MPS Limited
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Ref: MPSL/SE/45/2023-24
Date: 01 August 2023

✓	**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,

Sub: Earnings Presentation on Unaudited Financial Results of the Company for the First Quarter (Q1) ended 30 June 2023.

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, we are pleased to enclose herewith the Earnings Presentation on Unaudited Financial Results of the Company for the First Quarter (Q1) ended 30 June 2023.

The same is also available on the website of the Company i.e. www.mpslimited.com under the head Investors.

This is for your kind information and records.

Yours Faithfully,
For **MPS Limited**

RAMAN SAPRA

Digitally signed by RAMAN SAPRA
DN: c=IN, o=PERSONAL, title=9408, pseudonym=43dbd303263049bf818a076f6d838560, 2.5.4.20=18cf30a1544184712dd62ca166b9893ae39be03b72c0f4a44c907cf6e8f25d25, postalCode=201014, st=Uttar Pradesh, serialNumber=15cbe9dded45c032a01894d72a7cb7af4313fb2366016cd2de145cfc53083 8fc, cn=RAMAN SAPRA
Date: 2023.08.01 14:38:33 +05'30'

Raman Sapra
Company Secretary and Compliance Officer

Encl: As above

MPS LIMITED

SUPERCHARGING SCALE

Earnings Presentation

(Q1 FY24)

www.mpslimited.com

Disclaimer

This presentation contains forward-looking statements, inter-alia, to enable investors to comprehend Company's prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is, inter-alia, subject to assumptions, risks, uncertainties, including but not limited to our ability to successfully conclude and integrate (potential) acquisition(s) and general regulatory and economic conditions affecting the industry. Should known or unknown risks or uncertainties materialize or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, expected or projected. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Further this presentation may also contain references to findings of various reports available in public domain. We make no representations as to their accuracy or that we necessarily subscribe to those findings. Figures for previous periods / year have been regrouped, wherever necessary.

About MPS Limited

MPS at a Glance

MPS is a premium B2B learning and platform solutions company that powers the education, research, and corporate markets in their quest to engage with their learners more meaningfully. MPS has unlocked a new growth trajectory due to the combined effect of lower attention spans, rapid growth in digital consumption, and the recent advances in AI/ML

Well-Established Platform

- Combination of leading institutions across –Content Solutions (Macmillan/1970), eLearning (India's largest conglomerate/1991), and Platforms (HighWire, Stanford University/1995)
- Differentiated through unique IP and industry-leading accreditations
- A trusted partner to marquee players in Research, Education, and Corporate markets.

Compelling Value Proposition

- Global delivery model with cost advantages from active presence in Tier 2 cities in three countries– 67 percent of workforce.
- Pioneer in platform-led approach creating differentiation through comprehensive SaaS solutions that manage various processes across the content lifecycle
- Advanced capabilities in eLearning solutions that deploy cutting edge technologies.

Robust Industry Drivers

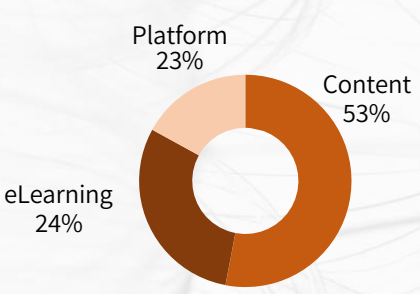
- Large USD 310 bn+ total addressable market with significant runway for growth.
- Secular shift to Digital and opportunity for consolidation in a highly fragmented market.
- Growing focus on scaled providers like MPS with a global delivery model, deep technical expertise. and the ability future-proof customers with innovation.

Tremendous Growth Opportunities

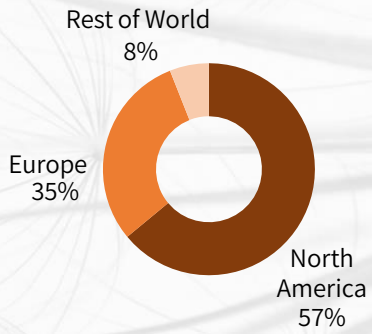
- Maximize cross-sell and upsell with captive customer base of 700+ customers.
- Scale central growth and marketing engine to acquire new customers and expand geographic footprint.
- Consistent investment and deployment of new capabilities across lines of business.
- Enter adjacent markets by re-configuring products/services.
- Play the role of a Consolidator in a highly fragmented market.

Revenue Breakdown (Q1 FY24)

By Business Segment



By Geography



Q1 FY24 Revenue: INR 133 Cr

Key Stats

- 700+ Marquee Customers**
- 2,700+ Employees
- 13 Delivery Centers Across 3 Continents
- 20+ Years of Average Client Relationship*
- 8 Acquisitions in the last 10 Years

* For top 10 customers as of FY23
** Basis annual data from FY23

Complementary Business Segments with High Degree of Synergy

End-to-end offerings provide a one-stop solution, leading to operational efficiencies, enhanced customer experience, and stickiness

	Content	Platform	eLearning
Overview	Comprehensive content solutions from content creation to delivery across all media that help drive the competitiveness and differentiation of our customers.	Complete range of configurable platform solutions across the entire content lifecycle delivered as PaaS. First to market with each platform offering and respected as the Innovator and Thought Leader in the marketplace.	Deliver high-impact learning and performance support solutions that offer a high engagement quotient, drive learner performance, and deliver high ROI for the learner and organization
Key Offerings	▪ Content Authoring, Development, and Learning Design ▪ Rights and Permissions Solutions ▪ Media Asset Development and Creative Studio Services ▪ Content Production powered by Digital First Workflows ▪ Digital Transformation	▪ Submission, Peer Review, and Workflow ▪ Hosting and Identity Management ▪ Insights and Analytics ▪ Customer Service and Order Management	▪ L&D Advisory and Consulting ▪ Continued eLearning ▪ Custom eLearning ▪ Simulations ▪ Gamification and Serious Games ▪ Training Delivery ▪ AR/VR/XR ▪ Learning Platforms and Technologies
Customers	Research, Education, and Corporate	Research, Education, and Corporate	Research, Education, and Corporate
Key Value Proposition	Efficiency and Differentiation	Innovation and Thought Leadership	Experiential and Transformative
Revenue Share (Q1 FY24)	**53%**	**23%**	**24%**

Financial Performance
Q1 FY24

Solid Start in Q1 FY'24 ahead of Inorganic Expansion

MPS Q1 FY24

Reported Revenue	₹ 132.5 Cr	FX-Adjusted Revenue	₹ 133 Cr
Reported Revenue YoY	↑ 15.38%	FX-Adjusted Revenue YoY	↑ 16.61%
EBITDA	₹ 41.9 Cr	EPS ₹ 17.84	EPS Growth YoY 47.8%
EBITDA Margin	31.64%		

Impressive Momentum in Revenue Growth drives Margin Expansion

Metrics		Q1 FY24	Q1 FY23	Variance%
Revenue	FX Gain/Loss adjusted revenue (INR Lakh)	13,298	11,404	16.61%
	Reported Revenue (INR Lakh)	13,251	11,485	15.38%
Profit	EBITDA (INR Lakh)	4,192	2,962	41.53%
	PBT (INR Lakh)	4,056	2,808	44.44%
	PAT (INR Lakh)	3,030	2,064	46.80%
Margin	EBITDA (%)	31.64%	25.79%	5.85%
	PBT (%)	30.61%	24.45%	6.16%
	PAT (%)	22.87%	17.97%	4.90%
Headcount	At the end of each reporting period in Nos.	2,753	2,812	-2.10%
EPS	Basic and Diluted EPS (INR)	17.84	12.07	47.80%

Total Cash and Cash equivalents (including investment in Mutual funds) as on 30-June-2023 are INR 205 Crores.

The company has zero debt.

Back to our Roots of a High Margin Business

Metrics		Q1 FY24			Q1 FY23		
		Content Solutions	Platform Solutions	eLearning Solutions	Content Solutions	Platform Solutions	eLearning Solutions
Revenue	FX Gain/Loss adjusted revenue (INR Lakh)	7,024	3,039	3,235	6,183	2,699	2,522
	Reported Revenue (INR Lakh)	6,979	3,037	3,235	6,323	2,696	2,466
Profit	Segment Result (INR Lakh)	2,709	1361	515	2,109	861	443
Margin	Segment Result (%)	38.82%	44.81%	15.92%	33.35%	31.94%	17.96%
Headcount	At the end of each reporting period in Nos.	2,130	213	410	2,177	215	420

- The Un-allocable expenditure & Finance cost (Net of Un-allocable income) of INR 529 Lakh in Q1 FY24 (PY Q1 INR 605 Lakh) is not identifiable to any of the reportable segments.

MPS in now a more Diversified Learning Company

Metrics		Q1 FY24	Q1 FY23	Q4 FY23
Geographic Concentration	North America	57%	57%	56%
	UK/Europe	35%	36%	34%
	Rest of the World	8%	7%	10%
Debtors	DSO	63	59	61
Client Concentration	Client Billed	437	492	495
	Top 5 contribution	33%	36%	31%
	Top 10 contribution	46%	49%	47%
	Top 15 contribution	56%	58%	56%

Key Business Updates: Q1 FY24

- MPS delivered robust growth in Q1 FY24 compared to the same period last year. Revenue grew to INR 133 crores on an FX-Adjusted basis and EPS for the period was INR 17.8 per share, resulting in a ~48 percent increase from Q1 FY23. The major drivers of the robust growth in Q1 FY24 continued to be powered by our five-pronged approach, referred to as “Going Gestalt”.
- Content Solutions revenue grew by ~10 percent in Q1 FY24 compared to same period last year. Given the significant operating leverage in the business, segment profit grew even faster in Q1 FY24 at ~28 percent. Revenue in Scholarly and Education business units grew ~15 percent & ~11.5 percent, respectively in Q1 FY24. The emphasis on STAR accounts was the core lever that was unlocked to drive growth in Q1 FY24. 7 of the Top 10 accounts in the Content Solutions business grew at double-digits.
- Despite the revival in the Platforms business, eLearning continued as the second-largest business segment. Revenues were at INR 32.35 crores in Q1 FY24, constituting ~24 percent of our Total Revenue. The eLearning business segment is also the fastest growing with upwards of 30 percent Revenue growth in Q1 FY24 over the previous year. We added two new customer logos to our Top 10 Accounts. The Magineu business that is focused on Marketing Communications continued the momentum from FY23 with new project wins and growth in existing projects. And the two European subsidiaries performed well ahead of expectations.

Key Business Updates on Platform Business: Q1 FY24

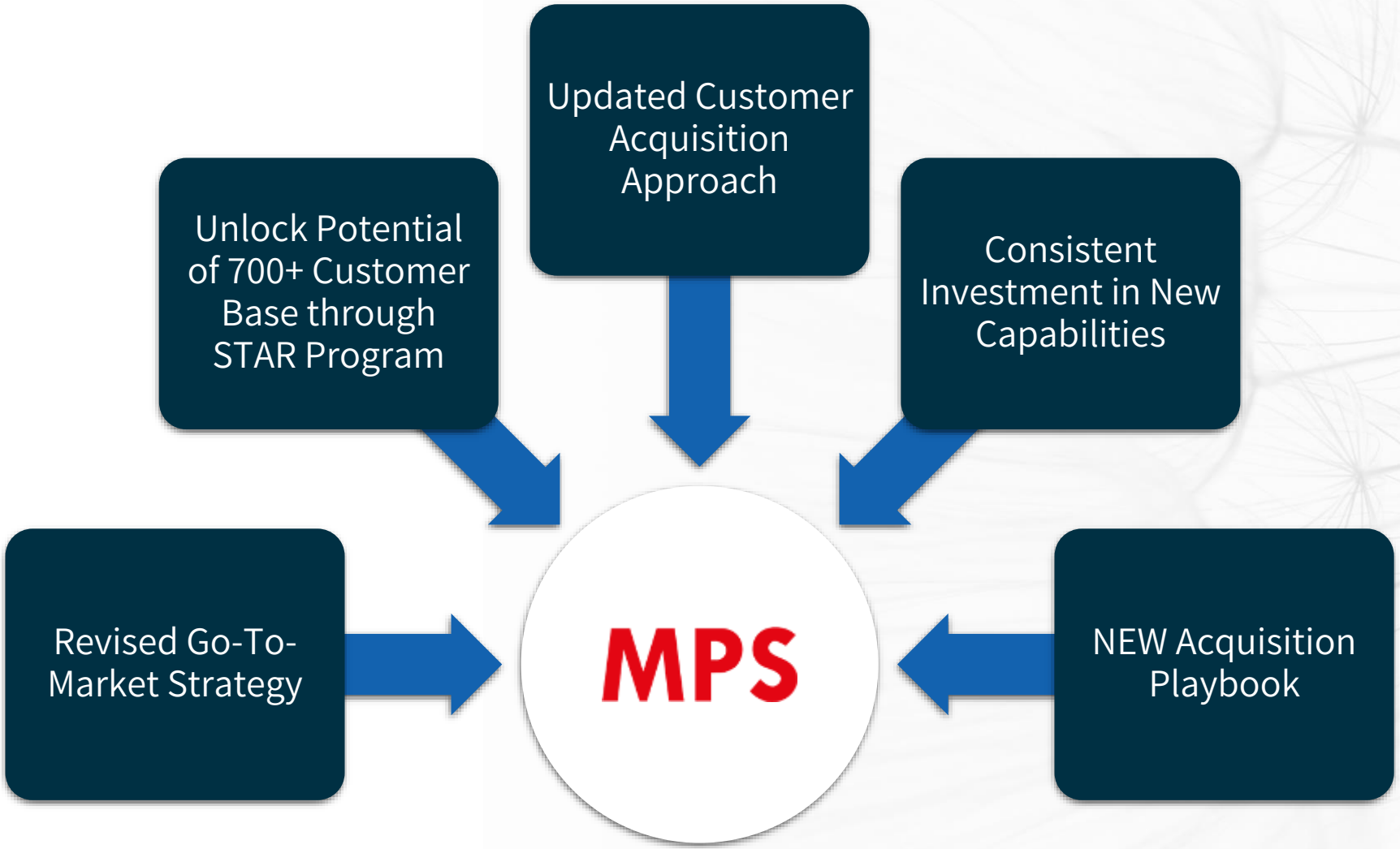
- Revenue in the Platform business grew in double digits for the first time since the acquisition of HighWire in 2020. Since the operating leverage in the Platforms business is the highest across all our businesses, segment profit grew even faster at ~58 percent in Q1 FY 24 compared to last year.

- Execution of Product Roadmaps was on schedule for the entire platform suite in Q1 FY24. The marketplace has well-received new features and functionalities, and there should be several monetization opportunities soon through implementation projects and migration programs. We have three product launches planned in this business segment, one each quarter through the rest of FY24, and are hopeful that these will create new revenue streams in the long term for MPS.

- Our engagement with our core customers has significantly improved in the Platform business, with discussions underway on cross-selling. We also have a robust pipeline of RFPs with new customers. Overall, the Platform business is gradually progressing from consolidation to a growth phase.

Supercharging “Gestalt” to Build Scale

Drivers for Growth in Q1 FY24 powered by our Five-Pronged Approach



Vision 2027: Supercharge "Going Gestalt" to build Revenue above INR 1,500 crores

Go-To-Market Strategy

- Refocused strategy using a market-based approach to enhance and unlock cross-sell synergies across Research, Education, and Corporate end-markets.
- Client interaction focused on leveraging firm-wide capabilities to address client needs vs a product-based approach
- Lead marketing with compelling value propositions and impactful brands

Scale STAR Program

- Proactive management and cross-sell/upsell in identified accounts (STAR). Scale-up of an existing program of 30 customers to 100 customers.
- Executive sponsors from the senior management team are assigned to each Star account.
- Leverage strong client relationships to continue to gain wallet share.

NEW Customer Acquisition

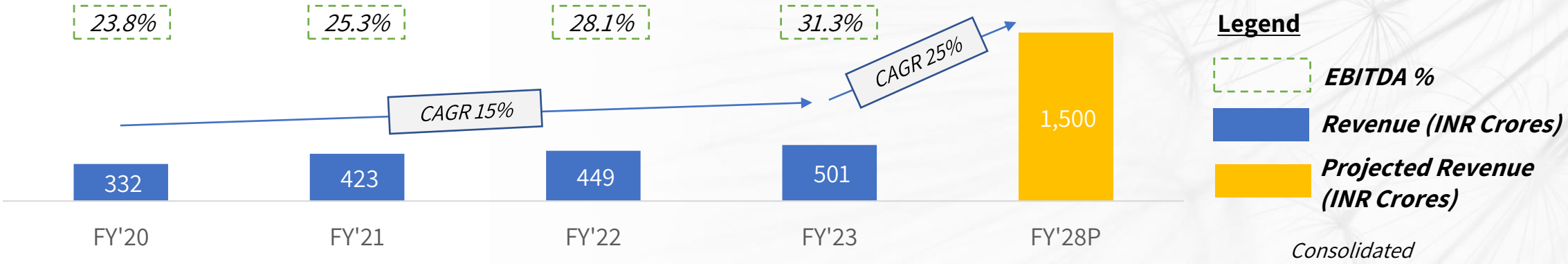
- **Research:** Bundle products/services and play the role of price warrior to acquire market share.
- **Education:** Unlock synergies to expand scope of work (Digital and Immersive) and customer type (Educational Institutes and Ed Tech).
- **Corporates:** Advance unprecedented order book by scaling up marketing and improving geographical coverage.

NEW Capabilities

- Expand Platform offerings via a series of new product launches.
- Embrace AI/ ML to disrupt marketplace with speed and efficiency.
- Move upstream and downstream in the value-chain to ensure comprehensive capability set.
- Scale Experience Center business to launch fourth business segment, Marketing Communications.

Acquisitions

- The approach to acquisitions now evolved from acquiring distressed assets to acquiring growth assets at compelling valuations.
- A strong track record and rich experience enable seamless integration and focus on value creation.
- Continue to target superior ROIC and rapid payback.



MPS is poised to augment organic growth with accretive M&A to drive revenue growth at similar margins

Corporate Social Responsibility

Corporate Social Responsibility Update

Total CSR Spending at a consolidated level is INR 59 Lakh for Q1, FY24

- **Girl's Education Project:** We partner with an NGO, IIMPACT, to adopt teaching schools that provide quality education to girls from marginalized communities and the underprivileged. We have supported 62 centres that have 1,860 girls enrolled into the program.
- **Impart Higher Values of Life:** We provide financial assistance to Vedanta Cultural Foundation, a public charitable trust, to support their programs in the field of education, research, and welfare.
- **Mental Healthcare:** We partner with Sambandh Health Foundation to raise awareness about mental health and mental illness.
- **Support for Physically Challenged Children:** We provide financial assistance to Prem Charitable Trust, a registered charitable trust, to build homes for mentally retarded and physically handicapped children.
- **Support for disabled children:** We provide financial assistance to KEM Hospital to support the learning disability project for disabled children.

SUPERCHARGING SCALE

MPS LIMITED

THANK YOU!

(Earnings Presentation Q1 FY24)

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