



MPS Limited

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National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Plot no. C/1,
G Block, Bandra - Kurla Complex, Bandra (East),
Mumbai - 400 051, India

Symbol: MPSLTD

ISIN: INE943D01017

BSE Limited

Department of Corporate Services
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai- 400001, India

Scrip Code: 532440

ISIN: INE943D01017

Dear Sirs,

Subject: Transcript of the Earnings Conference Call inter-alia on the Audited Financial Results of the Company for the Fourth Quarter and Financial Year ended 31 March 2026.

Pursuant to the provisions of Regulation 30 read with Para A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Transcript of the Earnings Conference Call, held on Monday, 18 May 2026, at 04:30 P.M. (IST), inter-alia on the Audited Financial Results of the Company for the Fourth Quarter and Financial Year ended 31 March 2026.

This is for your information and records.

Yours Faithfully,
For **MPS Limited**

Raman Sapra
Company Secretary and Compliance Officer



“MPS Limited
Q4 & FY’26 Earnings Conference Call”
May 18, 2026



MANAGEMENT: **MR. RAHUL ARORA – CHAIRMAN AND CEO**
MS. PRARTHANA AGARWAL – CHIEF FINANCIAL OFFICER
MR. SUKHWANT SINGH – CHIEF DELIVERY OFFICER
MR. DAVID GOODMAN – CHIEF GROWTH OFFICER
MR. SOMA BHADURI – SENIOR VICE PRESIDENT & BUSINESS HEAD, LIBERATE GLOBAL
MS. CHRISTINE MIRANDA – SENIOR VICE PRESIDENT, RESEARCH SOLUTIONS

Moderator: Ladies and gentlemen, good day, and welcome to the Q4 FY'26 Earnings Call of MPS Limited. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Rahul Arora, Chairman and CEO. Thank you, and over to you.

Rahul Arora: Thank you so much. Good evening from Singapore, and a warm welcome to our Q4 and FY'26 Earnings Call.

Today on the call, I have with me:

- Prarthana Agarwal, CFO of MPS;
- Sukhwant Singh, our Chief Delivery Officer for the Research Solutions business;
- David Goodman, our Chief Growth Officer; and
- Soma Bhaduri, Senior Vice President and Business Head of Liberate Global, our Corporate Learning division.

Prarthana and Sukhwant join us from our corporate office in Noida, David from Austin, Texas, and Soma from Bangalore.

Prarthana will kick things off with a review of our financial performance and also share the robust outlook for FY'27. Sukhwant will then update you on Research Solutions. David will follow up on Education, which has become an increasingly important pillar of our overall story. Soma will then discuss the progress in Corporate Learning. I will come back at the end of the opening section to share a few strategic remarks before we open the call to questions.

Let's get going. Over to you, Prarthana.

Prarthana Agarwal: Thank you, Rahul. Good evening, everyone.

FY'26 closed as the most profitable year in our Company's history. Group revenue for the year was INR 768 crores, up by 5.7% over FY'25. EBITDA was INR 236 crores, up by 11.8%, with the EBITDA margin expanding to 30.7%. Profit after tax grew 16.3% to INR 173 crores, and the basic EPS came in at INR 102.11, a Company record up 16.3% year-on-year.

Looking at the composition. Excluding AJE, FY'26 revenue grew 15.4% to INR 646 crores. The Research segment EBITDA margin expanded 330 basis points to 39.9% for the year, and Education delivered EBITDA growth of 42.6% year-over-year.

Q4 specifically was the strongest quarter for FY'26. Revenue grew 12.7% year-over-year to INR 205 crores. EBITDA grew 20.5% to INR 67.5 crores with the margins expanding to 32.9%, indicating operating leverage at work as revenue growth converted to margin expansion. PAT of Q4 was INR 47 crores, sequentially up 32.5%, and Q4 EPS was INR 27.72.

On exceptional items - FY'26 saw a positive contribution of INR 7.64 crores. The details are included in the financial results released on Friday, and the items do not impact the underlying earnings trajectory.

On the balance sheet, total cash and cash equivalents stood at INR 113.75 crores as of 31 March 26, with borrowings of INR 40.25 crores relating to the facility drawn for the acquisition of Unbound Medicine. Return on capital employed for FY'26 was 38.2%, broadly in line with our historical capital efficiency profile, even after taking the full balance sheet impact of Unbound.

Looking ahead - based on our current run rate and operating plan, the Company is expected to comfortably cross INR 300 crores in EBITDA in FY'27. This implies a 3-year EBITDA CAGR of approximately 21% from FY'24 to FY'27. And this is built bottom-up from the operating plans of each business segment. The guidance also reflects that we are already in flight, and this is not a step change we are asking you to believe.

I would now like to hand it over to Sukhwant to discuss the developments in our Research Solutions business.

Sukhwant Singh:

Thank you, Prarthana.

Research Solutions anchored our portfolio in Q4, contributing 58.3% of total Q4 revenue. Q4 reported revenue was INR 120 crores, up 7.6% year-over-year. Excluding AJE, the organic core of Research Solutions grew 23% year-on-year. Q4 EBITDA was INR 50 crores at a 41.6% margin, with EBITDA growing 24% year-over-year. For the full year, Research Solutions delivered INR 464 crores of revenue with EBITDA margin expanding 330 basis points to 39.9%, as Prarthana described. Excluding AJE, organic research revenue grew 17% in FY'26.

I want to walk you through the segment the way we now think about it, not as a services business, but as an AI-first knowledge solutions company serving the research economy. Our business now has four integrated product layers, each of which made measurable progress during the quarter.

The first layer is the trust and integrity layer. DigiCore, our AI-enabled production ecosystem, is now deployed at scale across our top-tier knowledge clients. Research Integrity Check, RIC as we call it, was named as a top innovator at the STM AI Innovation Day in 2025. RIC delivers AI-led detection of paper mills, identity fraud, and image manipulation, and is integrated with leading third-party tools across the integrity workflow. The bottleneck in research today is no longer generation; it is verification. This positions us directly in the fastest-growing control points in the scholarly workflow.

The second product layer is AI author services. AJE digital and Rubriq have cumulatively processed over a million manuscripts. Our controlled trial work shows a 52% manuscript acceptance lift versus the industry baseline of approximately 32%. This represents a measurable AI-attached revenue line, not simply a marketing claim.

The third is the pre-acceptance JEO office. This is now the standout margin business inside the research solution, with FY'26 revenue growing meaningfully on the back of three large knowledge organization engagements. EBITDA margin in this line is well above the segment average. Scholar Finder and Manuscript Expert, our internal AI tools, are how the team has scaled volume without proportional headcount growth.

The fourth layer is the platform stack and MPS labs. HighWire and DigiCore Pro together form the hosting and production backbone for our largest knowledge clients. Think365, the platform we have spent 2 years building, is now in live production and gaining commercial traction. MPS Labs, our 200-engineer AI R&D engine, continues to create reusable capabilities that compound across all four layers at zero marginal cost.

Heading into FY'27, our priorities are sustaining the Q4 operating leverage as new transitions reach steady state. Scaling DigiCore Pro and RIC adoption across the renewal cohort and continuing the JEO office trajectory through a comprehensive retention plan, we have put in place. The thread across all of this is the same. We are positioning MPS where AI cannot afford to be wrong.

With that, I would now like to hand it over to David to discuss our Education Solutions business.

David Goodman:

Thank you, Sukhwant. Hello, everyone.

Education was the segment that delivered scale in FY'26. Q4 revenue reached INR 60 crores, up 30.5% year-over-year. For the full year, Education revenue was INR 209 crores, up 36.3% excluding the unbound contribution; organic education revenue still grew 28.6%. EBITDA for FY'26 was INR 82 crores at a 39.2% margin with EBITDA growth of 42.6% year-over-year on a reported basis and 38.6% organically.

The thread underneath these numbers is the same one that Sukhwant just described in research. AI Personal Solutions applied here to the education and healthcare ecosystem.

Three forces drove education growth in FY'26.

First, our AI-enabled content and production work. We expanded engagements with several of the largest U.S.-based knowledge organizations across K-12 and higher education, converting earlier programs into multiyear multiproduct engagements. Manpower's efficiency improved throughout the year as AI system production moved from pilot to core delivery.

Second, our accessibility and learning services line. The work we do here, AI-assisted accessibility production at scale, including more than 30 million auto-generated accessible media assets delivered annually, has become a meaningful, high-margin business. FY'26 revenue roughly tripled versus the prior year, anchored by two large new accessibility engagements with leading global knowledge organizations.

Third, the Unbound Medicine acquisition, which closed on February 9, 2026. The first 50 days in our group delivered INR 11.78 crores of revenue, approximately 19.6% of Q4 Education Solutions on a partial quarter basis. The transition of headcount into the consolidated entity has been smooth, and the integration thesis remains intact. Headcount transitioned cleanly into the consolidated entity. The integration thesis is intact. Unbound gives us an institutional foothold in medicine and nursing, a recurring revenue platform with strong renewal economics, and a natural cross-sell counterparty for existing clients. The platform brings what we call “Unbound Intelligence”, a knowledge engineering layer that turns trusted medical IP into AI products that do not hallucinate. It is exactly the kind of AI economics we are building toward across the Company.

Heading into FY’27, we have a strong pipeline across our largest customer relationships with a particular focus on extending into international knowledge organizations and continuing to scale the accessibility business. The combination of organic growth, the Unbound integration, and a healthy forward pipeline gives us conviction underneath the FY’27 guidance Prarthana shared.

With that, I would now like to hand it over to Soma to discuss the corporate learning business.

Soma Bhaduri:

Thank you, David. Good evening, everyone. I appreciate the opportunity to join the call today.

Corporate learning was the segment that absorbed the most stress in FY’26 and is the segment most clearly turning a corner. Q4 revenue grew 2.4% year-over-year to INR 25.5 crores, the first positive print of the year. Q4 EBITDA was INR 6.7 crores at a 26.3% margin, up 55% sequentially. FY’26 revenue closed at INR 96 crores, down 16.5% versus FY’25. I want to name that, honestly, the year was a reset.

Q4 was the inflection. The trend through the quarters is what matters: a sharp sequential recovery in EBITDA, a leaner cost base, and a clearer commercial focus across the segment.

The work to get here was deliberate, and here are the three structural levers we executed throughout the year.

First, portfolio rationalization. We walked away from low-margin compliance work that was diluting both the mix and the brand. Average price point and gross margin both saw a healthy improvement as the legacy book tapered down.

Second, the core plus flex talent model that scales cost with revenue rather than ahead of it. Headcount in the segment is down approximately 32% year-on-year on a much sharper cost base.

Third, a deliberate shift towards higher value, AI, AR, VR, and simulation-led builds. Bridge AI, our multilingual translation engine, is now in active deployment with enterprise customers. AI-enabled chatbots, roleplays, and simulation-led experiences are now scaling rapidly as core learning enablers. This is where the segment is moving, and it is where future value creation and margin expansion will increasingly reside.

Q4 closed with the strongest order book of FY'26. We added new entrants across our top customer relationships, and AI-led wins continue to anchor the new pipeline. Deliberate integration into our unified global structure is on plan, and the segment is entering FY'27 with a clearer cost base and a sharper commercial focus.

Heading into FY'27, our focus is on sustaining the Q4 exit margin into the run rate, scaling AI-led delivery as the dominant mix, and completing the integration of the three legacy entities into one unified Liberate Global brand. The base is ready.

With that, I would like to now hand it over to Rahul to conclude this opening section.

Rahul Arora:

Thank you, Soma, and thank you, team, for the detailed updates.

FY'26 has closed as the most profitable year in our Company's history. INR 236 crores of EBITDA. INR 102.11 of EPS. Both records. Both delivered while we acquired Unbound Medicine, consolidated three legacy entities into Liberate Global, and absorbed a one-time regulatory charge through the P&L. Q4 alone delivered INR 67.5 crores of EBITDA at a 32.9% margin. These are not numbers you arrive at by accident. They are what happens when an operating system that was reset back in Q3 is given two quarters to compound.

I want to step back and frame three thoughts before we move to the questions section.

First, on AI. We are running MPS on the principle that AI and our products should show up in revenue, not in slides. DigiCore and Research Integrity Check are deployed at scale across our knowledge clients. AJE Digital and Rubriq have processed over a million manuscripts with a measured acceptance lift well above the industry baseline. The Unbound Intelligence platform is a knowledge engineering layer that turns trusted medical IP into AI products that do not hallucinate. Inside Corporate Learning, BridgeAI is scaling multilingual translation across enterprise clients, and our AI roleplay and simulation work is delivering. The thread across all three segments is the same. We sit at the layer where AI cannot afford to be wrong, where every fact must be sourceable, every recommendation defensible, and every output trusted. That is a structural position of MPS now, an AI-first knowledge management company, and that is where the FY'27 numbers come from.

Second, on FY'27 itself, Prarthana has shared the guidance, and I won't repeat it. What I want to add is the conviction underneath the number. The INR 300-plus crores EBITDA mark is not a stretch target. It is a number we have built our operating plan around. The work to get there is not in front of us. It's already in flight. Unbound is integrating into a full operating year, research compounding on the operating leverage you just heard about from Sukhwant. Corporate learning, continuing the turn of the Q4 exit margin, Soma described. education building on a year where the organic business grew 28.6%, even before the bolt-on of Unbound that David described.

Finally, on capital allocation, because I know that question will come. Our principle has been simple and consistent for the last 7 years. Capital earns its keep within 12 months or gets returned to shareholders. That principle has produced more than INR 650 crores of cumulative cash return to shareholders between FY'19 and FY'25 and a payout ratio that has been among the highest in our industry. Over FY'26, the Board has chosen not to recommend a final dividend. The reason is straightforward. We've deployed capital into the Unbound Medicine acquisition in February, we're carrying a hyperactive M&A pipeline, and the deployment opportunity in front of us exceeds the cash in hand. The principle has not changed; the cycle has. Distribution resumes when the deployment cycle closes. The 7-year record stands as evidence that we do return capital when we can put it to work.

We are entering FY'27 with more conviction in this business than at any point over the last 24 months. The portfolio is in better shape. The leadership team is steadier, and the operating discipline we built through the second half of FY'26 is now the run rate, not the project.

With that, let us open the call to questions.

Moderator:

Thank you very much. Ladies and gentlemen, we will now begin the question-and-answer session. Anyone who wishes to ask a question may press star and one on their touchtone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use a handset while asking a question and to restrict themselves to two questions at a time. We will wait for a moment while the question queue assembles.

We'll take our first question from the line of Navid Virani from Bastion Research. Please go ahead.

Navid Virani:

Hi, team. Thank you for the opportunity and also for providing a more nuanced picture of MPS.

The first question was on the slide that you presented in the presentation, saying that we just have a 0.5% market share of the total serviceable market share that we have? So the headroom that is presently shows huge room to grow. So, I just wanted to understand how MPS is being positioned from a "right to win" perspective within this market opportunity. And also, what are the capabilities that are either in the working progress mode or lacking mode that will help us reach there? That's my first question.

Rahul Arora:

The headroom is enormous. I think the question is whether MPS is positioned to take a meaningful share of that headroom, and why we believe we are. Let me frame that through a few points around why we think we have a strong right to win and why we feel that we can capture a meaningful share of it.

First, as we shared in the opening remarks, our positioning is now that of an AI-first knowledge solutions Company. And the reason for that is we sit at a layer where AI simply can't afford to be wrong. That position is a defensible position and ends up being a smaller competitive set than the commodity layer of generic AI models.

Second is the platform stack itself. If you look across HighWire, THINK365, RICs, BridgeAI, the platform that comes with Unbound, and of course, the core MPS platforms, which is DigiCore. This integrated portfolio has very few competitors that can match it. Both from an individual offering perspective and from a portfolio perspective. This portfolio has taken years to build. And in many ways, replicating it could potentially take longer than building it.

The third is that we've been talking about MPS Labs for the last few years. There are over 200 engineers who are dedicated to building AI and infrastructure, and the focus for us really is that the infrastructure compounds across each of the segments, research, education, as well as corporate, at very little marginal cost. That's not a feature. That's a structural moat for the Company.

Finally, customer relationships, you'll note that the number of relationships this past quarter has grown as a result of the Unbound acquisition. We have and continue to deliver to the top tier of global knowledge organizations for multiple decades. Over time, those relationships have compounded. We're not pitching and making cold calls to accounts. We're expanding within large accounts in our industry. Of course, we're not going to make this big leap in one year. It's going to take us a few years to continue expanding every year, and the hope is that as time progresses, we continue to compound. The right way to read this is, how do we get from 0.5% to 1%, and then from 1% to 2%

And, the focus is on being true partners to our customers, working from their business problem backwards using all our IP, knowledge, and expertise to solve those business problems, and expanding within these deep customer partnerships rather than chasing cold partnerships.

Navid Virani:

Thank you for that elaborated answers. The second one was on the guidance, which you just provided. So INR 300 crores EBITDA for FY'27 is great. But what I wanted to understand is the larger picture. Earlier, we had spoken about reaching approximately INR 1,500 crores of top line by, let's say, FY'28. So I just wanted to have your thoughts on whether that number is still in the line of sight? Or is there any change in the way we see it?

Rahul Arora:

It is intact and in absolute line of sight. I think the reason we are so laser-focused on FY'27 and crossing the INR 300 crores EBITDA mark is that we don't want the home stretch, which is FY'28, to be totally unreachable. And that is why, of course, while our plans internally go all the way through FY'30. But as of now, our focus really is FY'27 and FY'28.

Let me give you the two numbers slightly separated, because I think they often get conflated. So the INR 300 crores plus EBITDA mark for FY'27 is an operating commitment that Prarthana talked about, if you remember in the opening remarks, it's built bottom up. It's organic. It does not include any new acquisitions other than what we've already done. So anything that will be added in addition to this will be over and above INR 300 crores. The ambitious Vision 2027 was always designed as a combination of organic momentum along with selective and very disciplined inorganic activity. I think Unbound is possibly one of our big proof points that we can execute an inorganic piece with discipline, a business with a very high recurring revenue theme, a highly stable customer base, a very high renewal rate, and we have not overpaid for it.

The other building blocks are the research business compounding, the trajectory that we're seeing in the Education business, and we expect that to continue. The corporate learning business is now turning a corner, as Soma described.

So all three segments are firing and are on track. So, the mission of Vision 2027 in FY'28 has not moved. The path is becoming clearer, especially as we see FY'27. So absolutely intact, and we'll share a tighter guidance on FY'28 either at the end of Q3 or the end of Q4, as we've done right now.

Moderator: Thank you. We'll take our next question from the line of Ravi Naredi from Naredi Investment. Please go ahead.

Ravi Naredi: Sir, are there any more acquisitions immediately on the cards, and whatever we acquired and have already paid for?

Rahul Arora: So, for Unbound, whatever we have acquired has mostly been completely paid for. There are some small amounts pertaining to closing amounts, but very insignificant. So mostly all of it has been paid for. Unbound is what I would call the closed and now integration phase.

Overall, our pipeline is very active.

It continues to expand. Today, out of the overall pipeline of 35 companies, I would say 5 are fairly advanced, 5 are live, and 2 are at an advanced stage and would fit very well in the existing segments. One of the opportunities presently the most advanced in the pipeline is a Higher Ed and Online Learning carve-out in the Western world, and it is strategically meaningful. It is a capability that expands us into some adjacencies.

Another opportunity is a cross-border asset, again, in the same business. The strategic rationale is a capability expansion within the workflows that we're already involved in. We're also evaluating a very transformational play in the broader ecosystem that potentially could also help us enter into an adjacent market. Of course, given that this is price-sensitive information, that's all I can share.

I know it's not very descriptive. But the goal really is to apply the same discipline we applied to Unbound. The same return threshold we always had, the same integration economics, the same strategy lens. And the most important part is that we're focused on looking at growth assets, where the moat is defensible.

The market and the world today are increasingly disruptive. So, we want to make sure what we acquire is defensible, at sensible valuations, and where there is a clear fit, either from a capability perspective, a platform perspective, or a customer agency fit perspective, in terms of what we're building.

As always, when there is something meaningful and material to share, you'll hear from us in the ordinary course.

- Ravi Naredi:** Sir, FY '27, what EBITDA combined margin should we think for INR 300 crores?
- Rahul Arora:** I think we'll again be in the same range. So, probably somewhere in the 30% to 35% EBITDA range. It's hard to give these numbers because we also have competition that's not listed. In fact, most of our competition is not listed; they get the advantage of hearing everything from us. So at this point, all we can share is that it will be in the 30% to 35% range. And of course, as revenue grows, our margins typically expand.
- Moderator:** Thank you. The next question is from the line of Arjun Goyal, an Individual Investor. Please go ahead.
- Arjun Goyal:** Sir, firstly, I wanted to know if you can share what the financial numbers were for FY 2026 for Unbound, like what the revenue and EBITDA were, just headline numbers? And how do you expect it to move in FY 2027? Just headline numbers are good.
- Rahul Arora:** So, Prarthana, if you can just share ranges. Obviously, we don't want to give exact numbers at this point. Any range on revenue? And any ranges on the margin? You can talk historic and I can talk about the future.
- Prarthana Agarwal:** On the revenue range, because we acquired on 09th February, this was a 50-day consolidation for us. So, the revenue was in the range of INR 11 crores to INR 12 crores, and the EBITDA margin was around, I think, 18.5% to 19%.
- Rahul Arora:** Prarthana, if you can give a monthly historical run rate and an EBITDA margin for both, then I'll help with the future.
- Prarthana Agarwal:** So, the historical monthly run rate was close to USD 700,000 to USD 800,000 per month. And the EBITDA margin, as I explained, was in that range only. 18% to 19%.
- Rahul Arora:** We're expecting to go to USD 750,000 to USD 950,000 a month in FY'27, depending on the month; there is some seasonality. So, USD 750,000 to USD 950,000 per month, depending on the month. I think the first couple of quarters will continue to operate at that same level of margin, maybe slightly lower, and the goal is to exit at somewhere between 25% to 30%. Now, whether that exit happens in Q2 or Q3, time will tell. We start at USD 750,000 to USD 950,000 in revenue and at around 15% EBITDA margin and exit at an EBITDA margin of 25% to 30%.
- Arjun Goyal:** Rahul, it's more of a broad-based question that in the last 3 or 4 months, every other week, we've been seeing updates coming out from AI companies. And it seems to hit one industry or the other. In fact, I think even Alphabet was one of the victims. So, my question is there any way to know that there will not be an update in the future that strikes at the heart of how we make money? So, do you have any comments regarding the same? Because frankly, it's a little scary, the way we read the news and the reaction to it. Any comments?

Rahul Arora:

The first comment is, my job is not to be scared, right? My job is to plan and build a strategy, and my team's job is to execute that strategy. Your question is probably the most important question any business in our space should be answering today. So, I'll give you a very honest CEO view.

What is happening is a bifurcation of the market. On one side, AI is going to super-compress the price of commoditized production work. Having said that, that work is now going to be placed with very few scaled suppliers that provide the same reliability with automation and AI. So, things such as basic copy editing, page-based content, and generic instruction are very flat in structural design. Anyone whose business is hyper-concentrated there, and has not got their act together, like we have done at MPS with MPS Labs, is going to feel severe pricing pressure, but also severe business relevance.

On the other side, the demand for what we call trusted AI deployment inside high-stakes knowledge workflows, so think of medicine, nursing, scholarly publishing, regulated learning accessibility, there the demand is going to expand sharply.

The market for us is not shrinking. The way I see it, the market is splitting into two parts. From my perspective, we've been positioning MPS for this shift for the past 2 to 3 years. The reason we keep saying AI-first knowledge management, and we keep repeating it, is that we're talking about the layer where AI simply cannot afford to be wrong. Think of a nurse sitting with a patient who needs knowledge and information in real time. She cannot afford to get it wrong because if she gets it wrong, someone dies. So that's exactly the size of the split where the demand is concentrating. DigiCore Pro, research integrity, AJE digital, Unbound Intelligence, and Bridge AI are not pilot projects. These are AI products pitched at these hypersensitive use cases, and they are inside our revenue today.

Now, let's talk about agentic deployment. You spoke about all the agentic deployment announcements from the foundation providers. The way I look at it is that I see them as tailwinds, not headwinds, specifically, for the kind of work we do. As these models get better, as enterprise agents become more capable, the gating constraint moves from the model capability to trust; it moves to verification.

It moves to the domain context. It moves to integration into existing workflows. So, the foundational models are always going to struggle in the last mile. So, whether I'm inside a medical reference product, whether I'm inside a peer review integrity workflow, or whether I'm inside an accessibility production line, that last mile is where MPS sits. That last mile is where our platform stack, our domain expertise, and our customer relationships will compound. So, by segment over the next 3 years, just to go in a more structured way, if you think about it.

In Research, which is our largest segment now, about 55% of our revenue, hopefully in FY'27, the demand for integrity and verification, as Sukhwant mentioned in his opening remarks, is rising sharply as people are seeing lots of fake papers, paper mills, and AI-generated submissions are multiplying. The bottleneck in research is no longer generating the content. The bottleneck is the verification of whether the content is real and whether the research is real. And that's where

MPS sits, we are in the verification business in research. On the education side, which is about 35% of our business, demand for trusted medical and instructional AI products grows as institutions rely on general-purpose chatbots. I can't depend on general-purpose chatbots; I can't bring them into clinical and learning contexts. I need something more specific. That's where Unbound Intelligence comes in. Similarly, in corporate learning, AI-led simulation, multilingual translation, and all of these things, such as role-play, will become the default, and that is exactly where we are sitting.

So we expect AI to be materially net additive on the demand side. Having said that, what needs to follow through on our side is seamless execution. Execution is not just about the delivery, but also about translating AI into revenue. The risk for us is not that AI will displace us. The risk would be standing while the market splits, and we're not standing still.

Moderator: Thank you. The next question is from the line of Sarath Jutur from Zen Wealth Management. Please go ahead.

Sarath Jutur: Can you just let me understand the reason for dipping EBITDA margin and the spike in ex-AJE headcount? The second question is with regard to AJE: has a rundown in the AJE model been completed? Or is there any tailing effect in FY'27? And what would be the growth drivers for FY'27, and the third question would be regarding the FY'28 target of around INR 1,500 crores. Since FY'26, we have reported a below average run rate revenue growth rate at around 6%. So, what would be the growth drivers to achieve the target, given a higher growth rate?

Rahul Arora: I'll pass on the baton to Christine and Sukhwant after addressing the first couple of data points. So Christine can talk about the AJE side, including what is happening with the pruning. And Sukhwant can talk a little bit about what the prospects are in research. Then I'll talk about the third question, which is on Vision 2027. So the first question was a couple of data points. Headcount has increased, which is something you said.

My understanding is that the headcount has been offshored to India. I don't think we have seen an increase in ex-AJE standalone headcount. The AJE headcount has been moved offshore, while research headcount has increased in anticipation of growth, and that is why, ex-AJE, there's some sluggishness in the Q4 margin profile. Of course, sluggishness is relative because it's still a very high-margin business.

We're expecting significant growth in FY'27 in the research business, both in volume and value terms. So it's increasingly a timing thing. Yes. So Christine and Sukhwant, over to you. I'll come back to talk about Vision 2027.

Christine Miranda: Sure. Thanks, Rahul. So I'll just talk about the growth levers on the AJE and pre-acceptance side. As Rahul mentioned, the pruning is essentially behind us, and we are now set up for growth in FY'27. The plan is essentially two-fold. On the B2B side, we saw more than 90% growth in pre-acceptance services, and we expect that demand to scale even further. Our delivery model is built for this with technology at the center of both service delivery and workflow management.

Second, on the B2C side, we are a leaner, more agile delivery model at the moment, which means that AJE is now positioned to focus on growth, and that will come through offering authors higher value services and more competitive benefits through portfolio expansion, market diversification, and deeper publisher and institutional partnerships. So yes, while the pruning is behind us. What we have left is the high-value core of author services, premium editorial, language editing, and AI-assisted workflows.

So, the base is now more margin accretive rather than a drag, and growth from here comes from three places: First, premium tiers in Author Services, where authors are willing to pay for quality and turnaround time. Second, AI-driven productivity that we are embedding in the workflow. Part of that benefit, we will pass on to the client, and part we will retain as a margin.

And third, cross-selling to our corporate publisher relationships, which is opening up entirely new revenue lines and also supporting expansion into under-penetrated and rapidly growing research ecosystems, such as China.

Sukhwant, over to you.

Sukhwant Singh:

Thanks, Christine. So, Christine mentioned the AI-driven productivity. I'd just like to add on to those pointers. Our push towards becoming an AI-first knowledge management Company also gives us tremendous benefits on the editorial and production side, especially around AI-enabled workflow transformation. We see this as a huge opportunity to evolve from a production services set-up to a more strategic end-to-end workflow and publishing infrastructure partner, which we believe is a much larger long-term opportunity.

Also, as Christine briefly mentioned, we are also trying to push for growth in areas like China, where it's a high-growth research ecosystem. We have already signed a few MOUs and initiated operations with some of the publishers in China. So our overall strategy is to combine a strong relationship with growth publishers with local partnerships across new territories like China.

And this also helps us strengthen our reach within China, which also helps us help global publishers strengthen their outreach in China. So we believe that these initiatives together can become very meaningful long-term growth drivers for the business over the next several years. Back to you, Rahul.

Rahul Arora:

Thanks, Christine. Thanks, Sukhwant. Clearly, Sukhwant is very excited about China, but it's not just a China play; it is an APAC play. Japan is another market that I'm taking a lot of personal interest in. I am based out of Singapore, so APAC in general is a market that we're trying to expand in a big way. So, more news on that as we progress. Overall, to summarize, a cleaner base with AJE, a more focused portfolio, and frankly, a much easier business to grow, rather than the inflated base we had 2 years ago.

We should also look at where growth in research is coming from. It's not coming from doing more of the same work. It's coming from the four product layers that Sukhwant talked about: integrity, AI Author Solutions, the AJE office, and our platform stack. Each of those layers carries a better margin profile compared to the legacy services book, which never did, and each of these is growing at a fast clip.

In terms of FY'28, like I was sharing previously, we have a very tight guidance either at the end of Q3 FY'27 or Q4 FY'27, similar to what we have done for this year. But the visibility on that trajectory, and on similar margins, is intact.

Moderator: Thank you. We'll take our next question from the line of Shreyash Limbachiya. Please go ahead.

Shreyash Limbachiya: My question is regarding the Corporate Learning division in the investor presentation on Slide 16. You have mentioned that investment in digital multimedia and interactive solutions supporting higher value work, right? So I want to understand if the work profile has changed, what kind of project we do has some change, basically, what color is behind this investment?

Rahul Arora: Sure. So, I'll bring Soma in to talk about the Corporate Learning business and specifically the investment in digital, etc. Go ahead, Soma.

Soma Bhaduri: That was a good question because it really goes to the heart of why FY'26 looked the way it did. Just going back a little 2 years ago, our revenue was largely dominated by compliance content, instructor-led sort of materials, and design, which were high volume, low margin. And then it was rapidly commoditizing the whole mix.

That book was deliberately run off. Now, what has replaced it is a fundamentally different kind of work that we are doing. Our deliverables are no longer a simple learning output or simply a course, as we would call it, but a higher-order learning experience that we are embedding directly into the enterprise workflow, more like the performance enabler, as we call it, for our client partners.

Bridge AI is in active deployment for multilingual translation at enterprise scale, one of our, I would say, flagship products. The AI chatbots, the AI role-plays, simulation-led experiences, all of them are being delivered and delivered at scale, AR, which is augmented reality, virtual reality programs are live for the technical and field training areas.

So the consequence of all of this shift is very structural. These are higher value engagements, longer program cycles, stickier customer relationships, and a margin profile that the legacy book simply could not support earlier. So, the Q4 improvement and the FY'27 plan that we see are built on this new work profile and not a recovery of what existed before. But the margin expression of a business that has already transformed what it is selling. So this is where we are headed.

Shreyash Limbachiya: Lastly, I just want to ask, has there been a significant increase in the number of clients billed but a drop in per-client revenue, right? So I know already you have mentioned in the IP that this is due to Unbound Medicine. But would you provide something more on this metric?

Rahul Arora:

The mechanics are obviously what you expect - from Unbound integration, as we integrated Unbound, we have added more customers. But as you rightly pointed out, it is the texture beneath the number, not the number itself, that is important.

So, if you look at our traditional customer base in Research and Education, it has been relatively concentrated with a set of large knowledge organizations, as we call them. This is associated with higher revenue per account, and deep relationships with the account director are performing the role of a fulcrum.

Unbound brings a fundamentally different customer shape. It is a broad institutional base of medical schools, nursing schools, hospitals, and academic libraries. So many more accounts - smaller, but many more, and with very high renewal economics and low concentration risks. So, when you average across our overall combined base, per customer revenue declines. So, in my view, that is arithmetic, it is not degradation.

None of our anchor clients is billing less, for example. We simply added a very long tail of smaller recurring accounts, which I would describe as high-quality accounts. My two takeaways are: one, customer concentration is materially lower than it was 12 months ago, which, in my view, is an improvement in the quality of revenue.

Second, given the renewal business model and the economics behind that business model, it gives us a much more predictable forward revenue than other business models. So my view is that the metric is moving in the right direction, even though the headline ratio is moving the other way.

Moderator:

Thank you. We will take our next question from the line of Gunit Singh from Counter Cyclical Investments. Please go ahead.

Gunit Singh:

Sir, my question relates to the growth guidance of INR 300 crores EBITDA. So, INR 300 crores EBITDA organically would mean about INR 900 crores to INR 1,000 crores top line. But historically, we have seen that most of our growth has come from inorganic acquisitions. And given that FY'26, we also must have experienced forex gains; our numbers were largely, I mean flat, I mean if we look at constant currency, you can correct me if I am wrong with that. So in your assessment, what is the one highest priority area, segment, or geography where the lion's share of delta will come from?

From, so about INR 65 crores EBITDA delta. So, which is the area where the lion's share of the delta will come from? And what are, what is the one major risk in achieving our target of INR 300 crores in your assessment?

Rahul Arora:

The constant currency is not correct. So maybe we can take that off-line. But in terms of the guidance for FY'27, as you will note, we have always been very conservative on guidance. In fact, often do not share guidance.

The few times we have shared it, we have comfortably met it. I cannot remember when I last guided on this, but I think we said this year will comfortably surpass INR 100 crores in EPS. At that point, someone asked, what's the strategic announcement because that will be comfortably achieved? So that is typically the nature of such guidance.

And this guidance is similar. We have said comfortably surpass a few times, we have gone with a number that is built ground up, as Prarthana described. This is not something that just got built by Corporate, and everyone has to execute on it. Every single customer team, every single business unit has built this ground up, and that is where this is coming from. In terms of proportions, I think, again, ballparking here (will probably be off a little bit), but I think FY'27, while it is always hard to, it is hard enough to share a guidance, now to split the guidance, I will be very happy if we beat our guidance, and that is really what I'm focused on, is the headline number. But because you are asking this intellectual question on how we should split it, I am answering it, but not attached to this answer. I am more focused on the top number, which is over INR 300 crores in EBITDA. So what I would say is Research would be about 55%, Education about 35%, and Corporate about 10%. Research, simply because of its scale, will continue to compound and have that effect on the numbers. Also, it is one of the most profitable lines of business as well. So the Research continues to compound. Education is on a growth trajectory now, knock on wood. For a couple of years, we have been expecting that trajectory to continue. And of course, we have thrown some gasoline on that with the acquisition of Unbound. And finally, as Soma described, the Corporate Learning business is finally taking a turn, and we are expecting a stronger FY'27.

In terms of risks, I do not think MPS is facing any unique risks that would pertain to MPS alone. We exist in a shifting geopolitical environment. You and I wake up to the same unique news every day. There are broader geopolitical and macroeconomic risks, such as those we saw during the pandemic. Recently, there have also been reports and internal memos regarding work-from-home policies and other government-related guidance. So hopefully, it stays in guidance and encouragement. Although working from home for us is normal, and in fact, it has improved margins. So, nothing in this plan affects us uniquely as MPS. But yes, of course, if there is some major macroeconomic or geopolitical event that shakes up the entire industry or the entire economy, then of course, we will adapt. And we have historically adapted better than most.

So I count on MPS, our team, and our culture to adapt and be better responsive to this kind of external threat.

Moderator: Thank you. Ladies and gentlemen, we will take that as the last question for today. I now hand the conference over to Mr. Rahul Arora for closing comments. Over to you.

Rahul Arora: Thank you again for your active participation in the call today. As usual, the questions were sharp and on point. And your outside-in perspective really brings something that we deeply value. It also helps us step back and see things more clearly from all angles, especially on the last question on risk, which has definitely got me thinking.

I want to thank all of our stakeholders, our customers, our employees, our partners, and our long-term shareholders. All of you together have provided a lot of steadiness. You have shown us through what I would call FY'26, a year of meaningful transition. So, FY'26, as I said to the team internally, we proved that the operating system works, everything the guts and the plumbing work. FY'27 is the year we compound. Thank you, and we look forward to your continued partnership.

Moderator: Thank you. On behalf of MPS Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

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