

August 12, 2024

Listing Compliance & Legal Regulatory
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001
Stock Code: 543227, 974728, 974820 & 975101

Listing & Compliance
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra East, Mumbai 400 051
Stock Code: HAPPSTMNDS

Dear Sir/Madam,

Sub: Outcome of the Board Meeting held on August 12, 2024

We wish to inform that the Board of Directors of the Company at its meeting held today i.e., August 12, 2024, approved the unaudited financial statements of the Company (both standalone and consolidated) prepared in accordance with Indian Accounting Standards (IndAS) for the quarter ended as on June 30, 2024.

The copies of the financial results together with Auditor's review report (with UDIN), presentation to Investors and press release covering the results for the quarter ended as on June 30, 2024 and disclosure of security cover of NCD for the said quarter are enclosed below.

The Board meeting commenced at 9.30 pm and concluded at 10.40 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



INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM UNAUDITED CONSOLIDATED FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF Happiest Minds Technologies Limited

1. We have reviewed the accompanying Statement of interim Consolidated Unaudited Financial Results of **Happiest Minds Technologies Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter ended June 30, 2024 ("the Statement") which includes the financial statements of Happiest Minds Technologies Share Ownership Trust ("the ESOP trust"), being submitted by the Parent pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the interim financial results of the following entities:
 - i. Happiest Minds Inc. wholly owned subsidiary of Happiest Minds Technologies Limited
 - ii. Sri Mookambika Infosolutions Private Limited wholly owned subsidiary of Happiest Minds Technologies Limited
 - iii. PureSoftware Technologies Private Limited wholly owned subsidiary of Happiest Minds Technologies Limited
 - iv. PureSoftware Pte Limited (Singapore) wholly owned subsidiary of PureSoftware Technologies Private Limited
 - v. PureSoftware Private Limited (UK) wholly owned subsidiary of PureSoftware Technologies Private Limited
 - vi. PurSoftware Corp (USA) wholly owned subsidiary of PureSoftware Technologies Private Limited
 - vii. PureSoftware Sdn. Bhd. (Malaysia) wholly owned subsidiary of PureSoftware Technologies Private Limited
 - viii. PureSoftware Technology S. De. R. L. De. C.V., (Mexico) wholly owned subsidiary of PureSoftware Technologies Private Limited
 - ix. PureSoftware HK Limited (Hongkong) wholly owned subsidiary of PureSoftware Technologies Private Limited
 - x. PureSoftware Africa Limited (Kenya) wholly owned subsidiary of PureSoftware Technologies Private Limited

- xi. PureSoftware Technologies Romania SRL (Romania) wholly owned subsidiary of PureSoftware Technologies Private Limited
 - xii. Pure Conference Private Limited wholly owned subsidiary of PureSoftware Technologies Private Limited
 - xiii. PureSoftware Private Limited (Nepal) wholly owned subsidiary of PureSoftware Technologies Private Limited
 - xiv. PureSoftware Pty (Australia) wholly owned subsidiary of PureSoftware Technologies Private Limited
 - xv. Aureus Tech Systems LLC wholly owned subsidiary of Happiest Minds Inc.
 - xvi. Aureus Tech Systems Private Limited wholly owned subsidiary of Aureus Tech Systems LLC
 - xvii. Aureus Tech Systems Canada Ltd wholly owned subsidiary of Aureus Tech Systems LLC
 - xviii. Happiest Minds Edutech Private Limited (formerly known as Macmillan Learning India Private Limited) wholly owned subsidiary of Happiest Minds Technologies Limited
 - xix. Happiest Minds Technologies Share Ownership Plan Trust
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 and 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial results of the ESOP trust included in the unaudited consolidated financial results, whose interim financial results reflect total revenues Rs. Nil for the quarter ended June 30, 2024, net profit after taxes of Rs. 58 lakhs for the quarter ended June 30, 2024 and total comprehensive profit of Rs. 597 lakhs for the quarter ended June 30, 2024. The interim financial results of the ESOP trust have been reviewed by other auditor whose reports have been furnished to us by the management, and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the ESOP Trust, is based solely on the report of the other auditors and the procedures performed by us as stated in paragraph 3 above.
7. We did not review the interim financial results of 18 subsidiaries included in the consolidated unaudited financial results, whose interim financial results reflects total revenues of Rs. 7,713 lakhs for the quarter ended June 30, 2024, total net profit after tax of Rs. 1,350 lakhs for the quarter ended June 30, 2024 and total comprehensive income of Rs. 1,460 lakhs for the quarter ended June 30, 2024, as considered in the Statement. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of these matters.

For **Deloitte Haskins and Sells**
Chartered Accountants
(Firm's Registration No.008072S)

**VIKAS
BAGARIA** Digitally signed by
VIKAS BAGARIA
Date: 2024.08.12
22:25:05 +05'30'

Vikas Bagaria
Partner
(Membership No. 060408)
(UDIN: 24060408BKFSMP9893)

Place: Chennai
Date: August 12, 2024

Happiest Minds Technologies Limited

CIN : L72900KA2011PLC057931

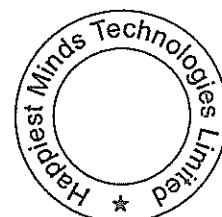
Regd. Office: #53/1-4, Hosur Main Road, Madivala (next to Madivala Police Station) Bangalore 560 068, Karnataka, India

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

(Rs. in lakhs)

Statement of Unaudited Consolidated Financial Results for the quarter ended June 30, 2024

Particulars	Quarter ended			Year ended
	June 30, 2024	March 31, 2024	June 30, 2023	March 31, 2024
	(Unaudited)	Refer note 2	(Unaudited)	Audited
I. Revenue				
(a) Revenue from operations	46,382	41,729	39,087	1,62,466
(b) Other income	2,544	2,521	1,366	8,537
Total revenue	48,926	44,250	40,453	1,71,003
II. Expenses				
(a) Employee benefits expense	29,986	26,277	23,543	1,01,469
(b) Finance costs	1,983	1,033	1,007	4,227
(c) Depreciation and amortisation expense	2,204	1,469	1,424	5,829
(d) Other expenses	7,912	7,151	6,611	27,412
Total expenses	42,085	35,930	32,585	1,38,937
III. Profit before exceptional items and tax (I-II)	6,841	8,320	7,868	32,066
IV. Exceptional items: (charge) / credit (refer note 10 & 11)	-	1,295	-	1,402
V. Profit before tax (III+IV)	6,841	9,615	7,868	33,468
VI. Tax expense				
Current tax	2,114	2,809	2,280	9,518
Deferred tax	(376)	(392)	(245)	(889)
Total Tax expense	1,738	2,417	2,035	8,629
VII. Profit for the period / year (V-VI)	5,103	7,198	5,833	24,839
VIII. Other comprehensive income, net of tax [(loss)/profit]				
(i) Items to be reclassified to profit or loss in subsequent periods / year				
a) Exchange difference on translation of foreign operation	(36)	28	(12)	124
b) Net change in fair value of derivatives designated as cash flow hedges	144	197	836	403
c) Income tax effect on above	(36)	(49)	(210)	(101)
(ii) Items not to be reclassified to profit or loss in subsequent periods / year				
a) Net change in equity instruments through other comprehensive income	-	(1,059)	-	(1,319)
b) Income tax effect on above	-	222	-	277
c) Re-measurement of defined benefit plans	(39)	(36)	(20)	(346)
d) Income tax effect on above	10	9	5	87
IX. Total comprehensive income for the period / year (VII+VIII)	5,146	6,510	6,432	23,964
X. Paid-up equity share capital (Rs. 2/- each)	2,991	2,987	2,872	2,987
XI. Other equity				1,45,037
XII. Earnings per share ("EPS") (of Rs. 2/- each) (not annualised for quarters):				
Basic EPS (Rs.)	3.39	4.79	4.04	16.73
Diluted EPS (Rs.)	3.39	4.79	4.02	16.73



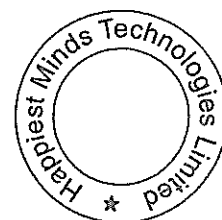
Additional disclosures as per Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Sr. No	Particulars	Quarter ended			Year ended
		June 30, 2024	March 31, 2024	June 30, 2023	March 31, 2024
1	Debt-Equity ratio	0.90	0.35	0.58	0.35
2	Debt Service Coverage ratio (DSCR)	7.73	6.39	5.15	5.25
3	Interest Service Coverage ratio (ISCR)	4.93	9.25	9.29	8.97
4	Current ratio	1.24	3.14	2.00	3.14
5	Long-term Debt to Working Capital ratio	0.27	0.09	0.22	0.09
6	Bad debts to Trade receivable ratio	0.01	0.03	-	0.02
7	Current liability ratio	0.80	0.74	0.72	0.74
8	Total Debt to total Assets ratio	0.38	0.23	0.31	0.23
9	Trade Receivable Turnover Ratio	6.09	7.14	6.82	6.95
10	Operating margin (%)	0.18	0.20	0.23	0.21
11	Net profit margin (%)	0.11	0.17	0.15	0.15
12	Inventory turnover ratio	NA	NA	NA	NA
13	Debenture Redemption Reserve	NA	NA	NA	NA
14	Net worth as per Section 2(57) of the Companies Act, 2013 (in INR Lakhs)	1,48,547	1,48,347	89,449	1,48,347

Formulae for computation of ratios are as follows:

Sr. No.	Particulars	Formulae
1	Debt-Equity ratio	$\frac{\text{Total Debt (including Lease liabilities)}}{\text{Shareholder's Equity}}$
2	Debt Service Coverage ratio (DSCR)	$\frac{\text{Profit after tax + Finance cost + Non cash operating expense}}{\text{Interest on Long-term borrowings + Principal Repayments of Long-term borrowings+ Lease Payments}}$
3	Interest Service Coverage ratio (ISCR)	$\frac{\text{Profit before interest, tax and exceptional items}}{\text{Interest expense}}$
4	Current ratio	$\frac{\text{Current assets}}{\text{Current liabilities}}$
5	Long-term Debt to Working Capital ratio	$\frac{\text{Long term borrowings (including current maturities of long term borrowings)}}{\text{Current assets (-) Current liabilities [excluding current maturities of long term]}}$
6	Bad debts to Trade receivable ratio	$\frac{\text{Bad debts}}{\text{Average Trade receivables}}$
7	Current Liability ratio	$\frac{\text{Current liabilities}}{\text{Total liabilities}}$
8	Total Debt to total Assets ratio	$\frac{\text{Total Debt (including lease liabilities)}}{\text{Total Assets}}$
9	Trade Receivable Turnover Ratio	$\frac{\text{Net revenue (Annualised)}}{\text{Average Trade receivables}}$
10	Operating margin (%)	$\frac{\text{Profit before depreciation, finance cost, tax and exceptional items (-) Other income}}{\text{Revenue from operations}}$
11	Net profit margin (%)	$\frac{\text{Net profit after tax}}{\text{Revenue from operations}}$
12	Inventory turnover ratio	Not applicable
13	Debenture Redemption Reserve	Not applicable
14	Net worth as per Section 2(57) of the Companies Act, 2013 (in INR Lakhs)	Aggregate value of the paid-up share capital + all reserves created out of the profits+ securities premium account -aggregate value of the accumulated losses- deferred expenditure- miscellaneous expenditure not written off - revaluation reserve - write-back of depreciation - amalgamation reserve

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Notes to Statement of Unaudited Consolidated Financial Results for the quarter ended June 30, 2024

1. In terms of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, this Statement of Unaudited Consolidated Financial Results for the quarter ended June 30, 2024 ("Consolidated Financial Results") of Happiest Minds Technologies Limited (the "Holding Company" or the "Company") and its subsidiaries (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 August 12, 2024.

2. The figures for the quarter ended March 31, 2024 are balancing figures between audited figures in respect of full financial year upto March 31, 2024 and the published year-to-date figure upto December 31, 2023 being the date of the end of the third quarter of the financial year. The published year-to-date results upto December 31, 2023 was subjected to a limited review by the Statutory Auditors of the Company.

3. The Unaudited Consolidated Financial Results of the Group have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act 2013, and as amended, read with relevant rules thereunder and in terms of Regulation 33 and 52 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.

4. On May 22, 2024, the Group obtained operational and management control of PureSoftware Technologies Private Limited ("PSTPL"), a Noida, India, based IT services Company. The Group acquired 100% equity interest in PSTPL for total consideration of \$103 million (INR 85,960 lakhs), comprising cash consideration of \$ 76.6 million (INR 63,947 Lakhs), fair value of payments toward cancellation of existing PTSPS ESOPs of \$0.8 million (INR 691 lakhs) payable in three annual tranches in August 2024, August 2025 and August 2026 and fair-value of contingent consideration of \$25.6 million (INR 21,322 lakhs) payable over the next two year subject to achievement of set targets. The Group paid the cash consideration of INR 63,829 lakhs on May 22, 2024 and the shares were transferred on May 28, 2024. Further, an amount of \$ 0.1 million (INR 118 lakhs) has been withheld towards settlement of certain expenses and liabilities. The Group has allocated the purchase price to identified assets and liabilities on a provisional basis. The Group incurred acquisition cost of INR 605 Lakhs and it is grouped under "Other expenses".

5. On May 24, 2024, the Group obtained operational and management control of Aureus Tech Systems LLC ('Aureus'), a US, Denver, Colorado, based IT services Company. The Group acquired 100% membership interest in Aureus for total consideration of \$14.36 million (INR 11,994 lakhs), comprising cash consideration of \$ 8.56 million (INR 7,148 Lakhs) and fair-value of contingent consideration of \$5.8 million (INR 4,846 lakhs) payable over the next 2 year subject to achievement of set targets. The Group paid the cash consideration of \$7.91 million on May 24, 2024 and the shares were transferred on May 27, 2024. Further, an amount of \$0.12 million (INR 105 lakhs) was withheld towards settlement of certain expenses and liabilities and consideration of \$0.53 million (INR 438 lakhs) is payable after 90 days from the closing date. The Group has allocated the purchase price to identified assets and liabilities on a provisional basis. The Group incurred acquisition cost of INR 38 Lakhs and it is grouped under "Other expenses".

6. On April 18, 2024, the Group signed share purchase agreement to acquire 100% of the equity interest in Macmillan Learning India Private Limited, a Bangalore based company, for a total purchase consideration of INR 445 Lakhs. The Group paid the purchase consideration on April 30, 2024 and the shares were subsequently transferred to the Company's name.

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

Particulars	Quarter ended			Year ended
	June 30, 2024	March 31, 2024	June 30, 2023	March 31, 2024
	(Unaudited)	Refer note 2	(Unaudited)	(Audited)
Total revenue (including other income)	39,855	40,071	37,098	1,58,414
Profit before tax	5,982	7,391	7,758	32,496
Profit for the period / year	4,384	5,393	5,744	24,573
Total comprehensive income for the period / year ended	4,458	5,500	6,348	24,594

8. The Group has established new business unit Generative AI Business Services (GBS) and re-structured two of its existing business units, namely Digital Business Services ("DBS") and Product Engineering Services ("PES") by merging into new business unit Product and Digital Engineering service ("PDES"). The Business unit Infrastructure Management & Security Services (IMSS) continues to operate in the same name. The Generative AI Business Services (GBS) includes business process automation services, workflow optimization services and predictive analytic services. This new structure is effective April 01, 2024.

The information for the earlier periods basis the new segment has not been restated as the information is not readily available and the cost to identify the information would be excessive. Similarly, the information for the current period on both the old basis and the new basis of segmentation has not been disclosed for similar reason.

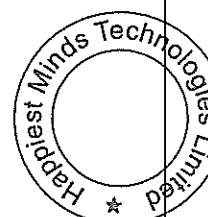
9. The segment reporting of the Group has been prepared in accordance with Ind AS-108 on 'Operating Segments'. The Group executive management committee examines the Group's performance on the basis of its business units and has identified three reportable segments: Infrastructure Management & Security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

Segment wise revenue and results are as follows:

Particulars	Quarter ended			Year ended
	June 30, 2024	March 31, 2024	June 30, 2023	March 31, 2024
	(Unaudited)	Refer note 2	(Unaudited)	(Audited)
1. Segment revenue				
IMSS	7,992	7,551	7,516	29,746
PDES	37,677	34,178	31,571	1,32,720
GBS	713	-	-	-
Total	46,382	41,729	39,087	1,62,466
2. Segment results				
IMSS	2,576	1,954	1,988	7,751
PDES	10,404	12,686	10,574	45,070
GBS	(288)	-	-	-
Total	12,691	14,640	12,562	52,821
Unallocable other income	2,544	2,521	1,366	8,537
Unallocable finance cost	(1,741)	(1,007)	(949)	(4,022)
Unallocable depreciation and amortisation expenses	(958)	(1,153)	(754)	(3,672)
Other unallocable expenses	(5,695)	(5,386)	(4,357)	(20,196)
Tax (expense) / credit	(1,738)	(2,417)	(2,035)	(8,629)
Profit after tax	5,103	7,198	5,833	24,839

Segment wise assets and liabilities are as follows:

Particulars	As at	
	June 30, 2024	March 31, 2024
	(Unaudited)	(Audited)
1. Segment assets		
IMSS	7,166	7,291
PDES	1,70,755	55,362
GBS	135	-
Other unallocable assets	1,78,308	1,62,126
Total assets	3,56,364	2,24,779
2. Segment liabilities		
IMSS	1,028	2,131
PDES	1,21,517	8,979
GBS	4	-
Other unallocable liabilities	85,546	65,645
Total liabilities	2,08,095	76,755



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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

Notes to Statement of Unaudited Consolidated Financial Results for the quarter ended June 30, 2024

10. On January 1, 2023, the Group obtained operational and management control of Sri Mookambika Infosolutions Private Limited ('SMI'), a Madurai based Company which provides IT services, through a Control Agreement. The Group acquired 100% equity in SMI for total consideration of INR 13,694 lakhs, comprising cash consideration of INR 11,132 lakhs and fair-value of contingent consideration of INR 2,562 lakhs payable over the next 2 years subject to achievement of set targets. The Company paid the cash consideration of INR 11,132 lakhs on February 6 2023 and the shares were transferred on the same day. As a result of this acquisition the Group recorded goodwill of INR 5,404 lakhs and other intangible assets of INR 8,259 lakhs. The Group has consolidated SMI w.e.f January 1, 2023.

The contingent consideration was classified as a financial liability as per Ind AS 109 'Financial Instruments' and was measured at fair value. The Accounting Standard mandates that any subsequent changes in such fair value will have to be recognized in the statement of profit and loss. The total consideration for acquisition of SMI includes a contingent consideration payable over a period of 2 years ending December 31, 2024. The Group has re-measured the fair value of the liability and the change in fair value amounting to INR 36 lakhs and INR 143 lakhs has been recognised in the statement of profit and loss and disclosed as an 'Exceptional Item' for the quarter ended and year ended March 31, 2024 respectively.

11. The Group had acquired 100% Equity 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 as per Ind AS 109 'Financial Instruments' and was measured at fair value. The Accounting Standard mandates that any subsequent changes in such fair value will have to be recognized in the statement of profit and loss. The Group has re-measured the fair value of the liability and the change in fair value amounting to INR 1,259 lakhs has been recognised in the statement of profit and loss and disclosed as an 'Exceptional Item' for the quarter and year ended March 31, 2024.

12. During the quarter the Group incurred Rs.643 lakhs towards cost of acquisition and it is grouped under "Other expenses".

13. Rules in relation to 'The Code on Social Security, 2020 ('Code')' yet to be 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.

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

15. The above Unaudited Consolidated Financial Results of the Group are available on the Company's website www.happiestminds.com and also that of BSE (www.bseindia.com) and NSE (www.nseindia.com).

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



Venkatraman Narayanan
Managing Director & Chief Financial Officer
DIN : 01856347

Place: Bengaluru, India
Date: August 12, 2024

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM UNAUDITED STANDALONE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF Happiest Minds Technologies Limited

1. We have reviewed the accompanying Statement of interim Standalone Unaudited Financial Results of **Happiest Minds Technologies Limited** ("the Company"), for the quarter ended June 30, 2024 ("the Statement"), which includes financial statements of Happiest Minds Technologies Share Ownership Plans Trust (the "ESOP Trust"), being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. Based on our review conducted as stated in paragraph 3 above and based on the consideration of the review reports of the other auditor as referred in paragraph 5 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. We did not review the interim financial results of the ESOP Trust included in the unaudited standalone financial results, whose interim financial results reflect total revenue of Rs. Nil for the quarter ended June 30, 2024, net profit after tax of Rs. 58 lakhs for the quarter ended June 30, 2024 and total comprehensive income of Rs. 597 lakhs for the quarter ended June 30, 2024, as considered in this Statement. The interim financial results of the ESOP trust have been reviewed by other auditor whose reports have been furnished to us by the management, and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the ESOP Trust, is based solely on the report of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of this matter.

For **Deloitte Haskins and Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

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BAGARIA

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VIKAS BAGARIA
Date: 2024.08.12
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Vikas Bagaria
Partner
(Membership No. 060408)
(UDIN: 24060408BKFSMQ6018)

Place: Chennai
Date: August 12, 2024

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: Investors@happiestminds.com , Tel: +91 80 6196 0300

(Rs. in lakhs)

Statement of Unaudited Standalone Financial Results for the quarter ended June 30, 2024

Particulars	Quarter ended			Year ended
	June 30, 2024	March 31, 2024	June 30, 2023	March 31, 2024
	(Unaudited)	Refer Note 2	(Unaudited)	(Audited)
I. Revenue				
(a) Revenue from operations	37,240	37,524	35,705	1,47,288
(b) Other income	2,615	2,547	1,393	11,126
Total revenue	39,855	40,071	37,098	1,58,414
II. Expenses				
(a) Employee benefits expense	24,880	24,573	21,899	94,772
(b) Finance costs	1,773	1,033	1,011	4,227
(c) Depreciation and amortisation expense	906	913	755	3,430
(d) Other expenses	6,314	6,197	5,675	23,632
Total expenses	33,873	32,716	29,340	1,26,061
III. Profit before exceptional items and tax (I-II)	5,982	7,355	7,758	32,353
IV. Exceptional items: (charge) / credit (refer note 8)	-	36	-	143
V. Profit before tax (III+IV)	5,982	7,391	7,758	32,496
VI. Tax expense				
Current tax	1,635	2,276	2,096	8,320
Deferred tax	(37)	(278)	(82)	(397)
Total tax expense	1,598	1,998	2,014	7,923
VII. Profit for the period / year (V-VI)	4,384	5,393	5,744	24,573
VIII. Other comprehensive income, net of tax [(loss)/profit]				
(i) Item to be reclassified to profit or loss in subsequent periods / year				
Net movement on effective portion of cash flow hedges [gains/ (losses)]	144	197	836	403
Income tax effect	(36)	(49)	(210)	(101)
(ii) Item not to be reclassified to profit or loss in subsequent periods / year				
Re-measurement gains/ (losses) on defined benefit plans	(45)	(55)	(30)	(376)
Income tax effect	11	14	8	95
IX. Total comprehensive income for the period / year (VII-VIII)	4,458	5,500	6,348	24,594
X. Paid-up equity share capital (Rs. 2/- each)	2,991	2,987	2,872	2,987
XI. Other equity				1,44,383
XII. Earnings per share ("EPS") (of Rs. 2/- each) (not annualised for quarters):				
Basic EPS (Rs.)	2.91	3.59	3.98	16.55
Diluted EPS (Rs.)	2.91	3.59	3.96	16.55



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

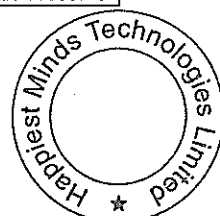
Additional disclosures as per Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Sr. No	Particulars	Quarter ended			Year ended
		June 30, 2024	March 31, 2024	June 30, 2023	March 31, 2024
1	Debt-Equity ratio	0.86	0.35	0.60	0.35
2	Debt Service Coverage ratio (DSCR)	5.88	5.55	4.68	5.03
3	Interest Service Coverage ratio (ISCR)	4.56	8.30	9.04	8.97
4	Current ratio	1.29	3.19	2.05	3.19
5	Long-term Debt to Working Capital ratio	0.26	0.09	0.23	0.09
6	Bad debts to Trade receivable ratio	-	0.03	-	0.02
7	Current liability ratio	0.88	0.75	0.73	0.75
8	Total Debt to total Assets ratio	0.40	0.23	0.33	0.23
9	Trade Receivable Turnover Ratio	6.19	6.97	6.66	6.84
10	Operating margin (%)	0.16	0.18	0.23	0.20
11	Net profit margin (%)	0.12	0.14	0.16	0.17
12	Inventory turnover ratio	NA	NA	NA	NA
13	Debenture Redemption Reserve	NA	NA	NA	NA
14	Net worth as per Section 2(57) of the Companies Act, 2013 (in INR Lakhs)	1,46,724	1,47,235	88,526	1,47,235

Formulae for computation of ratios are as follows:

Sr. No.	Particulars	Formulae
1	Debt-Equity ratio	$\frac{\text{Total Debt (including Lease liabilities)}}{\text{Shareholder's Equity}}$
2	Debt Service Coverage ratio (DSCR)	$\frac{\text{Profit after tax + Finance cost + Non cash operating expense}}{\text{Interest on Long-term borrowings + Principal Repayments of Long-term borrowings + Lease Payments}}$
3	Interest Service Coverage ratio (ISCR)	$\frac{\text{Profit before interest, tax and exceptional items}}{\text{Interest expense}}$
4	Current ratio	$\frac{\text{Current assets}}{\text{Current liabilities}}$
5	Long-term Debt to Working Capital ratio	$\frac{\text{Long term borrowings (Including current maturities of long term borrowings)}}{\text{Current assets (-) Current liabilities [excluding current maturities of long term]}}$
6	Bad debts to Trade receivable ratio	$\frac{\text{Bad debts}}{\text{Average Trade receivables}}$
7	Current Liability ratio	$\frac{\text{Current liabilities}}{\text{Total liabilities}}$
8	Total Debt to total Assets ratio	$\frac{\text{Total Debt (Including lease liabilities)}}{\text{Total Assets}}$
9	Trade Receivable Turnover Ratio	$\frac{\text{Net revenue (Annualised)}}{\text{Average Trade receivables}}$
10	Operating margin (%)	$\frac{\text{Profit before depreciation, finance cost, tax and exceptional items (-) + Other income}}{\text{Revenue from operations}}$
11	Net profit margin (%)	$\frac{\text{Net profit after tax}}{\text{Revenue from operations}}$
12	Inventory turnover ratio	Not applicable
13	Debenture Redemption Reserve	Not applicable
14	Net worth as per Section 2(57) of the Companies Act, 2013 (in INR Lakhs)	Aggregate value of the paid-up share capital + all reserves created out of the profits+ securities premium account - aggregate value of the accumulated losses- deferred expenditure- miscellaneous expenditure not written off - revaluation reserve - write-back of depreciation - amalgamation reserve

[Handwritten Signature]



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: Investors@happiestminds.com, Tel: +91 80 6196 0300

Notes to Statement of Unaudited Standalone Financial Results for the quarter ended June 30, 2024

1. In terms of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, this Statement of Unaudited Standalone Financial Results for the quarter ended June 30, 2024 ("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 August 12, 2024.
2. The figures for the quarter ended March 31, 2024 are balancing figures between audited figures in respect of full financial year upto March 31, 2024 and the unaudited published year-to-date figure upto December 31, 2023 being the date of the end of the third quarter of the financial year. The published year-to-date results upto December 31, 2023 was subjected to a limited review by the Statutory Auditors of the Company.
3. The Unaudited Standalone Financial Results of the Company have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act 2013 and, as amended, read with relevant rules thereunder and in terms of Regulation 33 and 52 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.
4. On May 22, 2024, the Company together with its subsidiaries obtained operational and management control of PureSoftware Technologies Private Limited ('PSTPL'), a Noida, India, based IT services Company. The Company acquired 100% equity interest in PSTPL for total consideration of \$103 million (INR 85,960 lakhs), comprising cash consideration of \$ 76.6 million (INR 63,947 Lakhs), fair value of payments toward cancellation of existing PTSPS ESOPs of \$0.8 million (INR 691 lakhs) payable in three annual tranches in August 2024, August 2025 and August 2026 and fair-value of contingent consideration of \$25.6 million (INR 21,322 lakhs) payable over the next two year subject to achievement of set targets. The Company paid the cash consideration of INR 63,829 lakhs on May 22, 2024 and the shares were transferred on May 28, 2024. Further, an amount of \$ 0.1 million (INR 118 lakhs) has been withheld towards settlement of certain expenses and liabilities. The Company incurred acquisition cost of INR 605 Lakhs and it is grouped under "Other expenses".
5. On May 24, 2024, the Company together with its subsidiaries obtained operational and management control of Aureus Tech Systems LLC ('Aureus'), a US, Denver, Colorado, based IT services Company. The Company acquired 100% membership interest in Aureus for total consideration of \$14.36 million (INR 11,994 lakhs), comprising cash consideration of \$ 8.56 million (INR 7,148 Lakhs) and fair-value of contingent consideration of \$5.8 million (INR 4,846 lakhs) payable over the next 2 year subject to achievement of set targets. The Company paid the cash consideration of \$7.91 million on May 24 2024 and the shares were transferred on May 27, 2024. Further, an amount of \$0.12 million (INR 105 lakhs) was withheld towards settlement of certain expenses and liabilities and consideration of \$0.53 million (INR 438 lakhs) is payable after 90 days from the closing date. The Company incurred acquisition cost of INR 38 Lakhs and it is grouped under "Other expenses".
6. On April 18, 2024, the Company signed share purchase agreement to acquire 100% of the equity interest in Macmillan Learning India Private Limited, a Bangalore based company, for a total purchase consideration of INR 445 Lakhs. The Company paid the purchase consideration on April 30, 2024 and the shares were subsequently transferred to Company's name.
7. The Company publishes unaudited standalone financial results along with the unaudited consolidated financial results. In accordance with Ind AS 108, Operating segments, the Company has disclosed the segment information in the interim unaudited consolidated financial results. Accordingly, the segment information is given in the unaudited consolidated financial results of Happiest Minds Technologies Limited and its subsidiaries for the quarter ended June 30, 2024.
8. On January 1, 2023, the Company obtained operational and management control of Sri Mookambika Infosolutions Private Limited ('SMI'), a Madurai based Company which provides IT services, through a Control Agreement. The Company acquired 100% equity in SMI for total consideration of INR 13,694 lakhs, comprising cash consideration of INR 11,132 lakhs and fair-value of contingent consideration of INR 2,562 lakhs payable over the next 2 years subject to achievement of set targets. The Company paid the cash consideration of INR 11,132 lakhs on February 6, 2023 and the shares were transferred on the same day.

The contingent consideration was classified as a financial liability as per Ind AS 109 'Financial Instruments' and was measured at fair value. The Accounting Standard mandates that any subsequent changes in such fair value will have to be recognized in the statement of profit and loss. The total consideration for acquisition of SMI includes a contingent consideration payable over a period of 2 years ending December 31, 2024. The Company has re-measured the fair value of the liability and the change in fair value amounting to INR 36 lakhs and INR 143 Lakhs has been recognised in the statement of profit and loss and disclosed as an 'Exceptional Item' for the quarter ended and year ended March 31, 2024 respectively.
9. Rules in relation to 'The Code on Social Security, 2020 ('Code') yet to be 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.
10. Previous quarter's/ year's figures have been regrouped/ reclassified wherever necessary to conform with current year classification.
11. The above Unaudited Standalone Financial Results of the Company are available on the Company's website www.happiestminds.com and also that of BSE (www.bseindia.com) and NSE (www.nseindia.com).

Place: Bengaluru, India
Date: August 12, 2024



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

Venkatraman Narayanan
Managing Director & Chief Financial Officer
DIN : 01856347

August 12, 2024

Listing Compliance & Legal Regulatory
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001
Stock Code: 543227, 974728, 974820 & 975101

Listing & Compliance
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra East, Mumbai 400 051
Stock Code: HAPPSTMNDS

Dear Sir/Madam,

Sub: Disclosure under Regulation 54(2) & 54(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 54(2) & 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform that the Non-convertible Debentures issued by the Company up to June 30, 2024, are unsecured, therefore this regulation relating to disclosure of security cover is not applicable to the Company.

We enclose herewith a 'NIL/NA report with respect to security cover for the quarter ended June 30, 2024, in the format prescribed under Chapter V of SEBI Circular No. SEBI/HO/DDHS/P/CIR/2023/50 dated March 31, 2023.

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



Format for Security Cover

Annexure

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari- Passu Charge	Pari- Passu Charge	Pari- Passu Charge	Assets not Offered as Security	Elimination (amount in negative)	(Total C to H)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secure d Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari passu charge)	Other assets on which there is pari- Passu charge (excluding items covered in column F)		debt amount considered more (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying/book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets ^{VIII}	Carrying value/ book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value (=K+L+M+ N)
												Relating to Column F		
			Book Value	Book Value	Yes/ No	Book Value	Book Value							
ASSETS														
Property, Plant and Equipment	N/A													
Capital Work-in- Progress														
Right of Use Assets														
Goodwill														
Intangible Assets														
Intangible Assets Under Development														
Investments														
Loans														
Inventories														
Trade Receivables														
Cash and Cash Equivalents														
Bank Balances other than Cash and Cash Equivalents														
Others														
Total														
LIABILITIES														
Debt securities to which this certificate pertains														
Other debt Sharing pari-passu charge with above debt														
Other Debt														
Subordinated debt														
Borrowings														
Bank														
Debt Securities														
Others														
Trade payables														
Lease Liabilities														
Provisions														
Others														
Total														
Cover on Book Value														
Cover on Market Value														

Investor Presentation

Q1 FY 25



About Happiest Minds

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

97% Digital Born Digital	94% Agile Born Agile	279 Active Clients 65 Fortune2000 / Forbes200 Billion \$ Corporations 95% Repeat Business	22.4% RoCE¹ 13.9% RoE
Mission Statement Happiest People Happiest Customers SMILES Values Sharing, Mindful, Integrity, Learning, Excellence, Social Responsibility	6,599 Happiest Minds across 12 Countries 27.7% Gender Diversity 3.9 rating on Glassdoor	Great Place To Work[®] Top 50 India's Best Workplaces™ in IT & IT-BPM for 2023 Top 50 India's Best Workplaces™ for Building a Culture of Innovation 2023 Top 50 India's Best Workplaces™ for Women 2023 Top 50 India's Best Workplaces™ in Health & Wellness 2023	Industry leading growth in Constant Currency 17.8% y-o-y EBITDA margin 23.9% beating guidance for 17 quarters

Promoter



Ashok Soota



IPO - In September 2020

- Completed 13 years in August 2024
- 770,000 shareholders
- Experienced and diverse board of eight
- Professional management led by the Executive Board



Golden Peacock

Corporate Governance Award 2022
Business Excellence Award 2021

Great Place To Work[®]



Mission, Vision and Values

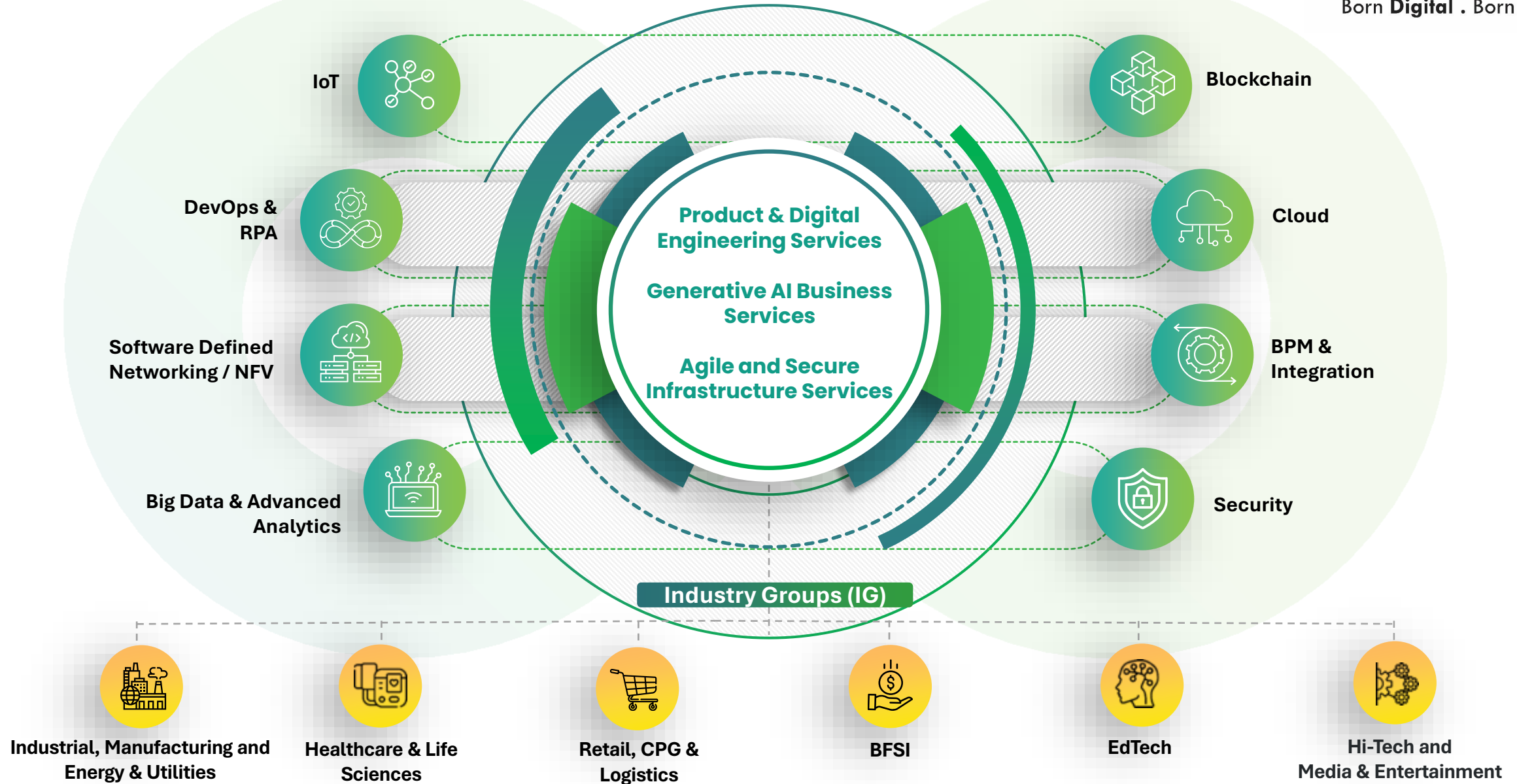
Our 2021-31 Vision - **DELiGHT**



Our **SMILES** Values



Our Business



Born Digital . Born Agile The Mindful IT Company

CREATING DIGITAL CAPITAL

Business
Transformation



Business
Insights



Platformize &
Modernize



Reimagining
Customer Experience



being
mindful

In The
Moment

doing
mindful

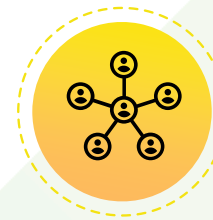
Perceive
Immersively

Process
Non-judgementally

Perform
Empathetically

MINDFULLY AGILE

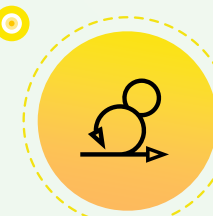
Agile Organization



Agile
Business



Agile
Delivery



Engineering & Operational Excellence



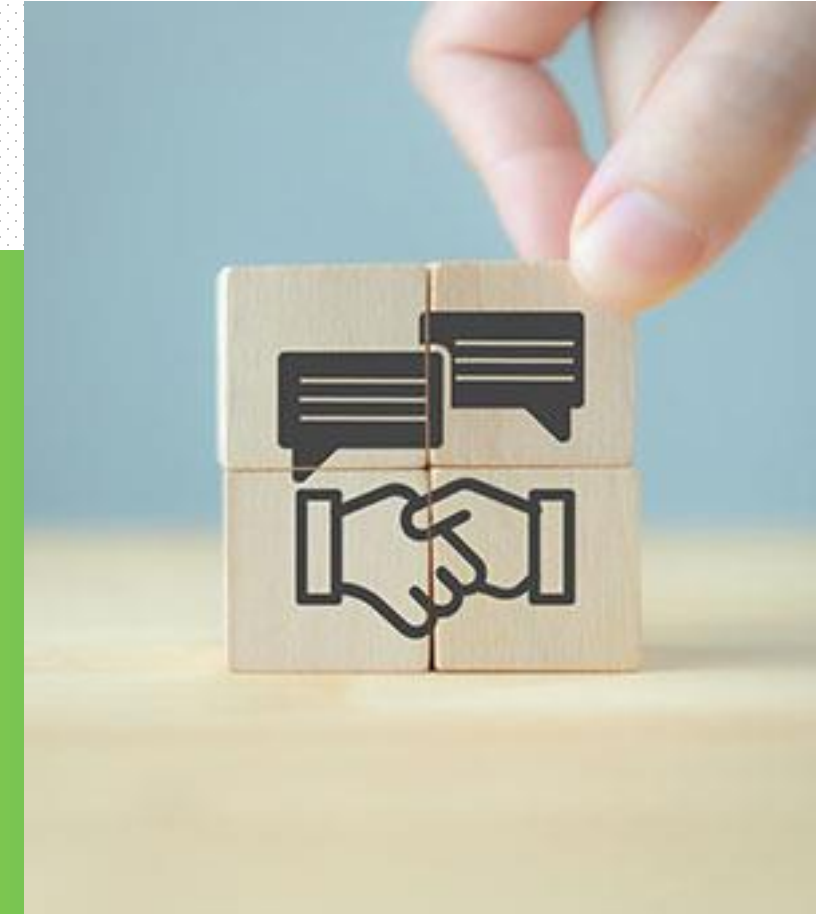
Merger & Acquisitions

Happiest Minds has signed a definitive agreement to acquire 100% equity interest in the Digital Engineering & Transformation company – PureSoftware Technologies Private Limited for a total purchase consideration of ₹ 779 Crores.

PureSoftware is 1,200 people strong headquartered in Noida and partners with global enterprises across the verticals BFSI, Healthcare & Life Sciences, Retail & Logistics, Gaming & Entertainment. The Company also has an award-winning Banking-as-a-Service Platform "Arttha". In addition to augmenting our presence in USA, UK and India, we will also get a near-shore presence in Mexico and offices in Singapore, Malaysia, and Africa.

Happiest Minds has acquired USA based Azure native digital product engineering company– Aureus Tech Systems LLC

The 150 people company headquartered in Denver, Colorado partners with Fortune 500 companies including global Insurance and Re-insurance providers and Healthcare & Life Sciences enterprises in their cloud transformation journeys. Through this acquisition, Happiest Minds strengthens its domain capabilities in Insurance & Re-insurance, Healthcare and Life Sciences verticals. The acquisition strengthens Happiest Minds' presence in USA and gets a new delivery center in Hyderabad, India



Key Project Wins

For a **world's leading beverage maker**, Happiest Minds is enhancing their sales process through a generative AI enabled chat bot for actionable intelligence and decision making



For **one of the largest integrated laboratory system in North America**, Happiest Minds will co-partner to implement and manage the Identity and Access Management solutions on a managed service model

For a **US-based provider of sustainable solutions**, this new win entails Happiest Minds to enhance their data platform and visualization



For the **largest Professional Clearing Member in India**, Happiest Minds has been chosen to provide managed security services and security operations centre(SoC) services

For a **USA based professional board in the healthcare sector**, Happiest Minds is their strategic partner to migrate to a cloud-based CRM solution



For a **leading European on-demand printing and fulfillment company**, Happiest Minds is providing IT Services to support their delivery and operations

For a **USA based professional organization of emergency healthcare providers**, This strategic multi-year cyber security engagement entails Happiest Minds to provide managed security services to prevent, detect, and respond to cyber security incidents



For a **leading American multinational independent investment bank and financial services company**, Happiest Minds has been selected to drive their digital transformation program.

Awards



‘50 Best Firms for Data Scientists to Work For in 2024’ by Analytics India Magazine (AIM)



‘WINNER’
at **CNBC_TV18 India Risk Management Awards 2024’**



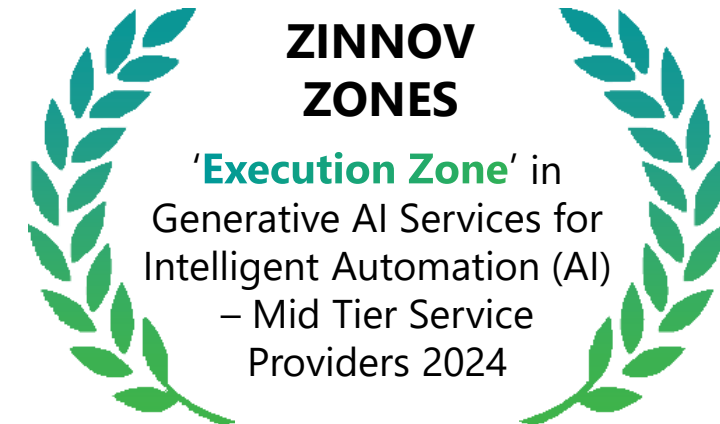
‘Best Save Water Initiative of the Year - 2024’ at Global CSR, Sustainability and ESG Awards



Happiest Minds’ **‘Arttha’** was awarded **‘ Best Banking-as-a-Service Platform of the Year’** at the 14th Africa Bank 4.0 Summit



Analyst **Mentions**



Operational and Financial Metrics

Q1 FY 25



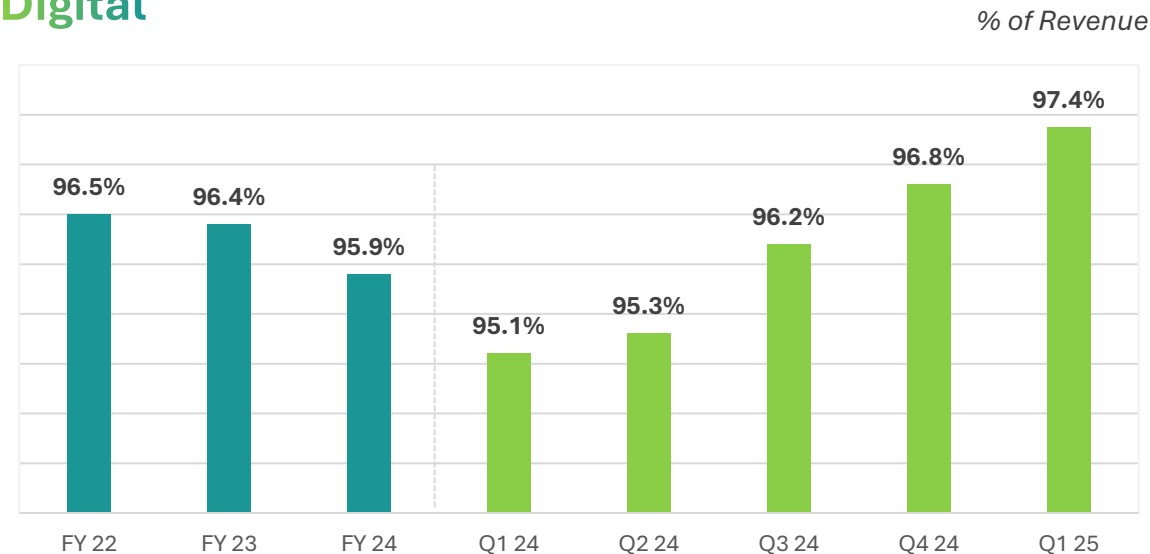
Results Q1 FY 25

All amounts in ₹ Lakhs unless stated otherwise

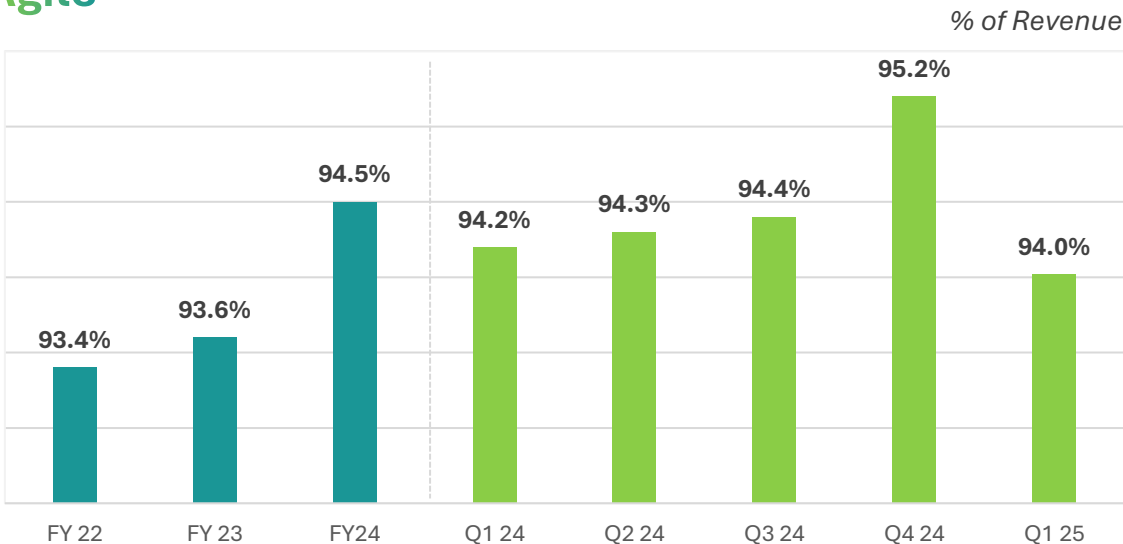
Particulars	Q1 FY25	Q4 FY24	QoQ	Q1 FY24	YoY
Revenues	46,383	41,729	11.2%	39,087	18.7%
<i>Other Income</i>	2,543	2,521		1,366	
Total Income	48,926	44,250	10.6%	40,453	20.9%
EBITDA	11,671	10,822	7.8%	10,299	13.3%
%	23.9%	24.5%		25.5%	
<i>Finance Cost</i>	1,983	1,033		1,007	
<i>Depreciation</i>	914	840		702	
<i>Amortization</i>	1,290	629		723	
<i>Non Recurring Exp/(Inc)</i>	643	-		-	
Profit Before Tax (PBT)	6,841	9,615	(28.9)%	7,868	(13.1)%
%	14.0%	21.7%		19.4%	
Tax	1,738	2,417		2,035	
%	3.6%	5.5%		5.0%	
Profit After Tax (PAT)	5,103	7,198	(29.1)%	5,833	(12.5)%
%	10.4%	16.3%		14.4%	
Revenues (\$'000)	55,547	50,077	10.9%	47,566	16.8%
Growth in Constant Currency			11.4%		17.8%

Born Digital . Born Agile

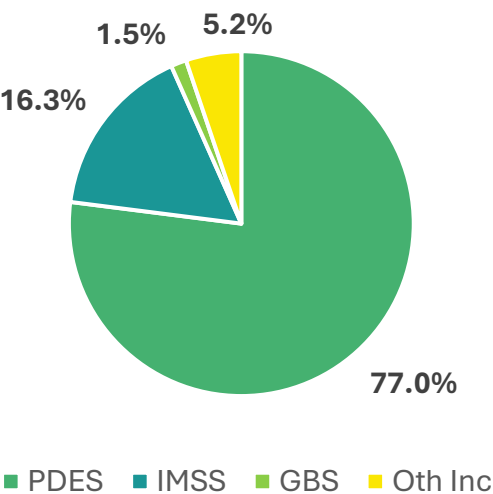
Digital



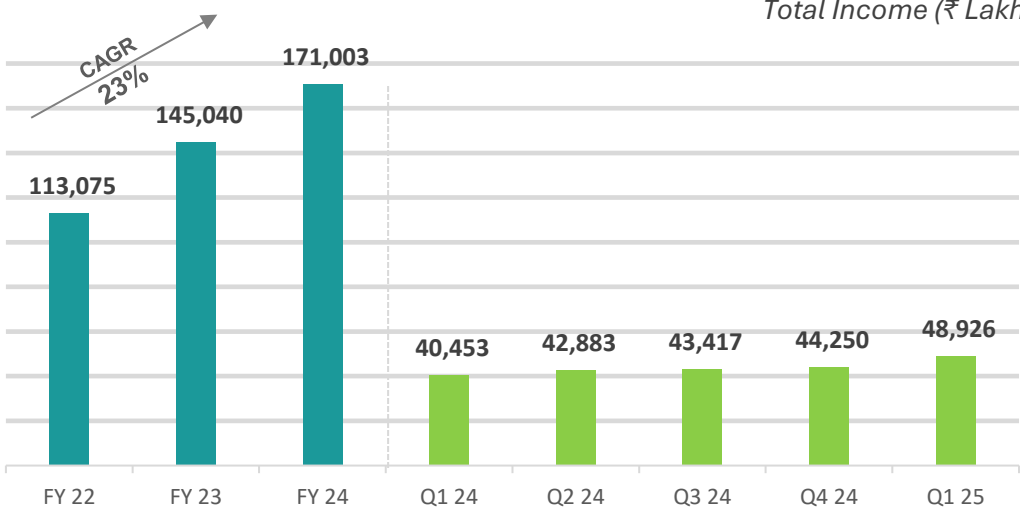
Agile



Revenue by Business Unit



Total Income (₹ Lakhs)

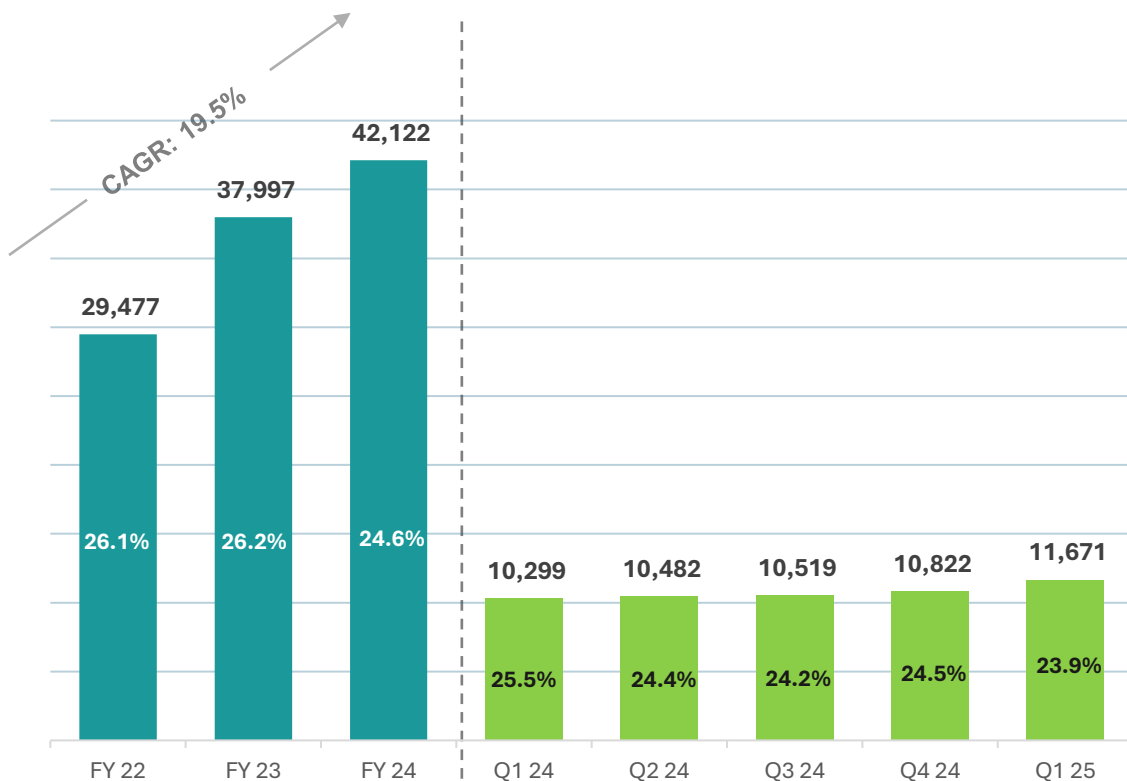


Operational & Financial Metrics

EBITDA

(₹ Lakhs)

Margin



High FCF Conversion

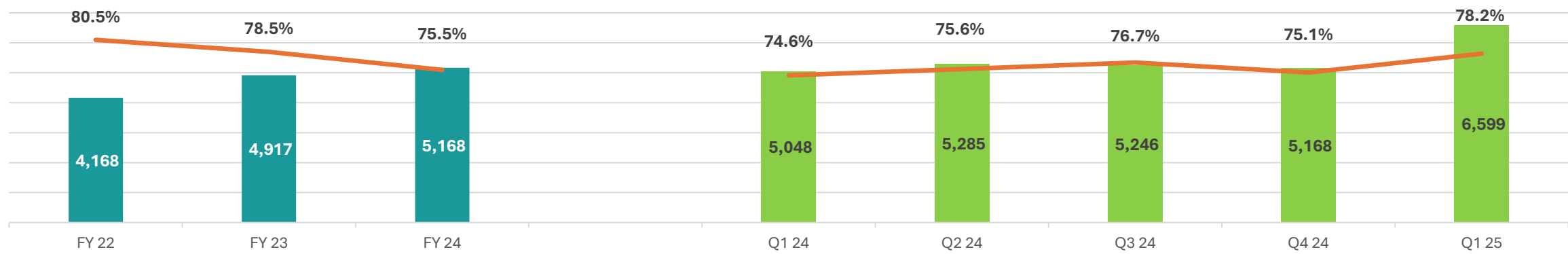
(₹ Lakhs)



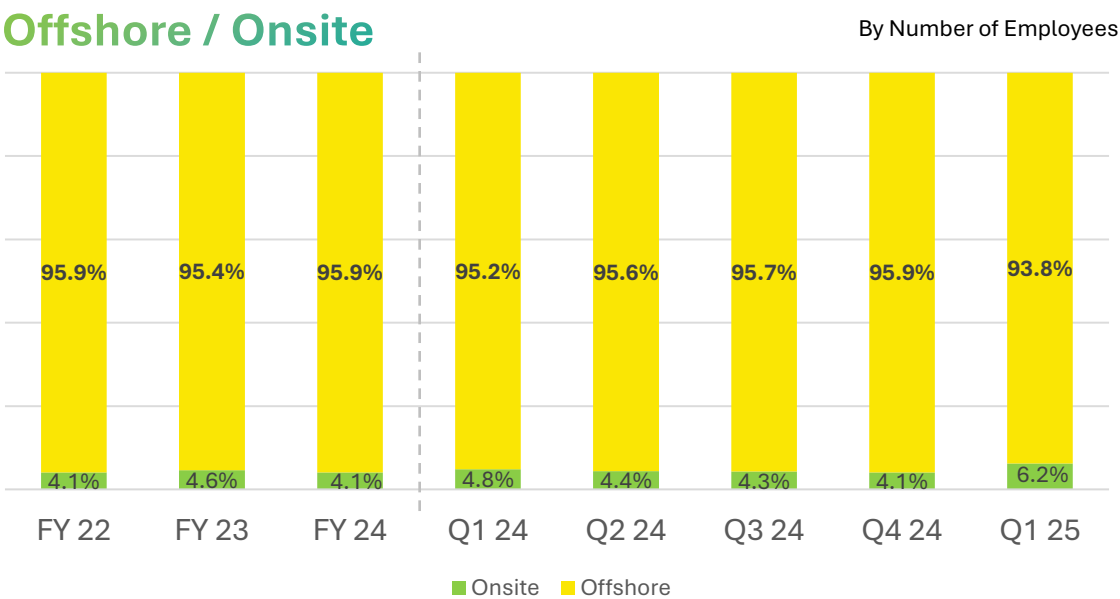
Note: 1. FCF = Free Cash Flow Conversion = FCF/EBITDA and FCF = EBITDA – Capex. (Non-GAAP Measure)

Operational & Financial Metrics

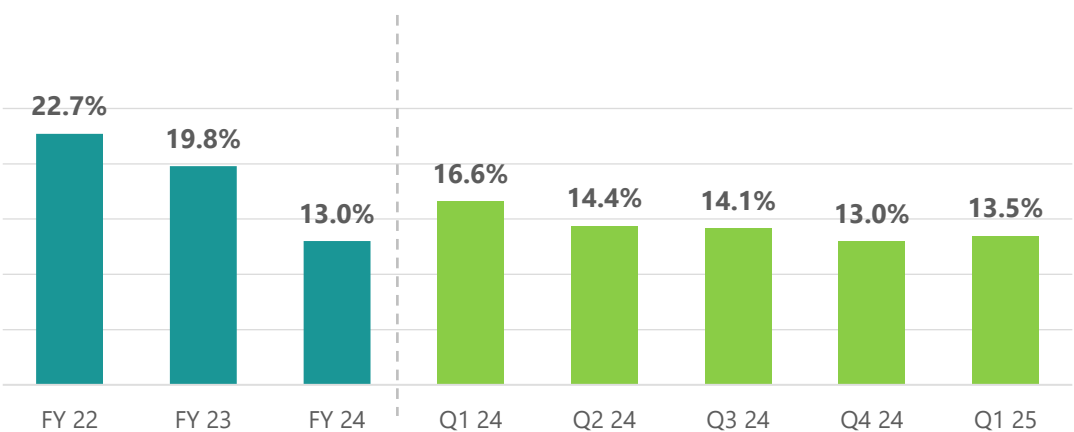
Happiest Minds & Utilization



Offshore / Onsite



Voluntary Attrition % ¹



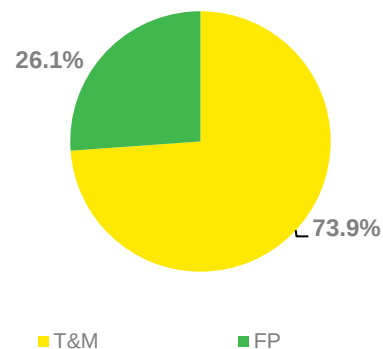
Note 1: Trailing 12 Months

Operational & Financial Metrics

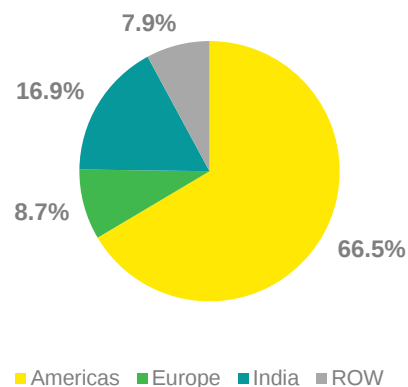
Revenue Model

Q1 25

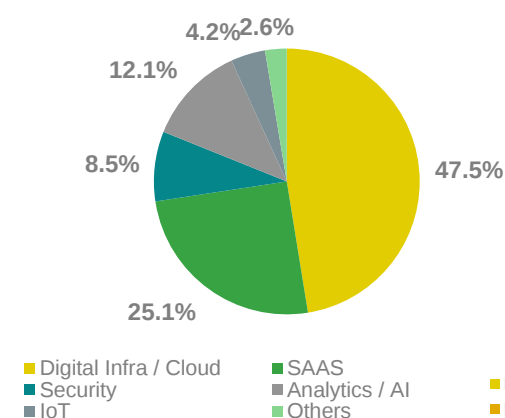
Model



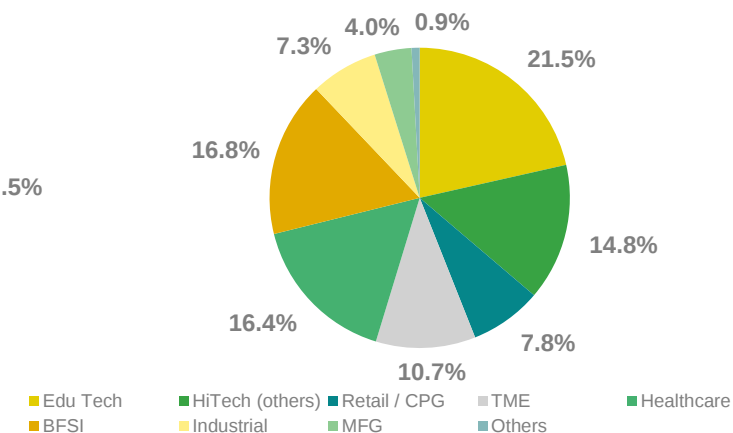
Geography



Digital Revenue

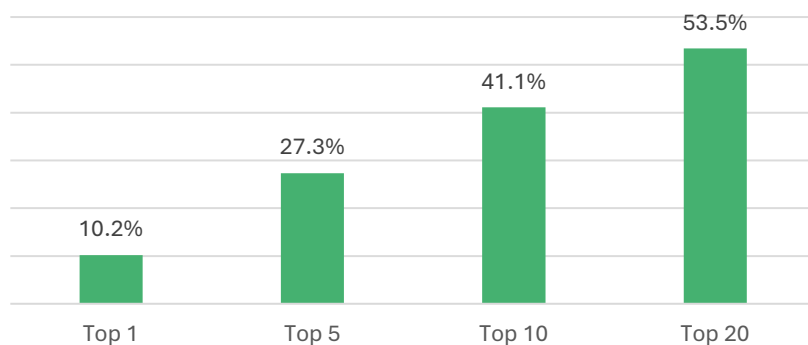


Verticals¹

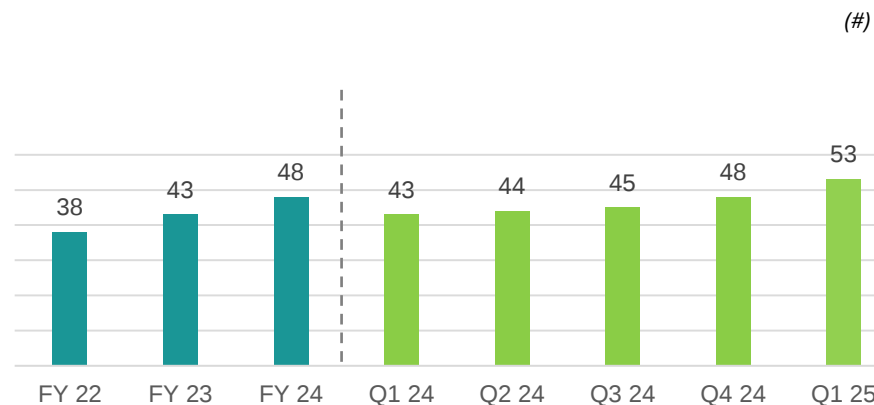


Revenue Concentration³

Q1 25 (% Revenue)



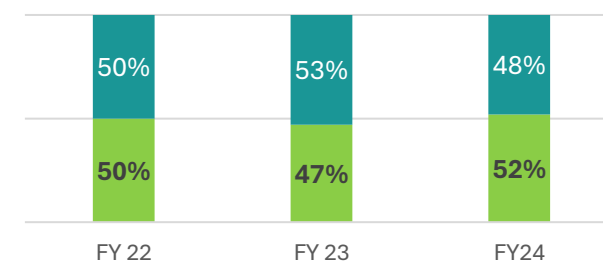
Million \$ Customers²



Tenure of Customer

% revenue from Clients

0-5 yrs > 5 yrs

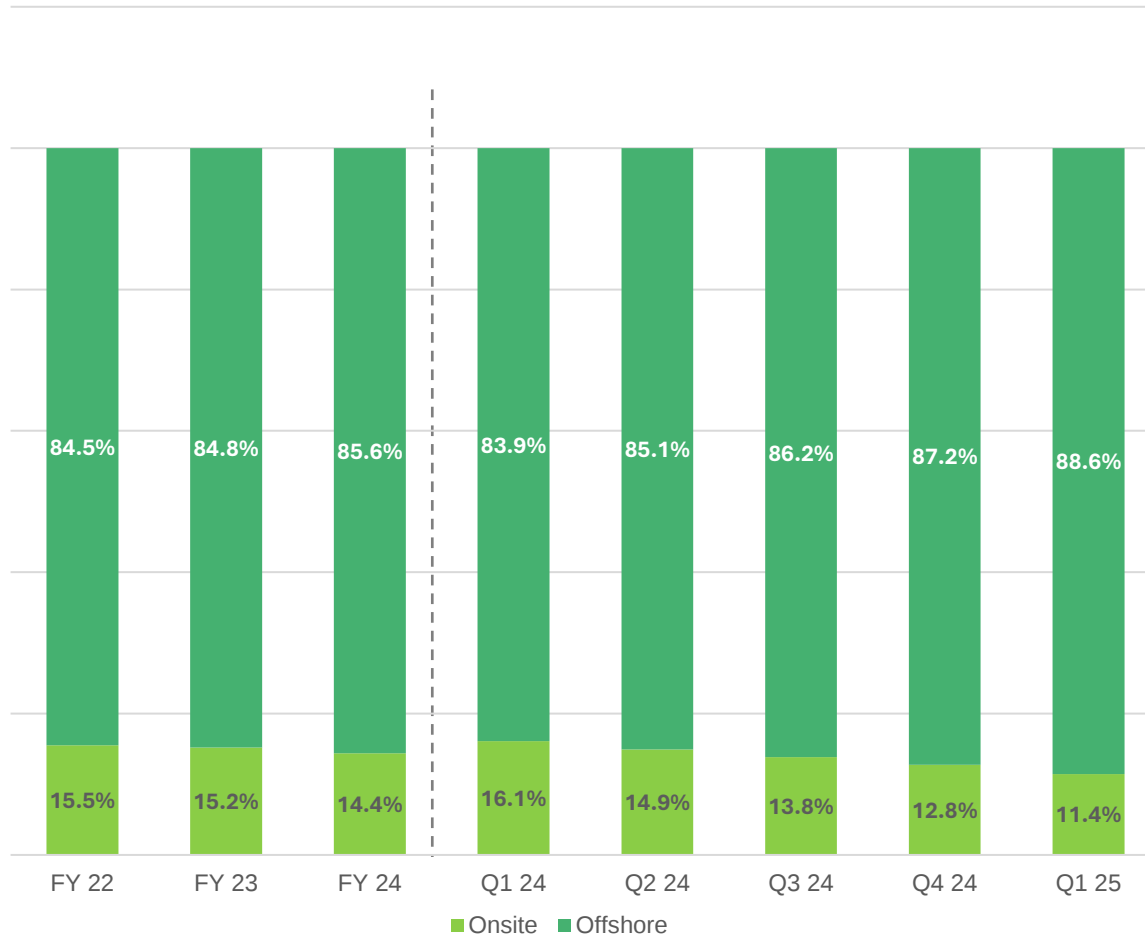


Notes: 1. TME: Travel, Media & Entertainment, 2. Based on quarterly revenues annualized. 3. Top 20 includes Top 1, 5 & 10

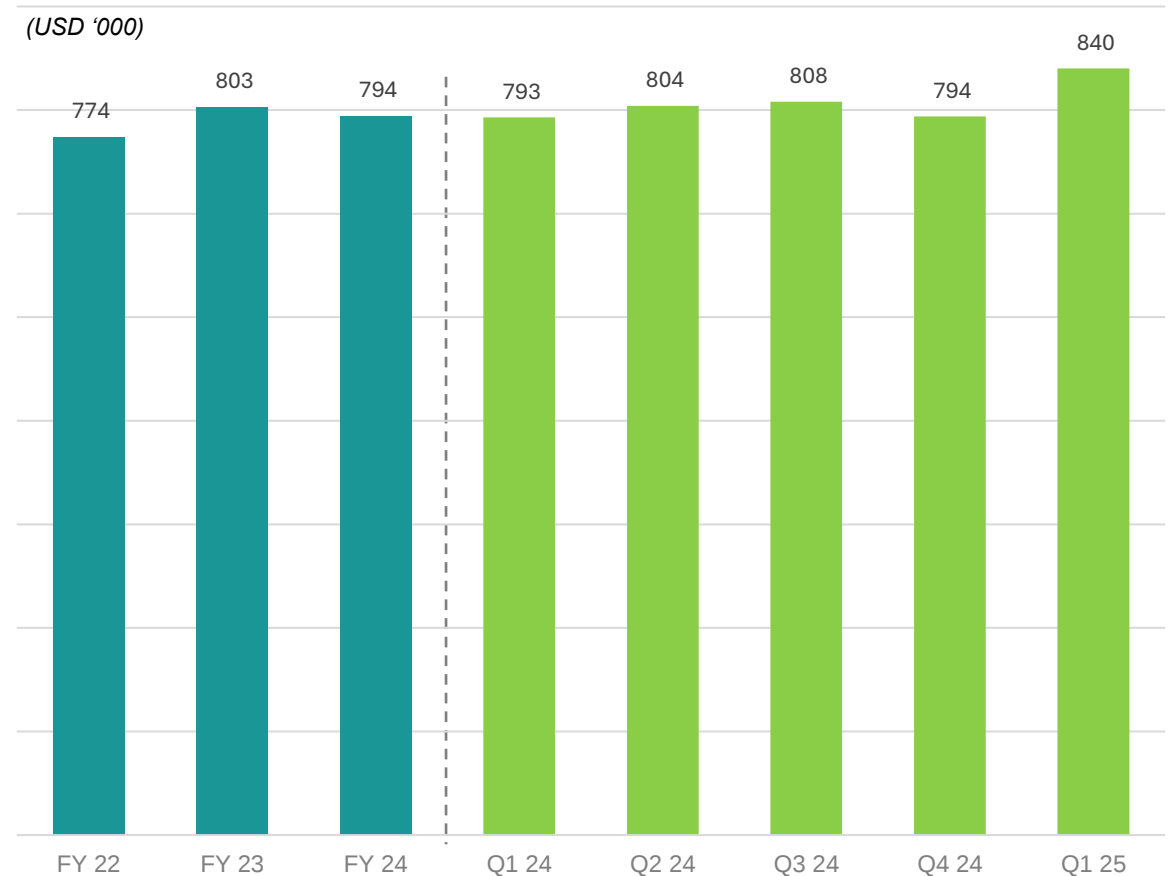
ROW* Includes – ANZ, ME, APAC, Africa & Others

Operational & Financial Metrics

Onsite/Offshore



Average Revenue / Active Customer



Operational & Financial Metrics

	FY 22	FY 23	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY 24	FY25 Q1
Verticals								
Edutech	23.2%	23.2%	24.1%	25.0%	24.0%	22.3%	23.9%	21.5%
Hitech	15.8%	16.9%	14.8%	14.2%	14.3%	14.7%	14.5%	14.8%
BFSI	13.2%	12.2%	11.0%	10.3%	10.9%	11.4%	10.9%	16.8%
Travel, Media and Entertainment (TME)	13.2%	12.9%	12.0%	11.6%	11.7%	12.2%	11.9%	10.7%
Healthcare*	-	-	12.9%	13.8%	14.8%	16.1%	14.4%	16.4%
Retail / CPG	10.3%	9.2%	7.1%	7.2%	7.6%	7.8%	7.4%	7.8%
Industrial	6.9%	8.4%	8.2%	7.6%	6.8%	7.4%	7.5%	7.3%
Manufacturing	8.6%	10.3%	5.4%	6.3%	7.4%	6.3%	6.3%	4.0%
Others	8.8%	6.9%	4.4%	4.0%	2.5%	1.6%	3.1%	0.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Digital Service Offerings								
Digital infrastructure / cloud	43.6%	45.8%	44.2%	42.3%	43.3%	41.8%	42.9%	47.5%
SaaS	20.3%	20.7%	22.2%	27.1%	26.8%	26.5%	25.7%	25.1%
Security Solutions	11.9%	12.3%	10.1%	9.3%	9.3%	9.6%	9.6%	8.5%
Analytics / AI	12.1%	12.2%	13.9%	12.9%	12.4%	13.8%	13.3%	12.1%
IoT	8.6%	5.4%	4.6%	3.7%	4.3%	5.0%	4.4%	4.2%
Total	96.5%	96.4%	95.1%	95.3%	96.2%	96.8%	95.9%	97.4%
Automation	25.4%	26.6%	28.3%	29.6%	29.1%	26.9%	28.1%	23.9%

Note : All metrics are reported as % of operating revenues:

*Healthcare carved out as a separate vertical from Q1FY24 onwards. Some customers which were earlier part of HiTech / MFG / Others have been regrouped

Operational & Financial Metrics

	FY 22	FY 23	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY 24	FY25 Q1
Revenue by Geo								
USA	66.4%	68.1%	71.9%	71.5%	70.3%	69.0%	70.7%	66.5%
India	14.1%	15.6%	15.5%	15.7%	16.4%	17.7%	16.3%	16.9%
Europe	10.4%	9.7%	8.7%	9.0%	9.0%	9.0%	8.9%	8.7%
ROW	9.0%	6.6%	3.9%	3.8%	4.4%	4.4%	4.1%	7.9%
Million \$ Customers¹								
\$ 20 M +		1	1	1	1	1	1	1
\$ 10 M +	1	-	-	1	1	2	2	2
\$ 5M to \$ 10M	4	6	6	7	7	6	6	9
\$ 3M to \$ 5M	8	6	5	4	4	2	2	2
\$ 1M to \$ 3M	25	30	31	31	32	37	37	44
Total	38	43	43	44	45	48	48	58
Tenure of customers								
0 - 5 Years	50.0%	47.0%	-	-	-	-	52.0%	
> 5 Years	50.0%	53.0%	-	-	-	-	48.0%	
Revenue Mix								
Onsite	15.5%	15.2%	16.1%	14.9%	13.8%	12.8%	14.4%	11.4%
Offshore ²	84.5%	84.8%	83.9%	85.1%	86.2%	87.2%	85.6%	88.6%
Revenue by contracting Model								
Fixed Price	25.1%	25.3%	24.5%	25.1%	27.1%	27.7%	26.1%	26.1%
Time and Material	74.9%	74.7%	75.5%	74.9%	72.9%	72.3%	73.9%	73.9%
# Active Customers	206	237	243	244	245	250	250	279
# Billion \$ Corporation	54	55	57	57	59	61	61	65

Note: 1: Based on quarter revenue annualized 2: Offshore: Revenues from customers served from India;
APAC³ and Africa⁴ Geographies has been added from Q1 FY25 after the acquisition of PureSoftware

Operational & Financial Metrics

	FY 22	FY 23	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY 24	FY25 Q1
Happiest Minds								
Onsite	172	227	244	231	224	211	211	412
Offshore	3,996	4,690	4,804	5,054	5,022	4,957	4,957	6,187
Onsite %	4.1%	4.6%	4.8%	4.4%	4.3%	4.1%	4.1%	6.2%
Offshore %	95.9%	95.4%	95.2%	95.6%	95.7%	95.9%	95.9%	93.8%
Utilization								
	80.5%	78.5%	74.6%	75.6%	76.7%	75.1%	75.5%	78.2%
Diversity								
	26.4%	27.4%	27.6%	28.1%	27.9%	27.7%	27.7%	27.7%
DSO								
Billed	55	54	58	53	57	57	57	58
Unbilled	35	31	31	30	28	29	29	26
Total	90	86	88	83	85	87	87	84
EPS ₹: Diluted								
	12.55	16.01	4.02	3.90	3.96	4.79	16.73	3.39
Capital Ratios ¹								
RoCE	34.8%	32.8%	33.1%	22.9%	22.9%	22.3%	22.3%	22.3%
RoE	27.3%	27.8%	26.0%	16.9%	16.7%	16.9%	16.9%	13.9%

Note: 1: Capital Return Ratios are YTD Annualized

Operational & Financial Metrics

All figures in ₹ Lakhs

	FY 22		FY 23		FY24 Q1		FY24 Q2		FY 24 Q3		FY24 Q4		FY 24		FY25 Q1	
Revenue by BU																
IMSS	24,168	21.4%	30,694	21.2%	7,516	18.6%	7,381	17.2%	7,299	16.8%	7,551	17.1%	29,746	17.4%	7,992	16.3%
PDES	85,199	75.4%	112,236	77.4%	31,569	78.0%	33,281	77.6%	33,689	77.6%	34,178	77.2%	132,719	77.6%	37,678	77.0%
GBS	-	-	-		-	-	-	-	-	-	-	-	-	-	713	1.5%
Total Revenue	109,367	96.8%	142,930	98.6%	39,085	96.6%	40,662	94.8%	40,988	94.4%	41,729	94.3%	162,466	95.0%	46,383	94.8%
Other Income	3,708	3.2%	2,110	1.4%	1,368	3.4%	2,221	5.2%	2,429	5.6%	2,521	5.7%	8,537	5.0%	2,543	5.2%
Total Income	113,075	100.0%	145,040	100.0%	40,453	100.0%	42,883	100.0%	43,417	100.0%	44,250	100.0%	171,003	100.0%	48,926	100.0%

IMSS: Infrastructure Management & Security Services. |. PDES : Product & Digital Engineering Services. |. GBS: Generative AI Business Services

*GBS started its operations from Q1FY25 onwards.

Summary Profit & Loss Statement

All figures in ₹ Lakhs

	FY 22	FY 23	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY 24	FY25 Q1
Income								
Operating revenue	109,365	142,929	39,087	40,662	40,988	41,729	162,466	46,382
Other Income	3,710	2,111	1,366	2,221	2,429	2,521	8,537	2,544
Total income	113,075	145,040	40,453	42,883	43,417	44,250	171,003	48,926
Cost of revenue	64,404	82,827	23,404	24,980	25,213	25,607	99,204	28,614
Gross Margin	44,961	60,101	15,683	15,682	15,775	16,122	63,262	17,768
%	41.1%	42.0%	40.1%	36.6%	38.5%	38.6%	38.9%	38.3%
SG&A	19,193	24,215	6,750	7,421	7,685	7,821	29,677	9,285
%	17.5%	16.9%	17.3%	18.3%	18.7%	18.7%	18.3%	20.0%
EBITDA	29,477	37,997	10,299	10,482	10,519	10,822	42,122	11,028
%	26.1%	26.2%	25.5%	24.4%	24.2%	24.5%	24.6%	22.5%
Depreciation	3,288	4,191	1,424	1,455	1,481	1,469	5,289	2,204
%	3.0%	2.9%	3.6%	3.6%	3.6%	3.5%	3.6%	4.8%
EBIT	26,189	33,806	8,875	9,027	9,038	9,353	36,293	8,823
%	23.2%	23.3%	21.9%	21.1%	20.8%	21.1%	21.2%	19.0%
Finance cost	995	2,186	1,007	1,115	1,072	1,033	4,227	1,982
PBT before exceptional item*	25,194	31,620	7,868	7,912	7,966	8,320	32,066	6,841
%	22.2%	21.7%	19.4%	18.5%	18.3%	18.8%	18.7%	14.0%
Exceptional items*	609	634	-	-	-107	-1,295	-1,402	-
PBT *	24,585	30,986	7,868	7,912	8,073	9,615	33,468	6,841
%	21.7%	21.4%	19.4%	18.5%	18.6%	21.7%	19.6%	14.0%
Current tax	6,310	8,508	2,280	2,237	2,192	2,809	9,518	2,114
Deferred tax	155	-621	-245	-171	-81	-392	-889	-376
Total Tax	6,465	7,887	2,035	2,066	2,111	2,417	8,629	1,738
%	5.7%	5.4%	5.0%	4.8%	4.9%	5.5%	5.0%	3.6%
PAT *	18,120	23,099	5,833	5,846	5,962	7,198	24,839	5,103
%	16.0%	15.9%	14.4%	13.6%	13.7%	16.3%	14.5%	10.4%

*+Exceptional items for FY22 & Q3 FY23 refers to Loss on Fair Valuation of Warrant Liability. For Q3FY24 & Q4FY24 is Gain on fair valuation of contingent consideration

Condensed Balance Sheet

All figures in ₹ Lakhs

	31.03.2022	31.03.2023	30.06.2023	31.09.2023	31.12.2023	31.03.2024	30.06.2024
Assets							
Non-current assets							
Property, plant and equipment	78	13,278	13,202	13,386	13,856	13,778	14,062
Goodwill	7,896	13,913	13,901	13,997	14,013	14,032	70,773
Financial & Other assets	11,788	29,594	27,642	35,841	36,903	19,192	65,379
Total non-current assets (A)	19,762	56,785	54,745	63,224	64,772	47,002	150,214
Current Assets							
Financial & Other assets							
i. Trade receivable	16,738	21,319	24,534	23,308	25,336	25,444	35,516
ii. Cash & Cash equivalents, Investments & Other financial assets	72,609	81,484	85,516	127,619	126,953	147,540	166,204
iii. Other assets	3,392	4,495	5,260	6,184	5,242	4,793	4,430
Total current assets (B)	92,739	107,298	115,310	157,111	157,531	177,777	206,150
Total assets (A + B)	112,501	164,083	170,055	220,335	222,303	224,779	356,364
Equity and Liabilities							
Total equity (A)	66,580	83,882	90,395	139,403	141,465	148,024	148,268
Non-current liabilities							
Financial liabilities	7,134	18,035	17,483	17,957	16,174	15,416	28,015
Provisions & Deferred tax liability	2,086	4,526	4,577	4,631	4,975	4,641	14,031
Total non-current liabilities (B)	9,220	22,561	22,060	22,588	21,149	20,057	42,046
Current liabilities							
Financial & Contract liabilities							
i. Trade payable	6,072	7,052	8,007	7,804	7,558	7,915	9,844
ii. Others	26,266	45,921	44,595	45,710	47,474	43,839	150,036
Provisions & Other current liabilities	4,363	4,667	4,998	4,830	4,656	4,944	6,169
Total current liabilities (C)	36,701	57,640	57,600	58,344	59,688	56,698	166,049
Total liabilities (D = B + C)	45,921	80,201	79,660	80,932	80,837	76,755	208,095
Total equity and liabilities (A + D)	112,501	164,083	170,055	220,335	222,303	224,779	356,363

Certain Balance Sheet Ratios

	Q1 FY25	Q4 FY24	Q1 FY24	FY24
Additional Balance Sheet Ratios				
Debt-Equity ratio	0.90	0.35	0.58	0.35
Debt Service Coverage ratio (DSCR)	7.43	6.39	5.15	5.25
Interest Service Coverage ratio (ISCR)	4.93	9.25	9.29	8.97
Current ratio	1.24	3.14	2.00	3.14
Long-term Debt to Working Capital ratio	0.27	0.09	0.22	0.09
Bad debts to Trade receivable ratio	0.01	0.03	0.00	0.02
Current liability ratio	0.80	0.74	0.72	0.74
Total Debt to total Assets ratio	0.38	0.23	0.31	0.23
Trade Receivable Turnover Ratio	6.09	7.14	6.82	6.95
Operating margin (%)	0.18	0.20	0.23	0.21
Net profit margin (%)	0.11	0.17	0.15	0.15
Net worth as per Section 2(57) of the Companies Act, 2013 (in INR Lakhs)	148,555	148,347	89,449	148,347

Global Presence



Headquarters – Bengaluru

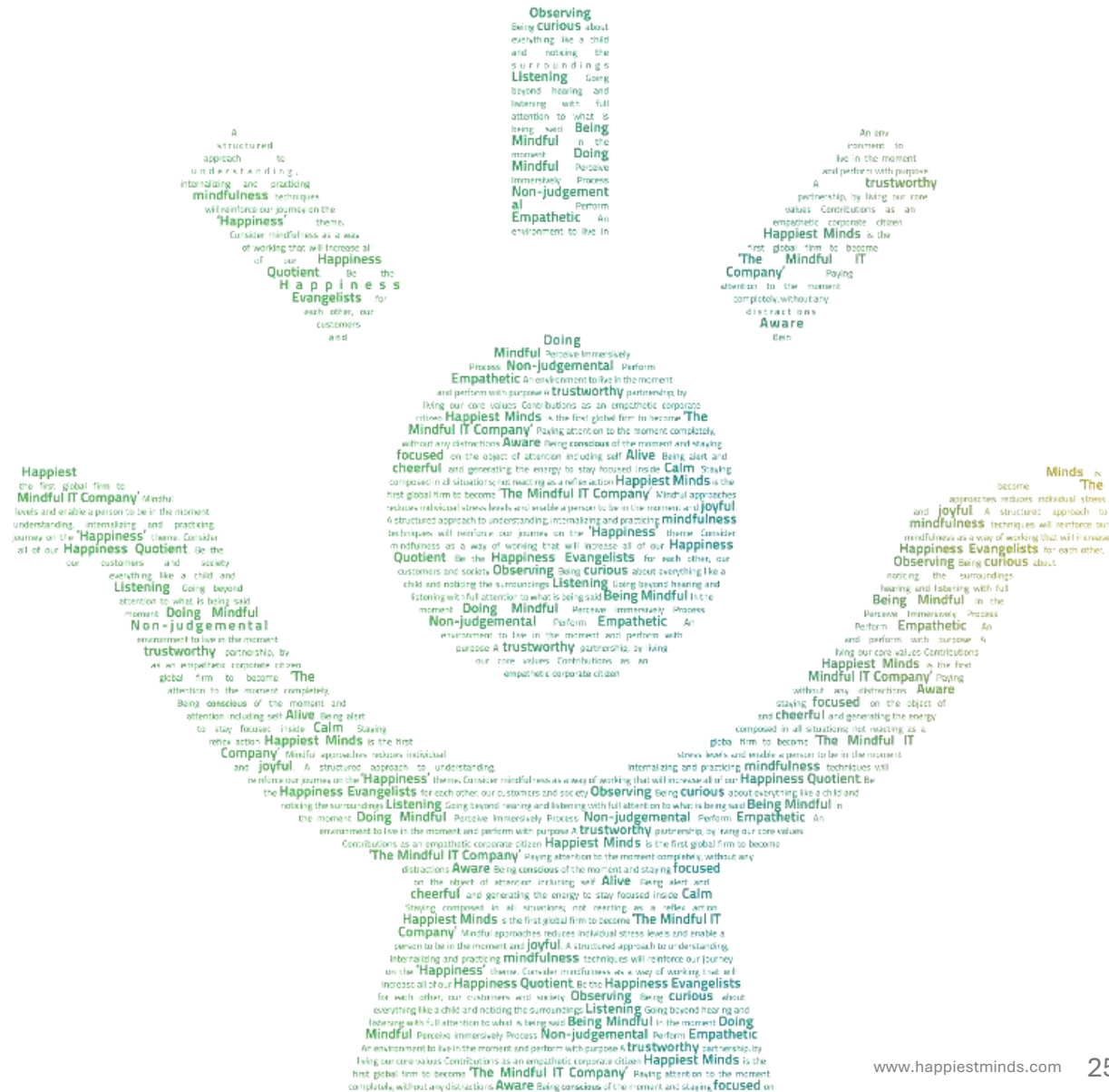
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PRESS RELEASE

Happiest Minds revenue growth accelerates: 17.8% YoY in constant currency; and set to report its best performance since its IPO.

EBITDA grows YoY by 13.3% to ₹ 117 Crores

Bengaluru, Seattle and London, August 12, 2024: Happiest Minds Technologies Limited (NSE:HAPPSTMNDS), a 'Born Digital. Born Agile', a digital transformation and IT solutions company, today announced its consolidated results for the first quarter ended June 30, 2024, as approved by its Board of Directors.

Ashok Soota, Executive Chairman, said, *"Happiest Minds has begun the new fiscal year by setting the foundation for the best performance since our IPO. Establishment of Gen AI business services, BU reorganization with industry groups into profit centers, and two excellent acquisitions have set us on a path of accelerated growth, which will be further manifested in successive quarters."*

Key Financial highlights

- Revenue in constant currency grew 11.4% q-o-q and 17.8% y-o-y
- Operating Revenues in US \$ stood at \$55.5 million growing 10.9% q-o-q and 16.8% y-o-y
- Total Income of ₹ 48,926 lakhs growing 10.6% q-o-q and 20.9% y-o-y
- EBITDA of ₹ 11,671 lakhs, 23.9% of Total Income (growth of 7.8% q-o-q and 13.3% y-o-y)
- PAT of ₹ 5,103 lakhs 10.4% of Total Income (decline of 29.1% q-o-q and 12.5% y-o-y)*
- Free cash flows of ₹ 11,569 Lakhs and EPS (diluted) at ₹ 3.39

**Decline primarily due to non-recurring expense in the current quarter vs a large exception write-back in the previous period, also increased amortization and financing costs arising from recent acquisitions*

All amounts in ₹ Lakhs unless stated otherwise.

Particulars	Q1 FY25	Q4 FY24	QoQ	Q1 FY24	YoY
Revenues	46,383	41,729	11.2%	39,087	18.7%
Other Income	2,543	2,521		1,366	
Total Income	48,926	44,250	10.6%	40,453	20.9%
EBITDA	11,671	10,822	7.8%	10,299	13.3%
%	23.9%	24.5%		25.5%	
Finance Cost	1,983	1,033		1,007	
Depreciation	914	840		702	
Amortization	1,290	629		723	
Non Recurring Exp/(Inc)	643	-		-	
Profit Before Tax (PBT)	6,841	9,615	(28.9)%	7,868	(13.1)%
%	14.0%	21.7%		19.4%	
Tax	1,738	2,417		2,035	
%	3.6%	5.5%		5.0%	
Profit After Tax (PAT)	5,103	7,198	(29.1)%	5,833	(12.5)%
%	10.4%	16.3%		14.4%	
Revenues (\$'000)	55,547	50,077	10.9%	47,566	16.8%
Growth in Constant Currency			11.4%		17.8%

Venkatraman Narayanan, MD & CFO, said "The quarter was eventful, and our results for the same include that of our two acquisitions: PureSoftware and Aureus. Our revenues in constant currency grew year over year by 17.8% while EBITDA grew by 13.3%. Variation in PBT and PAT are primarily on account of non-recurring expenses in the current quarter versus a large exceptional write-back in the previous, and increased amortization and financing costs arising from acquisitions."

Joseph Anantharaju, Executive Vice Chairman, said, "Our sustained growth reflects our resilience and agility to adapt to market conditions quickly. We remain laser-focused on our client's needs and are set to leverage our Industry Groups and recent acquisitions to deliver on our client's strategic imperatives. The newly created Generative AI Business Services (GBS) is also helping us create transformative solutions that are helping customers to further extend their digital journeys."

Clients:

- 279 as of June 30, 2024
- 41 additions in the quarter

Our People - Happiest Minds:

- 6,599 Happiest Minds as of June 30, 2024
- Trailing 12-month attrition of 13.5% (13.0% in the previous quarter)
- Utilization of 78.2%, from 75.1% in last quarter

Key wins

- For **world's leading beverage maker**, Happiest Minds is enhancing their sales process through an generative AI enabled chat bot for actionable intelligence and decision making.
- For **US based provider of sustainable solutions**, this new win entails Happiest Minds to enhance their data platform and visualization.
- For **US based professional body in the healthcare sector**, Happiest Minds is their strategic partner to migrate to a cloud-based CRM solution.
- For **US based professional organization of emergency healthcare providers**, this strategic multi-year cyber security engagement entails Happiest Minds to provide managed security services to prevent, detect, and respond to cyber security incidents.
- For **one of the largest integrated laboratory system in North America**, Happiest Minds will co-partner to implement and manage the Identity and Access Management solutions on a managed service model.
- For **the largest Professional Clearing Member in India**, Happiest Minds has been chosen to provide managed security services and security operations centre (SOC) services.
- For a **leading European on-demand printing and fulfilment company**, Happiest Minds is providing IT Services to support their delivery and operations.
- For a **leading American multinational investment bank and financial services company**, Happiest Minds has been selected to drive their digital transformation program.

Awards

- Happiest Minds is recognized among '**50 Best Firms for Data Scientists to Work For in 2024**' by Analytics India Magazine (AIM)
- Happiest Minds was selected as a **WINNER** at '**CNBC-TV18 India Risk Management Awards 2024**'
- Happiest Minds was awarded '**Best Save Water Initiative of the Year – 2024**' at Global CSR, Sustainability and ESG Awards
- Happiest Minds' **Arttha** solution was awarded '**Best Banking-as-a-Service Platform of the Year**' at the 14th Africa Bank 4.0 Summit

Analyst Mentions

- Happiest Minds is '**Product Challenger**' for Design & Development, Platform & App Services and Integrated CX-UX – ISG
- Happiest Minds is '**Cybersecurity - Solutions and Services 2024**' - ISG Provider Lens™ Study - Australia, U.K., U.S. for market standing
- Happiest Minds is '**Innovators**' and '**High Achievers**' - NelsonHall's End-to-End Cloud Infrastructure Management Services 2024
- Happiest Minds is in '**Execution Zone**' in Generative AI Services for Intelligent Automation (IA) - Mid Tier Service Providers 2024 - Zinnov Zones

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: HAPSTMNDS), 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 Product & Digital Engineering Services (PDES), Generative AI Business Services (GBS) and Infrastructure Management & Security Services (IMSS). We deliver these services across industry groups: Banking, Financial Services & Insurance (BFSI), EdTech, Healthcare & Life Sciences, Hi-Tech and Media & Entertainment, Industrial, Manufacturing, Energy & Utilities, and Retail, CPG & Logistics. The company has been recognized for its excellence in Corporate Governance practices by Golden Peacock and ICSI. A Great Place to Work Certified™ company, Happiest Minds is headquartered in Bengaluru, India with operations in the U.S., UK, Canada, Australia, and the Middle East.

Safe harbor

This release may contain certain forward-looking statements, which involves risks and uncertainties that could cause our future results to differ materially from those in such forward-looking statements. The COVID-19 pandemic could decrease our customers' technology spend, delaying prospective customers' purchasing decisions, and impact our ability to provide services; all of which could adversely affect our future revenue, margin, and overall financial performance. Our operations could also be negatively impacted by a range of external factors not within our control including those due to the pandemic. We do not undertake to update any of our forward-looking statements that may be made from time to time by us or on our behalf.

For more information, contact:

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