

**PRESS RELEASE**

## Happiest Minds reports robust results post successful IPO. EBITDA margin expands to 26.3%

**Bengaluru, India, San Jose, California and London, November 4, 2020:** Happiest Minds Technologies Limited (NSE:HAPPSTMNDS), a 'Born Digital. Born Agile', digital transformation and IT solutions company, today announced its consolidated results today for the second quarter ended September 30, 2020 as approved by its Board of Directors.

Particulars	Q2 FY 21	Q1 FY 21	QoQ	Q2 FY 20	YoY	H1 FY 21	H1 FY 20	YoY
Revenue (\$'000)	<b>24,712</b>	23,444	5.4%	24,889	(0.7)%	<b>48,156</b>	48,650	(1.0)%
Revenue (₹ lakhs)	<b>18,791</b>	18,699	0.5%	18,068	4.0%	<b>37,490</b>	34,845	7.6%
EBITDA (₹ lakhs)	<b>4,939</b>	4,782	3.3%	3,353	47.3%	<b>9,721</b>	5,938	63.7%
EBITDA %	<b>26.3%</b>	25.6%	71 bps	18.3%	800 bps	<b>25.9%</b>	17.0%	890 bps
PAT (₹ lakhs)	<b>3,408</b>	5,018	(32.1)%	2,667	27.8%	<b>8,426</b>	4,503	87.1%
PAT %	<b>18.1%</b>	26.8%	(870) bps	14.6%	350 bps	<b>22.5%</b>	12.9%	960 bps

Ashok Soota, Executive Chairman said:

"We would like to express our gratitude for a very successful IPO and extend a warm welcome to all our new shareholders. We specially want to express gratitude to our customers for their ongoing support and record level of appreciations received during these COVID times. We are happy to report a good all-round performance this quarter and this is a testimony of our digital focus, agility and commitment to all our stakeholders."

Venkatraman Narayanan, Managing Director & CFO said:

"We are happy to present our first results after going public. Despite the environment we have shown growth in revenues on a sequential basis and improved our EBITDA both sequentially and on a year over year basis. The variance in PAT is due to a one-time credit for deferred taxes in Q1 FY21."

**Key financial highlights:**

Quarter ended September 30, 2020

- Operating Revenues stood at \$24.7 million (growth of 5.4% q-o-q)
- Total Income stood at ₹ 18,791 lakhs (growth of 0.5% q-o-q / growth of 4.0% y-o-y)
- EBITDA stood at ₹ 4,939 lakhs, 26.3% of Total Income (growth of 3.3 % q-o-q / growth of 47.3% y-o-y)
- PAT at ₹ 3,408 lakh (growth of 27.8% y-o-y)
- RoCE & RoE (annualized) for the half year stood at 36.3% & 36.3% respectively

Other highlights:

Clients:

- 152 as of September 30, 2020
- 8 new added during the quarter

Our People; Happiest Minds:

- 2,721 Happiest Minds as of September 30, 2020 (net addition during the quarter of 63);
- Trailing 12 months attrition at 14.1%
- Utilization of 78.7%, up from 74.9% in Q1 FY21.

Key Wins:

- For a Fortune 100 technology company that delivers industry specific solutions that include technologies for buildings and industry, Happiest Minds has been selected as a preferred partner for their platform development and support activities;
- For a large Community bank based in USA, Happiest Minds has been chosen to provide managed infrastructure and security services for a period of 3 years;
- For a global professional services provider from Europe, Happiest Minds has signed up a multi-year contract to develop an AI infused automation IT Helpdesk ChatBot priced on a per-user basis providing a predictability of cost and ROI to the customer;
- For a large credit information provider in Europe, Happiest Minds has been chosen to digitize their fraud detection and prevention applications;
- For a large multinational conglomerate in Asia, Happiest Minds is chosen to develop drone based surveillance system using computer vision algorithms and leveraging deep learning to derive intelligent insights on customer, employee behavior and building safety.

Awards:

- Happiest Minds has been ranked among the Top 50 Great Place To Work's (GPTW) Best Workplaces for Women for the second consecutive year

## About Happiest Minds Technologies:

[Happiest Minds Technologies Limited](#) (NSE: HAPPSTMNDS), 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 digital solutions, infrastructure, product engineering and security. We deliver these services across industry sectors such as automotive, BFSI, consumer packaged goods, e-commerce, edutech, engineering R&D, hi-tech, manufacturing, retail and travel/transportation/hospitality.

A Great Place to Work-Certified™ company, Happiest Minds is headquartered in Bangalore, India with operations in the U.S., UK, Canada, Australia and 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.**

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