

**MPS Limited**

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Date: January 25, 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
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Dear Sirs,

Sub: Earnings Presentation on Unaudited Financial Results of the Company for the Third Quarter (Q3) and Nine Months ended December 31, 2022.

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 Third Quarter (Q3) and Nine Months ended December 31, 2022.

This is for your kind information and records.

Thanking you,

Yours Faithfully,
For MPS Limited

Raman Sapra
Company Secretary & Compliance Officer

Encl: As Above

www.mpslimited.com



GOING **gestalt**

MPS LIMITED

Q3 & 9M FY23 EARNINGS PRESENTATION

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.

Highest Quarterly EPS in our History for the Second Consecutive Time

MPS Q3 FY23

Reported
Revenue

₹ 132.1 Cr

FX-Adjusted
Revenue

₹ 132.4 Cr

Reported
Revenue YoY

↑ 17.87%

FX-Adjusted
Revenue YoY

↑ 18.16%

EBITDA

₹ 41.25 Cr

EPS ₹ 17.28

EPS Growth YoY 41.90%

EBITDA Margin

31.22%

ROCE

32%*

**Annualized value calculated basis YTD FY23*

Key Business Updates

- Journals drove the Content Solutions business, which traditionally has higher margins, improving overall margins for the content solutions business. The expansion in the Journals business was led by solid growth in business and continued expansion in volumes with strategic customers.
- The Scholarly Books business & the drive towards making content more accessible on behalf of our Education side customers, further enabled growth in Content Solutions.
- Platform business stabilized upon commencement of the third year of ownership of the HighWire business. Modest growth in Q3 over Q2 in FY23 confirmed that the transformation of HighWire is running on par with its five-year course per MPS' Acquisition Playbook.
- Along with the addition of EI Design, eLearning Business received a large Experience Center Project in Q3 FY23 driving revenue growth. STAR accounts too outperformed expectations in the eLearning segment.
- Available Operating Leverage available in the business unlocked as margins and profits expanded faster clip than Revenue growth.

Solid Start to H2 FY23 with a Robust Q3

Consolidated

	Metrics	Q3 FY23	Q3 FY22	Variance%
Revenue	FX Gain/Loss adjusted revenue (INR Lakh)	13,243	11,208	18.16%
	Reported Revenue (INR Lakh)	13,214	11,211	17.87%
Profit	EBITDA (INR Lakh)	4,125	3,247	27.04%
	PBT (INR Lakh)	3,937	2,976	32.33%
	PAT (INR Lakh)	2,957	2,199	34.47%
Margin	EBITDA (%)	31.22%	28.96%	2.26%
	PBT (%)	29.79%	26.55%	3.24%
	PAT (%)	22.38%	19.61%	2.77%
Headcount	At the end of each reporting period in Nos.	2,748	2,647	3.82%
EPS	Basic and Diluted EPS (INR)	17.28	12.18	41.90%

Total Cash and Bank Balances (including investment in Mutual funds) as on 31-Dec-2022 are INR 17,778 Lakh.

The company has zero debt.

Robust Growth in eLearning Solutions Coupled with Overall Margin Expansion

Metrics		Q3 FY23			Q3 FY22		
		Content Solutions	Platform Solutions	eLearning Solutions	Content Solutions	Platform Solutions	eLearning Solutions
Revenue	FX Gain/Loss adjusted revenue (INR Lakh)	6,514	2,928	3,801	5,951	3,116	2,141
	Reported Revenue (INR Lakh)	6,558	2,918	3,738	5,955	3,098	2,158
Profit	Segment Result (INR Lakh)	2,701	874	912	1,878	1,089	265
Margin	Segment Result (%)	41.18%	29.95%*	24.40%	31.53%	35.15%	12.28%
Headcount	At the end of each reporting period in Nos.	2,125	198	425	2,185	223	239

- The Un-allocable expenditure & Finance cost (Net of Un-allocable income) of INR 550 Lakh in Q3 FY23 (PY Q3 INR 256 Lakh) is not identifiable to any of the reportable segments.
- * Adjusting for one-off expenses related to permanent cost reductions, margins expanded in Platforms.

Key Metrics for Quarter Ending December 2022

Consolidated

	Metrics	Q3 FY23	Q3 FY22	Q2 FY23
Currency Contribution (%)	USD	80%	79%	84%
	GBP	6%	9%	6%
	EURO	4%	5%	4%
	CHF	2%	3%	2%
	INR	6%	2%	2%
	Others	2%	2%	2%
Geographic Concentration	North America	55%	57%	60%
	UK/Europe	32%	36%	32%
	Rest of the World	13%	7%	8%
Debtors	DSO	57	61	52
Client Concentration	Client Billed	521	472	545
	Top 5 contribution	33%	38%	34%
	Top 10 contribution	47%	51%	47%
	Top 15 contribution	56%	58%	55%

On Track to cross INR 100 Cr in PAT in FY23

Consolidated

Metrics		9M FY23	9M FY22	Variance%
Revenue	FX Gain/Loss adjusted revenue (INR Lakh)	37,207	34,045	9.29%
	Reported Revenue (INR Lakh)	37,359	33,947	10.05%
Profit	EBITDA (INR Lakh)	11,099	9,452	17.42%
	PBT (INR Lakh)	10,391	8,755	18.69%
	PAT (INR Lakh)	7,706	6,506	18.45%
Margin	EBITDA (%)	29.71%	27.84%	1.87%
	PBT (%)	27.81%	25.79%	2.02%
	PAT (%)	20.63%	19.17%	1.46%
Headcount	At the end of each reporting period in Nos.	2,748	2,647	3.82%
EPS	Basic and Diluted EPS (INR)	45.05	36.04	25.00%

Margin Expansion Across all Business Segments

Metrics		9M FY23			9M FY22		
		Content Solutions	Platform Solutions	eLearning Solutions	Content Solutions	Platform Solutions	eLearning Solutions
Revenue	FX Gain/Loss adjusted revenue (INR Lakh)	19,289	8,413	9,505	18,341	9,459	6,245
	Reported Revenue (INR Lakh)	19,595	8,400	9,364	18,211	9,466	6,270
Profit	Segment Result (INR Lakh)	7,520	2,707	2,020	5,804	3,032	688
Margin	Segment Result (%)	38.38%	32.23%	21.57%	31.87%	32.03%	10.97%
Headcount	At the end of each reporting period in Nos.	2,125	198	425	2,185	223	239

- The Un-allocable expenditure & Finance cost (Net of Un-allocable income) of INR 1,856 Lakh in FY23 (PY INR 769 Lakh) is not identifiable to any of the reportable segments.

Key Metrics for 9M FY23

Consolidated

Metrics		9M FY23	9M FY22
Currency Contribution (%)	USD	83%	79%
	GBP	6%	9%
	EURO	3%	5%
	CHF	2%	3%
	INR	3%	2%
	Others	3%	2%
Geographic Concentration	North America	58%	64%
	UK/Europe	33%	30%
	Rest of the World	9%	6%
Debtors	DSO	57	60
Client Concentration	Client Billed	726	601
	Top 5 contribution	33%	35%
	Top 10 contribution	47%	48%
	Top 15 contribution	55%	56%

Corporate Social Responsibility Update

Total CSR Spending is INR 41 Lakh for Q3 FY23 and INR 120 Lakh for 9M FY23

- **Girl's Education Project:** We partner with an NGO, IIMPACT, to adopt teaching schools that provide quality education to girls from marginalized communities and underprivileged . We have supported 51 centres that have 1,530 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.
- **Remedial Education to Students with Learning Disabilities:** We work with REACH, Remedial Education and Centre for Holistic Development, to provide education to students with learning disabilities across all ages.
- **Support for disabled children:** We provide financial assistance to KEM Hospital to support the learning disability project for the disabled children.

Thank You

MPS Limited

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