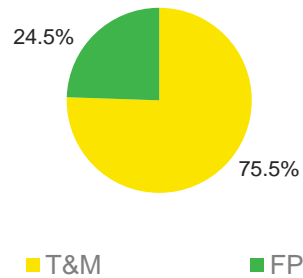
Note 1: Trailing 12 Months

# Operational & Financial Metrics

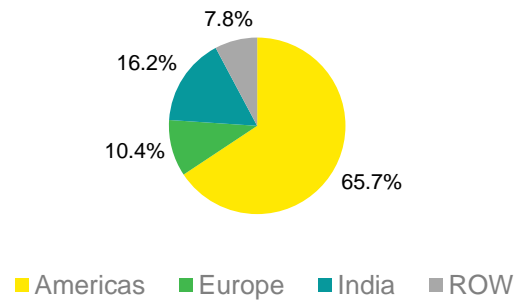
## Revenue Model

Q4 22

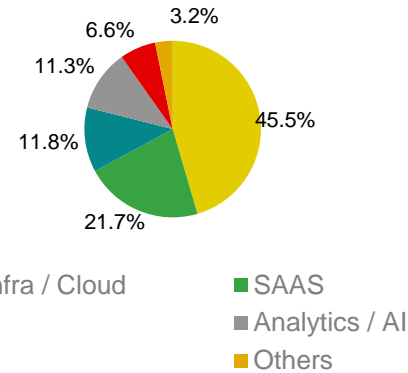
Model



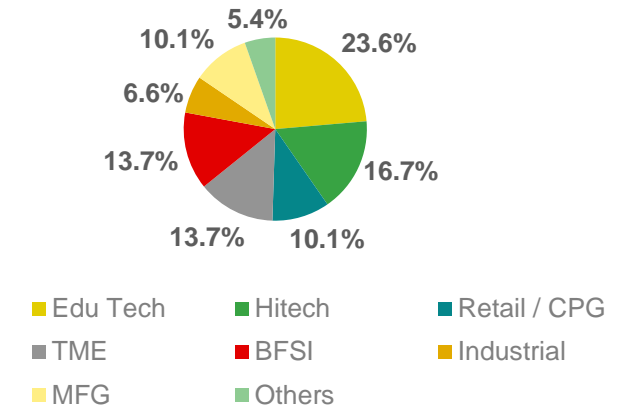
Geography



Digital Revenue<sup>1</sup>

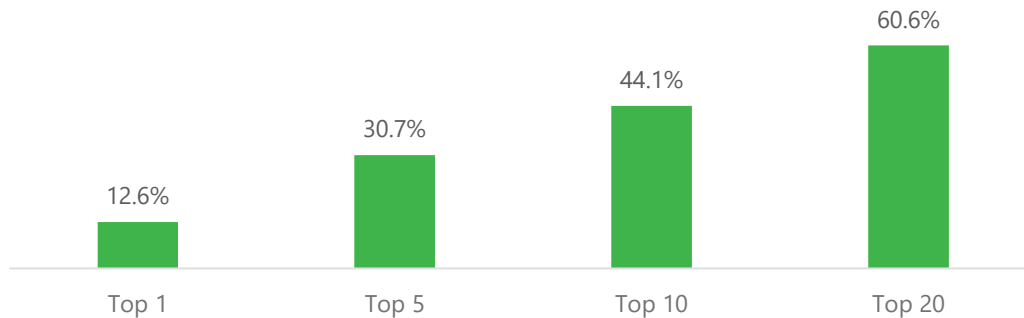


Vertical<sup>1</sup>



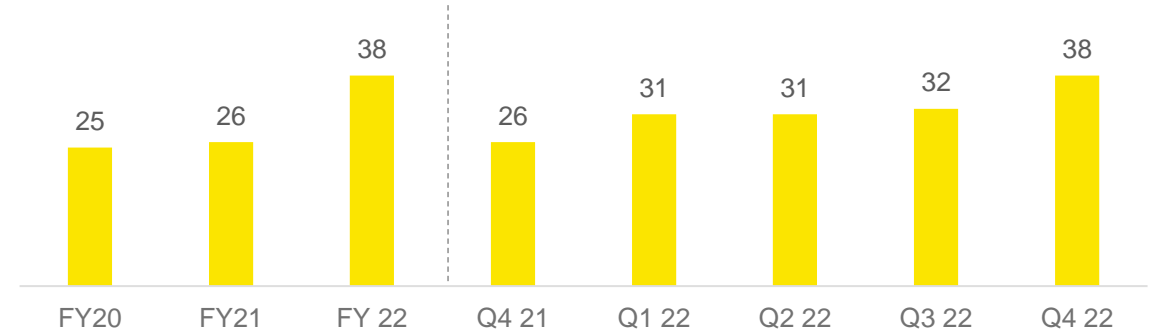
## Revenue Concentration

(% Revenue)



## Million \$ Customers<sup>2</sup>

(#)

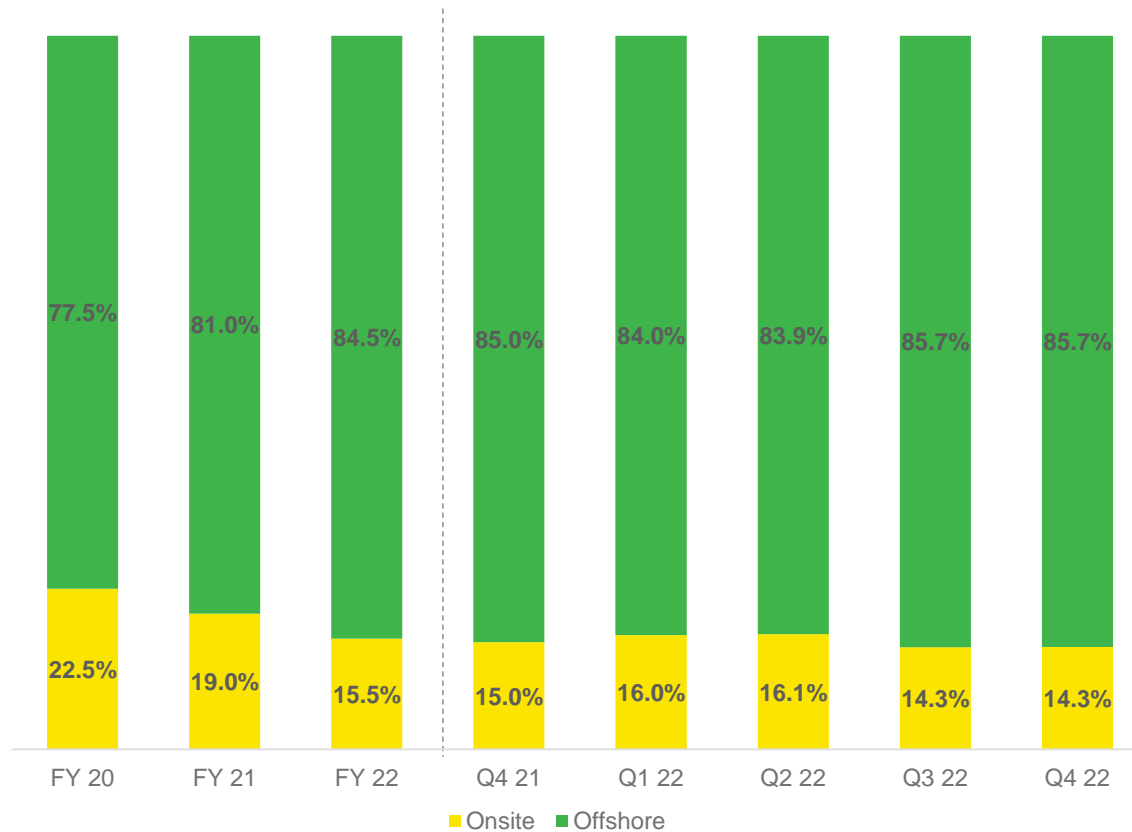


Notes: 1. TME: Travel, Media & Entertainment, 2. Based on quarterly revenues annualized. 3. Top 20 includes Top 1, 5 & 10

# Operational & Financial Metrics

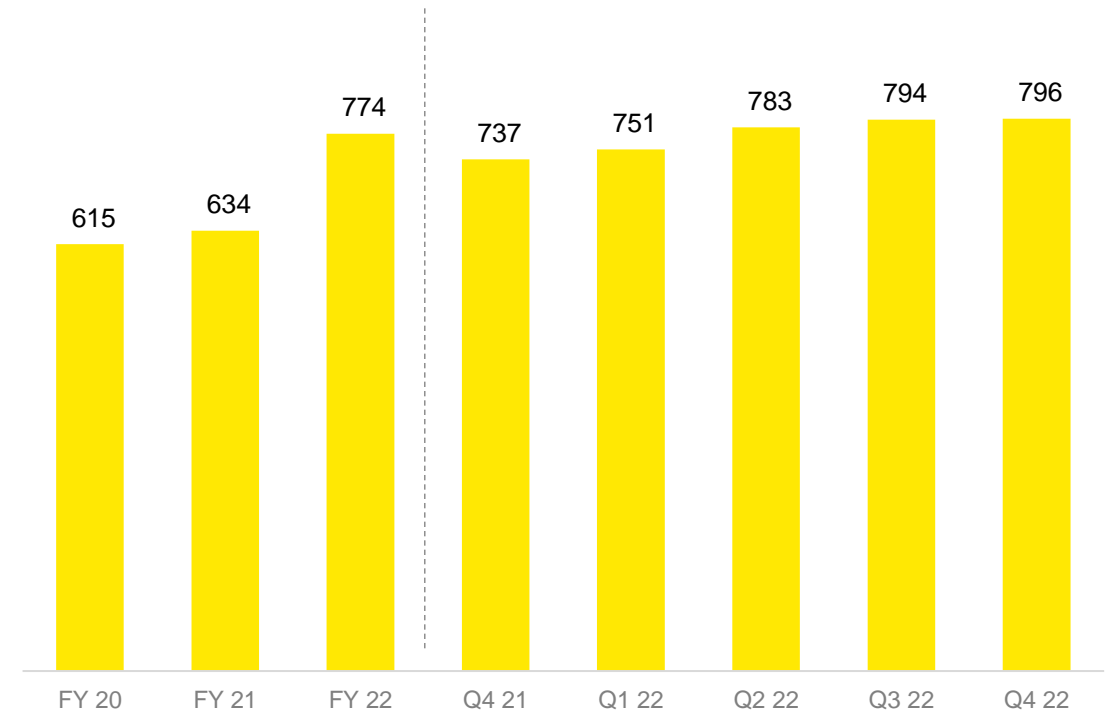
## Onsite/Offshore

By Revenue



## Average Annual Revenue / Active Customer

(USD '000)



# Operational & Financial Metrics

	FY20	FY21	FY 22	FY21Q4	FY22Q1	FY22Q2	FY22Q3	FY22Q4
<b>Customer Industry group</b>								
Edutech	21.3%	25.6%	23.2%	24.1%	23.4%	23.2%	22.6%	23.6%
Hitech	21.0%	18.2%	15.8%	13.5%	14.2%	13.5%	18.3%	16.7%
BFSI	17.5%	16.4%	13.2%	14.8%	13.4%	13.3%	12.5%	13.7%
Travel, Media and Entertainment (TME)	17.1%	13.6%	13.2%	14.0%	13.9%	13.0%	12.3%	13.7%
Retail / CPG	7.5%	5.4%	10.3%	8.6%	9.6%	10.6%	10.6%	10.1%
Industrial	7.0%	7.1%	6.9%	7.7%	7.1%	6.6%	7.3%	6.6%
Manufacturing	3.7%	6.6%	8.6%	7.1%	6.3%	8.3%	9.4%	10.1%
Others	4.9%	7.1%	8.8%	10.2%	12.0%	11.6%	6.9%	5.4%
<b>Digital Service Offerings</b>								
Digital infrastructure/Cloud	31.2%	41.6%	43.6%	44.2%	42.3%	42.8%	43.6%	45.5%
SaaS	29.4%	22.7%	20.3%	20.9%	20.2%	19.6%	19.6%	21.7%
Security Solutions	14.9%	8.7%	11.9%	9.1%	11.0%	12.2%	12.2%	11.8%
Analytics/AI	11.6%	13.3%	12.1%	12.9%	12.9%	12.5%	11.9%	11.3%
IoT	9.8%	10.5%	8.6%	9.5%	9.9%	9.8%	8.5%	6.6%
<b>Total</b>	<b>96.9%</b>	<b>96.8%</b>	<b>96.5%</b>	<b>96.6%</b>	<b>96.2%</b>	<b>96.7%</b>	<b>96.0%</b>	<b>96.8%</b>
<b>Automation as a % of total revenue</b>	20.7%	25.2%	25.4%	24.4%	23.9%	23.9%	27.1%	26.2%

# Operational & Financial Metrics

	FY20	FY 21	FY 22	FY21 Q4	FY22 Q1	FY22 Q2	FY22 Q3	FY22 Q4
<b>Revenue by Customer Geo</b>								
USA	77.5%	73.4%	66.4%	68.4%	67.8%	65.9%	66.6%	65.7%
India	11.9%	11.8%	14.1%	11.7%	12.4%	13.0%	14.6%	16.2%
Europe	7.2%	10.4%	10.4%	11.6%	10.4%	11.1%	9.8%	10.4%
ROW	3.4%	4.4%	9.0%	8.4%	9.4%	10.0%	9.0%	7.8%
<b>Million \$ Customers<sup>1</sup></b>								
\$ 10 M +	1	1	1	1	1	1	1	1
\$ 5M to \$ 10M	-	3	4	3	3	6	4	4
\$ 3M to \$ 5M	9	6	8	6	6	3	4	8
\$ 1M to \$ 3M	15	16	25	16	21	21	23	25
<b>Total</b>	<b>25</b>	<b>26</b>	<b>38</b>	<b>26</b>	<b>31</b>	<b>31</b>	<b>32</b>	<b>38</b>
<b>Revenue Mix</b>								
Onsite	22.5%	19.0%	15.5%	15.0%	16.0%	16.1%	14.3%	14.3%
Offshore <sup>2</sup>	77.5%	81.0%	84.5%	85.0%	84.0%	83.9%	85.7%	85.7%
<b>Revenue by contracting Model</b>								
Fixed Price	19.0%	22.0%	25.1%	26.0%	26.0%	24.4%	25.7%	24.5%
Time and Material	81.0%	78.0%	74.9%	74.0%	74.0%	75.6%	74.3%	75.5%
<b>Active customers</b>								
# of active customers	157	173	206	173	180	186	195	206
<b>Billion \$ corporation</b>								
# of customers	37	46	54	46	53	50	53	54

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

# Operational & Financial Metrics

	FY20	FY21	FY22	FY21Q4	FY22Q1	FY22Q2	FY22Q3	FY22Q4
<b>Happiest Minds</b>								
Onsite	123	166	172	166	180	182	183	172
Offshore	2,543	3,062	3,996	3,062	3,358	3,614	3,838	3,996
<b>Total</b>	<b>2,666</b>	<b>3,228</b>	<b>4,168</b>	<b>3,228</b>	<b>3,538</b>	<b>3,796</b>	<b>4,021</b>	<b>4,168</b>
<b>Happiest Minds %</b>								
Onsite	4.6%	5.1%	4.1%	5.1%	5.1%	4.8%	4.6%	4.1%
Offshore	95.4%	94.9%	95.9%	94.9%	94.9%	95.2%	95.4%	95.9%
<b>Utilization</b>								
%	76.9%	79.5%	80.5%	82.6%	82.1%	79.7%	81.0%	79.4%
<b>Diversity</b>								
Women Happiest Minds	24.0%	24.5%	26.4%	24.5%	25.2%	26.1%	26.1%	26.4%
<b>DSO</b>								
Billed	60	57	55	50	46	58	61	55
Unbilled	23	28	35	24	36	30	32	35
<b>Total</b>	<b>83</b>	<b>85</b>	<b>90</b>	<b>75</b>	<b>82</b>	<b>88</b>	<b>93</b>	<b>90</b>
<b>EPS ₹</b>								
Diluted	5.36	11.45	12.55	2.48	2.45	3.06	3.38	3.58
<b>Capital Return Ratios</b>								
RoCE	28.9%	31.2%	39.8%	33.3%	30.7%	33.8%	32.9%	45.3%
RoE	27.1%	29.8%	27.3%	26.4%	24.7%	27.5%	28.2%	31.4%

# Operational & Financial Metrics

(All figures in ₹ Lakhs)

	FY20		FY21		FY22		FY21Q4		FY22Q1		FY22Q2		FY22Q3		FY22Q4	
<b>Revenue by BUs</b>																
IMSS	15,361	21.5%	16,421	20.6%	24,168	21.4%	4,487	20.1%	5,251	20.7%	5,747	21.0%	6,322	21.6%	6,848	22.1%
DBS	19,167	26.8%	21,288	26.7%	32,891	29.1%	6,995	31.3%	7,570	29.8%	8,046	29.4%	8,511	29.1%	8,762	28.2%
PES	35,293	49.4%	39,632	49.7%	52,308	46.3%	10,589	47.3%	11,639	45.8%	12,661	46.2%	13,561	46.4%	14,447	46.5%
<b>Total Revenue</b>	<b>69,821</b>	<b>97.8%</b>	<b>77,341</b>	<b>97.0%</b>	<b>109,367</b>	<b>96.7%</b>	<b>22,071</b>	<b>98.6%</b>	<b>24,460</b>	<b>96.4%</b>	<b>26,453</b>	<b>96.5%</b>	<b>28,394</b>	<b>97.1%</b>	<b>30,057</b>	<b>96.8%</b>
Other income	1,602	2.2%	2,424	3.0%	3,708	3.3%	303	1.4%	926	3.6%	959	3.5%	834	2.9%	991	3.2%
<b>Total income</b>	<b>71,423</b>	<b>100%</b>	<b>79,765</b>	<b>100%</b>	<b>113,075</b>	<b>100%</b>	<b>22,374</b>	<b>100%</b>	<b>25,387</b>	<b>100%</b>	<b>27,412</b>	<b>100%</b>	<b>29,228</b>	<b>100%</b>	<b>31,048</b>	<b>100%</b>

IMSS: Infrastructure Management & Security Services

DBS : Digital Business Services

PES: Product Engineering Services

# Operational & Financial Metrics

## Summary Profit & Loss statement

(All figures in ₹ Lakhs)	FY 20	FY 21	FY 22	FY 21 Q4	FY 22 Q1	FY 22 Q2	FY 22 Q3	FY 22 Q4
<b>Income</b>								
Operating revenue	69,821	77,341	109,365	22,071	24,461	26,453	28,394	30,057
Other income	1,602	2,424	3,710	303	926	959	834	991
<b>Total income</b>	<b>71,423</b>	<b>79,765</b>	<b>113,075</b>	<b>22,374</b>	<b>25,387</b>	<b>27,412</b>	<b>29,228</b>	<b>31,048</b>
Cost of revenue	42,927	44,382	64,404	12,849	14,661	15,864	16,591	17,289
<b>Gross margin</b>	<b>26,894</b>	<b>32,959</b>	<b>44,961</b>	<b>9,222</b>	<b>9,800</b>	<b>10,589</b>	<b>11,804</b>	<b>12,768</b>
%	38.5%	42.6%	41.1%	41.8%	40.1%	40.0%	41.6%	42.5%
SG&A	17,184	13,858	19,193	3,658	4,129	4,514	4,949	5,601
%	24.6%	17.9%	17.5%	16.6%	16.9%	17.1%	17.4%	18.6%
<b>EBITDA</b>	<b>11,312</b>	<b>21,525</b>	<b>29,477</b>	<b>5,867</b>	<b>6,597</b>	<b>7,034</b>	<b>7,688</b>	<b>8,158</b>
%	15.8%	27.0%	26.1%	26.2%	26.0%	25.7%	26.3%	26.3%
Depreciation	2,023	2,274	3,288	734	723	834	847	884
%	2.9%	2.9%	3.0%	3.3%	3.0%	3.2%	3.0%	2.9%
<b>EBIT</b>	<b>9,289</b>	<b>19,251</b>	<b>26,189</b>	<b>5,133</b>	<b>5,874</b>	<b>6,200</b>	<b>6,841</b>	<b>7,274</b>
%	13.0%	24.1%	23.2%	22.9%	23.1%	22.6%	23.4%	23.4%
Finance cost	802	649	995	209	146	265	298	286
<b>PBT before exceptional item*</b>	<b>8,487</b>	<b>18,602</b>	<b>25,194</b>	<b>4,924</b>	<b>5,728</b>	<b>5,935</b>	<b>6,543</b>	<b>6,988</b>
%	11.9%	23.3%	22.2%	22.0%	22.6%	21.6%	22.3%	22.4%
<b>Exceptional Items*</b>	<b>1,126</b>	<b>-</b>	<b>609</b>	<b>-</b>	<b>609</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>PBT *</b>	<b>7,361</b>	<b>18,602</b>	<b>24,585</b>	<b>4,924</b>	<b>5,119</b>	<b>5,935</b>	<b>6,543</b>	<b>6,988</b>
%	10.3%	23.3%	21.7%	22.0%	20.2%	21.6%	22.4%	22.5%
Current tax	190	3,527	6,310	889	1,595	1,512	1,466	1,737
Deferred tax	-	(1,171)	155	430	(49)	(21)	185	40
<b>Total Tax</b>	<b>190</b>	<b>2,356</b>	<b>6,465</b>	<b>1,319</b>	<b>1,546</b>	<b>1,491</b>	<b>1,651</b>	<b>1,777</b>
%	0.3%	3.0%	5.7%	5.9%	6.1%	5.4%	5.6%	5.7%
<b>PAT *</b>	<b>7,171</b>	<b>16,246</b>	<b>18,120</b>	<b>3,605</b>	<b>3,573</b>	<b>4,444</b>	<b>4,892</b>	<b>5,211</b>
%	10.0%	20.4%	16.0%	16.1%	14.1%	16.2%	16.7%	16.8%

\* "PBT before exceptional items, PBT and PAT" for FY18 & FY19 are restated as per IndAs, forming part of our offer documents.

\* Exceptional items for FY19 & FY20 refer to Impairment of Goodwill, for FY22 Q1 refers to Loss on Fair Valuation of Warrant Liability



# Operational & Financial Metrics

## Condensed Balance Sheet

(All figures in ₹ Lakhs)	31.03.2020	31.03.2021	30.06.2021	30.09.2021	31.12.2021	31.03.2022
<b>Assets</b>						
<b>Non-current Assets</b>						
Property, plant and equipment	93	69	83	86	77	78
Goodwill	610	7,644	7,756	7,742	7,772	7,896
Financial & Other assets	5,598	10,029	18,033	11,604	20,609	11,788
<b>Total non-current assets (A)</b>	<b>6,301</b>	<b>17,742</b>	<b>25,872</b>	<b>19,432</b>	<b>28,458</b>	<b>19,762</b>
<b>Current assets</b>						
Financial & Other assets						
i. Trade receivable	11,487	12,192	12,431	16,064	18,212	16,738
ii. Cash & Cash equivalents, Investments & Other financial assets	31,967	60,928	60,476	63,790	59,928	72,609
iii. Other assets	1,060	1,333	1,117	2,367	2,655	3,392
<b>Total current assets (B)</b>	<b>44,514</b>	<b>74,453</b>	<b>74,024</b>	<b>82,221</b>	<b>80,795</b>	<b>92,739</b>
<b>Total assets (A + B)</b>	<b>50,815</b>	<b>92,195</b>	<b>99,896</b>	<b>101,653</b>	<b>109,253</b>	<b>112,501</b>
<b>Equity and Liabilities</b>						
<b>Total equity (A)</b>	<b>26,531</b>	<b>54,599</b>	<b>58,125</b>	<b>58,498</b>	<b>61,035</b>	<b>66,580</b>
<b>Non-current liabilities</b>						
Financial liabilities	1,863	7,339	10,775	9,431	12,907	7,134
Provisions & Deferred tax liability	1,255	2,378	2,325	2,334	2,340	2,086
<b>Total non-current liabilities (B)</b>	<b>3,118</b>	<b>9,717</b>	<b>13,100</b>	<b>11,765</b>	<b>15,247</b>	<b>9,220</b>
<b>Current liabilities</b>						
Financial & Contract liabilities						
i. Trade payable	3,442	4,101	4,913	6,670	5,775	6,072
ii. Others	15,947	20,340	20,090	20,711	23,340	26,266
Provisions & Other current liabilities	1,777	3,438	3,668	4,009	3,856	4,363
<b>Total current liabilities (C)</b>	<b>21,166</b>	<b>27,879</b>	<b>28,671</b>	<b>31,390</b>	<b>32,971</b>	<b>36,701</b>
<b>Total liabilities (D = B + C)</b>	<b>24,284</b>	<b>37,596</b>	<b>41,771</b>	<b>43,155</b>	<b>48,218</b>	<b>45,921</b>
<b>Total equity and liabilities (A + D)</b>	<b>50,815</b>	<b>92,195</b>	<b>99,896</b>	<b>101,653</b>	<b>109,253</b>	<b>112,501</b>



## **PRESS RELEASE**

### **Happiest Minds records industry leading Q4FY22 sequential revenue growth of 6.2%; full year FY22 growth at 41.8%**

*EBITDA for FY22 grows 36.9% to ₹295 crores, generating free cash flows of ₹291 Crores.*

*Proposes final dividend of ₹2.00 per share*

**Bengaluru, India, San Jose, California and London, May 5, 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 fourth quarter and year ended March 31, 2022 as approved by its Board of Directors.

#### **Financial highlights for Q4FY22 ended March 31, 2022**

- Operating Revenues in US\$ terms stood at \$39.9 million (growth of 5.5% q-o-q; 31.9% y-o-y)
- Total Income of ₹ 31,048 lakhs (growth of 6.2% q-o-q; 38.8% y-o-y)
- EBITDA of ₹ 8,158 lakhs, 26.3% of Total Income (growth of 6.1% q-o-q; 39.0% y-o-y)
- PAT of ₹ 5,211 lakhs (growth of 6.5% q-o-q; 44.5% y-o-y)
- Free cash flows of ₹ 8,106 lakhs
- EPS (diluted) for the quarter of ₹ 3.58 (growth of 5.9% q-o-q; 44.4% y-o-y)

#### **FY22 year ended March 31, 2022**

- Operating Revenues in US\$ terms stood at \$146.6 million (growth of 40.2% y-o-y)
- Total Income of ₹ 113,075 lakhs (growth 41.8% y-o-y)
- EBITDA of ₹ 29,477 lakhs, 26.1% of Total Income (growth of 36.9% y-o-y)
- PAT of ₹ 18,120 lakhs (growth of 11.5% y-o-y)
- Free cash flows of ₹ 29,064 lakhs
- EPS (diluted) for the year ₹ 12.55 (growth of 9.6% y-o-y)
- RoCE & RoE of 39.8% and 27.3% for the year respectively

All amounts in ₹ Lakhs unless stated otherwise

Particulars						All amounts in ₹ Lakhs unless stated otherwise		
	Q4 FY 22	Q3 FY 22	QoQ	Q4 FY 21	YoY	FY 22	FY 21	YoY
Revenues (\$'000)	39,876	37,796	5.5%	30,235	31.9%	146,634	104,592	40.2%
Revenues	30,057	28,394	5.9%	22,071	36.2%	109,367	77,341	41.4%
Other Income	991	834	18.8%	303	226.6%	3,710	2,424	53.0%
Total Income	31,048	29,228	6.2%	22,374	38.8%	113,075	79,765	41.8%
EBITDA	8,158	7,688	6.1%	5,867	39.0%	29,477	21,525	36.9%
%	26.3%	26.3%		26.2%		26.1%	27.0%	
PBT before Exceptional Item	6,988	6,543	6.8%	4,924	41.9%	25,194	18,602	35.4%
%	22.5%	22.4%		22.0%		22.3%	23.3%	
Exceptional Item*	-	-		-		(609)	-	
PBT	6,988	6,543	6.8%	4,924	41.9%	24,585	18,602	32.2%
%	22.5%	22.4%		22.0%		21.7%	23.3%	
Tax	1,777	1,651	7.6%	1,319	34.7%	6,465	2,356	174.4%
%	5.7%	5.6%		5.9%		5.7%	3.0%	
PAT	5,211	4,892	6.5%	3,605	44.5%	18,120	16,246	11.5%
%	16.8%	16.7%		16.1%		16.0%	20.4%	

\* Loss on Fair Valuation of Warrant Liability

**Ashok Soota, Executive Chairman,** *"With a growth of 40.9% in constant currency, we have delivered industry-leading growth with a superior margin profile. The performance validates our efforts over the years to scrupulously stitch a culture of innovation, collaboration and being mindful to the needs of our customers and stakeholders"*

**Venkatraman N, MD & CFO** *"I am very happy with our financial results while remaining cautiously optimistic of the future. Focus will be on maintaining growth, both organic and in-organic while not taking our eyes off profitability, cash flows and leverage.*

**Joseph Anantharaju, Executive Vice Chairman, Happiest Minds Technologies,** *"The rapid adoption of digital technologies is forcing companies cutting across industries to innovate rapidly and take advantage of newer technologies and paradigms to significantly enhance customer experience. Our deep expertise in the building blocks of Digital such as IoT, AI, Cloud, and RPA, along with next-gen technologies such as Blockchain, AR/VR, and Robotics has made us a strategic partner of choice to many of these companies, leading to robust demand and deep long-lasting relationships."*

#### Clients:

- 206 as of March 31, 2022
- 11 additions in the quarter

#### Our People - Happiest Minds:

- 4,168 Happiest Minds as of March 31, 2022 (net addition for the quarter **147**, For full year **940**)
- Trailing 12 months attrition of 22.7%
- Utilization of 79.4%, from 81.0% in last quarter

**Key Project Wins:**

- For an EU multinational manufacturing company, Happiest Minds has taken ownership of building their Test Automation Framework & DevOps projects
- For a large US fashion retailer, Happiest Minds was chosen as their application security services partner
- For a Fortune 100 American multinational technology conglomerate, Happiest Minds was awarded the project for data center automation
- For one of the largest passenger vehicle manufacturers in India, Happiest Minds was selected as the partner of choice for their digital initiatives
- For a US supply chain company, Happiest Minds was chosen as their Digital partner for their Product Development work
- For a leading digital housing solution provider in Nordics, Happiest Minds was chosen as their Digital partner for building its cloud-native customer journey platform

**Analyst Mentions:**

- Recognized as a 'Major Contender' in Everest Group PEAK Matrix for Digital Engineering
- Featured in NASSCOM's report on India Cybersecurity Industry Services & Product Growth Story

**Awards:**

- Ranked among India's Top 15 Best Workplaces in Health and Wellness 2021 by Great Place to Work® Institute. Happiest Minds also received a special recognition for supporting employees and their families during COVID-19 crisis
- Ashok Soota is among India's 100 Great People Managers 2021 by Great Manager Institute®

**Announcements:**

- The Board of Directors of the Company at their meeting held on May 5, 2022 has recommended a final dividend of ₹2 per equity share of face value ₹ 2/- for the financial year 2021-22 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: 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.

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