



T.I.M.E. to THRIVE

Q2 FY22 Earnings Presentation

MPS Limited



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.

Q2 FY 22 - Margins expand as Business Mix Settles

Consolidated

Metrics		FY'22 Q2	FY'21 Q2	FY'22 Q1
Revenue	FX Gain/Loss adjusted revenue (INR Lacs)	11,040	11,040	11,791
	Reported Revenue (INR Lacs)	11,021	11,034	11,715
Profit	EBITDA on Fx adjusted revenue (INR Lacs)	3,205	2,504	3,292
	PBT (INR Lacs)	2,899	1,954	2,882
	PAT (INR Lacs)	2,166	1,390	2,141
Margin	EBITDA (%)	29.0%	22.7%	27.9%
	PBT (%)	26.3%	17.7%	24.4%
	PAT (%)	19.6%	12.6%	18.2%
Headcount	At the end of each reporting period in Nos.	2692	2621	2662
EPS	Basic and Diluted EPS (INR)	12.00	7.47	11.86

Profit and Margins are on FX Gain/Loss adjusted revenue.

Total Cash and Cash equivalents (including investment in Mutual funds) as on 30-Sep-2021 are INR 233 Crores and INR 180 Crores as on 31-Mar-21.

The company has zero debt.

H1 FY 22 - Profitable Growth Momentum

Consolidated

Metrics		FY'22 H1	FY'21 H1
Revenue	FX Gain/Loss adjusted revenue (INR Lacs)	22,831	19,266
	Reported Revenue (INR Lacs)	22,736	19,211
Profit	EBITDA on Fx adjusted revenue (INR Lacs)	6,497	4,636
	PBT (INR Lacs)	5,781	3,845
	PAT (INR Lacs)	4,307	2,776
Margin	EBITDA (%)	28.5%	24.1%
	PBT (%)	25.3%	20.0%
	PAT (%)	18.9%	14.4%
Headcount	At the end of each reporting period in Nos.	2692	2621
EPS	Basic and Diluted EPS (INR)	23.86	14.91

Profit and Margins are on FX Gain/Loss adjusted revenue.

Q2 FY22 - Healthier Business Metrics

Consolidated

	Metrics	FY'22 Q2	FY'21 Q2	FY'22 Q1
Currency Contribution (%)	USD	79%	79%	79%
	GBP	10%	10%	9%
	EURO	4%	5%	5%
	CHF	3%	2%	4%
	INR	1%	2%	1%
	Others	2%	2%	2%
Geographic Concentration	North America	67%	69%	68%
	UK/Europe	27%	26%	28%
	Rest of the World	6%	5%	4%
Debtors	DSO	55	60	59
Client Concentration	Client Billed	462	472	467
	Top 5 contribution	34%	36%	34%
	Top 10 contribution	46%	48%	47%
	Top 15 contribution	54%	56%	55%

Multiple entities of the same customer group have been considered as one client. Previous period numbers have been realigned to match the current period presentation.

H1 FY22 - Improving Business Metrics

Consolidated

Metrics		FY'22 H1	FY'21 H1
Currency Contribution (%)	USD	79%	80%
	GBP	9%	8%
	EURO	5%	6%
	CHF	4%	3%
	INR	1%	2%
	Others	2%	2%
Geographic Concentration	North America	67%	68%
	UK/Europe	28%	26%
	Rest of the World	5%	5%
Debtors	DSO	53	69
Client Concentration	Client Billed	535	585
	Top 5 contribution	33%	42%
	Top 10 contribution	45%	54%
	Top 15 contribution	53%	61%

Multiple entities of the same customer group have been considered as one client. Previous period numbers have been realigned to match the current period presentation.

Financial Summary - Business Segments Compared Y-O-Y

Metrics		FY'22 Q2			FY'21 Q2		
		Content Solutions	Platform Solutions	eLearning Solutions	Content Solutions	Platform Solutions	eLearning Solutions
Revenue	FX Gain/Loss adjusted revenue (INR Lacs)	6,186	2,974	1,880	5,331	3,984	1,725
	Reported Revenue (INR Lacs)	6,119	3,003	1,899	5,302	3,976	1,756
Profit	EBITDA (INR Lacs)	1,944	904	357	1,554	1,005	-55
	PBT (INR Lacs)	1,928	749	222	1,441	773	-259
	PAT (INR Lacs)	1,538	447	181	1,058	567	-235
Margin	EBITDA (%)	31.4%	30.4%	19.0%	29.1%	25.2%	-3.2%
	PBT (%)	31.2%	25.2%	11.8%	27.0%	19.4%	-15.0%
	PAT (%)	24.9%	15.0%	9.6%	19.8%	14.2%	-13.6%
Headcount	At the end of each reporting period in Nos.	2,221	234	237	2,082	242	297

- Margins are on FX Gain/Loss adjusted revenue.
- The Un-allocable expenditure (Net of Un-allocable income) is not identifiable to any of the reportable segments. These have been allocated based on operating margin ratio to arrive at estimated segment margins for the convenience of the readers.

Financial Summary - Business Segments at Sequential Quarters

Metrics		FY'22 Q2			FY'22 Q1		
		Content Solutions	Platform Solutions	eLearning Solutions	Content Solutions	Platform Solutions	eLearning Solutions
Revenue	FX Gain/Loss adjusted revenue (INR Lacs)	6,186	2,974	1,880	6,204	3,363	2,224
	Reported Revenue (INR Lacs)	6,119	3,003	1,899	6,137	3,365	2,213
Profit	EBITDA (INR Lacs)	1,944	904	357	1,685	1,213	395
	PBT (INR Lacs)	1,928	749	222	1,629	1,011	242
	PAT (INR Lacs)	1,538	447	181	1,194	731	215
Margin	EBITDA (%)	31.4%	30.4%	19.0%	27.2%	36.1%	17.7%
	PBT (%)	31.2%	25.2%	11.8%	26.3%	30.1%	10.9%
	PAT (%)	24.9%	15.0%	9.6%	19.2%	21.7%	9.7%
Headcount	At the end of each reporting period in Nos.	2,221	234	237	2,186	247	229

- During Q1 FY 22, the composition of the business segments has been realigned to reflect the changes in the internal organization structure and accordingly the segment revenue and results have been reclassified for all the reported periods.
- Margins are on FX Gain/Loss adjusted revenue.
- The Un-allocable expenditure (Net of Un-allocable income) is not identifiable to any of the reportable segments. These have been allocated based on operating margin ratio to arrive at estimated segment margins for the convenience of the readers.

Financial Summary - Business Segments at YTD

Metrics		FY'22 H1			FY'21 H1		
		Content Solutions	Platform Solutions	eLearning Solutions	Content Solutions	Platform Solutions *	eLearning Solutions
Revenue	FX Gain/Loss adjusted revenue (INR Lacs)	12,390	6,337	4,104	10,746	5,021	3,498
	Reported Revenue (INR Lacs)	12,256	6,368	4,112	10,687	5,005	3,519
Profit	EBITDA (INR Lacs)	3,629	2,117	751	3,178	1,401	57
	PBT (INR Lacs)	3,556	1,761	464	3,018	1,157	-331
	PAT (INR Lacs)	2,732	1,178	396	2,231	852	-307
Margin	EBITDA (%)	29.3%	33.4%	18.3%	29.6%	27.9%	1.6%
	PBT (%)	28.7%	27.8%	11.3%	28.1%	23.0%	-9.5%
	PAT (%)	22.1%	18.6%	9.7%	20.8%	17.0%	-8.8%
Headcount	At the end of each reporting period in Nos.	2,221	234	237	2,082	242	297

- During Q1 FY 22, the composition of the business segments has been realigned to reflect the changes in the internal organization structure and accordingly the segment revenue and results have been reclassified for all the reported periods.
- Margins are on FX Gain/Loss adjusted revenue.
- The Un-allocable expenditure (Net of Un-allocable income) is not identifiable to any of the reportable segments. These have been allocated based on operating margin ratio to arrive at estimated segment margins for the convenience of the readers.

*Platform Solutions include HighWire financial information for 3 Months from July'2020 to Sep'2020.

Corporate Social Responsibility Update

Total CSR Spending is INR 41 Lacs for Q2 FY 22.

- **Girl's Education Project:** We partner with an NGO, IIMPACT, to adopt teaching schools that provide quality education to girls from marginalized communities. We have supported a 100 centers that have 3,000 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.

The background is a light cream color with a complex, abstract pattern of thin, light blue lines. These lines form a network of interconnected nodes and paths, some of which are highlighted with small blue circles or triangles. The pattern has a sense of depth and movement, with some areas appearing more dense than others. In the center of the image, the text "Thank you." is written in a bold, black, sans-serif font.

Thank you.