

SUPERCHARGING SCALE



MPS LIMITED

53RD ANNUAL REPORT 2022-23

Forward-looking Statements

Some of the information in this report may contain forward-looking statements, which include statements regarding the Company's expected financial position and results of operations, business plans and prospects, etc. They are generally identified by forward-looking words, such as "believe", "plan", "anticipate", "continue", "estimate", "expect", "may", "will", or other similar words. Forward-looking statements are dependent on assumptions or the basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that the actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Table of Contents



Corporate Overview

- 02 Corporate information
- 03 Supercharging Scale
- 06 MPS overview
- 08 Our Mission & Vision
- 09 Our Culture
- 10 Leaving a global footprint
- 12 ESG
- 14 Chairman's Letter
- 16 Business overview
- 18 Key industry drivers
- 19 Awards and recognition
- 20 Board of directors
- 22 Management Discussion and Analysis



Statutory Reports

- 38 Directors' Report
- 67 Business Responsibility and Sustainability Report
- 88 Report on Corporate Governance



Financial Section

Standalone Financial Statements

- 120 Independent Auditor's Report
- 133 Balance Sheet
- 134 Statement of Profit & Loss
- 135 Cash Flow Statement
- 137 Statement of Change in Equity
- 139 Notes forming part of the Financial Statements

Consolidated Financial Statements

- 198 Independent Auditor's Report
- 209 Balance Sheet
- 210 Statement of Profit & Loss
- 211 Cash Flow Statement
- 213 Statement of Change in Equity
- 215 Notes forming part of the Financial Statements



Notice of 53rd Annual General Meeting

- 271 Notice

Corporate Information



Board of Directors

Mr. Rahul Arora
Chairman and CEO

Ms. Achal Khanna
Independent Director

Mr. Ajay Mankotia
Independent Director

Ms. Jayantika Dave
Independent Director

Dr. Piyush Kumar Rastogi
Independent Director

Ms. Yamini Tandon
Non-Executive Director

Chief Financial Officer

Mr. Sunit Malhotra

Company Secretary and Compliance Officer

Mr. Raman Sapra

Statutory Auditors

Walker Chandiok & Co LLP
Chartered Accountants,
L-41, Connaught Circus,
New Delhi – 110001

Bankers

HDFC Bank Limited
C/25, Stellar IT Park, Sector 62,
Noida – 201306

Kotak Mahindra Bank Limited
Kotak Aerocity, Asset Area 9,
1st Floor, Corporate Banking,
Ibis Commercial Block,
Hospitality, District, IGI Airport,
New Delhi – 110037

ICICI Bank Limited
Supertech Shopprix, 134b, Sector-61,
Noida, Gautam Buddha Nagar
Uttar Pradesh, 201301, India

Corporate Office

A-1, Tower-A, 4th Floor,
Windsor IT Park, Sector 125, Noida,
Uttar Pradesh-201303

Registered Office

RR Towers IV, Super A, 16/17,
Thiru-Vi-Ka Industrial Estate,
Guindy, Chennai – 600032

Other Offices of MPS Limited

477 Madison Avenue, 6th Floor,
New York, NY 10022, USA

HMG Ambassador, 137
Residency Road, Bangalore,
Karnataka-560025

33, IT Park, Sahastradhara Road,
Dehradun, Uttarakhand-248001

709, DLF Corporate Greens,
Sector-74A, Narsinghpur, Gurgaon,
Haryana-122004

Subsidiaries

MPS North America LLC
1901 South 4th St, STE 222,
Effingham

5728 Major Blvd STE 528,
Orlando, FL 32819, USA

MPS Interactive Systems Limited

RR Towers IV, Super A, 16/17,
Thiru-Vi-Ka Industrial Estate, Guindy,
Chennai-600032

91, Springboard Business Hub Private
Limited, Plot No. D-5, Marol MIDC,
Road No.20, Andheri East, Mumbai
City, Maharashtra-400093

Smartworks, Victoria Park, Block GN,
Plot no. 37/2, Sector V, Salt Lake,
West Bengal, Kolkata-700 091

103 Carnegie Center, Suite 300,
Princeton, New Jersey, USA.

TOPSIM GmbH

2nd Floor, Neckarhalde 55,
D-72070, Tübingen, Germany

MPS Europa AG

First Floor, Lindenstrasse 14, 6340
Baar, Switzerland

Registrar and Share Transfer Agent

Cameo Corporate Services Limited,
Subramanian Building, 1 Club House
Road, Chennai-600002

SUPERCHARGING SCALE

The Success of Going Gestalt

In FY'22 we focused on 'Going Gestalt', fostering collaboration and unlocking synergies within our organization. We are pleased to announce that our endeavours have started to yield remarkable results, culminating in the creation of something truly significant and impactful.

FY23 has been a milestone year for MPS, with revenues crossing INR 500 crores and a Profit After Tax of INR 109 crores (more than the guidance of INR 100 crores provided at the beginning of FY23). We also witnessed a vast improvement across a variety of financial and business indicators including Segmental Margins, ROCE, Earnings Growth, and an unprecedented balance in Customer Concentration.

The combined effect of lower attention spans, rapid growth in digital consumption, and the recent advances in AI/ML has helped MPS unlock an accelerated trajectory through and post-Pandemic. Recent growth and momentum have been powered by a shift in GTM approach, richer focus on strategic customers, meaningful customer acquisition strategy, robust and consistent launch of new products and capabilities, and a more aggressive inorganic strategy.

Now, we are Supercharging 'Going Gestalt'!

The theme "Supercharging Scale" is about leveraging on the momentum established via the "Going Gestalt" strategy to grow MPS into a compelling learning company with meaningful operations and scale. We are now powered by our deep purpose of making learning accessible to ALL, just like the spread of far-reaching dandelion seeds.

Supercharging Scale reflects our commitment to accelerating growth and enhancing efficiency to create greater value for our stakeholders. MPS is

focused on leveraging its extensive experience and capabilities to rapidly scale its operations, expand its reach, and improve its offerings by continuously driving innovation and efficiency.

Supercharging Scale emphasizes the company's commitment to unlocking the full potential of individuals and creating even stronger, high performance teams that can create long-term value for its stakeholders and deliver exceptional solutions and products to their clients.

Why we care about it?

With the early signs of success of "Going Gestalt", our focus is now Supercharging Scale in the execution of Going Gestalt. Surpassing Revenues of INR 1,500 crores is a milestone that MPS will achieve by FY28. We articulated our Deep Purpose as a team in FY23: make learning accessible to ALL. And that's what gives us the confidence toward Vision 2027 – building a compelling learning company at a meaningful scale that helps the world learn smarter. A more profound purpose now drives MPS. The scale we are looking to supercharge to is not the end but the means that will allow us to deliver on our deep purpose with significant impact.

For over **Five decades** MPS has been transforming the way the world learns

Our growth pivots include ramping up our business offerings to achieve better synergies within segments, driving a platform-led approach in all aspects of the business, maximizing the market share in high-performing areas, and elevating our stature in the marketplace as a platform company that ensures consistent value creation.



At MPS, our vision for the future is to power the differentiation and competitiveness of our customers through

smarter

content solutions

cutting-edge

platform solutions

immersive

eLearning solutions

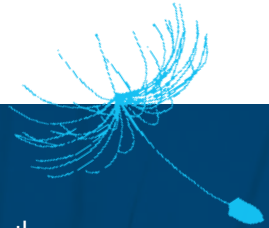




Our focus is now on Supercharging Scale in the execution of Going Gestalt. Surpassing a Revenue of INR 1,500 crore by FY28 is a milestone that we will comfortably achieve. We articulated our Deep Purpose as a team in FY23: make learning accessible to ALL.

MPS Overview

Pioneering digital disruption



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.

Well-Established Platform

We are a combination of various leading institutions across content outsourcing (Macmillan, 1970), eLearning (TIS - the division was a part of one of India's largest conglomerates for more than twenty-seven years), and independent platform (Stanford, 1995)

Compelling Value Proposition

We are the only independent vendor that provides end-to-end solutions throughout the content lifecycle

Robust Industry Drivers

We have a large USD310bn+ total addressable market with significant runway for growth across research content outsourcing, digital education content, and corporate eLearning end-markets

Tremendous Growth Opportunities

We operate in a high-growth market that is currently fragmented and headed towards consolidation. Powered by the deep purpose of making learning accessible to all, MPS is pursuing a scale-up and will play the role of market consolidator.

Making strides into The future

Our journey highlights a track record of growth—years of acquiring customers and expanding our capabilities. Our journey can be summarized in three distinct phases, and our path forward has one focus - Supercharging Scale.

Drive for Speed and Efficiency FY12-FY13

- Acquisition of MPS, a subsidiary of Macmillan
- Opened the largest global office in Dehradun to improve efficiency and lower costs
- Acquired Element LLC to expand content solutions

Major Diversification Play FY14-FY20

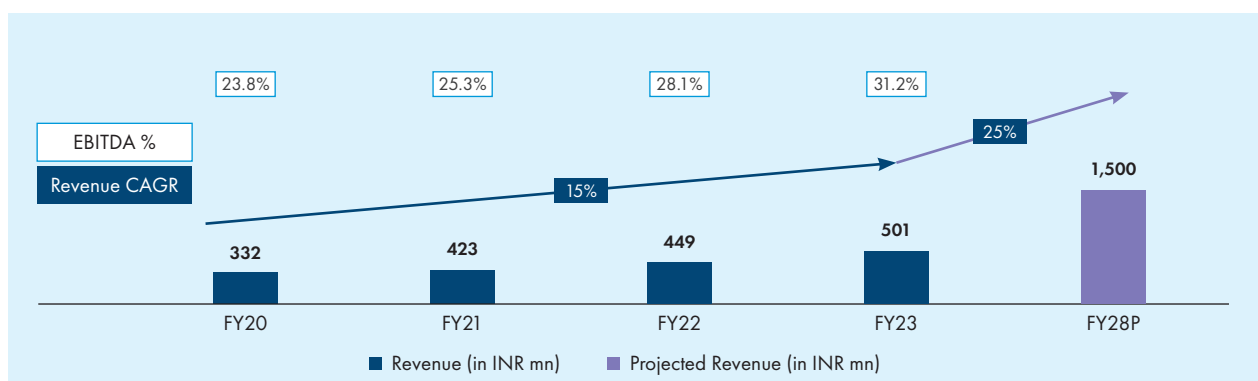
- Completed 7 acquisitions over 8 years
- All acquisitions of scope to enhance strategic competitive advantage
- Reduced the revenue concentration from the top 10 customers: 75% in FY14 to 53% in FY20
- Diversified business mix from 100% Content in FY14 to 60% Content, 28% Platform, and 12% eLearning in FY20
- Expanded TAM from USD 2 bn to USD 365 bn

Unlocking Synergies FY21-FY22

- Robust growth in the education business through revamped and integrated global delivery model that combines diverse capabilities
- Profitable transformation of the corporate eLearning business
- Expanded the platform business through the acquisition of HighWire, advancing our positioning in the research end-market as a “thought leader”

Supercharging Scale FY23 onwards

- Redefine sales and marketing strategy to a market-oriented approach to drive organic growth
- Shift the focus of inorganic strategy to focus on acquiring growth assets
- Explore opportunities for further consolidation to further improve efficiencies and drive margin expansion. Completed the acquisition of EI Design and integrated the same with MPS in record time, which has given us confidence in our new acquisition strategy



Our Mission

Our mission is to help make learning smarter and accessible to ALL

Our ambitions are powered by our core values that we call the Triple E. These are principles we will not compromise on but rather tools that we depend on.



The Triple E Values — Excellence, Empathy, and Efficiency — may seem distinct from one another, but they all move in synchrony to create a synergetic value system that defines the culture at MPS. Each value is important in its own right, but when combined, they create an unstoppable force that drives our organization towards success. By upholding these values, we will continue to innovate, evolve, and adapt to the ever-changing needs of our customers and the industry. We believe that this value system will not only shape our future but also help us achieve our long-term goals as an organization.

Vision 2027

To create a compelling learning company at a meaningful scale that helps the world learn smarter. We aspire to be the provider of choice in our markets that powers experiential learning experiences with the latest technology innovations.

Key highlights

50+ Years of rich history

8 Acquisitions in 9 years

13 Offices

INR **501 Cr** Revenue

2700+ Talent pool

INR **147 Cr** PBT