

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: HAPSTMNDS

Dear Sir/Madam,

**Sub: Earnings Presentation on the financial results of Q4 for FY'22**

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, 2022 that will be circulated to the Investors/ Analysts for the Earnings Call scheduled on May 06, 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



# 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.

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# 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%**

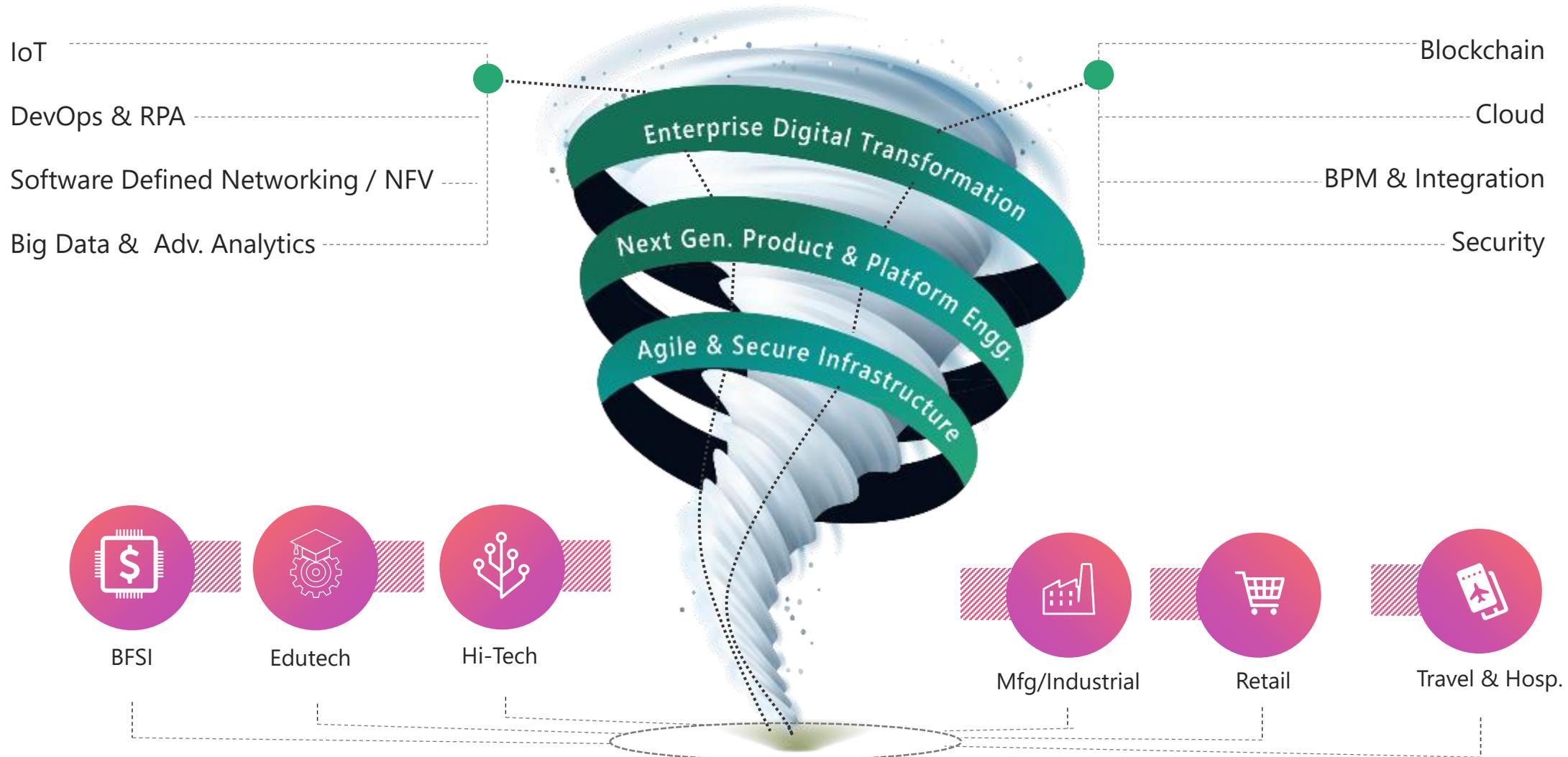
**RoE**

**4.4**  
**rating**

on **Glassdoor**



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



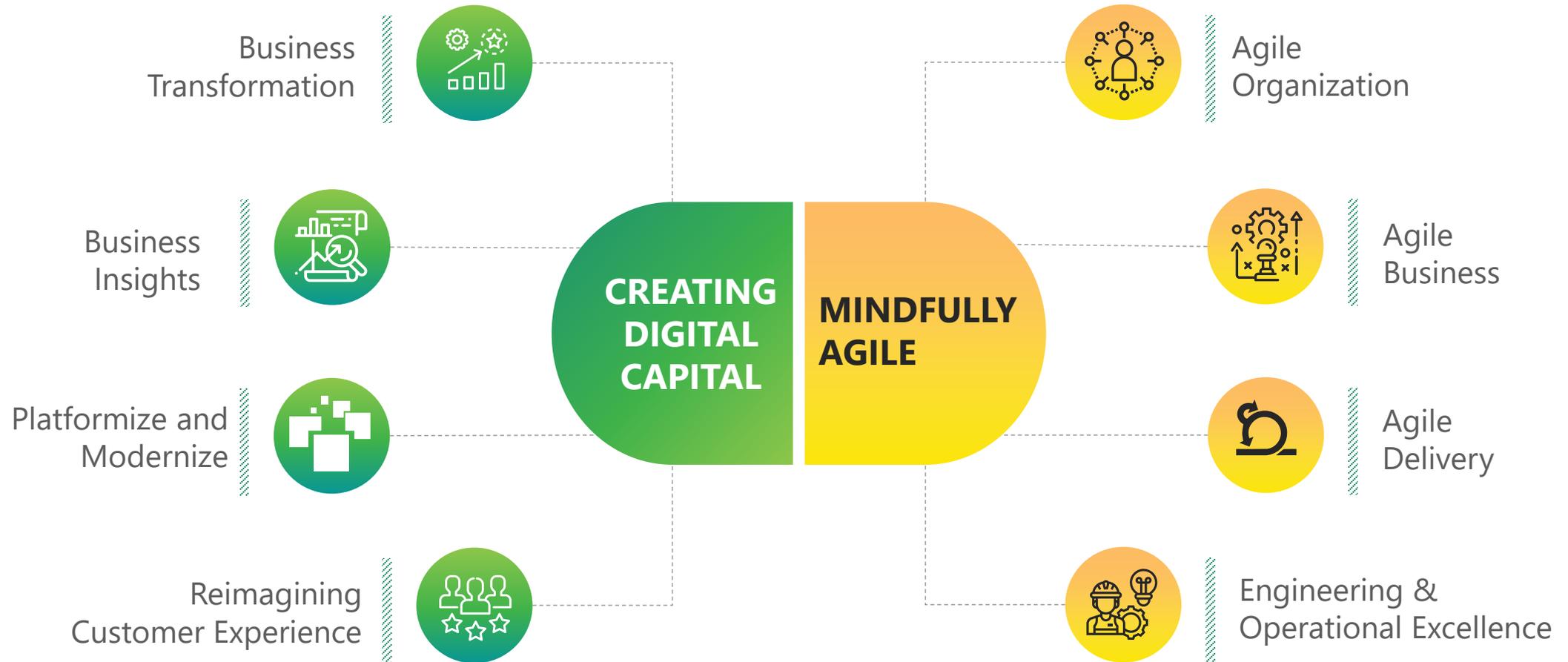
# Mission, Vision & Values

## 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

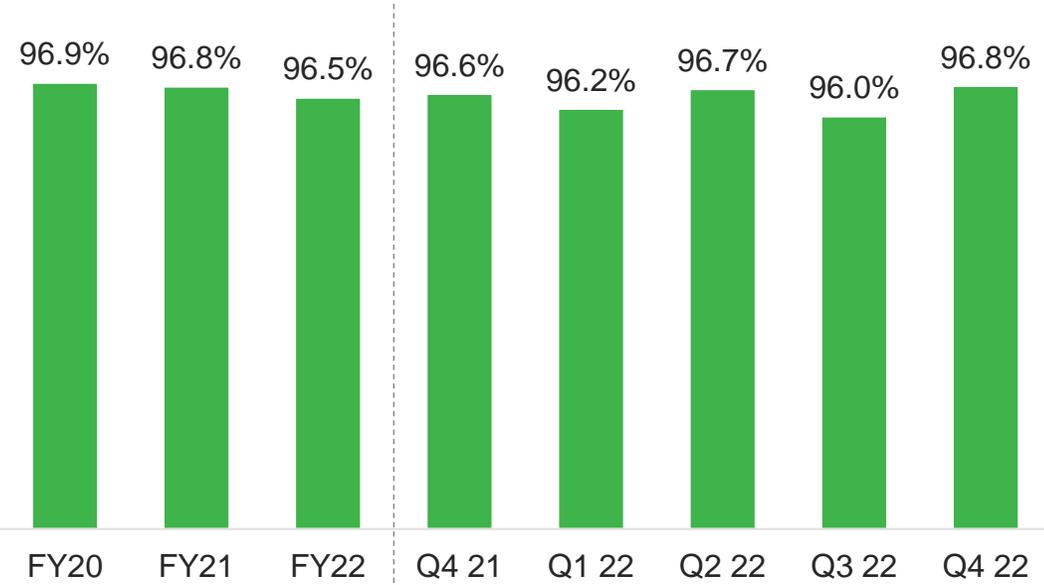
Particulars	Q4 FY 22	Q3 FY 22	QoQ	Q4 FY 21	YoY	FY 22	FY 21	YoY
Revenues (\$'000)	39,876	37,796	5.5%	30,235	31.9%	146,634	104,592	40.2%
Revenues	30,057	28,394	5.9%	22,071	36.2%	109,365	77,341	41.4%
Other Income	991	834	18.8%	303	226.6%	3,710	2,424	53.0%
Total Income	31,048	29,228	6.2%	22,374	38.8%	113,075	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.

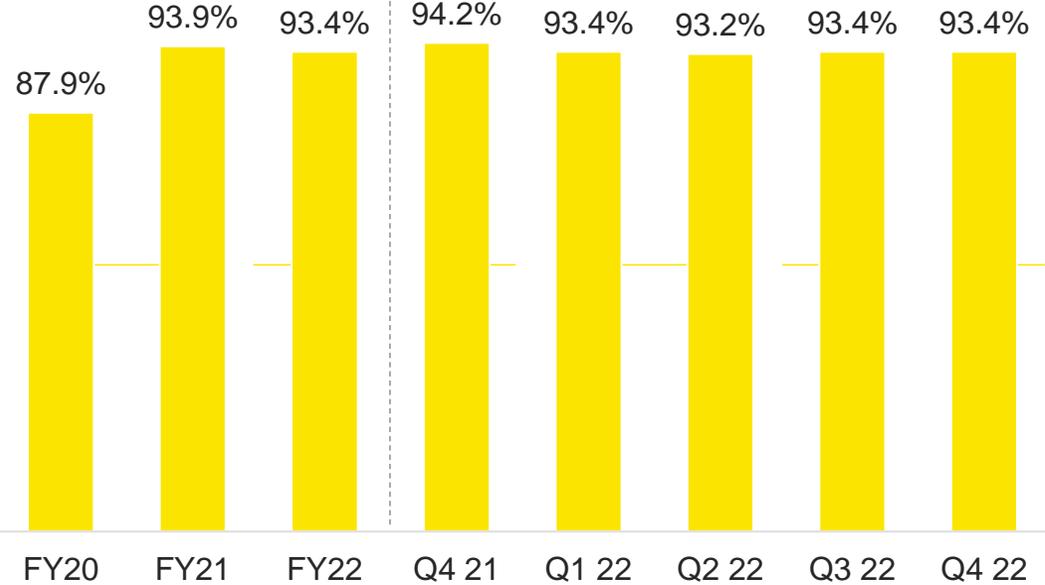
## Digital

% of Revenue



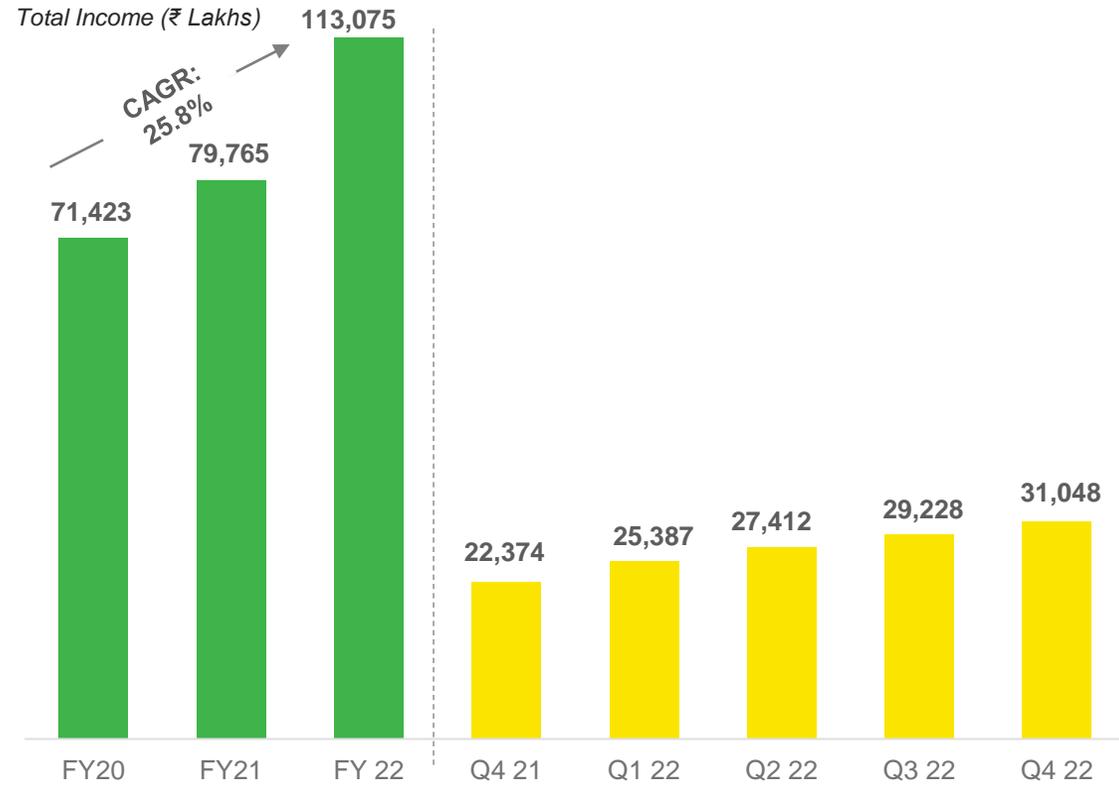
## Agile

% of Revenue

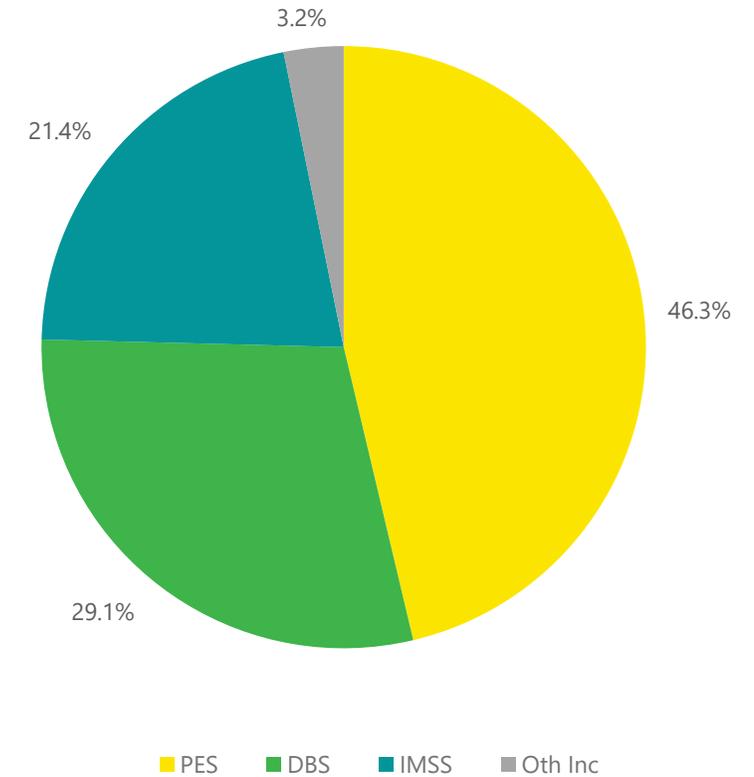


# Operational & Financial Metrics

## Revenue

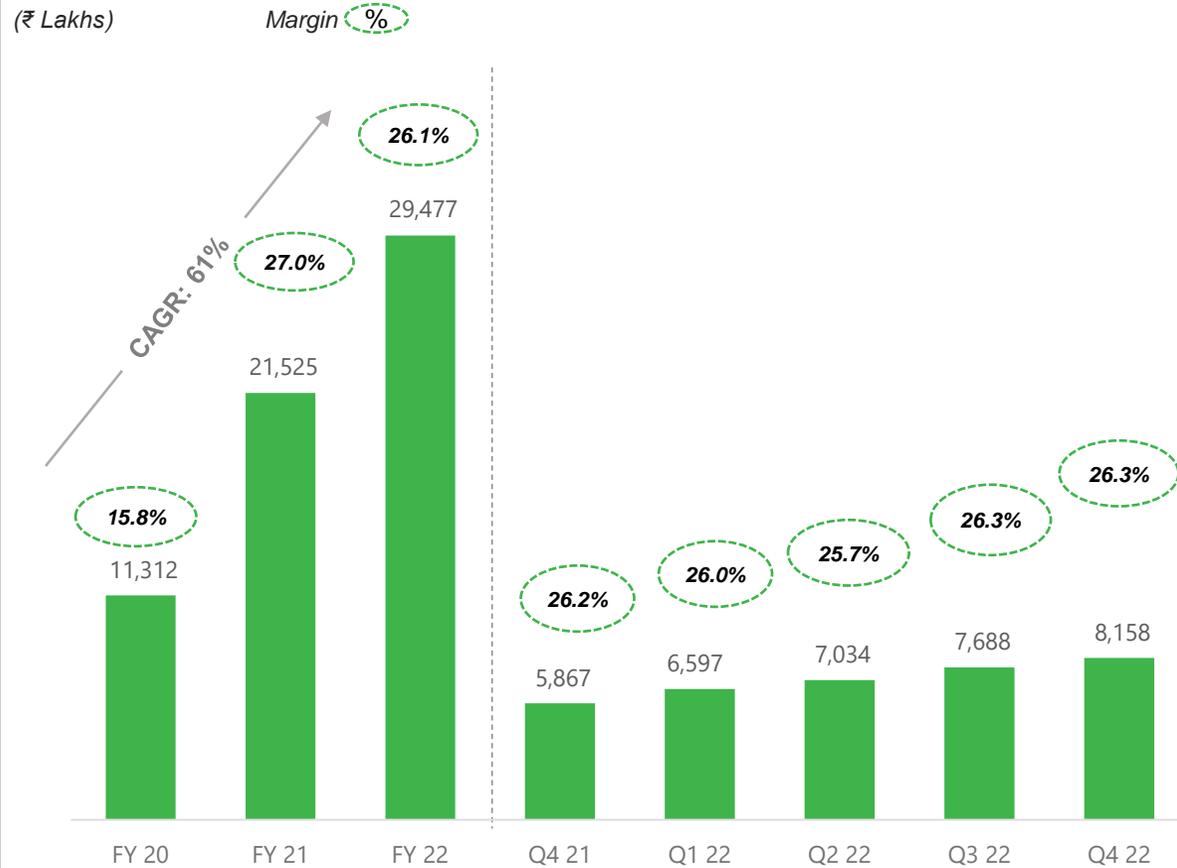


## Revenue by BU

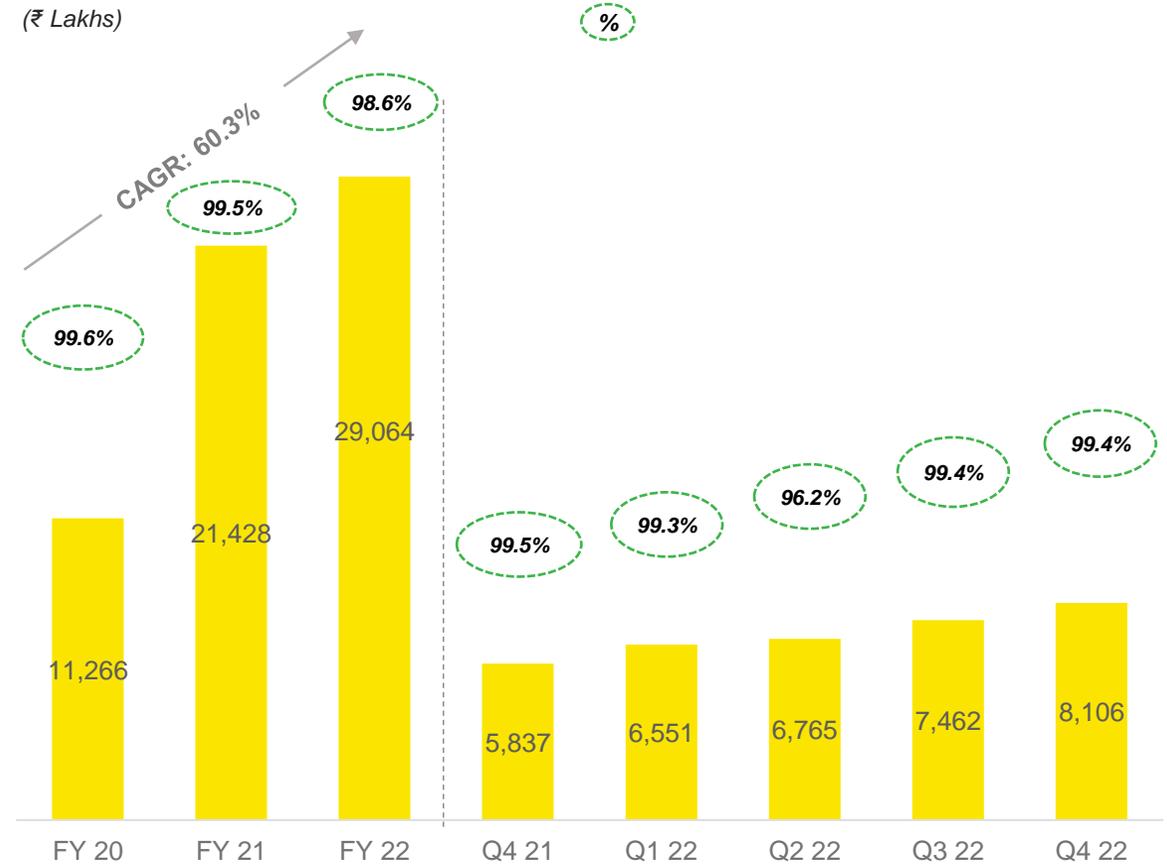


# Operational & Financial Metrics

## EBITDA

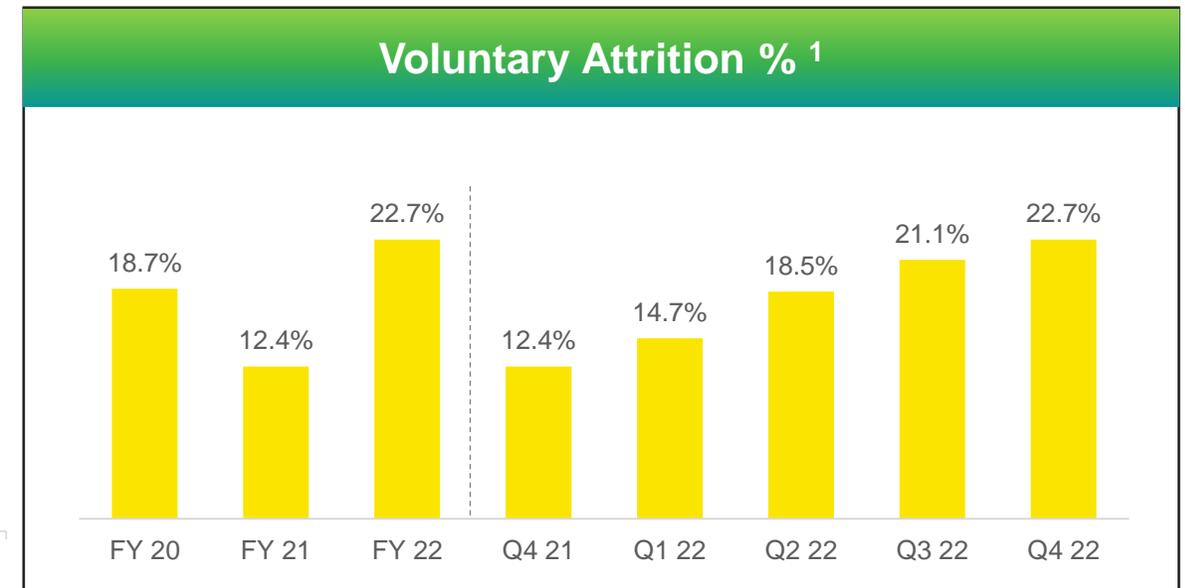
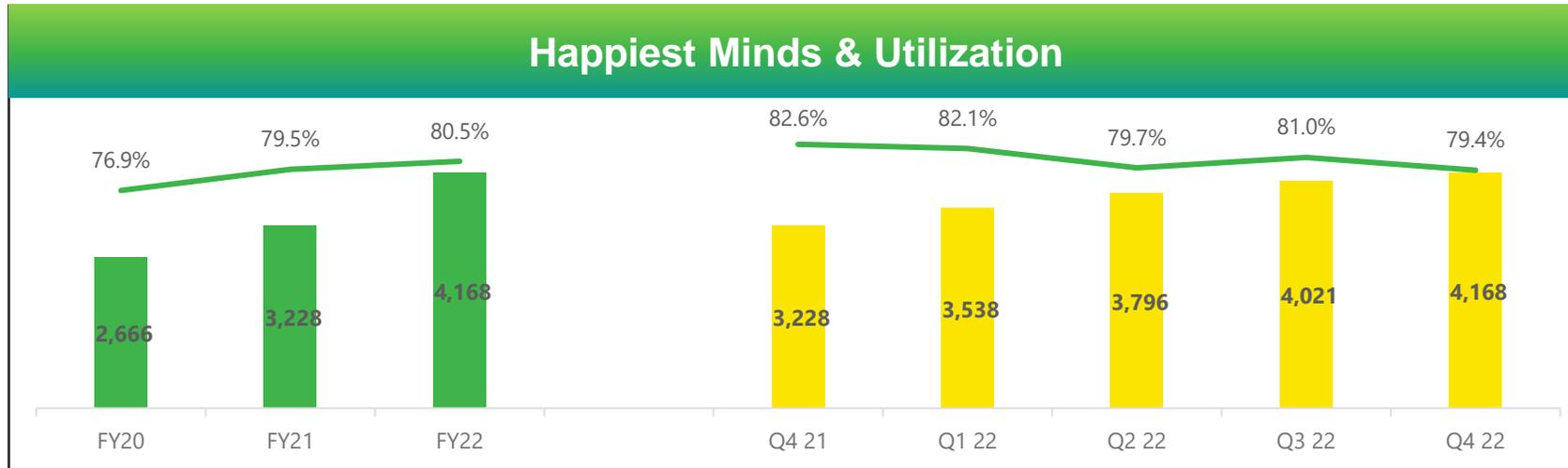


## High FCF<sup>1</sup> conversion



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

# Operational & Financial Metrics



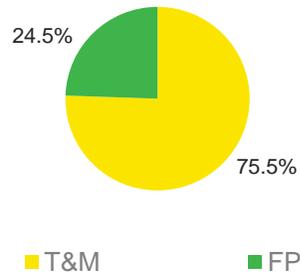
Note 1: Trailing 12 Months

# Operational & Financial Metrics

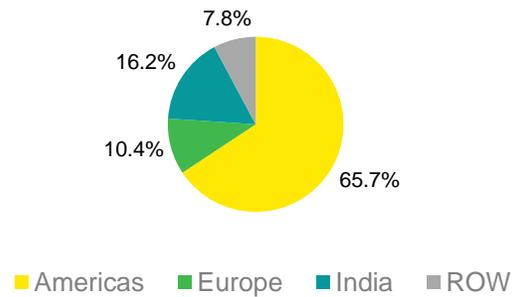
## Revenue Model

Q4 22

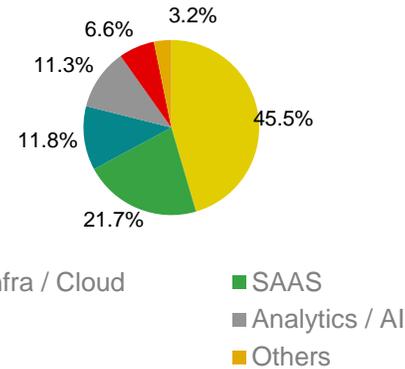
Model



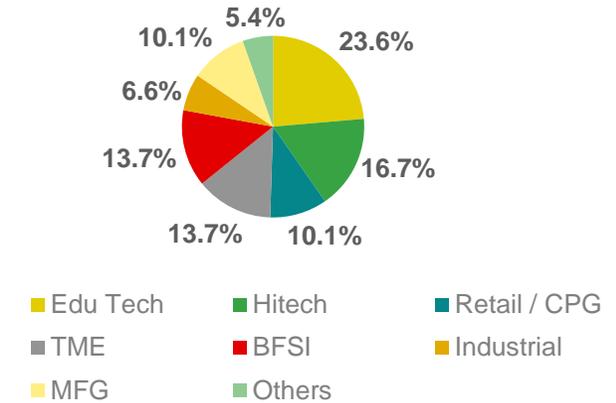
Geography



Digital Revenue<sup>1</sup>

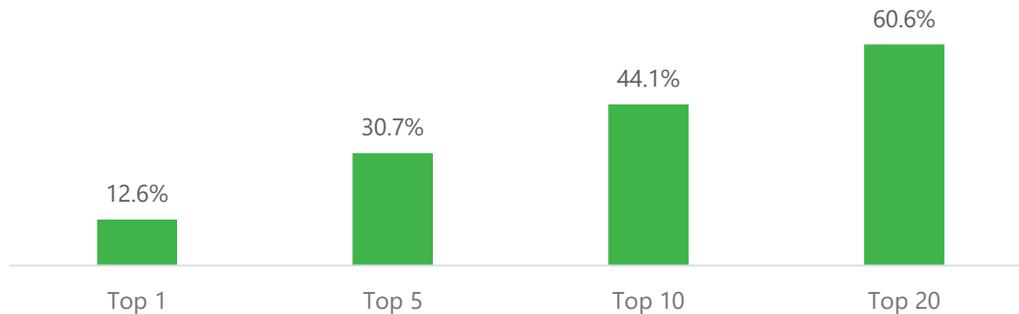


Vertical<sup>1</sup>



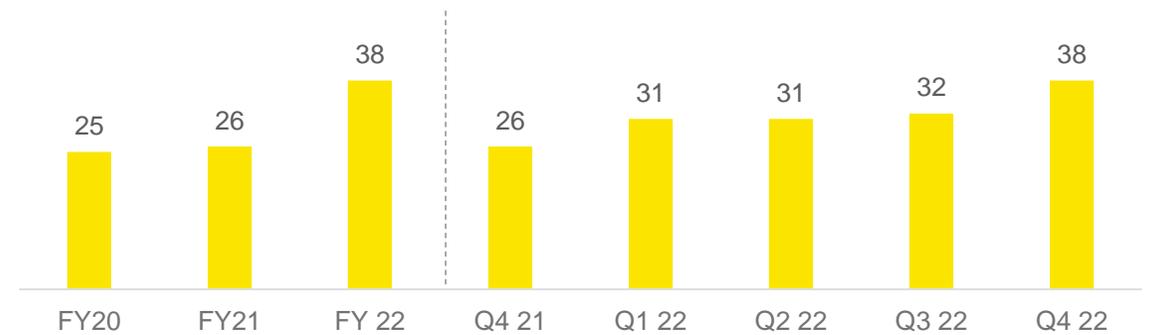
## Revenue Concentration

(% Revenue)



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

(#)

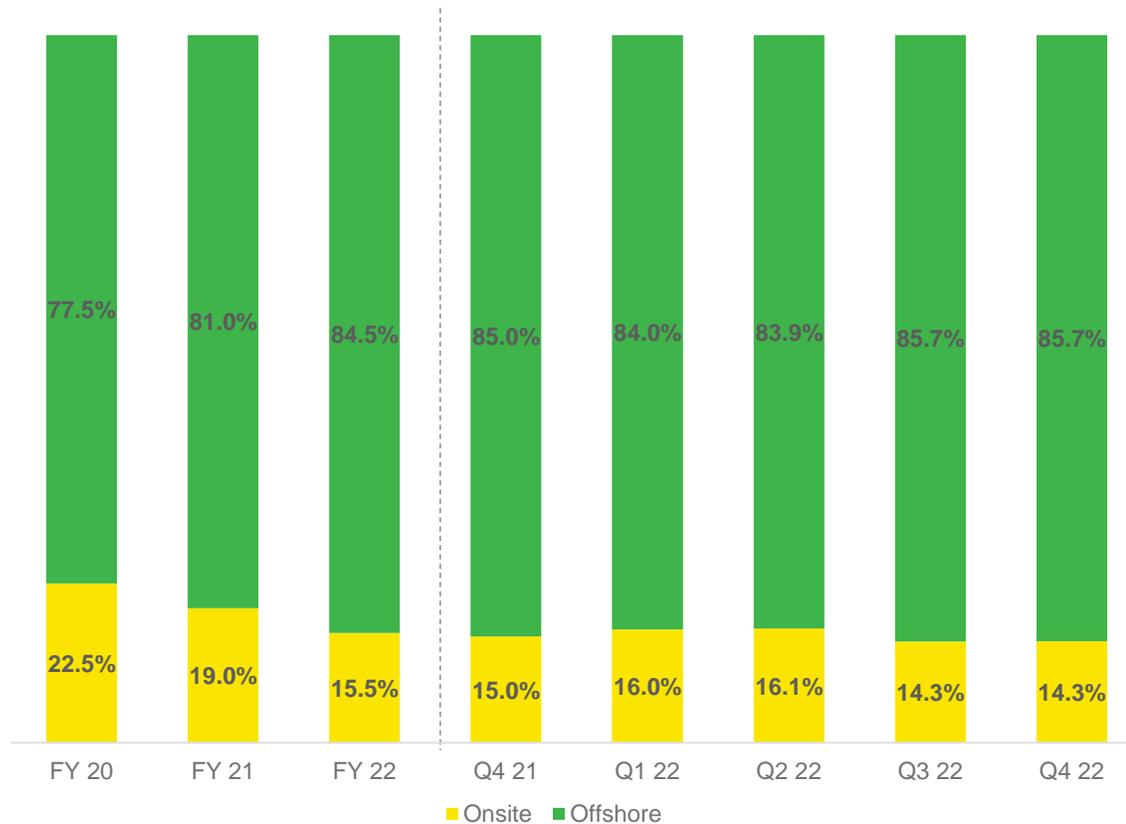


Notes: 1. TME: Travel, Media & Entertainment, 2. Based on quarterly revenues annualized. 3. Top 20 includes Top 1, 5 & 10

# Operational & Financial Metrics

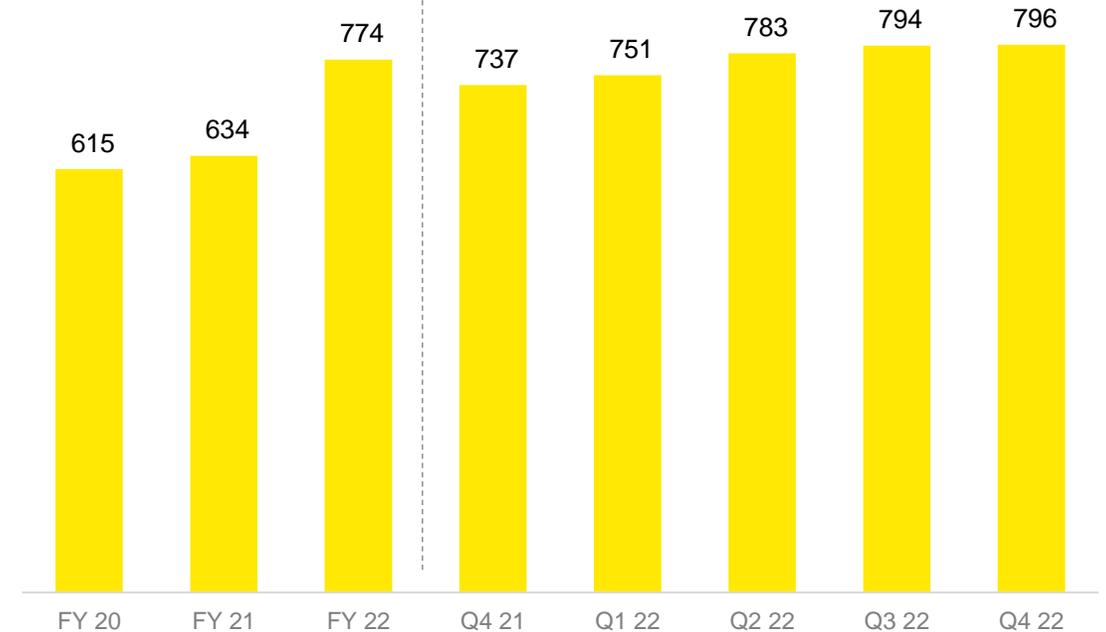
## Onsite/Offshore

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>

