

**CEO Presentation**  
49<sup>th</sup> Annual General Meeting Report  
July 24, 2019 - Chennai, India

**LEVERAGE**  
**DIVERSIFY**  
AND **DISRUPT**



**MPS Limited**

# Agenda

Highlights of FY19

Vision 2023

Values

Growth Strategy – Leverage, Disrupt,  
and Diversify

Recap

# Highlights of FY19

- Record-Breaking EPS: Entering another EPS accretive phase with a record-breaking EPS of INR 40.83
- Dividend: On May 17, 2019, the Board of Directors recommended a final dividend of INR 25 per equity share, subject to the approval of the shareholders. This dividend distribution will bring us back to the consistent and previous scales, adjusted for more profitability today.
- Financials: MPS has a healthy balance sheet. The business continues to have sufficient cash to reinvest and to examine and invest in future acquisitions.
- New Phase of Growth: From a singular focus on Publishing to we have expanded focus to all forms of learning
- Strategy Ahead: To attain our Vision 2023, we would leverage a combination of three strategies—leverage, diversify, and disrupt.

# Vision 2023

## **Business Transformation through Smarter Learning**

MPS' objective is to power the differentiation and competitiveness of our customers through smarter learning. We will transform learning by making it transparent, real-time, and focused on the learning outcome.

Through the successful execution of this vision, we will grow to be the undisputed market leader by 2023, loved and admired by all our stakeholders.

# Values

Our ambitions will be powered by our core values that we call the Triple E. These Triple E values define who we are today and will shape our future. They are principles that we will not compromise on but are tools that we will depend on.



**Excellence** is a way of life. It means respecting our colleagues, owning our responsibilities, and committing our best to our customers. Excellence is the simplicity in committing our best to every interaction, deliverable, and decision.



**Empathy** is caring. It means caring to understand things deeply, absorbing the unwritten, and going the extra mile for people who depend on us. While Empathy is intuitive, we believe it can be developed intellectually through impactful learning programs.



**Efficiency** is who we are. It means driving automation, smarter workflows, innovative operating models, and not allowing any job to be grunt work at MPS.

# Growth Strategy for a Changing World

To sustain our growth momentum toward Vision 2023, we intend to leverage a combination of three strategies—leverage, diversify, and disrupt.



**Leverage** - Expansion of core by optimizing and configuring what we have for newer applications and business models



**Diversify** - Expansion into adjacent markets by extending core competencies suitably



**Disrupt** - Identify non-value drivers in core market and find ways to remove such redundancy through platform-based approach

STRATEGY	Leverage	Diversify	Disrupt
Capabilities	Core	Extended Core	Transformative
Target	New Customer Types in Core	Adjacent Markets	Dis-intermediate Core Market
Implementation	<ul style="list-style-type: none"> <li>Identify suitable assets such as data capital, tech IP, and key people and determine market feasibility</li> <li>Develop MVP for market feedback</li> <li>Incorporate feedback for beta stage</li> </ul>	<ul style="list-style-type: none"> <li>Identification of suitable markets and minimum capability extensions required</li> </ul>	<ul style="list-style-type: none"> <li>Identify non value links in core market and ways to make them redundant</li> </ul>
Examples	<ul style="list-style-type: none"> <li>DigiCore for authors and self-publishing</li> <li>Data as a service for libraries</li> <li>Rights and Permissions for granting rights</li> </ul>	<ul style="list-style-type: none"> <li>mag+ as a service for document management and delivery in the enterprise</li> <li>Extending acquired capabilities of MPSi and MPS Europa to marketing communications at the enterprise</li> <li>Marketing agency support by extending content development Capabilities</li> </ul>	<ul style="list-style-type: none"> <li>Automate tasks in the content production process to move to zero or one touch workflow and real time processing of content</li> <li>Real time peer review of academic content through a collaborative editorial environment eliminating the various actors and time lost</li> <li>Enable self publishing</li> <li>Continuous update of content to drastically minimize new content development</li> </ul>

# Recap

- FY19 changed our market perspective and jump-started MPS into its next phase of growth.
- MPS reached a new scale through the recent acquisition of Tata Interactive Systems Group, with revenues growing by 35.8%
- Existing customers are viewing us differently—enhanced credibility in volume expansion and platform scalability is opening up new opportunities for us in publishing
- Our Content Solutions business grew by 6% in a *Red Ocean* environment through increased volumes from existing customers and the addition of new customers that are already featuring in our top 15
- While EBITDA margins were suppressed in our platform solutions due to the one-time loss in TOPSIM GmbH, we implemented innovative first of their kind platform projects that allowed for measurable and tangible business impact for our customers.
- Apart from the significant market expansion, we now have tailwinds, with the eLearning market expected to grow to USD 325 Billion by 2025 at a CAGR of more than 10 percent, according to a recent *Forbes* report.

***FY19 has given us focus and clearer line of sight toward Vision 2023***





**MPS Limited**