

Investor Presentation & Fact sheet: Q4 FY 21







May 2021



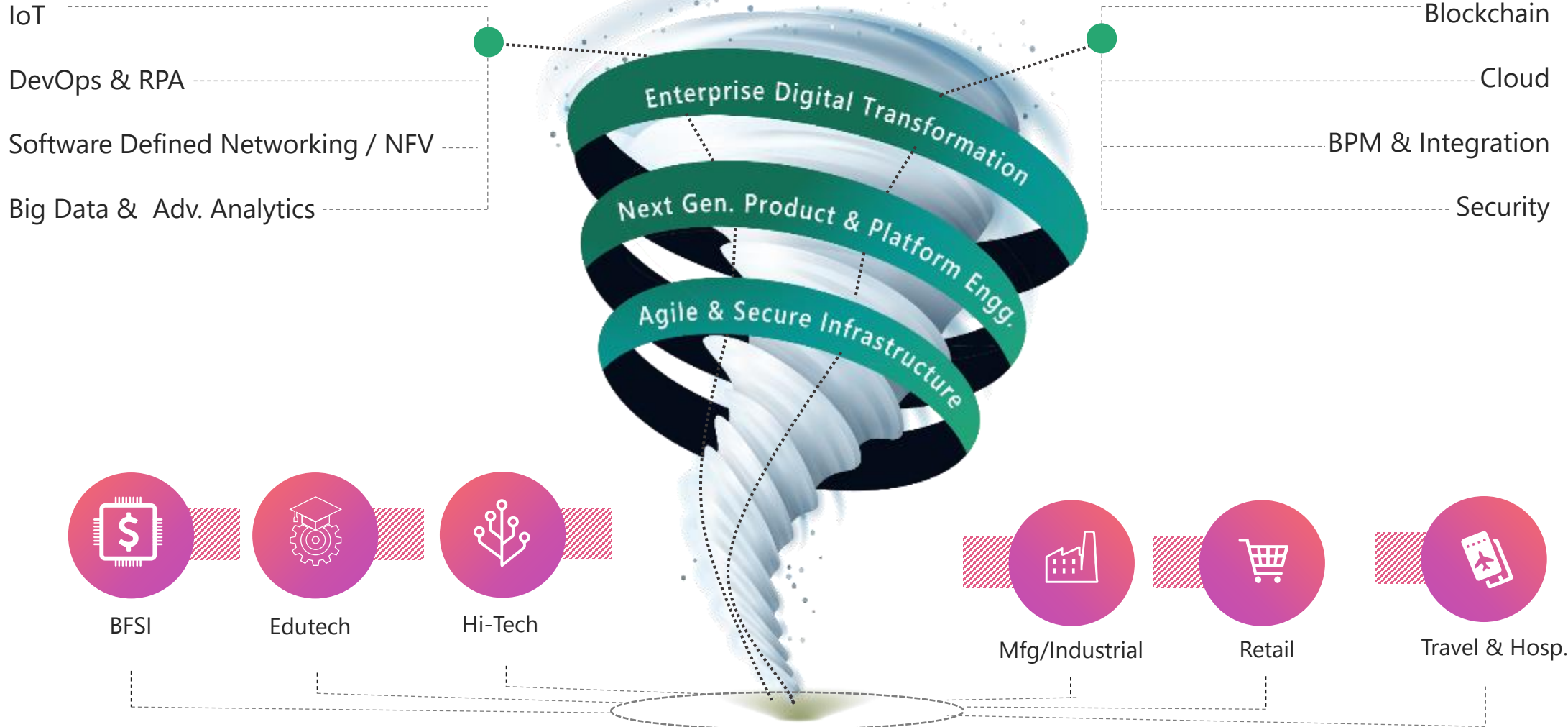
This presentation may contain certain forward-looking statements, which involves risks and uncertainties that could cause our future results to differ materially from those in such forward-looking statements. The COVID-19 pandemic could decrease our customers' technology spend, delaying prospective customers' 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.

About Happiest Minds

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

 <p>IPO In September 2020</p> <ul style="list-style-type: none"> • 100 % digitally executed IPO • Heavily oversubscribed with healthy listing gains Reflects <ul style="list-style-type: none"> • Our growth and profitability • Management Team & Corporate governance 	<p>97% Digital</p> <p>'Born Digital. Born Agile'</p>	<p>94% Agile</p>	<p>173 Active clients</p> <p>46 Fortune2000 / Forbes200 / Billion \$ corporations</p> <p>87% of repeat business ¹</p>	<p>31.2% RoCE²</p> <p>29.8% RoE</p>
<p>Promoter</p>  <p>Ashok Soota</p>	<p>Mission Statement Happiest People. Happiest Customers</p> <p>SMILES Values Sharing, Mindful, Integrity, Learning, Excellence, Social Responsibility</p>	<p>3,228 Happiest Minds across 7 Countries</p>	<p>Great Place To Work</p> <ul style="list-style-type: none"> • Ranked #4 - Amongst IT Services • Top 50 India's Best Workplaces for Women • Top 100 India's Best Workplaces 	<p>4.3 rating on Glassdoor #2 amongst Indian IT Services</p>
<div style="display: flex; justify-content: space-around; align-items: center;"> <div data-bbox="639 1082 794 1339">  </div> <div data-bbox="1039 1100 1195 1300">  </div> <div data-bbox="1403 1105 1786 1218">  </div> <div data-bbox="1989 1119 2397 1339">  </div> </div> <p style="text-align: center;">Leaders – ER&D Services Leaders - Education</p>				

Our Business



Mission, Vision and Values

Our Values



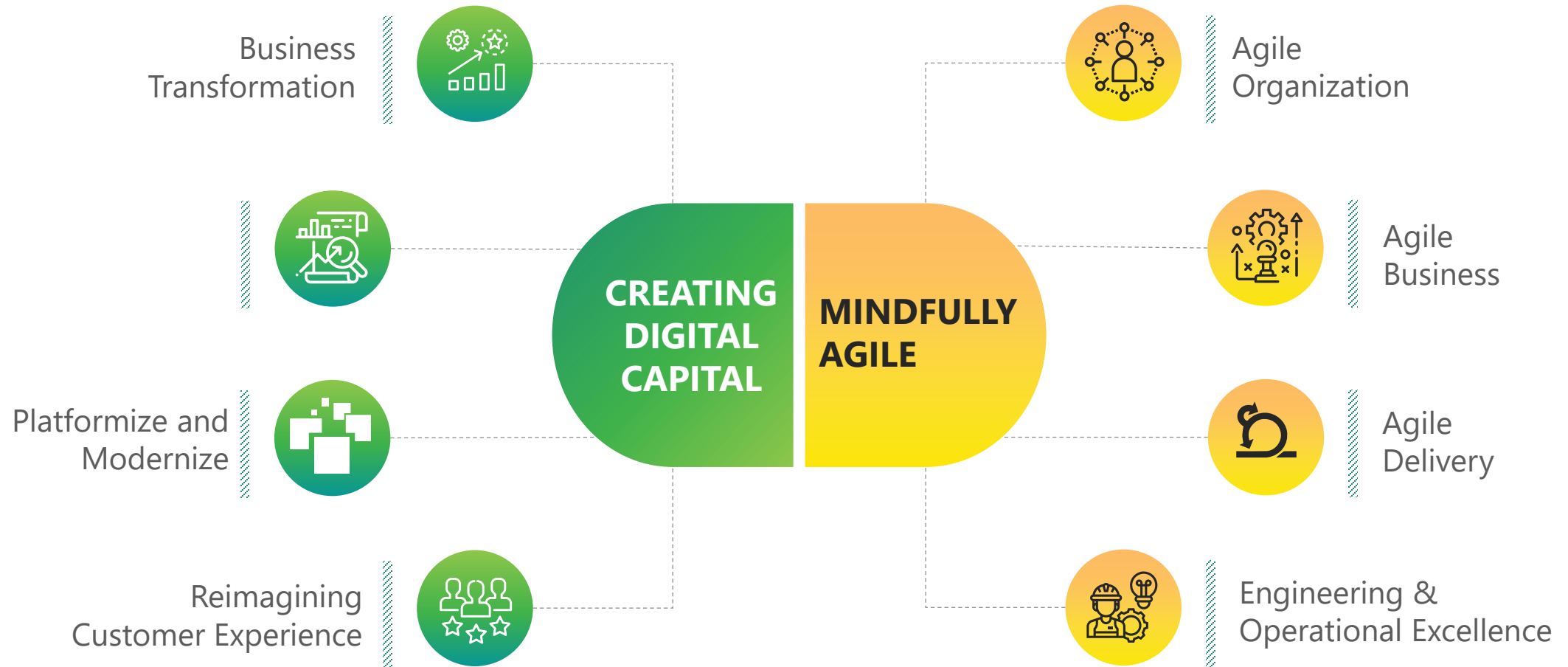
Our 5-year Vision

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



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

Born Digital. Born Agile.



Operational and Financial Metrics – Q4 and FY21

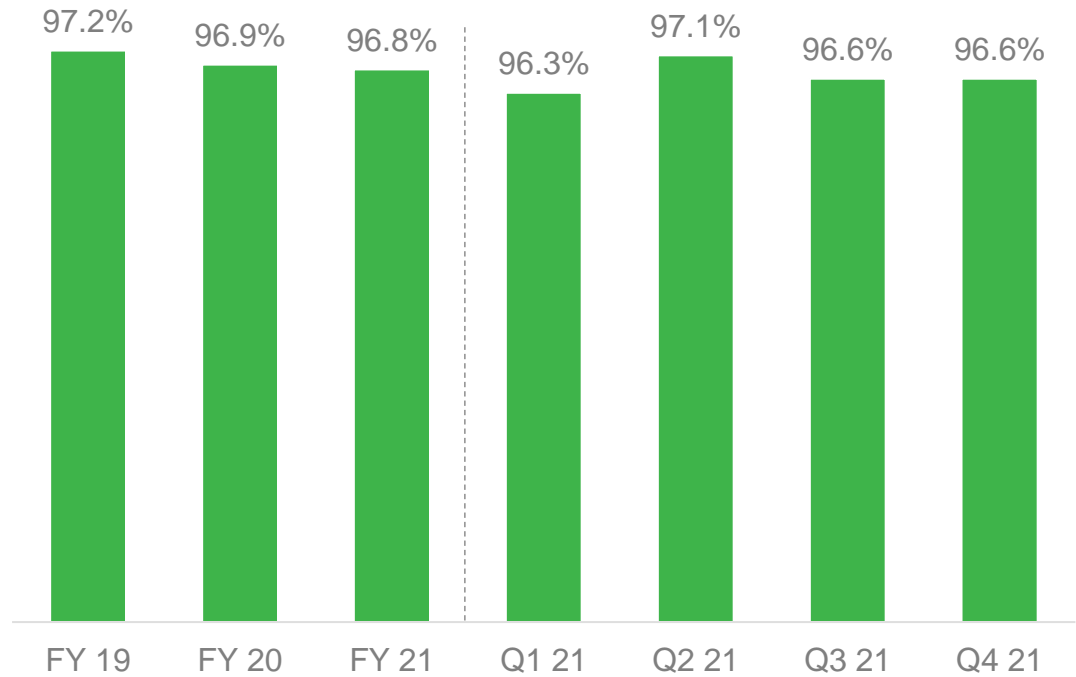
Results Q4 & FY 21

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

Born Digital. Born Agile.

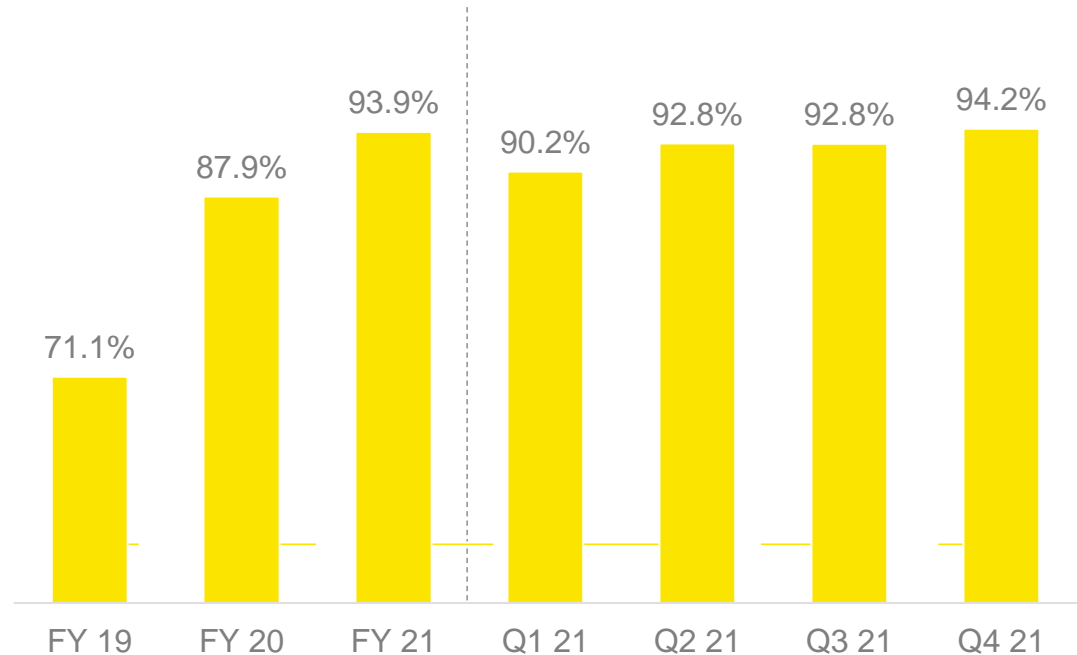
Digital

% of Revenue



Agile

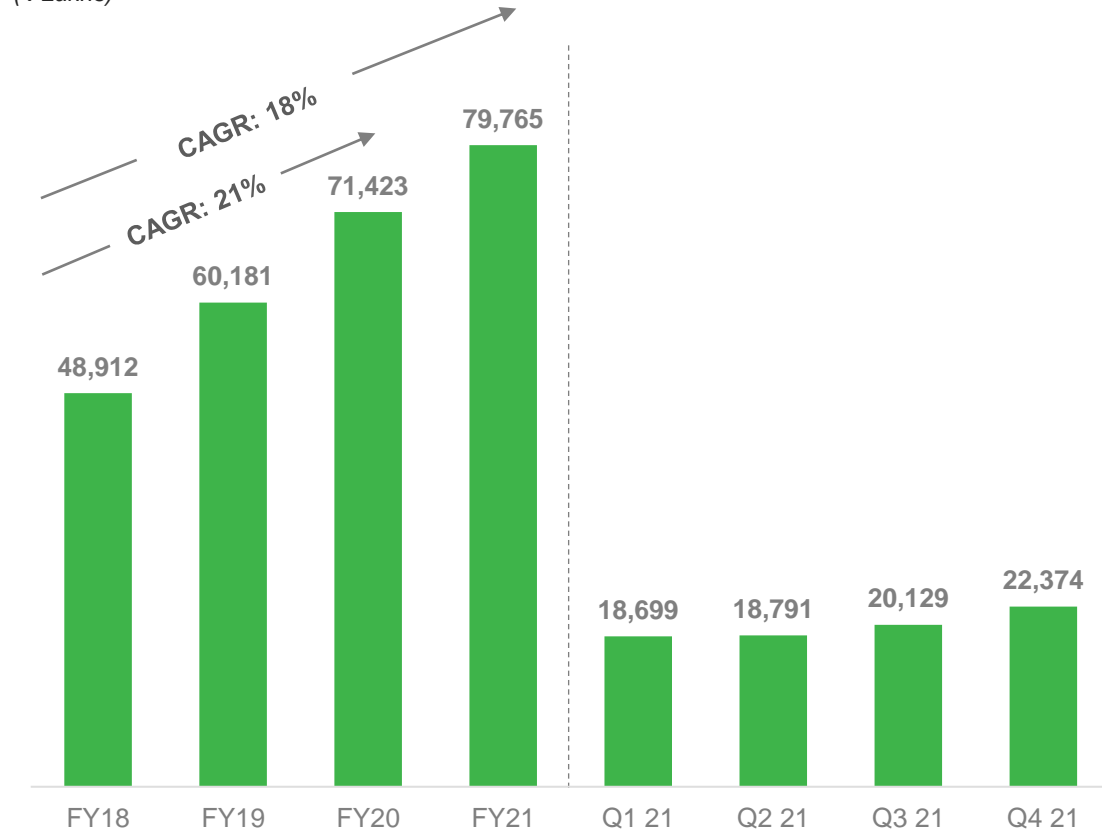
% of Revenue



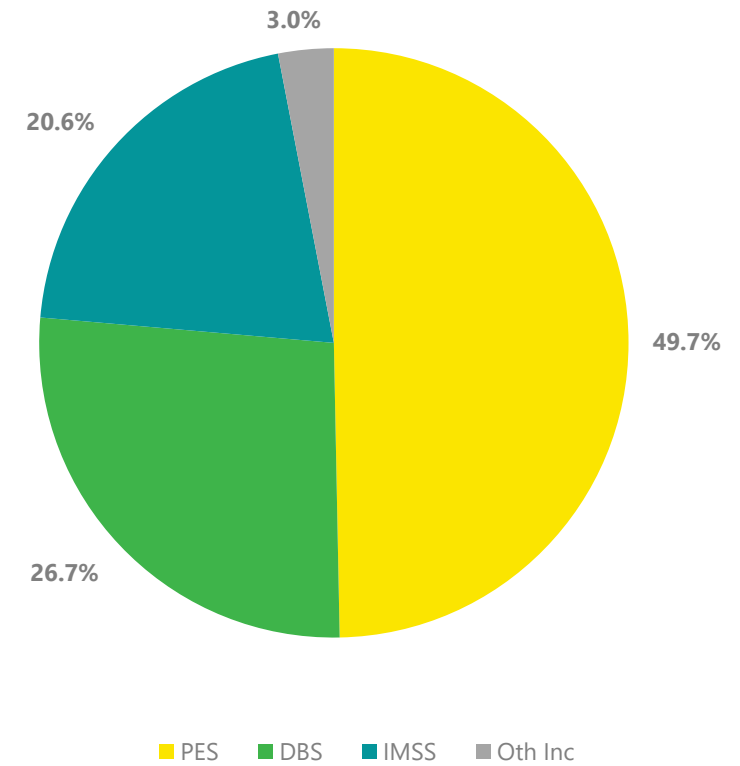
Operational & Financial Metrics

Revenues - Growth

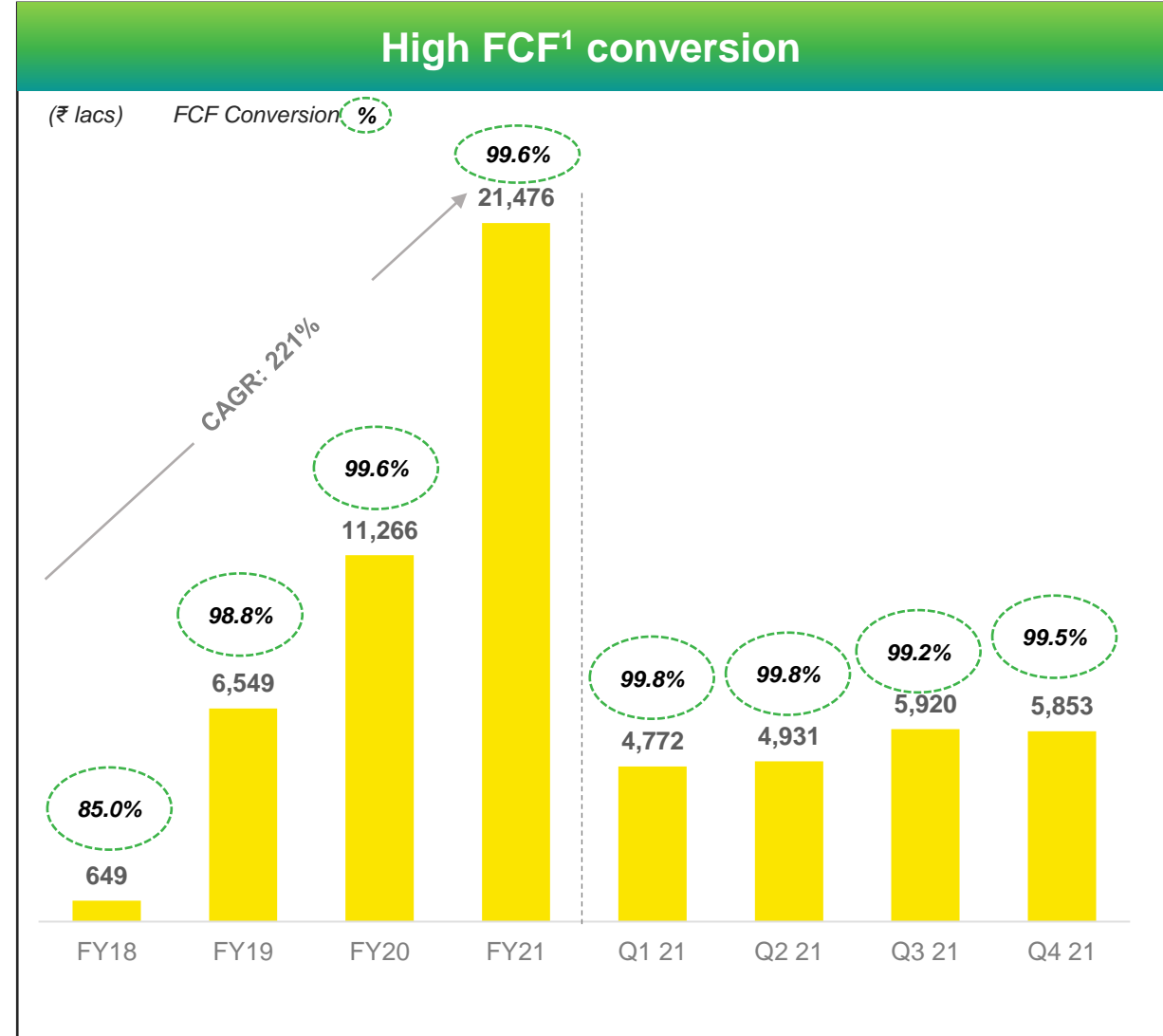
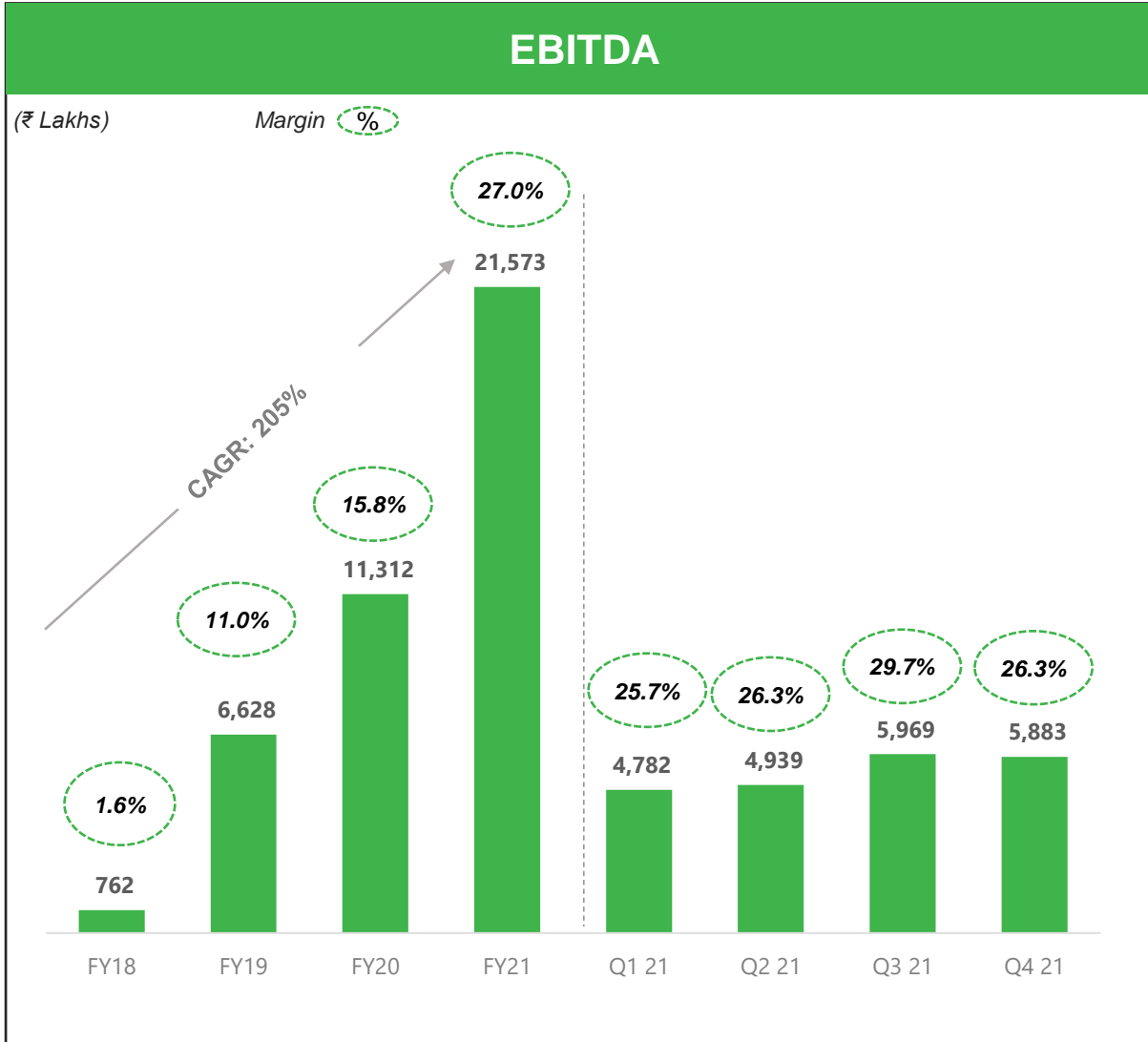
(₹ Lakhs)



Revenue Contributors

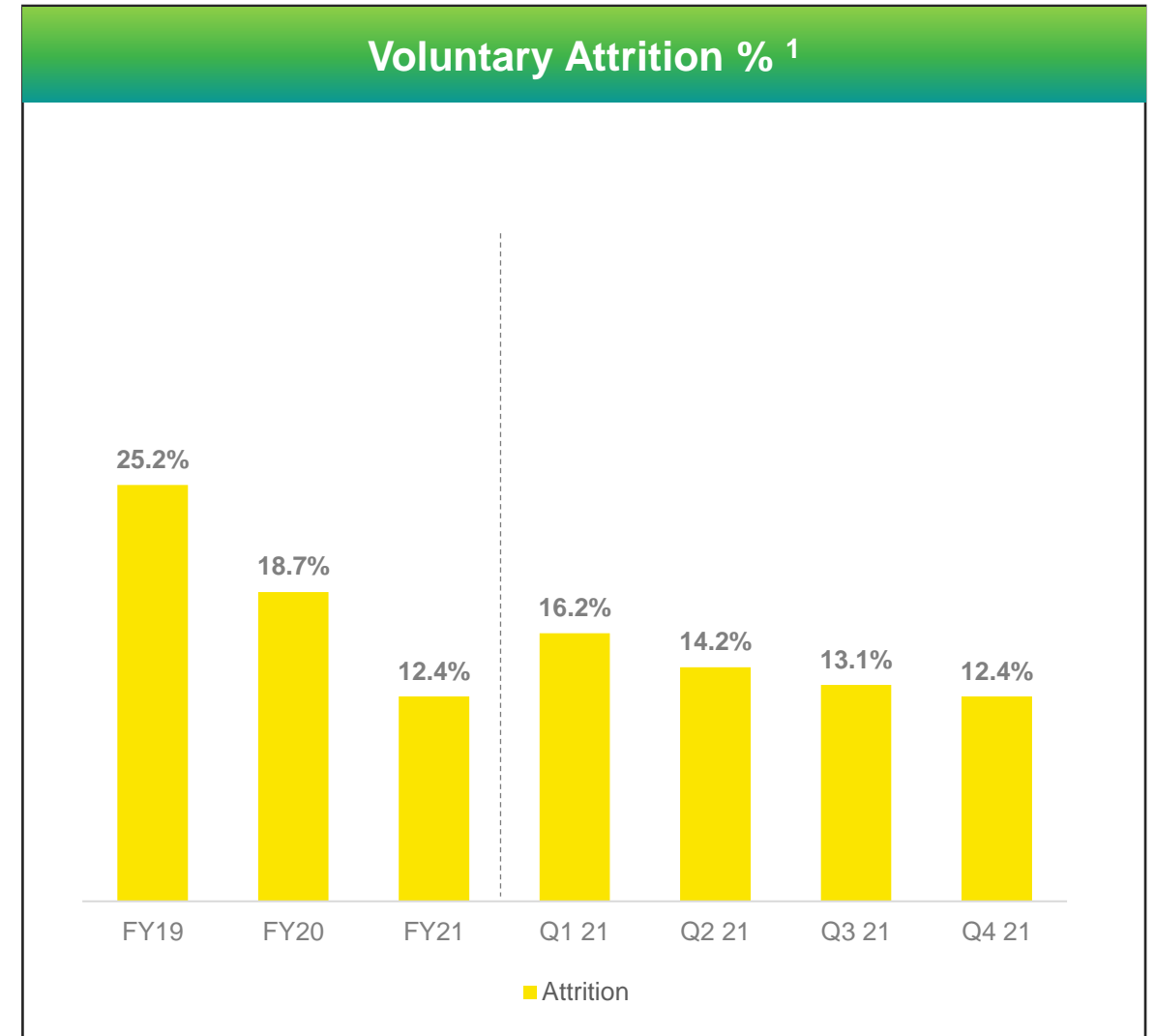
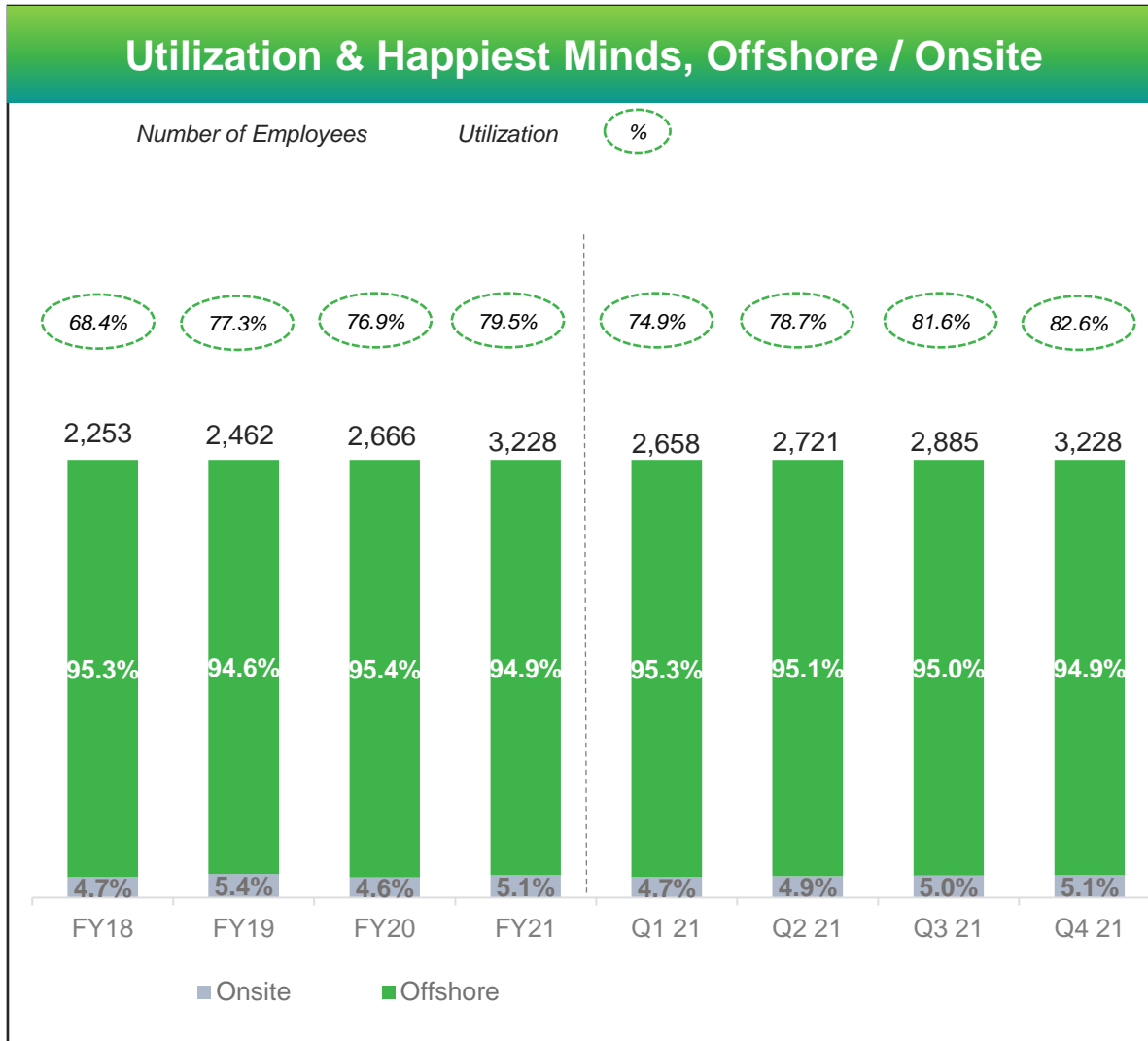


Operational & Financial Metrics (cont'd.)



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

Operational & Financial Metrics (cont'd.)



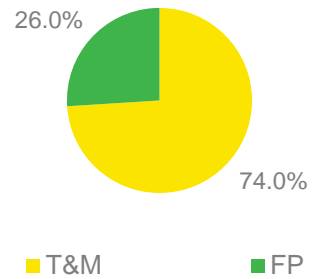
Note: 1. Attrition % : Trailing 12 Months

Operational & Financial Metrics (cont'd.)

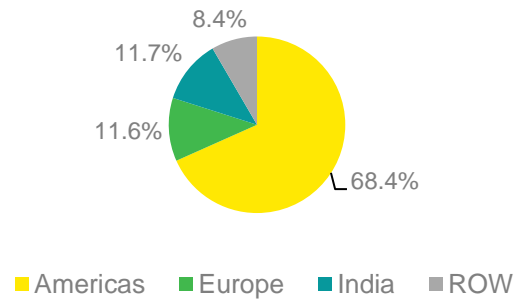
Revenue model

Q4 21

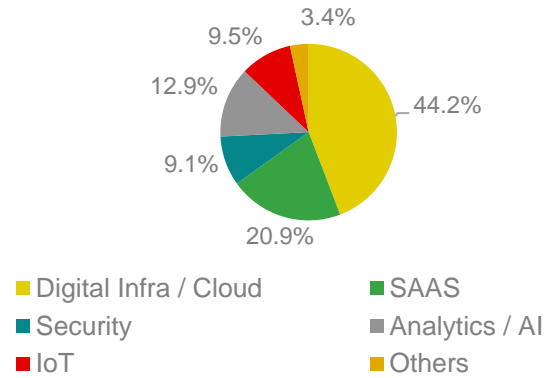
Model



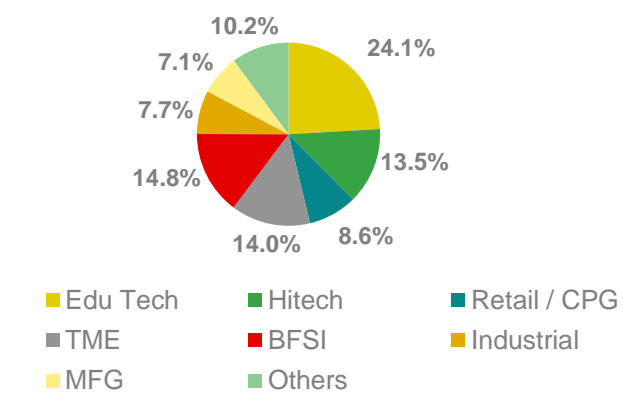
Geography



Digital Revenue¹



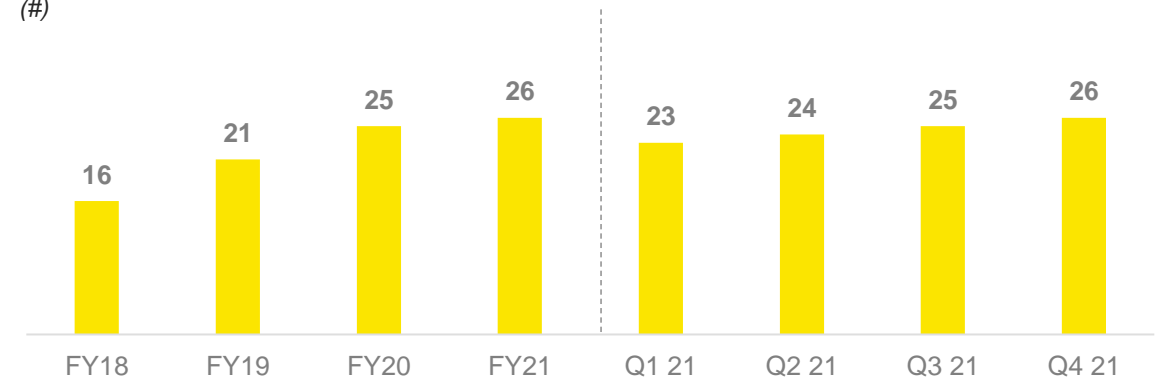
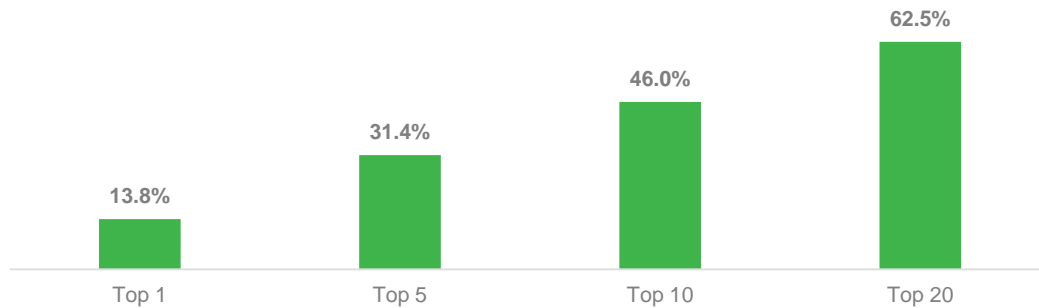
Vertical¹



Revenue Concentration³ Million \$ Customers²

(% Revenue)

(#)

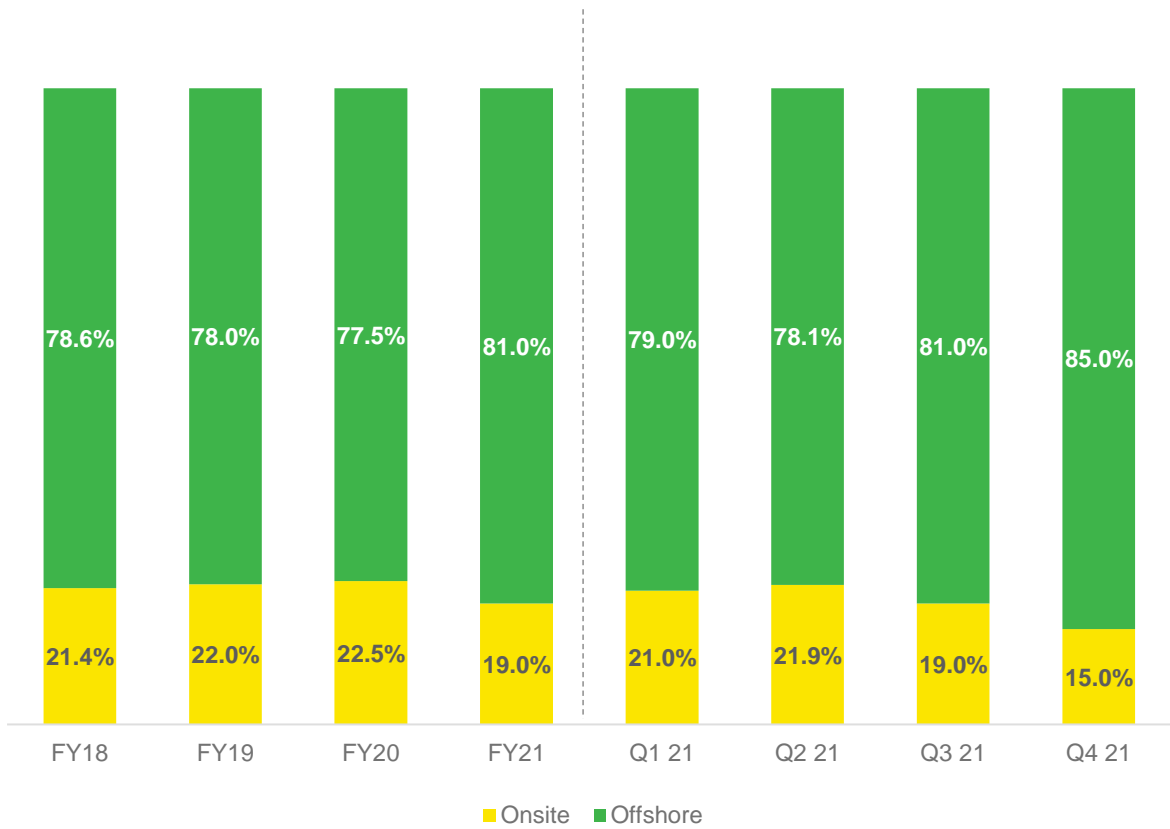


Notes: 1. TME: Travel, Media & Entertainment, 2. Based on quarter revenues on an annualized basis. 3. Top 20 includes Top 1, 5 & 10

Operational & Financial Metrics (cont'd.)

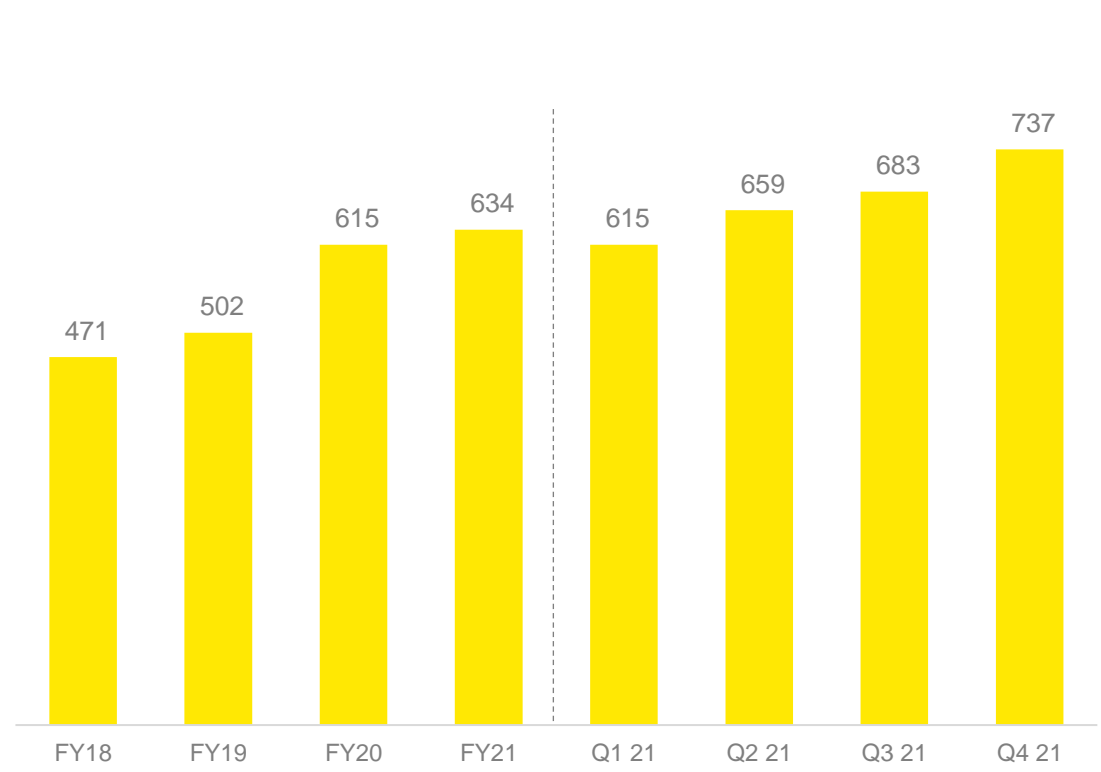
Onsite/Offshore

By Revenue



Avg. annual revenue / active customer

(USD '000)



Operational & Financial Metrics (cont'd.)

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

Operational & Financial Metrics (cont'd.)

	FY18	FY19	FY20	FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY 21
Location of external customer								
USA	73.5%	75.5%	77.5%	77.3%	77.3%	72.2%	68.4%	73.4%
India	11.7%	11.9%	11.9%	10.9%	10.9%	13.4%	11.7%	11.8%
Europe	11.4%	9.5%	7.2%	9.8%	9.2%	10.6%	11.6%	10.4%
ROW	3.4%	3.1%	3.4%	2.0%	2.6%	3.8%	8.4%	4.4%
Million \$ Customers¹								
\$ 10 M +		1	1	1	1	1	1	1
\$ 5M to \$ 10M	2	2	-	1	-	2	3	3
\$ 3M to \$ 5M	2	1	9	4	6	5	6	6
\$ 1M to \$ 3M	12	17	15	17	17	17	16	16
Total	16	21	25	23	24	25	26	26
Revenue Mix								
Onsite	21.4%	22.0%	22.5%	21.0%	21.9%	19.0%	15.0%	19.0%
Offshore ²	78.6%	78.0%	77.5%	79.0%	78.1%	81.0%	85.0%	81.0%
Revenue Model								
Fixed Price	18.4%	16.8%	19.0%	18.8%	19.3%	22.2%	26.0%	22.0%
Time and Material	81.6%	83.2%	81.0%	81.2%	80.7%	77.8%	74.0%	78.0%
Active customers								
# of active customers	173	163	157	148	152	155	173	173
Billion \$ corporation								
# of customers			37	36	39	38	46	46

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

Operational & Financial Metrics (cont'd.)

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

Operational & Financial Metrics (cont'd.)

(All figures in ₹ Lakhs)

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

Operational & Financial Metrics (cont'd.)

Summary Profit & Loss statement

(All figures in ₹ Lakhs)

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

Operational & Financial Metrics (cont'd.)

Condensed Balance Sheet

(All figures in ₹ Lakhs)

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



happiest minds
The Mindful IT Company

Born Digital . Born Agile

Happiest People · Happiest Customers

Happiest

the first global firm to
Mindful IT Company' Mindful
levels and enable a person to be in the moment
understanding, internalizing and practicing
journey on the 'Happiness' theme. Consider
all of our **Happiness Quotient** be the
our customers and society

everything like a child and
Listening Going beyond
attention to what is being said
moment **Doing Mindful**
Non-judgemental
environment to live in the moment
trustworthy partnerships, by
as an empathetic corporate citizen
global firm to become **The**
attention to the moment completely.
Being conscious of the moment and
attention including self **Alive** Being alert
to stay focused inside **Calm** Staying
reaction **Happiest Minds** is the first
Company' Mindful approaches reduces individual
and **joyful**. A structured approach to understanding
internalizing and practicing **mindfulness** techniques will
reinforce our journey on the 'Happiness' theme. Consider mindfulness as a way of working that will
increase all of our **Happiness Quotient**. Be the **Happiness Evangelists**
for each other, our customers and society. **Observing** Being curious about everything like a child and
noticing the surroundings. **Listening** Going beyond hearing and listening with full attention to what is being said. **Being Mindful** in
the moment. **Doing Mindful** Perceive Immersively Process **Non-judgemental** Perform **Empathetic** An
environment to live in the moment and perform with purpose. A **trustworthy** partnership, by living our core values. Contributions as an
empathetic corporate citizen. **Happiest Minds** is the first global firm to become **The Mindful IT Company'**. Paying attention to the moment completely,
without any distractions. **Aware** Being conscious of the moment and staying **focused**
on the object of attention including self. **Alive** Being alert and
cheerful and generating the energy to stay focused inside. **Calm**
Staying composed in all situations; not reacting as a reflex action. **Happiest Minds** is the first global firm to become **The Mindful IT**
Company' Mindful approaches reduces individual stress levels and enable a
person to be in the moment and **joyful**. A structured approach to understanding,
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An environment to live in the moment and perform with purpose. A **trustworthy**
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investors@happiestminds.com

India | United States | United Kingdom | Canada | Australia | Dubai

www.happiestminds.com

Observing Being curious about
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Paying attention to the
moment completely,
without any distractions
Aware Being conscious of
the moment and staying
focused on the object of
attention including self
Alive Being alert and
cheerful and generating
the energy to stay focused
inside **Calm** Staying
composed in all situations;
not reacting as a reflex
action
Happiest Minds is the
first global firm to become
The Mindful IT Company'
Mindful approaches
reduces individual stress
levels and enable a person
to be in the moment and
joyful A structured
approach to understanding,
internalizing and practicing
mindfulness techniques
will reinforce our journey
on the 'Happiness' theme.
Consider mindfulness as a
way of working that will
increase all of our
Happiness Quotient. Be
the **Happiness Evangelists**
for each other, our
customers and society.
Observing Being curious
about everything like a
child and noticing the
surroundings. **Listening**
Going beyond hearing and
listening with full
attention to what is being
said. **Being Mindful** in
the moment. **Doing**
Mindful Perceive
Immersively Process
Non-judgemental
Perform **Empathetic**
An environment to live
in the moment and
perform with purpose. A
trustworthy partnership,
by living our core values.
Contributions as an
empathetic corporate
citizen. **Happiest Minds**
is the first global firm to
become **The Mindful IT**
Company'