

May 12, 2021

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: HAPSTMNDS

Dear Sir/Madam,

**Sub: Earnings Presentation on the financial results of Q4 & FY'21**

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 financial year ended March 31, 2021 that will be circulated to the Investors/Analysts for the Earnings Call scheduled on May 13, 2021.

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 & Fact sheet: Q4 FY 21

May 2021



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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.

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# About Happiest Minds

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



**IPO**  
In September 2020

- 100 % digitally executed IPO
- Heavily oversubscribed with healthy listing gains Reflects
  - Our growth and profitability
  - Management Team & Corporate governance

**Promoter**



**Ashok Soota**

**97% Digital**

**'Born Digital. Born Agile'**

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

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

**94% Agile**

**3,228 Happiest Minds**  
across **7 Countries**

**Great Place To Work**

- Ranked **#4** - Amongst IT Services
- Top **50** India's Best Workplaces for Women
- Top **100** India's Best Workplaces

**173 Active clients**

**46** Fortune2000 / Forbes200 / Billion \$ corporations

**87%** of repeat business <sup>1</sup>

**31.2% RoCE<sup>2</sup>**

**29.8% RoE**

**4.3 rating**  
on **Glassdoor**

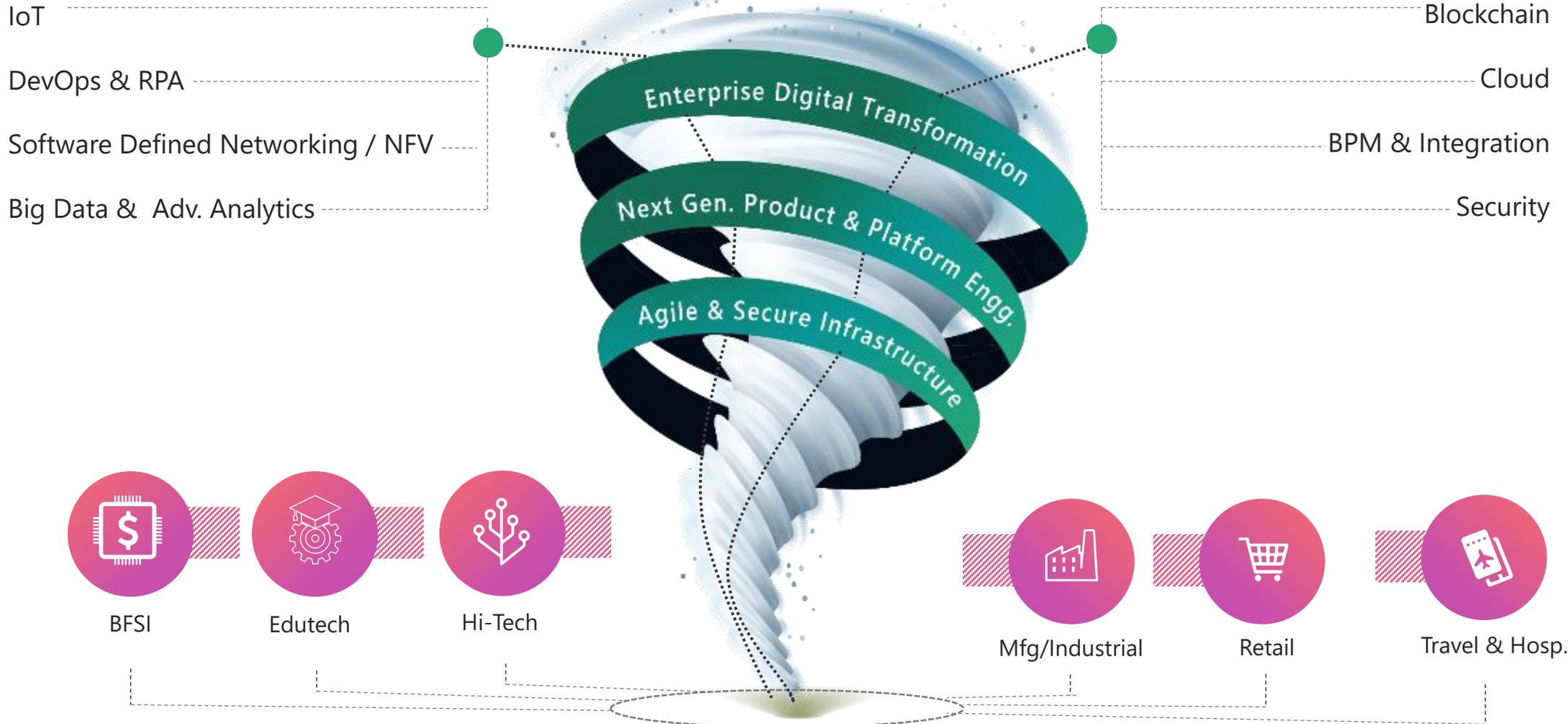
**#2 amongst Indian IT Services**



**Leaders – ER&D Services**  
**Leaders - Education**



# Our Business



# Mission, Vision and Values

## Our Values



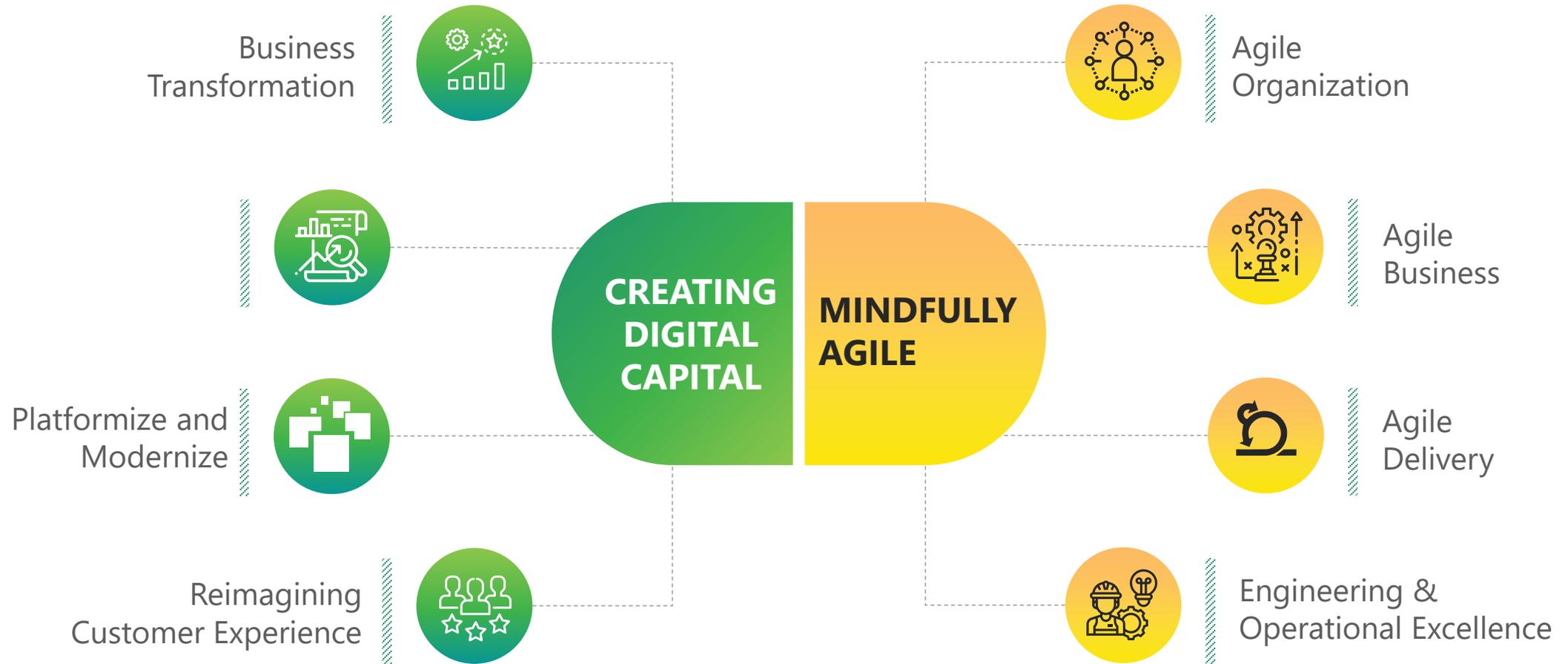
## Our 5-year Vision

- 1 Be the **Happiness Evangelists** for each other, our Customers and Society
- 2 Achieve a very successful **IPO** by or before FY23 and in the interim provide a monetization event for investors/team by FY20
- 3 Be known as the company with highest standards of **Corporate Governance**
- 4 Be recognized for **Thought Leadership** in our focused areas of technology and solutions
- 5 Be a leader in **Social Responsibility** initiatives



Happiest Minds is the first Indian IT firm to be  
**The Mindful IT Company**

# Born Digital. Born Agile.



# Operational and Financial Metrics – Q4 and FY21

# Results Q4 & FY 21

Particulars	Q4 FY 21	Q3 FY 21	QoQ	Q4 FY 20	YoY	FY 21	FY 20	YoY
Revenues (\$'000)	30,235	26,202	15.4%	25,613	18.0%	104,592	98,348	6.3%
Revenues (₹ lakhs)	22,071	19,284	14.5%	18,635	18.4%	77,341	69,821	10.8%
Other Income (₹ lakhs)	303	845	(64.1)%	386	(21.5)%	2,422	1,602	51.2%
Total Income (₹ lakhs)	22,374	20,129	11.2%	19,021	17.6%	79,765	71,423	11.7%
EBITDA (₹ lakhs)	5,883	5,969	(1.4)%	2,563	129.5%	21,573	11,312	90.7%
%	26.3%	29.7%		13.5%		27.0%	15.8%	
PBT (₹ lakhs)	4,924	5,327	(7.6)%	720	583.9%	18,602	7,361	152.7%
%	22.0%	26.5%		3.8%		23.3%	10.3%	
Tax	1,319	1,112	18.6%	190	594.2%	2,356	190	1140.0%
%	5.9%	5.5%		1.0%		3.0%	0.3%	
PAT (₹ lakhs)	3,605	4,215	(14.5)%	530	580.2%	16,246	7,171	126.6%
%	16.1%	20.9%		2.8%		20.4%	10.0%	

# Born Digital. Born Agile.

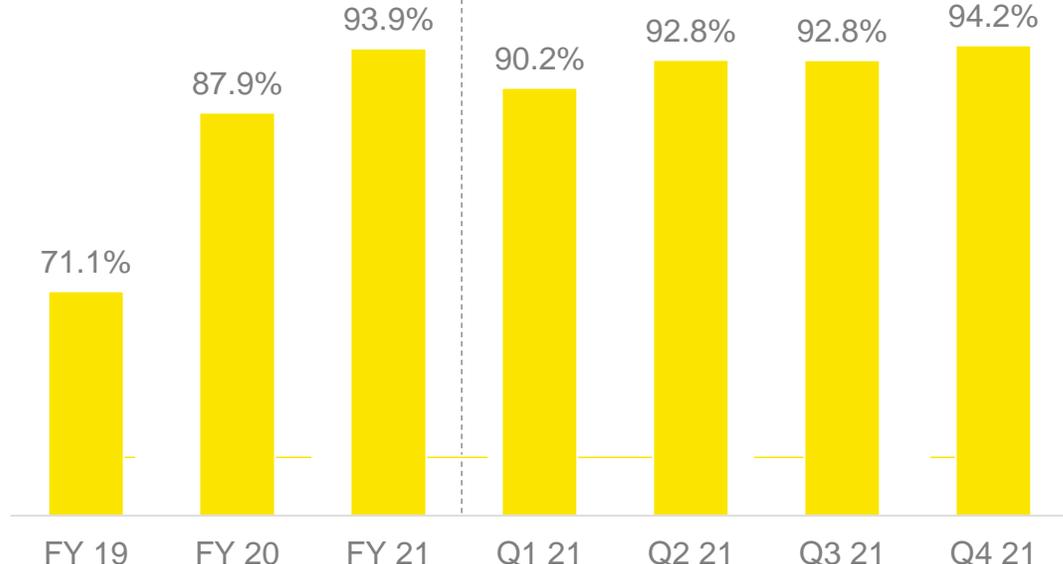
## Digital

% of Revenue



## Agile

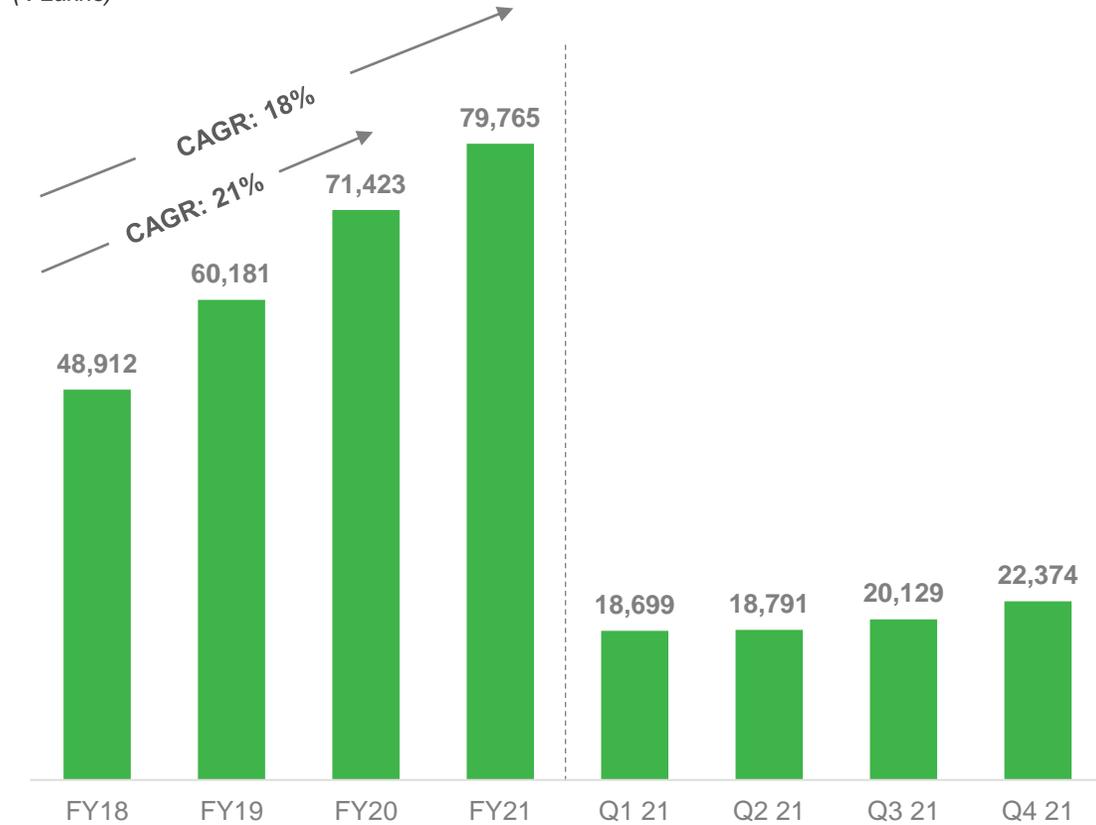
% of Revenue



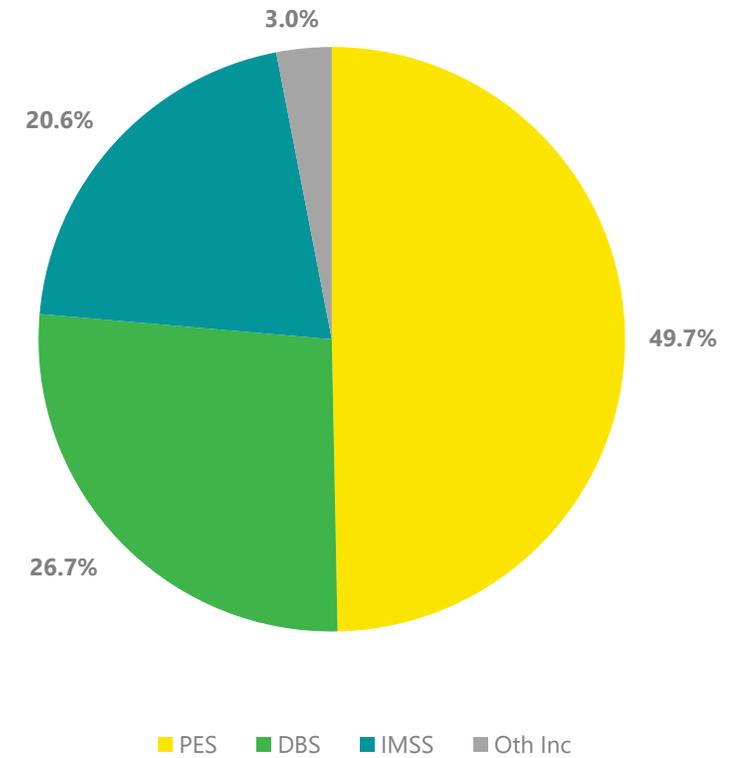
# Operational & Financial Metrics

## Revenues - Growth

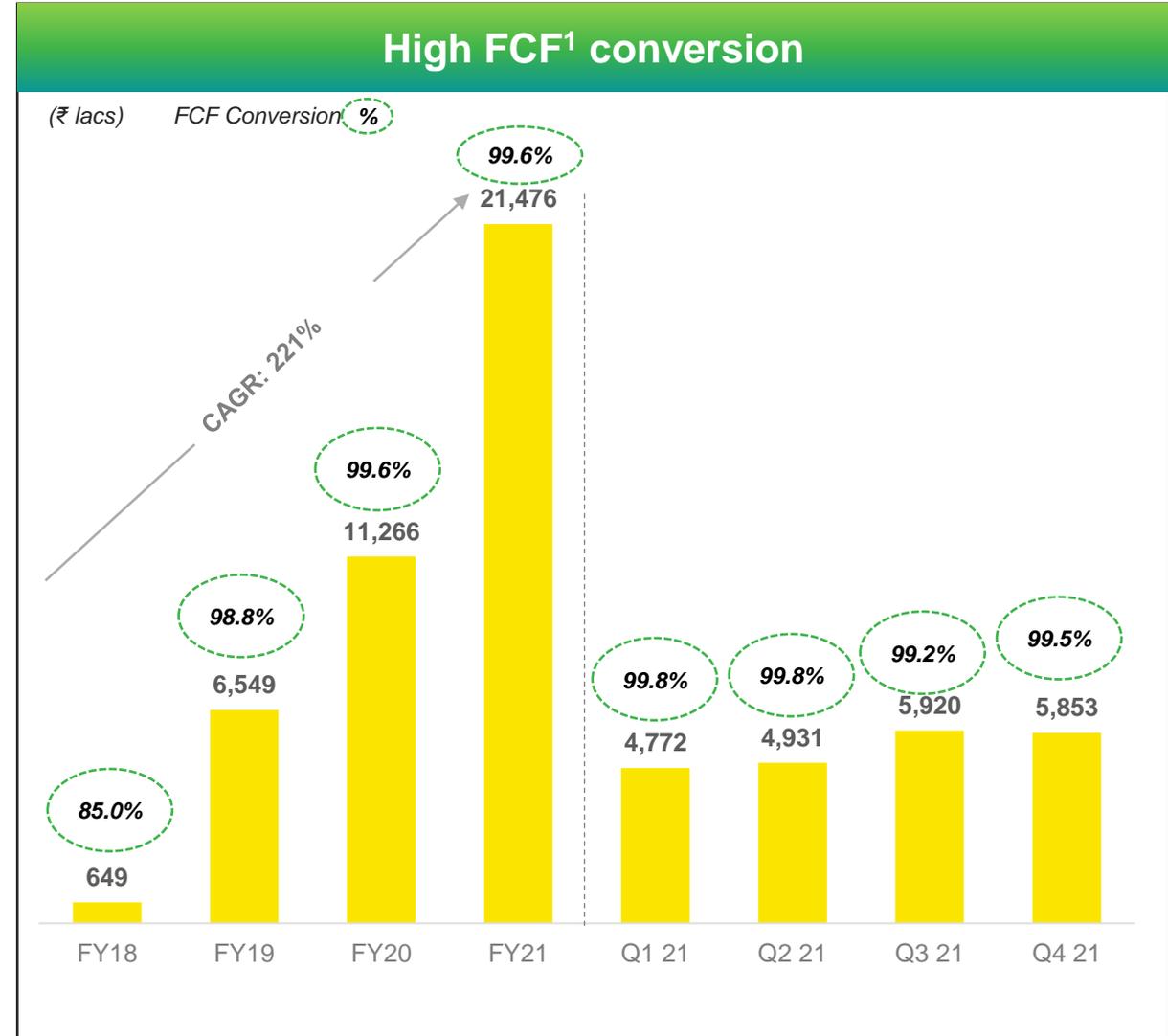
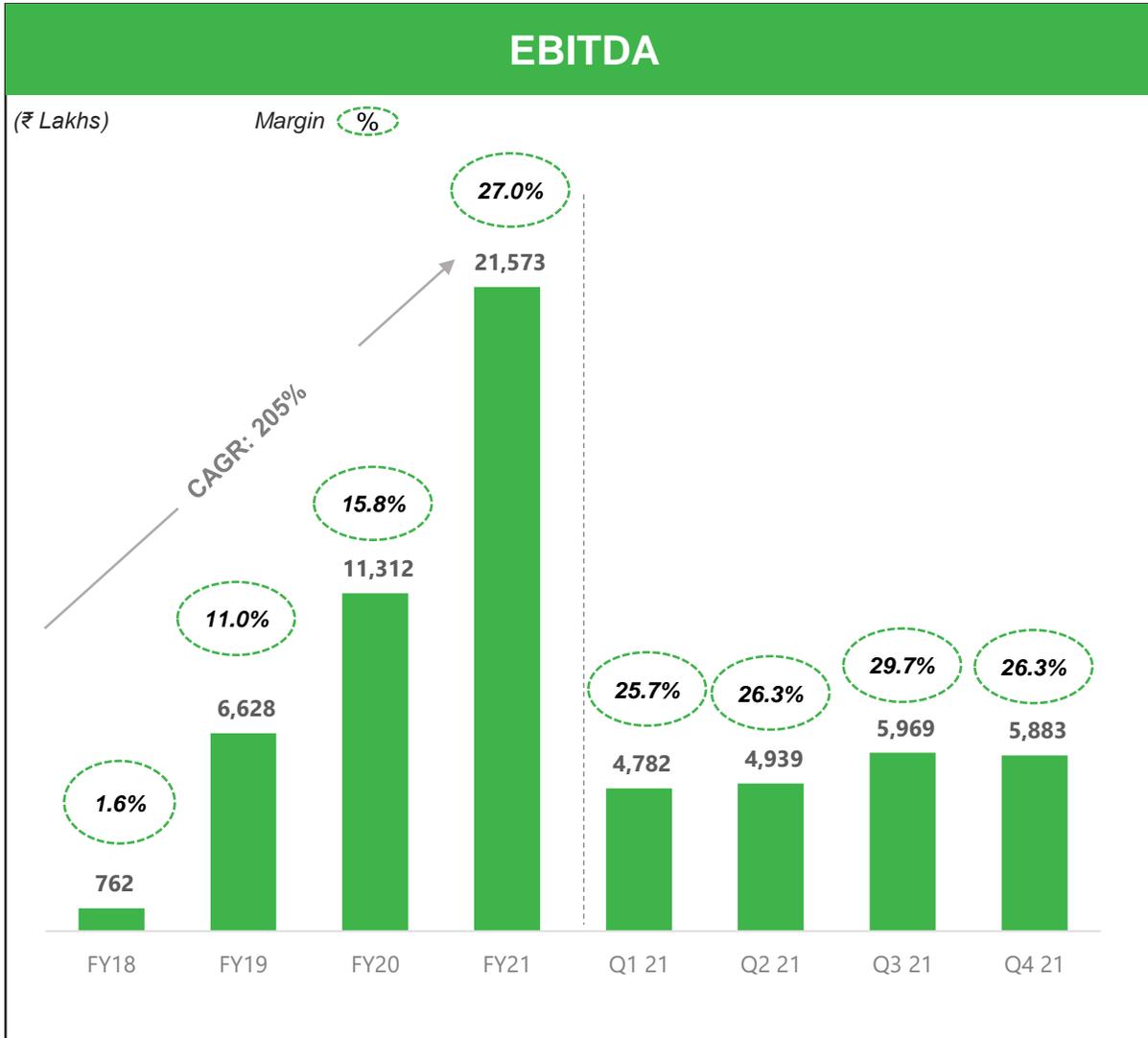
(₹ Lakhs)



## Revenue Contributors

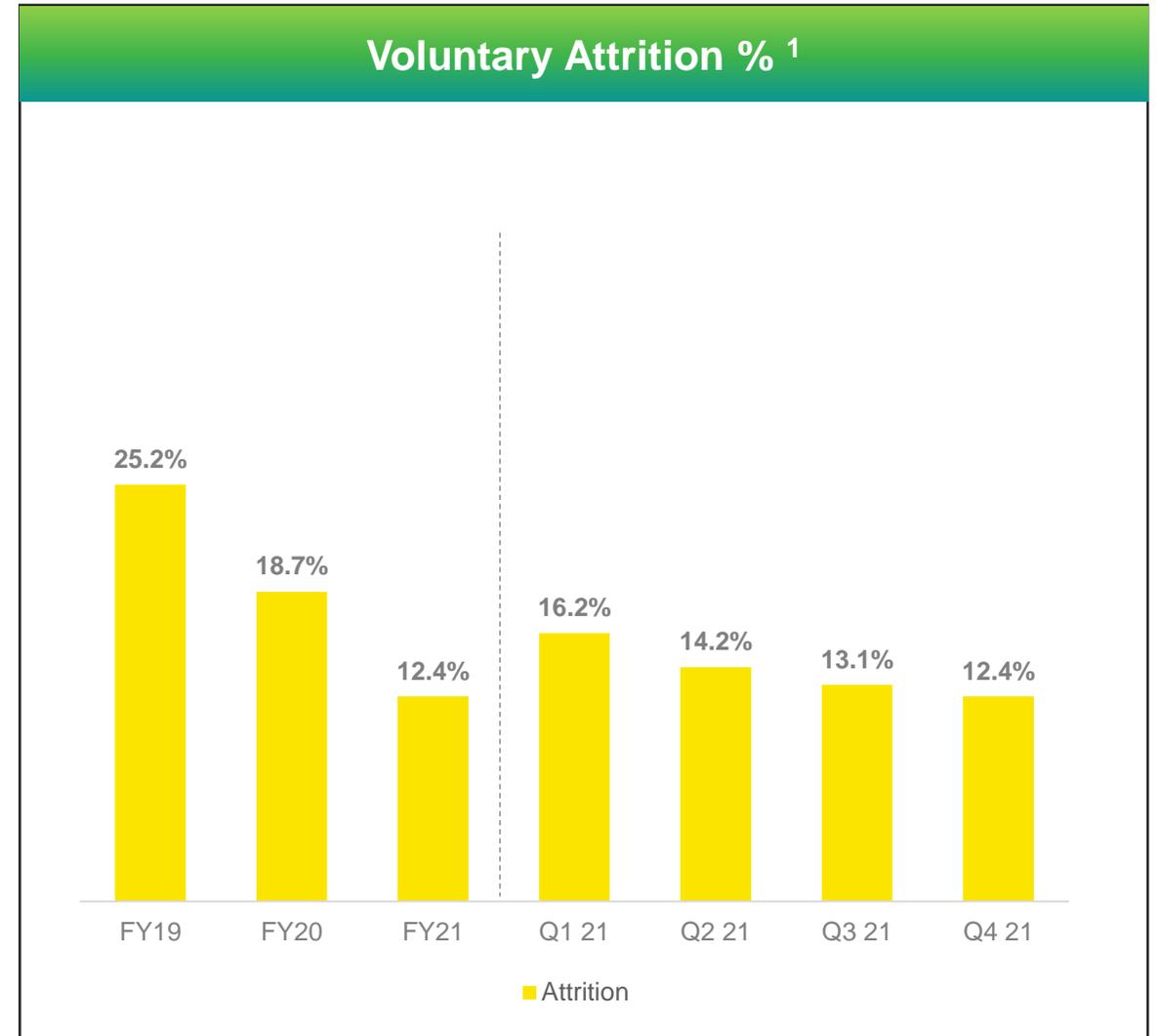
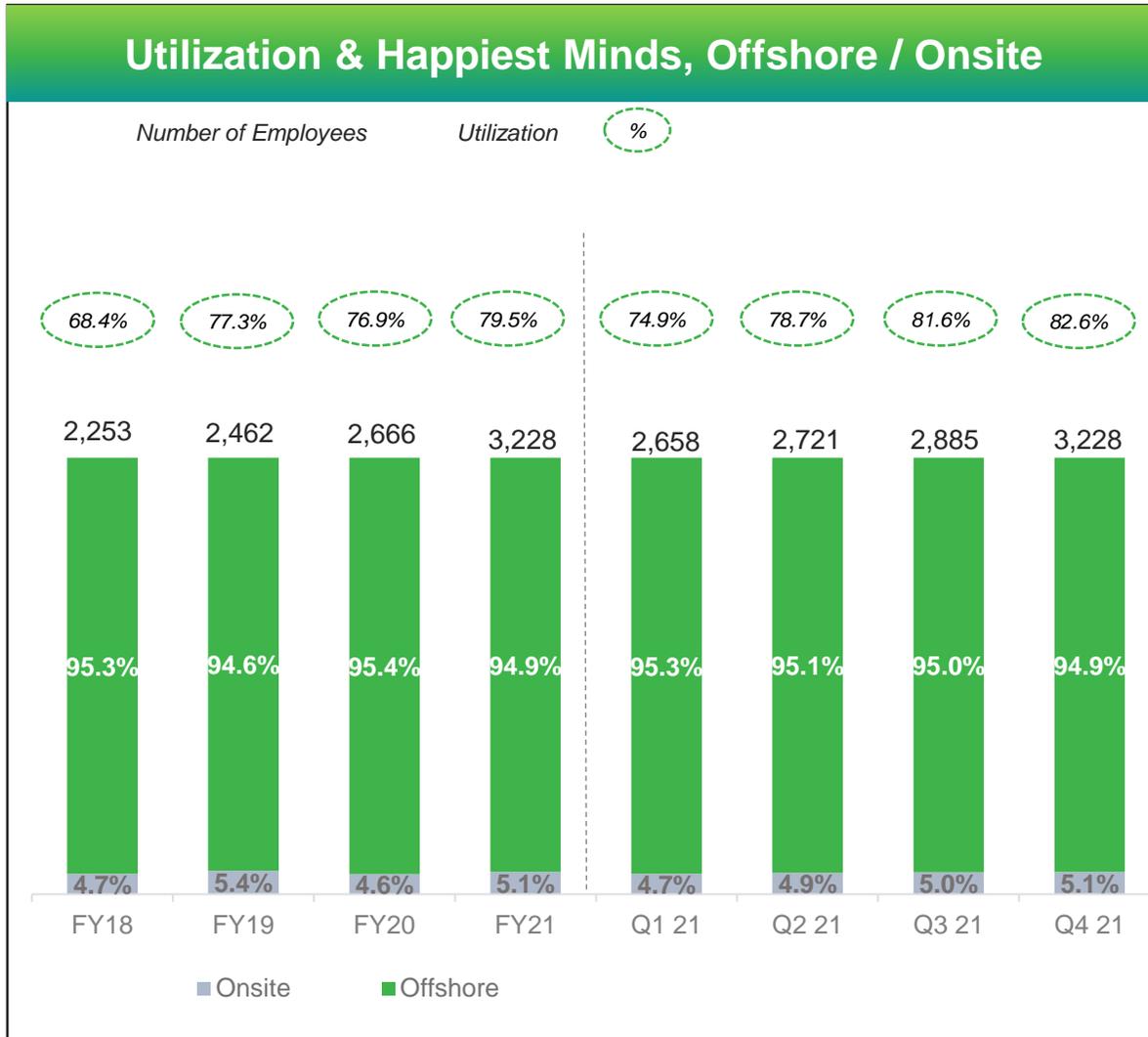


# Operational & Financial Metrics (cont'd.)



Note: 1. FCF Conversion = FCF/EBITDA and FCF = EBITDA – Capex

# Operational & Financial Metrics (cont'd.)



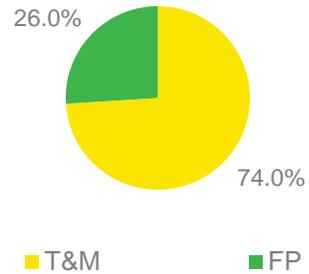
Note: 1. Attrition % : Trailing 12 Months

# Operational & Financial Metrics (cont'd.)

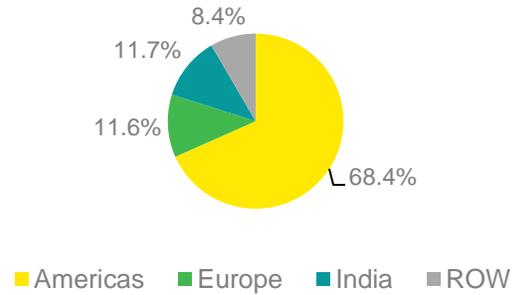
## Revenue model

Q4 21

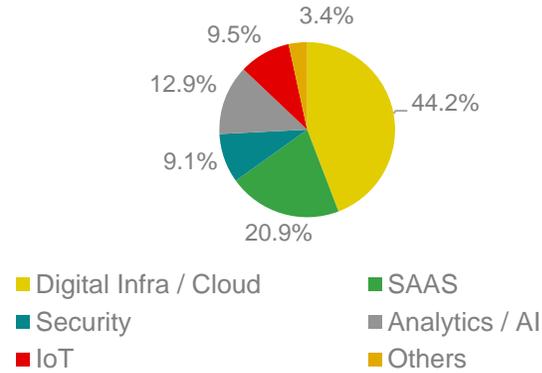
Model



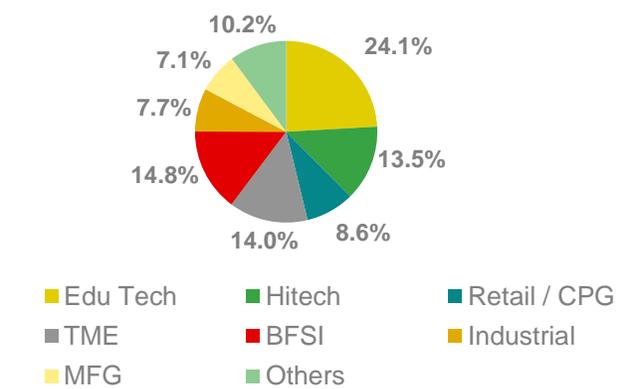
Geography



Digital Revenue<sup>1</sup>



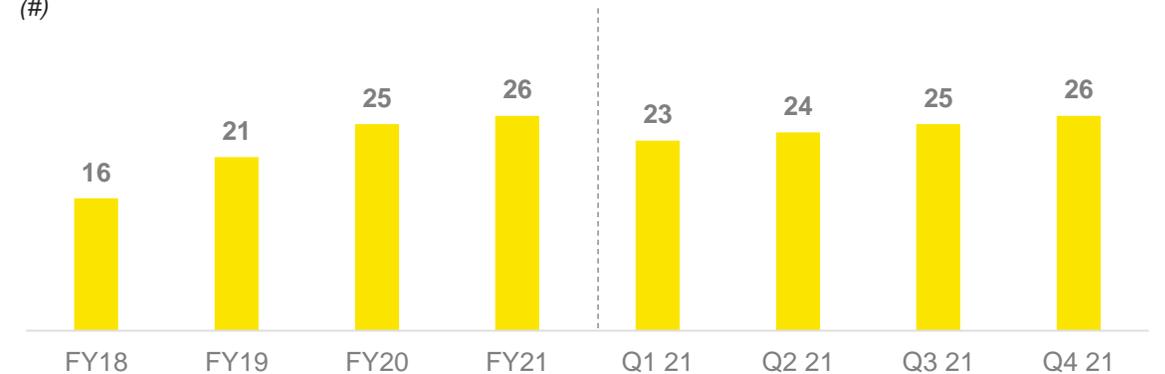
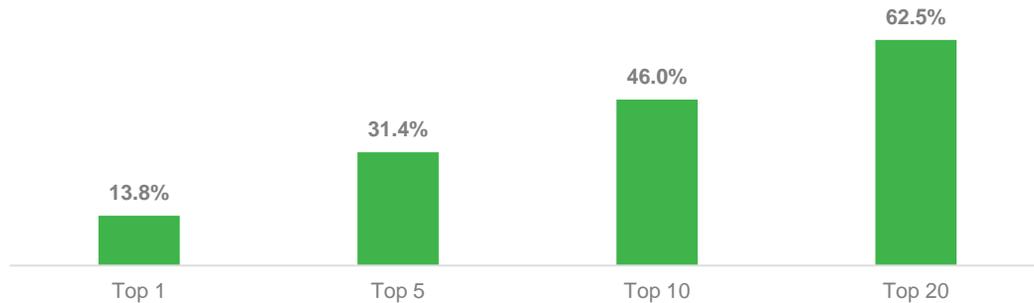
Vertical<sup>1</sup>



## Revenue Concentration<sup>3</sup>      Million \$ Customers<sup>2</sup>

(% Revenue)

(#)

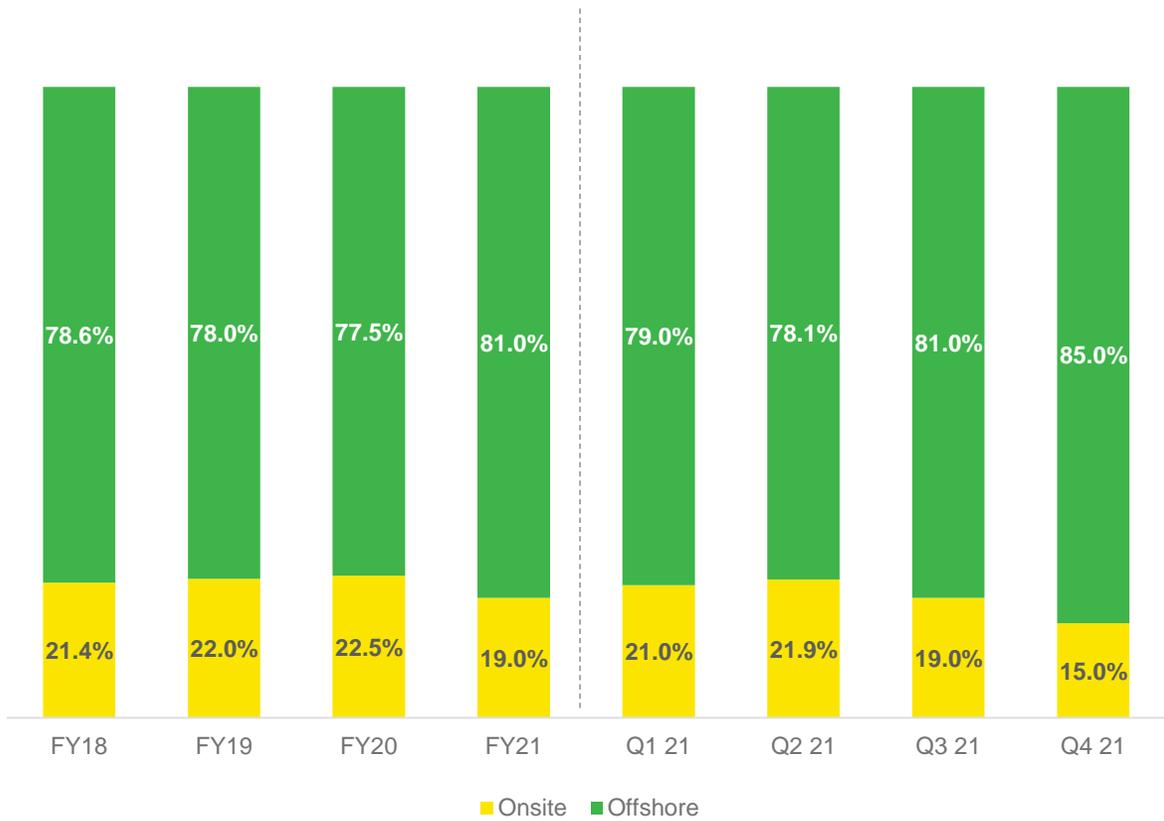


Notes: 1. TME: Travel, Media & Entertainment, 2. Based on quarter revenues on an annualized basis. 3. Top 20 includes Top 1, 5 & 10

# Operational & Financial Metrics (cont'd.)

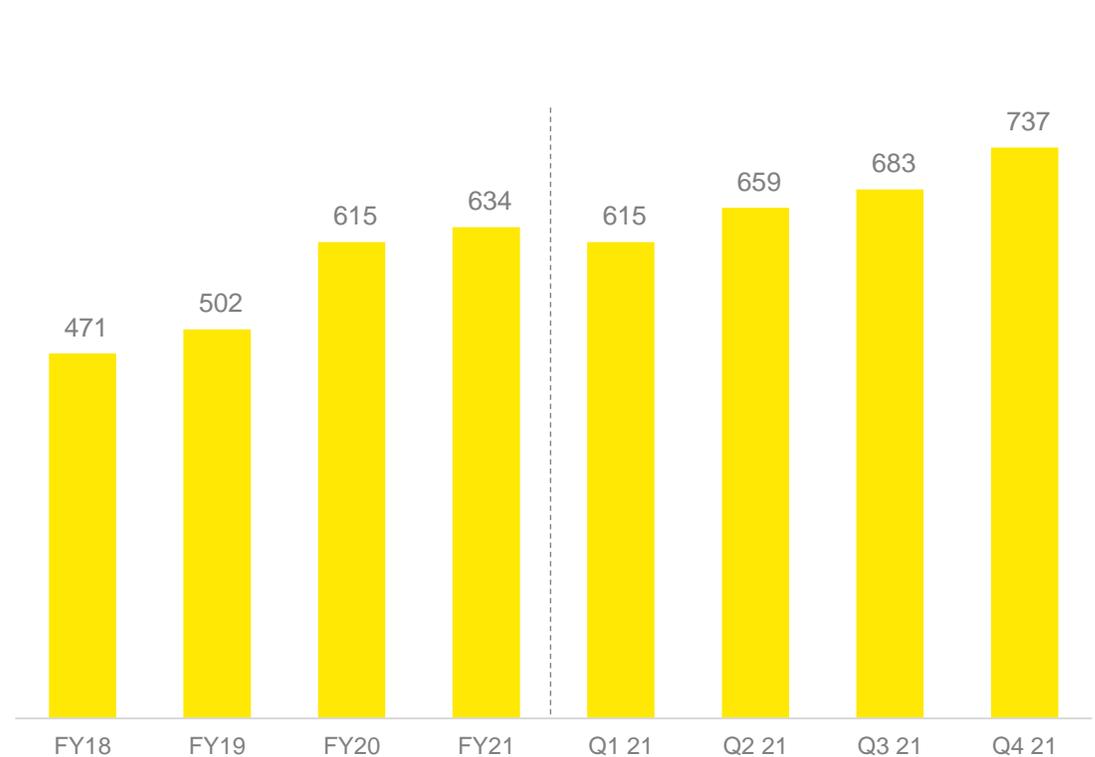
## Onsite/Offshore

By Revenue



## Avg. annual revenue / active customer

(USD '000)



# Operational & Financial Metrics (cont'd.)

	FY18	FY19	FY20	FY21Q1	FY21Q2	FY21Q3	FY21Q4	FY21
<b>Customer Industry group</b>								
EduTech	18.0%	21.3%	21.3%	27.0%	27.0%	24.9%	24.1%	25.6%
Hitech	24.6%	21.0%	21.0%	20.5%	19.5%	20.2%	13.5%	18.2%
BFSI	17.9%	18.2%	17.5%	17.4%	16.3%	17.4%	14.8%	16.4%
Travel, Media and Entertainment (TME)	11.0%	13.8%	17.1%	12.9%	13.0%	14.4%	14.0%	13.6%
Retail / CPG	7.0%	6.9%	7.5%	5.7%	4.5%	2.2%	8.6%	5.4%
Industrial	6.2%	8.1%	7.0%	6.4%	6.9%	7.0%	7.7%	7.1%
Manufacturing	3.2%	3.8%	3.7%	5.7%	6.8%	6.9%	7.1%	6.6%
Others	12.3%	6.9%	4.9%	4.6%	6.0%	7.0%	10.2%	7.1%
<b>Digital Service Offerings</b>								
Digital infrastructure/Cloud	-	40.9%	31.2%	43.7%	41.1%	41.0%	44.2%	41.6%
SaaS	-	28.6%	29.4%	23.6%	24.6%	21.6%	20.9%	22.7%
Security Solutions	-	10.2%	14.9%	7.6%	7.4%	8.7%	9.1%	8.7%
Analytics/AI	-	9.1%	11.6%	12.1%	13.5%	14.4%	12.9%	13.3%
IoT	-	8.4%	9.8%	9.3%	10.5%	11.0%	9.5%	10.5%
<b>Total</b>	-	<b>97.2%</b>	<b>96.9%</b>	<b>96.3%</b>	<b>97.1%</b>	<b>96.6%</b>	<b>96.6%</b>	<b>96.8%</b>
<b>Automation as a % of total revenue</b>			20.7%	24.2%	24.3%	27.8%	24.4%	25.2%

# Operational & Financial Metrics (cont'd.)

	FY18	FY19	FY20	FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY 21
<b>Location of external customer</b>								
USA	73.5%	75.5%	77.5%	77.3%	77.3%	72.2%	68.4%	73.4%
India	11.7%	11.9%	11.9%	10.9%	10.9%	13.4%	11.7%	11.8%
Europe	11.4%	9.5%	7.2%	9.8%	9.2%	10.6%	11.6%	10.4%
ROW	3.4%	3.1%	3.4%	2.0%	2.6%	3.8%	8.4%	4.4%
<b>Million \$ Customers<sup>1</sup></b>								
\$ 10 M +		1	1	1	1	1	1	1
\$ 5M to \$ 10M	2	2	-	1	-	2	3	3
\$ 3M to \$ 5M	2	1	9	4	6	5	6	6
\$ 1M to \$ 3M	12	17	15	17	17	17	16	16
<b>Total</b>	<b>16</b>	<b>21</b>	<b>25</b>	<b>23</b>	<b>24</b>	<b>25</b>	<b>26</b>	<b>26</b>
<b>Revenue Mix</b>								
Onsite	21.4%	22.0%	22.5%	21.0%	21.9%	19.0%	15.0%	19.0%
Offshore <sup>2</sup>	78.6%	78.0%	77.5%	79.0%	78.1%	81.0%	85.0%	81.0%
<b>Revenue Model</b>								
Fixed Price	18.4%	16.8%	19.0%	18.8%	19.3%	22.2%	26.0%	22.0%
Time and Material	81.6%	83.2%	81.0%	81.2%	80.7%	77.8%	74.0%	78.0%
<b>Active customers</b>								
# of active customers	173	163	157	148	152	155	173	173
<b>Billion \$ corporation</b>								
# of customers			37	36	39	38	46	46

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

# Operational & Financial Metrics (cont'd.)

	FY18	FY19	FY20	FY21Q1	FY21Q2	FY21Q3	FY21Q4	FY21
<b>Happiest Minds</b>								
Onsite	105	132	123	124	133	145	166	166
Offshore	2,148	2,330	2,543	2,534	2,588	2,740	3,062	3062
<b>Total</b>	<b>2,253</b>	<b>2,462</b>	<b>2,666</b>	<b>2,658</b>	<b>2,721</b>	<b>2,885</b>	<b>3,228</b>	<b>3,228</b>
<b>Happiest Minds by delivery centres</b>								
Onsite	4.7%	5.4%	4.6%	4.7%	4.9%	5.0%	5.1%	5.1%
Offshore <sup>1</sup>	95.3%	94.6%	95.4%	95.3%	95.1%	95.0%	94.9%	94.9%
<b>Utilization</b>								
Utilization %	68.4%	77.3%	76.9%	74.9%	78.7%	81.6%	82.6%	79.5%
<b>Diversity</b>								
Women Happiest Minds	22.0%	23.0%	24.0%	23.4%	23.3%	24.0%	24.5%	24.5%
<b>Days Sales Outstanding</b>								
Billed	74	80	60	51	51	46	50	57
Unbilled	6	11	23	32	26	31	24	28
<b>Total DSO (Days)</b>	<b>80</b>	<b>91</b>	<b>83</b>	<b>83</b>	<b>77</b>	<b>77</b>	<b>75</b>	<b>85</b>
<b>EPS (₹ Per Share)</b>								
Full Year(Diluted)			5.36					11.45
<b>Capital Return Ratios %</b>								
Return on Capital Employed RoCE			28.9%					31.2%
Return on Equity RoE			27.1%					29.8%

# Operational & Financial Metrics (cont'd.)

(All figures in ₹ Lakhs)

	FY18		FY19		FY20		FY21Q1		FY21Q2		FY21Q3		FY21Q4		FY21	
<b>Revenue by Business Units</b>																
Infrastructure Management & Security Services	9,862	20.2%	12,943	21.5%	15,361	21.5%	3,641	19.5%	3,959	21.1%	4,334	21.5%	4,487	20.1%	16,421	20.6%
Digital Business Services	15,403	31.5%	18,090	30.1%	19,167	26.8%	4,598	24.6%	4,710	25.1%	4,985	24.8%	6,995	31.3%	21,288	26.7%
Product Engineering Services	21,024	43.0%	28,003	46.5%	35,293	49.4%	9,463	50.6%	9,615	51.2%	9,965	49.5%	10,589	47.3%	39,632	49.7%
<b>Total Revenue</b>	<b>46,289</b>	<b>94.6%</b>	<b>59,036</b>	<b>98.1%</b>	<b>69,821</b>	<b>97.8%</b>	<b>17,702</b>	<b>94.7%</b>	<b>18,284</b>	<b>97.3%</b>	<b>19,284</b>	<b>95.8%</b>	<b>22,071</b>	<b>98.6%</b>	<b>77,341</b>	<b>97.0%</b>
Other income	2,623	5.4%	1,145	1.9%	1,602	2.2%	997	5.3%	507	2.7%	845	4.2%	303	1.4%	2,424	3.0%
<b>Total income</b>	<b>48,912</b>	<b>100%</b>	<b>60,181</b>	<b>100%</b>	<b>71,423</b>	<b>100%</b>	<b>18,699</b>	<b>100%</b>	<b>18,791</b>	<b>100%</b>	<b>20,129</b>	<b>100%</b>	<b>22,374</b>	<b>100%</b>	<b>79,765</b>	<b>100%</b>

# Operational & Financial Metrics (cont'd.)

## Summary Profit & Loss statement

(All figures in ₹ Lakhs)

	FY 18	FY 19	FY 20	FY 21 Q1	FY 21 Q2	FY 21 Q3	FY 21 Q4	FY 21
<b>Income</b>								
Operating revenue	46,289	59,036	69,821	17,702	18,284	19,284	22,071	77,341
Other income	2,623	1,145	1,602	997	507	845	303	2,424
<b>Total income</b>	<b>48,912</b>	<b>60,181</b>	<b>71,423</b>	<b>18,699</b>	<b>18,791</b>	<b>20,129</b>	<b>22,374</b>	<b>79,765</b>
Cost of revenue	32,652	36,987	42,927	9,978	10,401	11,155	12,849	44,382
<b>Gross margin</b>	<b>13,637</b>	<b>22,049</b>	<b>26,894</b>	<b>7,724</b>	<b>7,884</b>	<b>8,129</b>	<b>9,222</b>	<b>32,959</b>
%	29.5%	37.3%	38.5%	43.6%	43.1%	42.2%	41.8%	42.6%
SG&A	15,498	16,566	17,184	3,939	3,452	3,005	3,642	13,810
<b>EBITDA</b>	<b>762</b>	<b>6,628</b>	<b>11,312</b>	<b>4,782</b>	<b>4,939</b>	<b>5,969</b>	<b>5,883</b>	<b>21,573</b>
%	1.6%	11.0%	15.8%	25.6%	26.3%	29.7%	26.3%	27.0%
Depreciation	2,075	2,478	2,023	512	512	516	734	2,274
<b>EBIT</b>	<b>(1,313)</b>	<b>4,150</b>	<b>9,289</b>	<b>4,270</b>	<b>4,427</b>	<b>5,453</b>	<b>5,149</b>	<b>19,299</b>
%	-2.7%	6.9%	13.0%	22.8%	23.6%	27.1%	23.0%	24.2%
Finance cost	995	1,594	802	186	160	126	225	697
<b>PBT before exceptional items *</b>	<b>(2,308)</b>	<b>2,556</b>	<b>8,487</b>	<b>4,084</b>	<b>4,267</b>	<b>5,327</b>	<b>4,924</b>	<b>18,602</b>
%	-4.7%	4.2%	11.9%	21.8%	22.7%	26.5%	22.0%	23.3%
Exceptional Items <sup>+</sup>	-	1,258	1,126	-	-	-	-	-
<b>PBT *</b>	<b>(2,308)</b>	<b>1,298</b>	<b>7,361</b>	<b>4,084</b>	<b>4,267</b>	<b>5,327</b>	<b>4,924</b>	<b>18,602</b>
%	-4.7%	2.2%	10.3%	21.8%	22.7%	26.5%	22.0%	23.3%
Current tax	-	-	190	851	682	1,105	889	3,527
Deferred tax	(61)	(123)	-	(1,785)	177	7	430	(1,171)
<b>PAT *</b>	<b>(2,247)</b>	<b>1,421</b>	<b>7,171</b>	<b>5,018</b>	<b>3,408</b>	<b>4,215</b>	<b>3,605</b>	<b>16,246</b>
%	-4.6%	2.4%	10.0%	26.8%	18.1%	20.9%	16.1%	20.4%

# Operational & Financial Metrics (cont'd.)

## Condensed Balance Sheet

(All figures in ₹ Lakhs)

	31.03.2018	31.03.2019	31.03.2020	30.06.2020	30.09.2020	31.12.2020	31.03.2021
<b>Assets</b>							
<b>Non-current Assets</b>							
Property, plant and equipment	264	214	93	77	60	72	69
Goodwill	2,961	1,736	610	610	611	611	7,644
Financial & Other assets	7,685	6,003	5,598	6,266	5,788	5,040	10,029
<b>Total non-current assets (A)</b>	<b>10,910</b>	<b>7,953</b>	<b>6,301</b>	<b>6,953</b>	<b>6,459</b>	<b>5,723</b>	<b>17,742</b>
<b>Current assets</b>							
Financial & Other assets							
i. Trade receivable	9,437	12,927	11,487	9,851	10,302	9,765	12,192
ii. Cash & Cash equivalents, Investments & Other financial assets	16,928	19,610	31,967	39,196	52,387	54,286	60,928
iii. Other assets	1,424	862	1,060	1,308	1,721	1,531	1,333
<b>Total current assets (B)</b>	<b>27,789</b>	<b>33,399</b>	<b>44,514</b>	<b>50,355</b>	<b>64,410</b>	<b>65,582</b>	<b>74,453</b>
<b>Total assets (A + B)</b>	<b>38,699</b>	<b>41,352</b>	<b>50,815</b>	<b>57,308</b>	<b>70,869</b>	<b>71,305</b>	<b>92,195</b>
<b>Equity and Liabilities</b>							
<b>Total equity (A)</b>	<b>(10,888)</b>	<b>(6,605)</b>	<b>26,531</b>	<b>31,901</b>	<b>46,380</b>	<b>50,836</b>	<b>54,599</b>
<b>Non-current liabilities</b>							
Financial liabilities	5,797	3,814	1,863	1,674	1,518	1,248	7,339
Provisions & Deferred tax liability	935	940	1,255	1,508	1,513	1,662	2,378
<b>Total non-current liabilities (B)</b>	<b>6,732</b>	<b>4,754</b>	<b>3,118</b>	<b>3,182</b>	<b>3,031</b>	<b>2,910</b>	<b>9,717</b>
<b>Current liabilities</b>							
Financial & Contract liabilities							
i. Trade payable	2,498	2,878	3,442	3,600	6,307	3,781	4,101
ii. Others	38,866	38,591	15,947	15,907	12,402	10,931	20,340
Provisions & Other current liabilities	1,491	1,734	1,777	2,718	2,749	2,847	3,438
<b>Total current liabilities (C)</b>	<b>42,855</b>	<b>43,203</b>	<b>21,166</b>	<b>22,225</b>	<b>21,458</b>	<b>17,559</b>	<b>27,879</b>
<b>Total liabilities (D = B + C)</b>	<b>49,587</b>	<b>47,957</b>	<b>24,284</b>	<b>25,407</b>	<b>24,489</b>	<b>20,469</b>	<b>37,596</b>
<b>Total equity and liabilities (A + D)</b>	<b>38,699</b>	<b>41,352</b>	<b>50,815</b>	<b>57,308</b>	<b>70,869</b>	<b>71,305</b>	<b>92,195</b>

