

Investor Presentation

Q1 FY 26



Happiest Minds

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

<p>94% Digital Born Digital</p>	<p>95% Agile Born Agile</p>	<p>285 Active Clients 85 Fortune2000 / Forbes200 Billion \$ Corporations 93.7% Repeat Business</p>	<p>23.0% RoCE¹ 14.1% RoE¹</p>
<p>Mission Statement Happiest People Happiest Customers</p> <p>SMILES Values Sharing, Mindful, Integrity, Learning, Excellence, Social Responsibility</p>	<p>6,523 Happiest Minds across 13 Countries 27.3% Gender Diversity</p>	<p>Great Place To Work[®]</p> <ul style="list-style-type: none"> • Top 100 India's Best Workplaces™ in IT & IT-BPM for 2023 • Top 50 India's Best Workplaces™ for Building a Culture of Innovation 2023 • Top 100 India's Best Workplaces™ for Women 2024 • Top 50 India's Best Workplaces™ in Health & Wellness 2024 	<p>Constant Currency growth of 17.5% y-o-y EBITDA margin 21.4% In Q1 FY26</p>



IPO - In September 2020

- Completed 14 years in March 2025
- 696,956 shareholders



Golden Peacock

Corporate Governance Award 2022
Business Excellence Award 2021



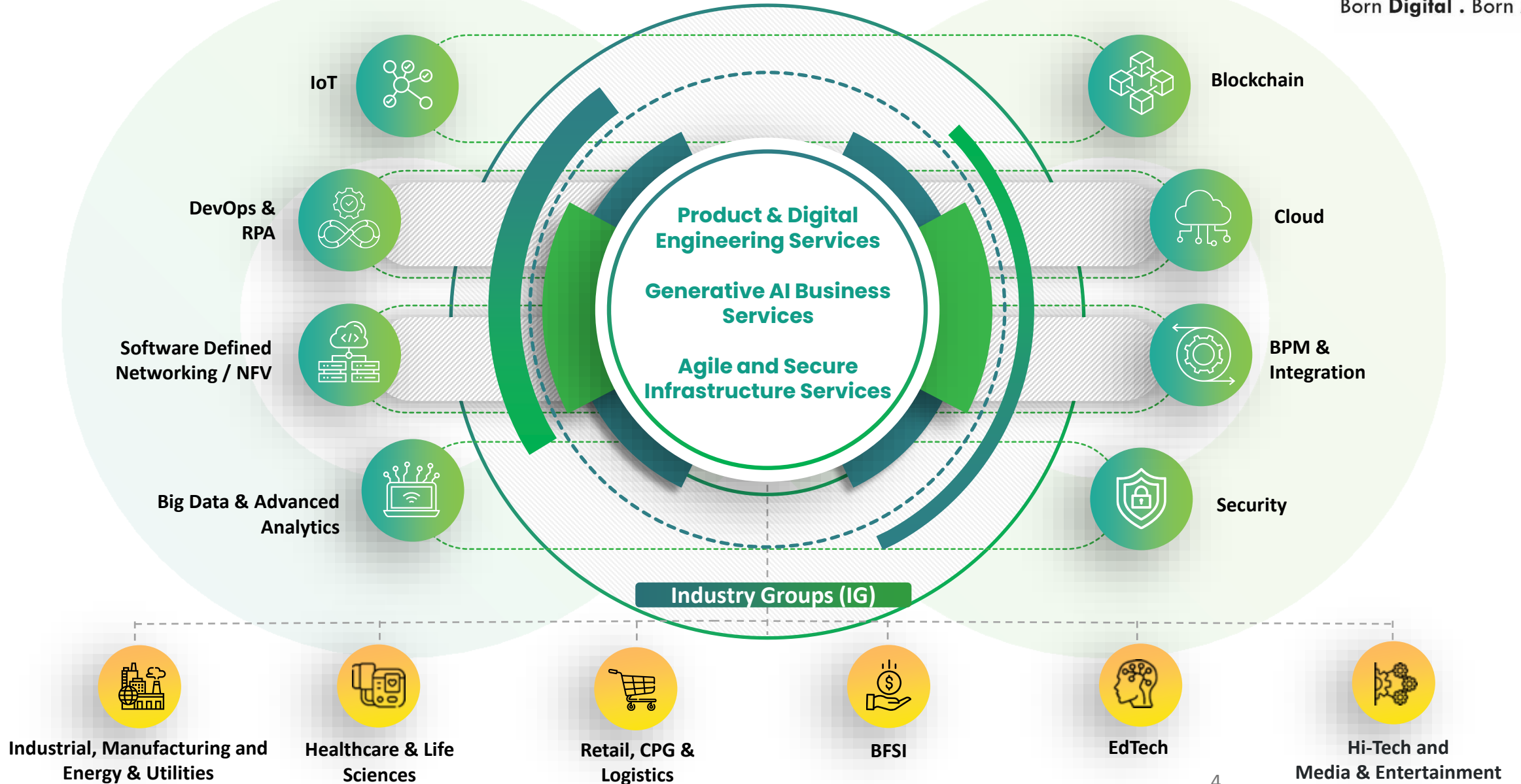
Mission, Vision and Values

Our 2021-31 Vision - DELiGHT

Our SMILES Values

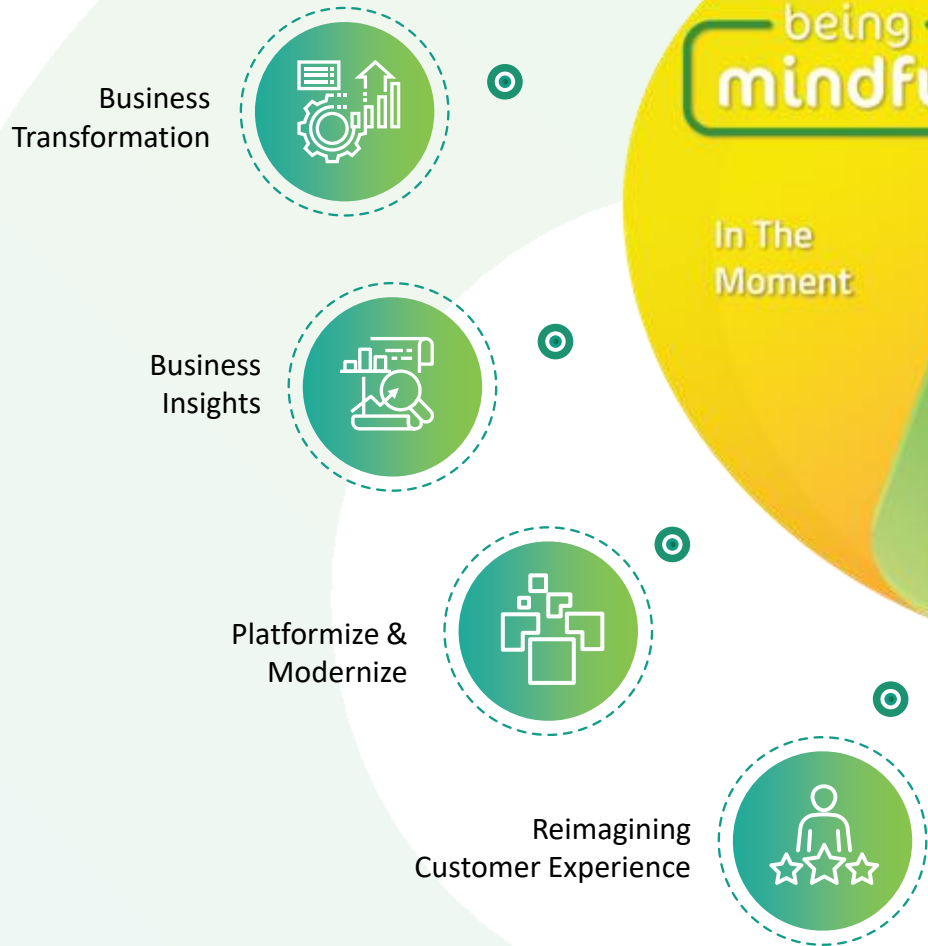


Our Business

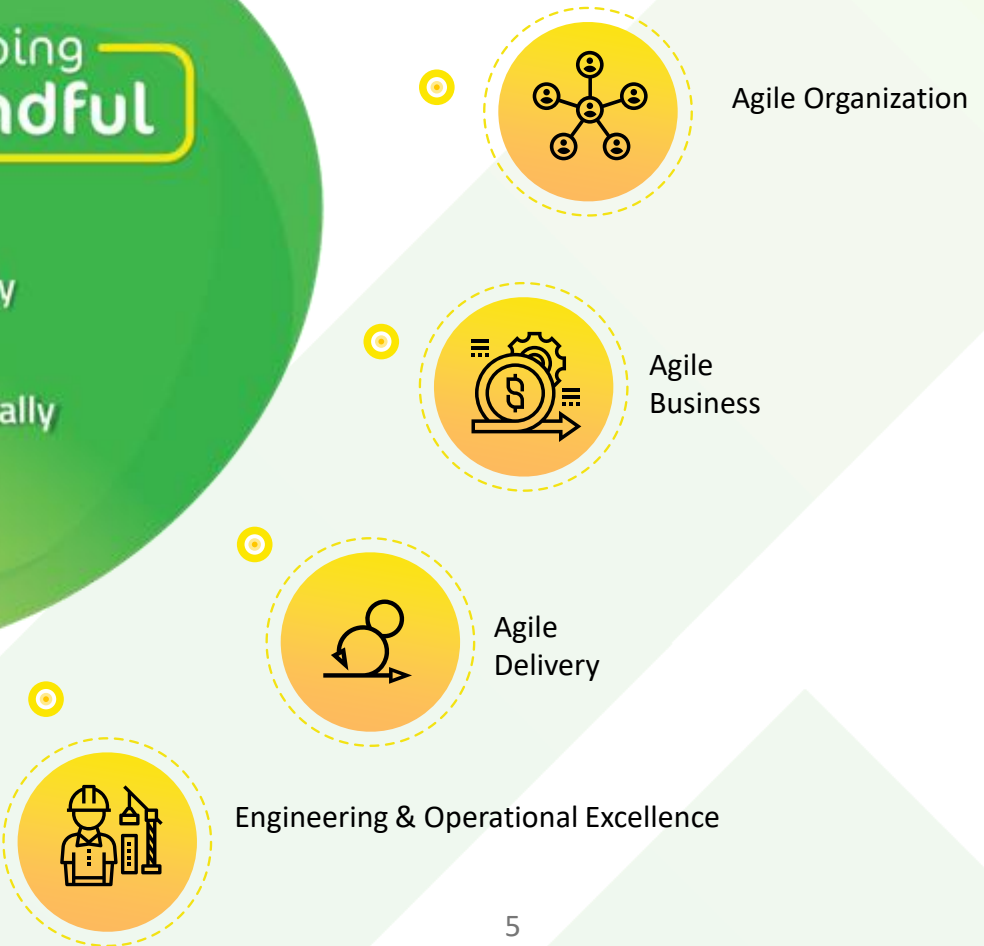


Born Digital . Born Agile . The Mindful IT Company

CREATING DIGITAL CAPITAL



MINDFULLY AGILE



Key Project Wins

For a **global Home Improvement Retail Chain**, Happiest Minds is custom building solutions for their key Finance and IT programs.



For a **US-based Insurance & Financial solutions company**, Happiest Minds has been chosen as an implementation partner for their GenAI workflow automation.

For a **Multinational Logistics company**, Happiest Minds is providing Gen AI services to accelerate innovation and enhance productivity.



For a **US Education Training provider**, Happiest Minds is building its LMS platform.

For a **US Airport**, Happiest Minds and Tech4TH have been selected as the implementation partners for the platform to provide a next-gen customer interaction experience.



For an **Australian Mining Services company**, Happiest Minds is providing IT infrastructure and cybersecurity implementation services.



For a **US Healthcare company**, Happiest Minds is implementing a large database transformational program for migration from on-premises to AWS Cloud.



For an **Australian Furniture & Homewares Retailer**, Happiest Minds has been engaged to partner in the modernization of their data platform.



Awards



Won the **CNBC-TV18 India Risk Management Award 2025**

Analyst **Mentions**



Financial and Operational Metrics

Q1 FY 26



Results Q1 FY 26

All amounts in ₹ Lakhs unless stated otherwise

Particulars	Q1 FY26	Q4 FY25	QoQ	Q1 FY25	YoY
Revenues (\$'000)	64,359	62,919	2.3%	55,547	15.9%
Growth in CC			2.3%		17.5%
Revenues	54,990	54,457	1.0%	46,382	18.6%
<i>Other Income</i>	3,003	2,595		2,544	
Total Income	57,993	57,052	1.7%	48,926	18.5%
Operating Margin¹	9,722	8,125	19.7%	9,193	5.8%
%	17.6%	15.0%		19.8%	
EBITDA	12,405	10,984	12.9%	11,671	6.3%
%	21.4%	19.3%		23.9%	
<i>Finance Cost</i>	2,387	2,379		1,983	
<i>Depreciation</i>	1,183	1,201		914	
Profit before Non Cash/Exceptional	8,836	7,401	19.4%	8,774	0.7%
%	15.2%	13.0%		17.9%	
<i>Amortization/Unwinding Interest²</i>	1,148	1,145		1,422	
<i>Exceptional Item</i>	-	1,216		643	
PBT	7,687	5,038	52.6%	6,841	12.4%
%	13.3%	8.8%		14.0%	
Tax	1,974	1,638		1,738	
%	3.4%	2.9%		3.6%	
PAT	5,713	3,400	68.0%	5,103	12.0%
%	9.9%	6.0%		10.4%	
Adjusted PAT³	6,862	5,761	19.1%	7,168	(4.3)%
%	11.8%	10.1%		14.7%	
Adjusted Earnings per Share (₹)⁴	4.55	3.83		4.76	

Note:

1 – Operating Margin is EBITDA excluding other income

2 – Amortization and unwinding interest are non-cash items related to acquisitions

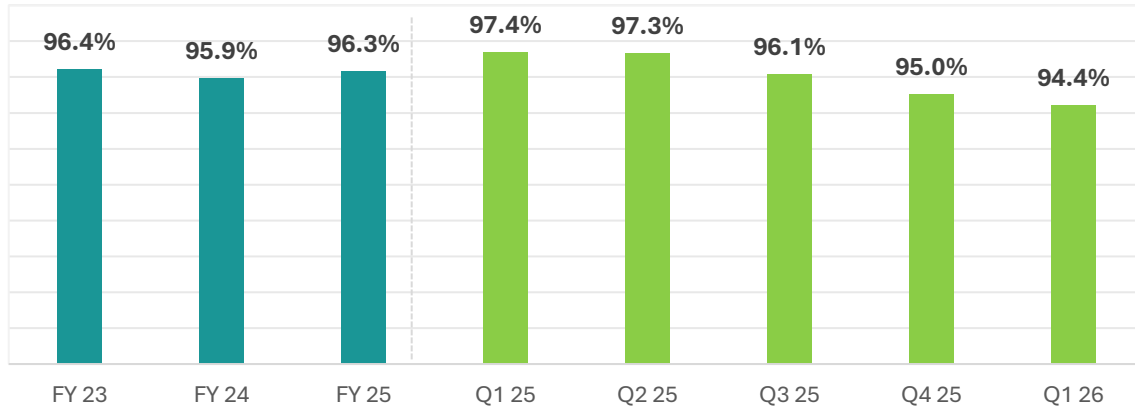
3 – Adjusted PAT is Adjusted for exceptional items and amortization of intangibles

4 – Adjusted EPS is Adjusted for exceptional items and amortization of intangibles

Revenues

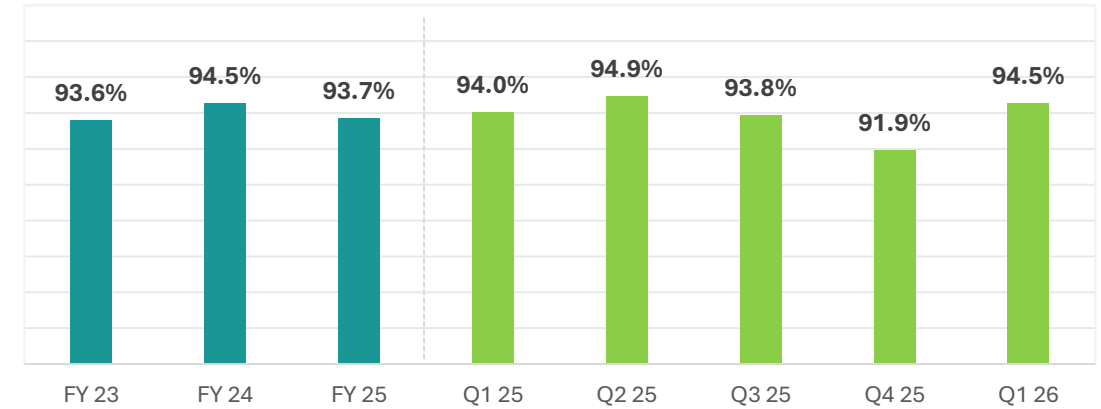
% of Revenue

Digital

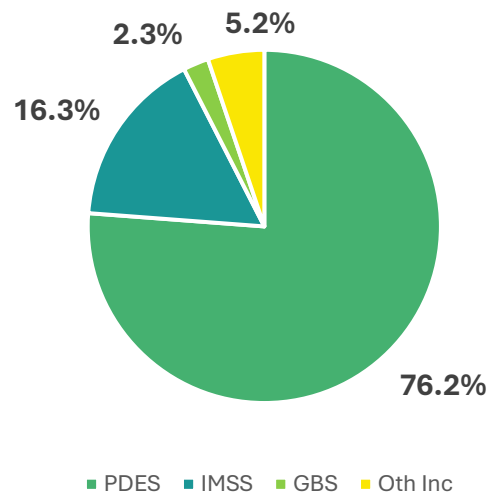


% of Revenue

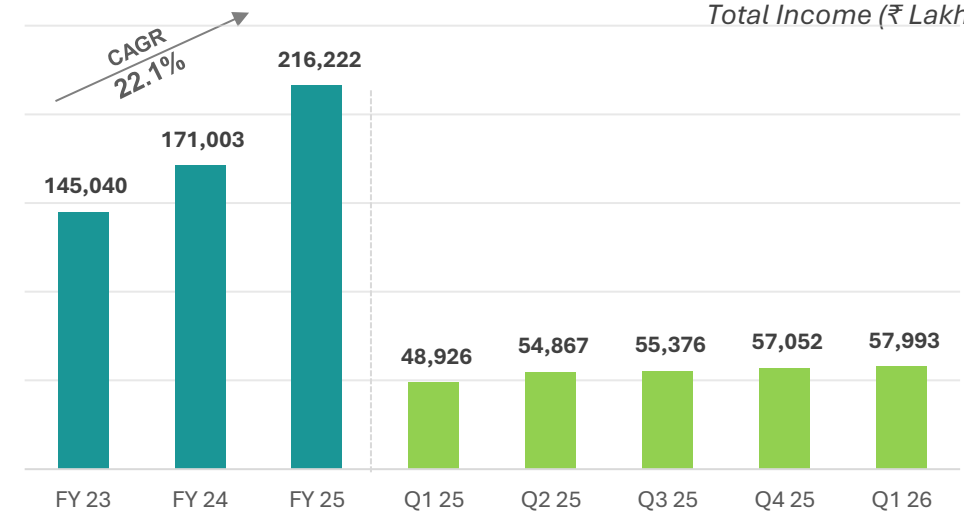
Agile



Business Unit

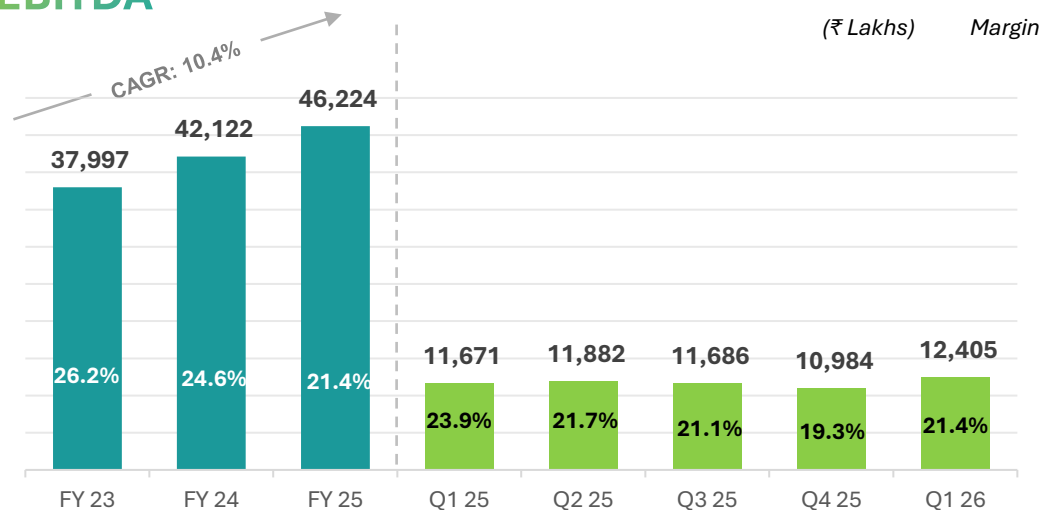


Total Income (₹ Lakhs)

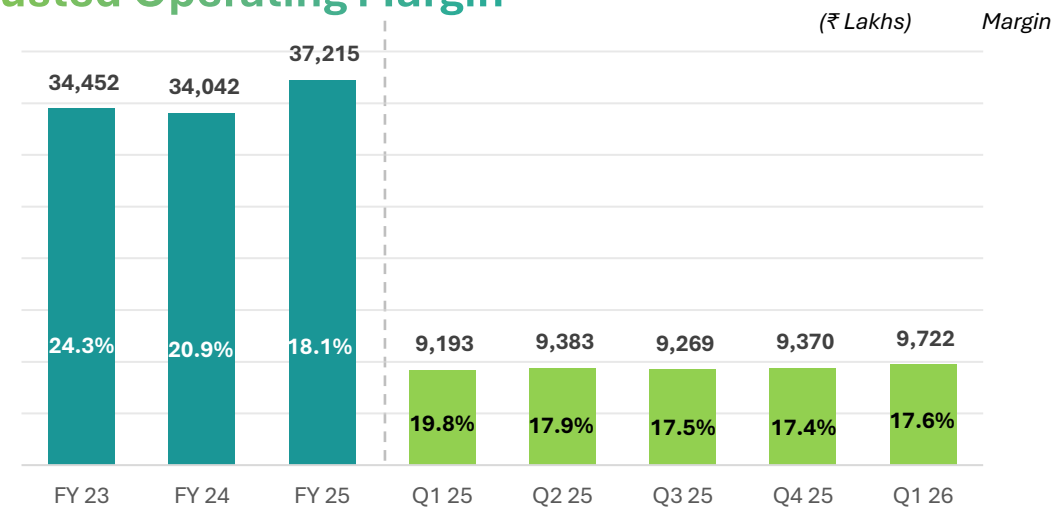


Profitability

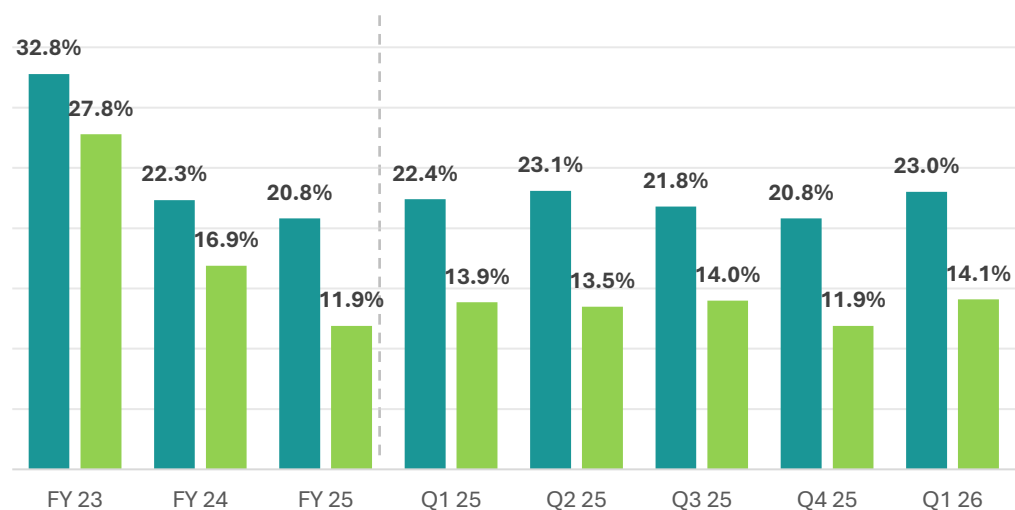
EBITDA



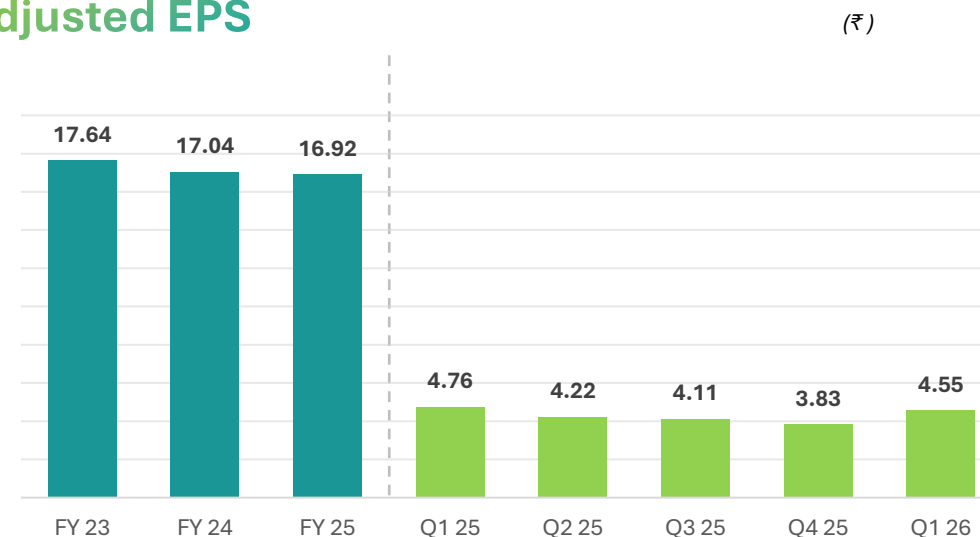
Adjusted Operating Margin ¹



RoCE/RoE*



Adjusted EPS

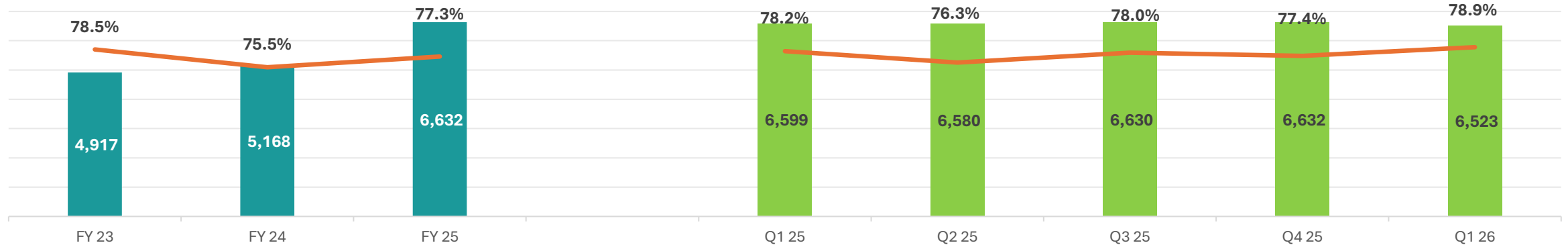


Note: *RoCE & RoE annualized for the quarters
 1. Operating margin is adjusted for exceptional items

■ RoCE ■ RoE

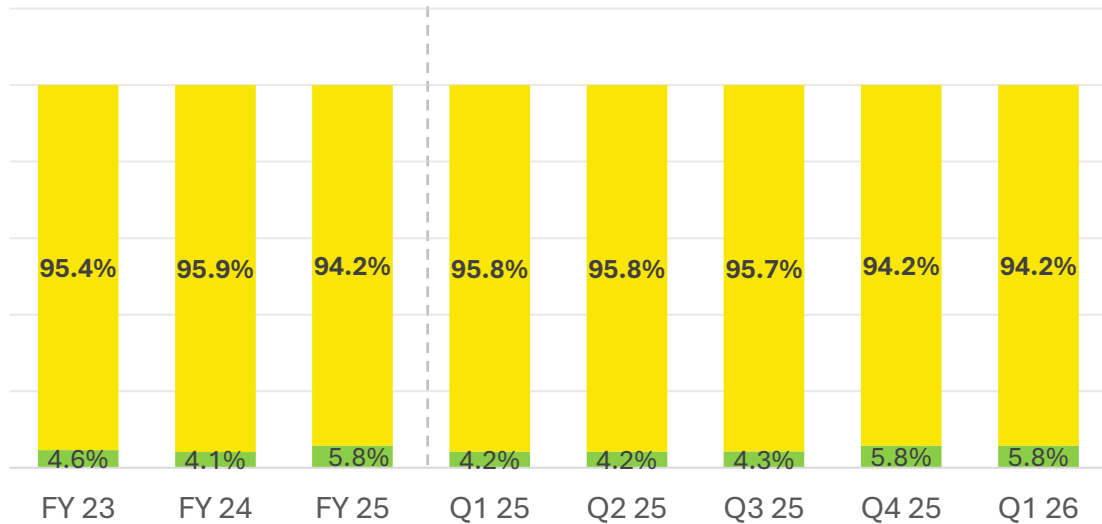
Operational Metrics

Happiest Minds & Utilization

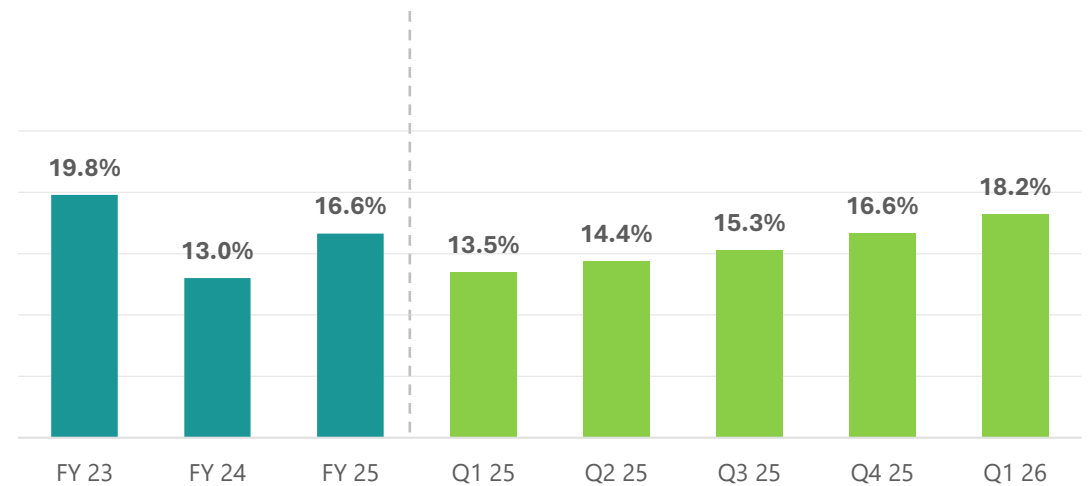


Offshore / Onsite

By Number of Employees



Voluntary Attrition % ¹

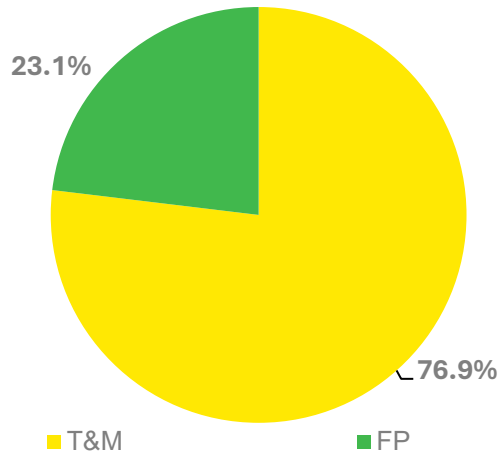


Note 1: Trailing 12 Months

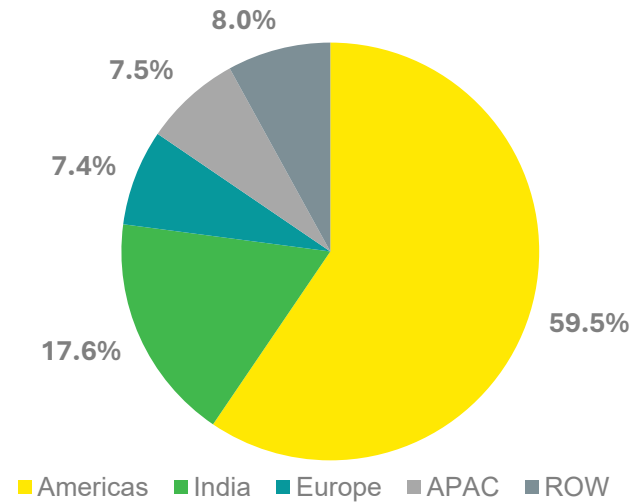
■ Onsite ■ Offshore

Revenue Metrics

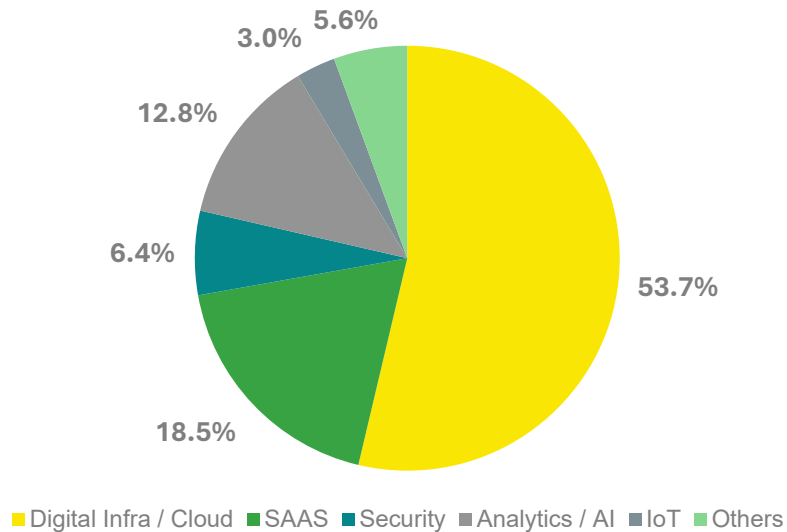
Contract Model



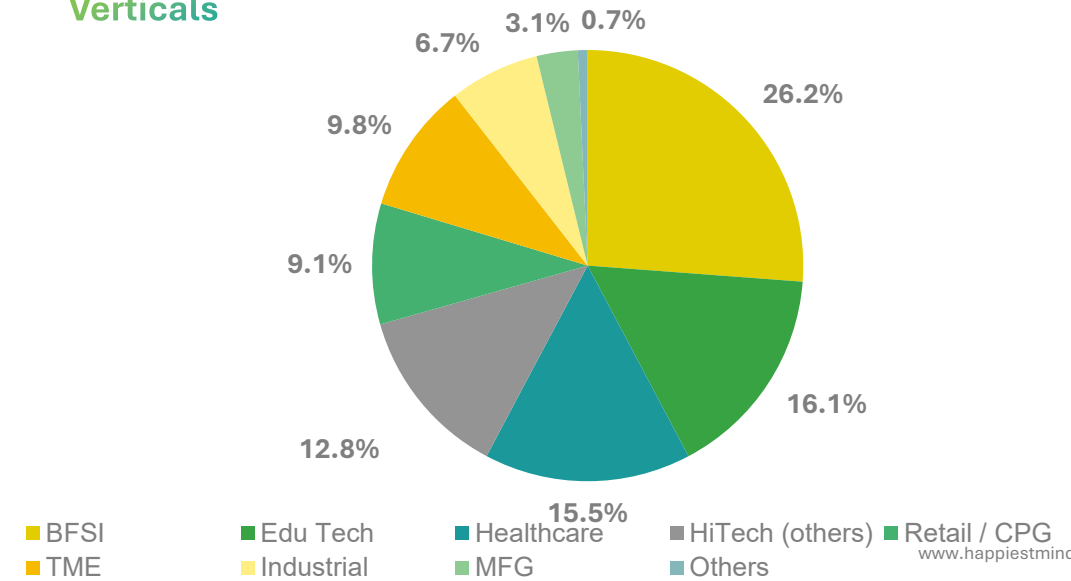
Geography



Digital Revenue

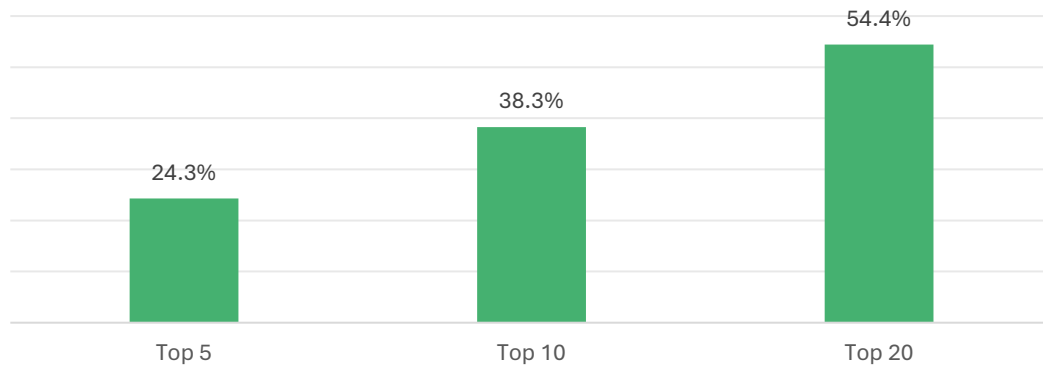


Verticals

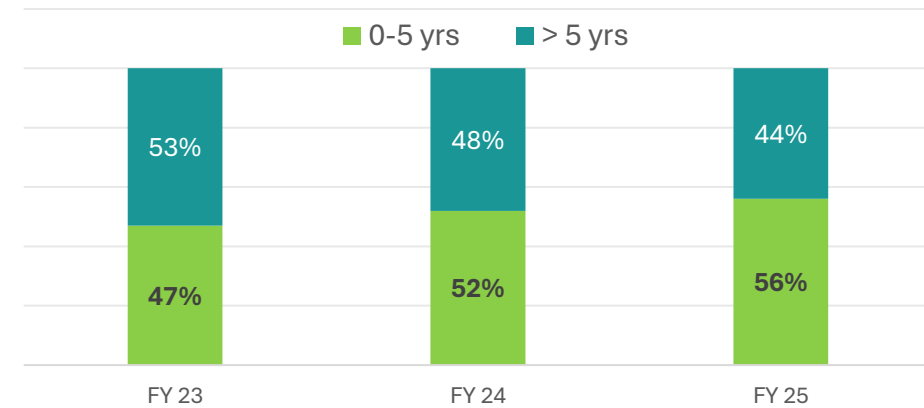


Revenue Metrics

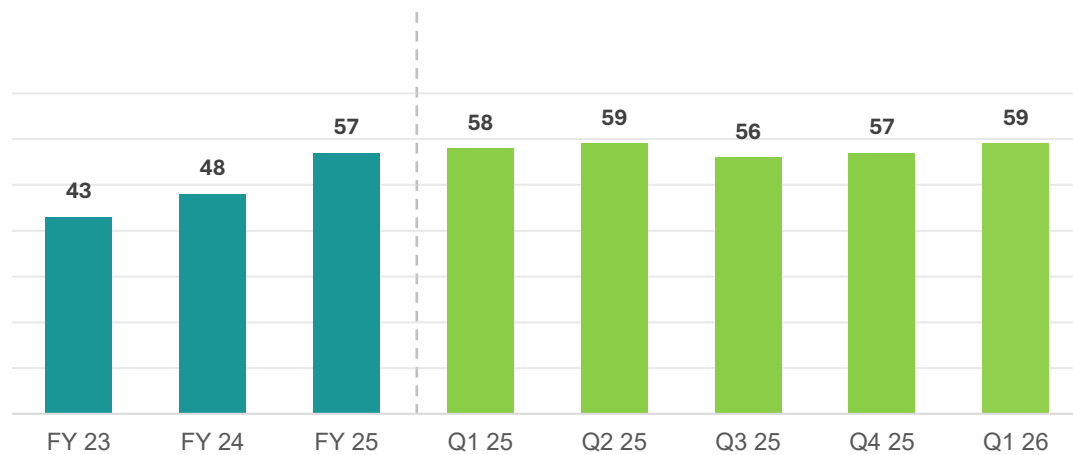
Revenue Concentration



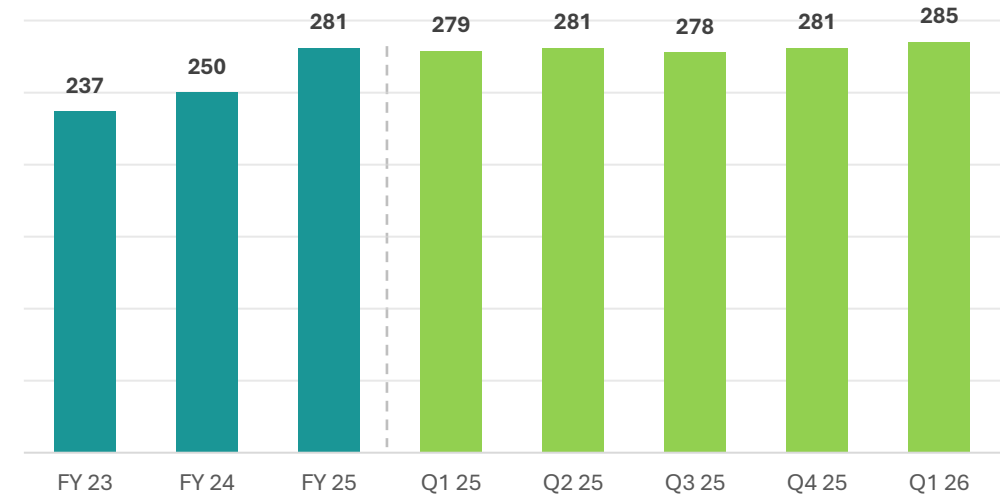
Customer Cohort Analysis



Million \$ Customers

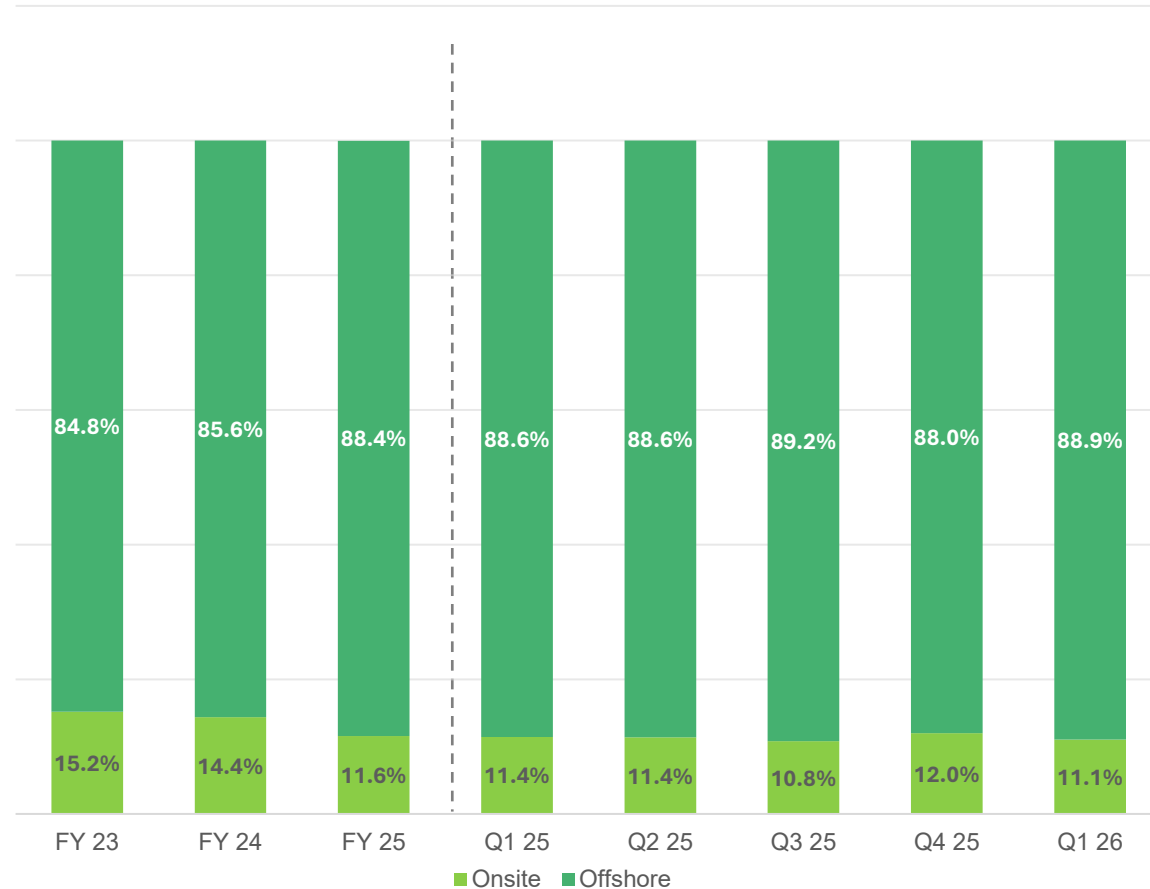


Active Customers



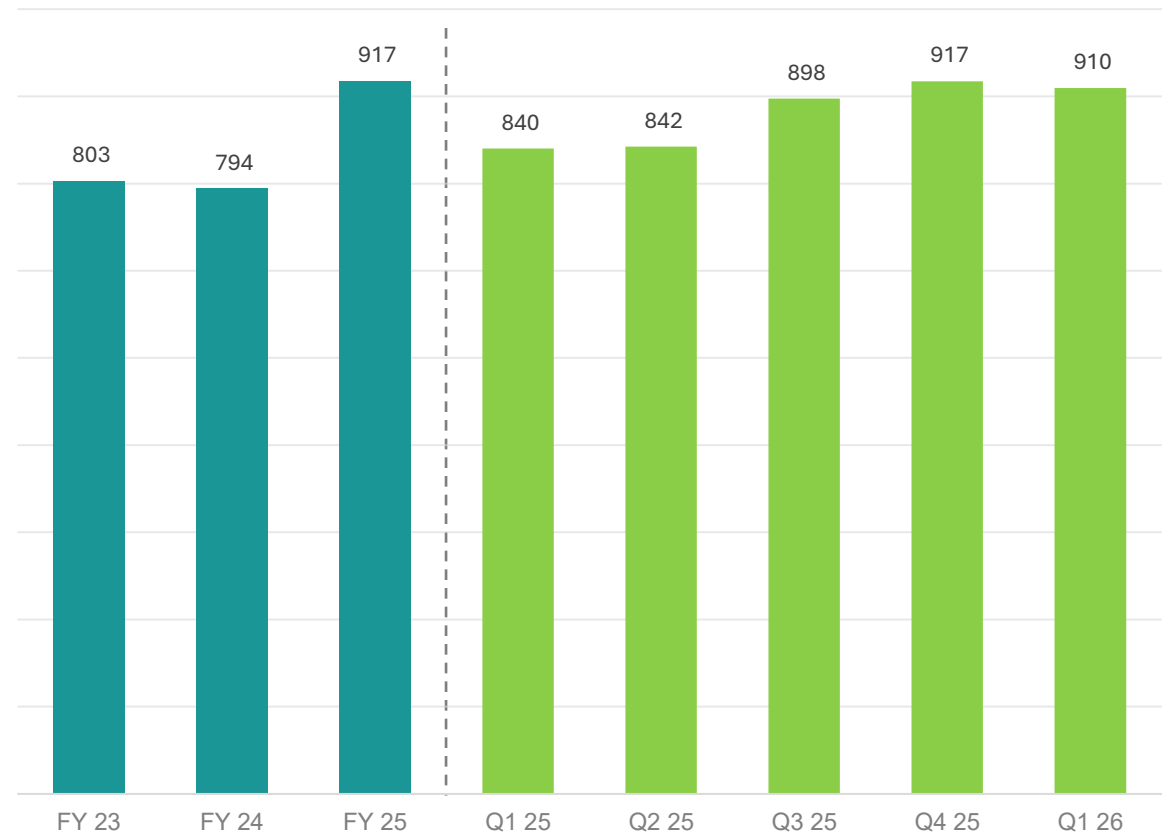
Operational & Revenue Metrics

Onsite/Offshore



Average Revenue / Active Customer

(USD '000)



Metrics – Data Sheet

% of Revenues	FY 23	FY 24	FY25 Q1	FY25 Q2	FY25 Q3	FY25 Q4	FY 25	FY26 Q1
Verticals								
BFSI	12.2%	10.9%	16.8%	22.5%	23.6%	26.5%	22.5%	26.2%
Edutech	23.2%	23.9%	21.5%	19.3%	17.4%	17.0%	18.7%	16.1%
Healthcare	-	14.4%	16.4%	16.4%	16.4%	15.6%	16.3%	15.5%
Hitech	16.9%	14.5%	14.8%	14.3%	15.4%	13.5%	14.5%	12.8%
Travel, Media and Entertainment (TME)	12.9%	11.9%	10.7%	8.6%	8.4%	8.5%	9.0%	9.8%
Retail / CPG	9.2%	7.4%	7.8%	8.1%	8.4%	8.7%	8.2%	9.1%
Industrial	8.4%	7.5%	7.3%	7.2%	6.7%	6.8%	7.0%	6.7%
Manufacturing	10.3%	6.3%	4.0%	3.0%	3.2%	2.6%	3.2%	3.1%
Others	6.9%	3.1%	0.9%	0.6%	0.5%	0.6%	0.6%	0.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Digital Service Offerings								
Digital infrastructure / cloud	45.8%	42.9%	47.5%	52.6%	51.8%	52.5%	51.4%	53.7%
SaaS	20.7%	25.7%	25.1%	23.8%	23.6%	21.1%	23.1%	18.5%
Security Solutions	12.3%	9.6%	8.5%	6.6%	7.1%	7.6%	7.4%	6.4%
Analytics / AI	12.2%	13.3%	12.1%	11.1%	10.9%	11.1%	11.2%	12.8%
IoT	5.4%	4.4%	4.2%	3.2%	2.8%	2.8%	3.2%	3.0%
Total	96.4%	95.9%	97.4%	97.3%	96.1%	95.0%	96.3%	94.4%
IP Led	10.1%	10.2%	10.7%	9.8%	11.6%	11.9%	11.0%	10.9%
Automation	26.6%	28.1%	23.9%	24.1%	24.7%	25.3%	24.5%	28.2%

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

Metrics – Data Sheet

	FY 23	FY 24	FY25 Q1	FY25 Q2	FY25 Q3	FY25 Q4	FY 25	FY26 Q1
Revenue by Geo								
USA	68.1%	70.7%	66.5%	65.3%	64.7%	62.3%	64.6%	59.5%
India	15.6%	16.3%	16.9%	15.1%	15.5%	14.9%	15.6%	17.6%
Europe	9.7%	8.9%	8.7%	8.5%	8.0%	7.3%	8.1%	7.4%
APAC ³	-	-	2.4%	5.6%	5.9%	6.8%	5.3%	7.5%
ROW	6.6%	4.1%	5.5%	5.5%	6.0%	8.7%	6.4%	8.0%
Million \$ Customers¹								
\$ 10 M +	1	3	3	3	4	3	3	3
\$ 5M to \$ 10M	6	6	9	8	7	10	10	9
\$ 3M to \$ 5M	6	2	2	6	7	7	7	9
\$ 1M to \$ 3M	30	37	44	42	38	37	37	38
Total	43	48	58	59	56	57	57	59
Customer Cohort Analysis								
0 - 5 Years	47.0%	52.0%					56.0%	
> 5 Years	53.0%	48.0%					44.0%	
Revenue Mix								
Onsite	15.2%	14.4%	11.4%	11.4%	10.8%	12.0%	11.6%	11.1%
Offshore ²	84.8%	85.6%	88.6%	88.6%	89.2%	88.0%	88.4%	88.9%
Revenue by contracting Model								
Fixed Price	25.3%	26.1%	26.1%	21.7%	23.2%	24.5%	24.0%	23.1%
Time and Material	74.7%	73.9%	73.9%	78.3%	76.8%	75.5%	76.0%	76.9%
# Active Customers								
	237	250	279	281	278	281	281	285
# Billion \$ Corporation								
	55	61	80	82	85	85	85	85

Note: 1: Capital Return Ratios are YTD Annualized, Note:2 Adjusted EPS & EPS has been annualized

Note:3 Adjusted EPS is Adjusted for exceptional items and amortization of intangibles

Financial & Operational – Data Sheet

	FY 23	FY 24	FY25 Q1	FY25 Q2	FY25 Q3	FY25 Q4	FY 25	FY26 Q1
Happiest Minds								
Onsite	227	211	279	274	284	385	385	378
Offshore	4,690	4,957	6,320	6,306	6,346	6,247	6,247	6,145
Onsite %	4.6%	4.1%	4.2%	4.2%	4.3%	5.8%	5.8%	5.8%
Offshore %	95.4%	95.9%	95.8%	95.8%	95.7%	94.2%	94.2%	94.2%
Utilization	78.5%	75.5%	78.2%	76.3%	78.0%	77.4%	77.3%	78.9%
Diversity	27.4%	27.7%	27.7%	27.6%	27.3%	26.6%	26.6%	27.3%
DSO								
Billed	54	57	58	46	48	60	60	56
Unbilled	31	29	26	37	36	28	28	35
Total	86	87	84	83	84	88	88	91
Earnings Per Share (EPS) ₹								
EPS	16.01	16.73	3.39	3.29	3.33	2.26	12.26	3.79
Annualized ²								15.18
Adjusted EPS³	17.64	17.04	4.76	4.22	4.11	3.83	16.92	4.55
Annualized ²								18.20
Capital Ratios ¹								
RoCE	32.8%	22.3%	22.4%	23.1%	21.8%	20.8%	20.8%	23.0%
RoE	27.8%	16.9%	13.9%	13.5%	14.0%	11.9%	11.9%	14.1%

Note: 1: Based on quarter revenue annualized 2: Offshore: Revenues from customers served from India 3: APAC reporting started from Q1FY25

Financial & Operational – Data Sheet

All figures in ₹ Lakhs

	FY 23		FY 24		FY25 Q1		FY25 Q2		FY25 Q3		FY25 Q4		FY 25		FY26 Q1	
Revenue by BU																
IMSS	30,694	21.2%	29,746	17.4%	7,992	16.3%	7,876	14.4%	8,045	14.5%	8,919	16.1%	32,832	15.2%	9,445	16.3%
PDES	112,236	77.4%	132,719	77.6%	37,677	77.0%	43,442	79.2%	44,215	79.8%	44,357	80.1%	169,691	78.5%	44,192	76.2%
GBS	-	-	-	-	713	1.5%	846	1.5%	821	1.5%	1,182	2.1%	3,562	1.6%	1,354	2.3%
Total Revenue	142,930	98.6%	162,466	95.0%	46,382	94.8%	52,164	95.1%	53,081	95.9%	54,458	95.5%	206,085	95.3%	54,990	94.8%
Other Income	2,110	1.4%	8,537	5.0%	2,544	5.2%	2,703	4.9%	2,295	4.1%	2,594	4.7%	10,137	4.7%	3,003	5.2%
Total Income	145,040	100.0%	171,003	100.0%	48,926	100.0%	54,867	100.0%	55,376	100.0%	57,052	100.0%	216,222	100.0%	57,993	100.0%

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

*GBS started its operations from Q1FY25 onwards.

Profit & Loss Statement

All figures in ₹ Lakhs

	FY 23	FY 24	FY25 Q1	FY25 Q2	FY25 Q3	FY25 Q4	FY 25	FY26 Q1
Income								
Operating revenue	142,929	162,466	46,382	52,164	53,081	54,457	206,084	54,990
Other Income	2,111	8,537	2,544	2,702	2,296	2,595	10,137	3,003
Total income	145,040	171,003	48,926	54,867	55,377	57,052	216,222	57,993
Cost of revenue	82,827	99,204	28,614	33,567	33,691	35,276	131,149	34,834
Gross Margin	60,101	63,262	17,768	18,597	19,390	19,180	74,935	20,156
%	42.0%	38.9%	38.3%	35.7%	36.5%	35.2%	36.4%	36.7%
SG&A	24,215	29,677	8,642	9,417	9,999	10,790	38,849	10,754
%	16.9%	18.3%	18.6%	18.1%	18.8%	19.8%	18.9%	19.6%
EBITDA	37,997	42,122	11,671	11,882	11,686	10,984	46,224	12,405
%	26.2%	24.6%	23.9%	21.7%	21.1%	19.3%	21.4%	21.4%
Operating Margin	34,452	34,042	9,193	9,385	9,269	8,125	35,972	9,722
%	24.3%	20.9%	19.8%	17.9%	17.5%	15.0%	17.5%	17.6%
Finance cost	2,102	3,991	1,741	2,551	2,442	2,380	9,113	2,387
Depreciation	3,057	3,600	1,027	1,154	1,172	1,204	4,557	1,183
Profit before acquisition related non-cash items	32,838	34,531	8,903	8,177	8,072	7,400	32,553	8,836
%	22.6%	20.2%	18.2%	14.9%	14.6%	13.0%	15.1%	15.2%
Amortization/Unwinding Interest	1,218	2,224	1,419	1,406	1,178	1,145	5,148	1,148
PBT before exceptional item*	31,620	32,307	7,484	6,771	6,894	6,254	27,406	7,687
%	21.8%	18.9%	15.3%	12.3%	12.4%	11.0%	12.7%	13.3%
Exceptional items*	634	(1,402)	643	-	-	1,216	1,859	-
PBT *	30,986	33,709	6,841	6,771	6,894	5,038	25,547	7,687
%	21.4%	19.7%	14.0%	12.3%	12.4%	8.8%	11.8%	13.3%
Current tax	8,508	9,518	2,114	2,179	2,210	1,940	8,443	2,184
Deferred tax	(621)	(889)	(376)	(359)	(326)	(302)	(1363)	(210)
Total Tax	7,887	8,629	1,738	1,820	1,884	1,638	7,080	1,974
%	5.4%	5.0%	3.6%	3.3%	3.4%	2.9%	3.3%	3.4%
PAT *	23,099	24,839	5,103	4,951	5,010	3,400	18,466	5,713
%	15.9%	14.5%	10.4%	9.0%	9.0%	6.0%	8.5%	9.9%
Adjusted PAT *	24,951	25,661	7,165	6,357	6,188	5,760	25,475	6,862
%	17.2%	15.0%	14.6%	11.6%	11.2%	10.1%	11.8%	11.8%

*+Exceptional items for FY22 & FY23 refers to Loss on Fair Valuation of Warrant Liability. For Q3FY24 & Q4FY24 is Gain on fair valuation of contingent consideration, For Q1 FY25 is Expense on acquisitions.

Condensed Balance Sheet

All figures in ₹ Lakhs

	FY 2023	FY 2024	Q1 FY25	Q2 FY25	Q3 FY25	FY 2025	Q1 FY26
Assets							
Non-Current Assets							
Property, plant and equipment	13,278	13,778	14,062	13,978	13,894	14,096	13,974
Goodwill	13,913	14,032	70,773	75,329	75,891	76,230	76,273
Financial & Other assets	29,594	19,192	65,379	42,125	40,348	45,485	44,347
Total Non-Current Assets (A)	56,785	47,002	150,214	131,431	130,133	135,811	134,594
Current Assets							
Financial & Other assets							
i. Trade receivable	21,319	25,444	35,516	25,441	26,927	35,813	34,078
ii. Cash & Cash equivalents, Investments & Other financial assets	81,484	147,540	166,203	166,196	170,380	158,600	160,649
iii. Other assets	4,495	4,793	4,430	6,980	6,746	5,682	4,246
Total Current Assets (B)	107,298	177,777	206,149	198,616	204,053	200,095	198,974
Total Assets (A + B)	164,083	224,779	356,363	330,047	334,186	335,906	333,567
Equity and Liabilities							
Total Equity (A)	83,882	148,024	148,268	152,444	153,580	157,457	163,431
Non-Current Liabilities							
Financial liabilities	18,035	15,416	28,015	22,202	23,576	46,877	38,449
Provisions & Deferred tax liability	4,526	4,641	14,031	8,989	10,107	10,781	10,719
Total Non-Current Liabilities (B)	22,561	20,057	42,046	31,191	33,683	57,658	49,168
Current liabilities							
Financial & Contract liabilities							
i. Trade payable	7,052	7,915	9,844	11,008	10,873	10,481	9,391
ii. Others	45,921	43,839	150,036	128,412	128,844	102,532	104,110
Provisions & Other current liabilities	4,667	4,944	6,169	6,991	7,206	7,777	7,467
Total Current Liabilities (C)	57,640	56,698	166,049	146,412	146,922	120,790	120,968
Total Liabilities (D = B + C)	80,201	76,755	208,095	177,603	180,606	178,449	170,136
Total Equity and Liabilities (A + D)	164,083	224,779	356,363	330,047	334,186	335,906	333,567

Additional Ratios

	FY24	Q1 FY25	Q2 FY25	Q3 FY25	Q4 FY25	FY25	Q1 FY26
Additional Balance Sheet Ratios							
Debt-Equity	0.35	0.90	0.82	0.83	0.79	0.79	0.78
Debt Service Coverage (DSCR)	5.25	7.73	6.68	7.03	5.81	6.31	5.32
Interest Service Coverage (ISCR)	8.97	4.93	3.65	3.82	3.63	3.94	4.24
Current Assets to Current Liabilities	3.14	1.37	1.37	1.39	1.66	1.66	1.64
Long-term Debt to Working Capital	0.09	0.27	0.20	0.18	0.42	0.42	0.43
Bad Debts to Trade Receivable	0.02	0.01	-	0.01	0.01	0.02	-
Current Liability to Total Liabilities	0.74	0.80	0.82	0.81	0.68	0.68	0.71
Total Debt to Total Assets	0.23	0.38	0.38	0.38	0.37	0.37	0.38
Trade Receivable Turnover	6.95	6.09	8.20	8.18	7.11	6.73	6.29
Operating margin (%)	21%	18%	18%	18%	15%	17%	17%
Net profit margin (%)	15%	11%	9%	9%	6%	9%	10%

**As per the guidance note from ICAI*

