



MPS Limited

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Ref: MPSTL/SE/53/2023-24

Date: 29 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: MPSTLTD 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: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)

Pursuant to Regulation 30 read with Para A of Part A of Schedule III of SEBI Listing Regulations this is to inform you that MPS Interactive Systems Limited (“MPSi”), one of the wholly-owned subsidiaries of MPS Limited (“Company”), has agreed to acquire 65% of the issued and paid-up share capital of each of the following entities i.e. Liberate Learning Pty Ltd (Australia), Liberate eLearning Pty Ltd (Australia), App-eLearn Pty Ltd (Australia), and Liberate Learning Limited (New Zealand) (“Liberate Group”) and has executed a Share Purchase Agreement (“SPA”) dated 29 August 2023, for consideration of AUD 9.32 Million. The consideration is payable as per the terms of SPA and other transaction documents.

The remaining 35% shareholding of each of the entities of Liberate Group will be acquired by MPSi in subsequent tranches based upon valuation methodology as agreed under the transaction documents.

The details required to be furnished in compliance with Regulation 30 read with Para A of Part A of Schedule III of SEBI Listing Regulations and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13 July 2023 is enclosed herewith as Annexure-A.

The Press Release on the same is enclosed herewith as Annexure-B.

This is for your kind information and record.

Thanking you,

Yours Faithfully,
For MPS Limited

Raman Sapra
Company Secretary and Compliance Officer

Encl: As Above

www.mpslimited.com

Details as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13 July 2023**a. Name of the target entity, details in brief such as size, turnover etc.;**

Liberate Learning Pty Ltd (Australia), Liberate eLearning Pty Ltd (Australia), App-eLearn Pty Ltd (Australia), and Liberate Learning Limited (New Zealand) (here-in-after referred to as "Liberate Group").

A summary of Liberate Group's financials for the year ended 30 June 2022 (FY'22) is provided below:

(Amounts in AUD '000)

METRICS	FY'22*
REVENUE	8,327
EBITDA MARGIN (IN %)	40.4%

*The figures for the Financial Year ended 30 June 2023 have not been finalized as on the date of the transaction and have not been included in the aforesaid figures.

b. Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arm's length";

The acquisition of Liberate Group, would not fall within related party transaction(s). None of the promoter/promoter group/group companies have any interest in the business being acquired.

c. Industry to which the entity being acquired belongs;

eLearning Industry.

d. Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);

MPS Interactive Systems Limited, (here-in-after referred to as "MPSi") delivered a phenomenal financial year ended 31 March 2023 as PBT grew by ~90% from INR 10.28 crores in the financial year ended 31 March 2022 to INR 19.58 crores in the financial year ended 31 March 2023. The acquisition of Liberate Group furthers the inherent momentum in our eLearning business through expansion into the APAC Market, a largely untapped geography for MPSi. MPSi will benefit from the significant operational efficiency gains that will be enabled by Liberate Group's unique flexible and scalable high-performing team and business model. The transaction is expected to be EPS accretive for MPSi.

Liberate Group is a well-known learning provider in Australia, offering a gamut of services spanning the learning spectrum. Employing a connected sales and marketing strategy, the Liberate Group caters to specific industry sectors through a consultative sales approach. Honoured with numerous national and international awards for its blended and online learning solutions, Liberate Group boasts a diverse blue-chip customer base, including prestigious organizations with intricate training needs and large budgets.

The Liberate Group's success is attributed to its innovative and proven 'virtual' operational model, resulting in impressive profit margins and minimized capital expenditures. Liberate Group's target market encompasses Government, Corporate, and Tertiary education sectors, with a focus on Finance, Insurance, and Retail.

The surge in demand for online education due to the pandemic and hybrid workplaces further propels Liberate Group's growth. The entities excel in offering tailored, captivating learning content, leveraging cutting-edge eLearning technologies like 360VR and gamification. Notably, Liberate Group stands out with knowledgeable local resources, a skilled and high-performing team, the latest eLearning features, and rigorous quality checks, securing its position as a premium and revered blended learning service provider.

- e. **Brief details of any governmental or regulatory approvals required for the acquisition;**

The Company's acquisition is in compliance with the provisions of the Foreign Exchange Management Act, 1999, Foreign Exchange Management (Overseas Investment) Rules, 2022, Foreign Exchange Management (Overseas Investment) Regulations, 2022 and other directions issued by the Reserve Bank of India from time to time.

- f. **Indicative time period for completion of the acquisition;**

MPSi agreed to acquire 65% shareholding of Liberate Group on or before 01 September 2023. The remaining 35% shareholding will be acquired by MPSi in subsequent tranches based upon valuation methodology as agreed under the transaction documents.

- g. **Consideration - whether cash consideration or share swap or any other form and details of the same;**

Cash Consideration.

- h. **Cost of acquisition or the price at which the shares are acquired;**

MPSi agreed to acquire 65% of the shares held by the shareholders of each entity of Liberate Group for a consideration of AUD 9.32 Million which is payable as per the terms of SPA and other transaction documents.

The remaining 35% shareholding of each of the entities of Liberate Group will be acquired by MPSi in subsequent tranches based upon valuation methodology as agreed under the transaction documents.

- i. **Percentage of shareholding/control acquired and/or number of shares acquired;**

MPSi agreed to acquire 65% of the shares held by each of the entities of Liberate Group i.e. Liberate Learning Pty Ltd (Australia), Liberate eLearning Pty Ltd (Australia), App-eLearn Pty Ltd (Australia), and Liberate Learning Limited (New Zealand).

The remaining 35% shareholding of each of the entities of Liberate Group will be acquired by MPSi in subsequent tranches based upon valuation methodology as agreed under the transaction documents.

- j. Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);

Business Overview and History

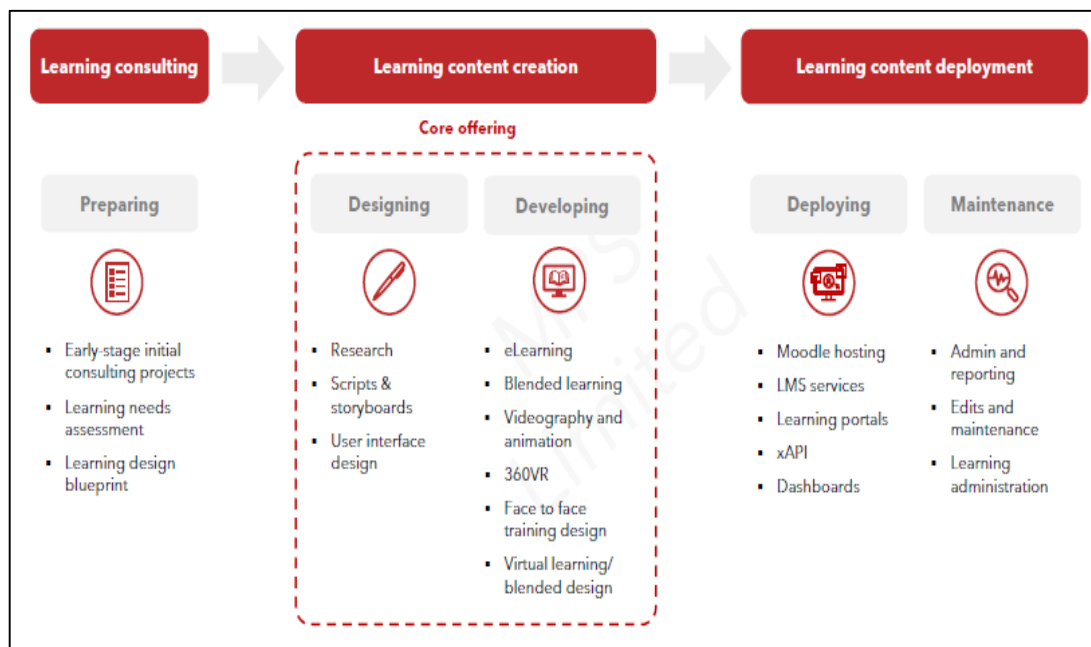
Liberate Group (<https://www.liberatelearning.com.au/>) was established in 2010 by Rodney Beach (Group Managing Director). Liberate provides digital, blended learning, and training solutions to its customers. Liberate Group provides innovative education technology solutions such as the preparation of training modules, conducting training sessions, developing eLearning modules, developing course materials, short videos and providing personnel including program managers, consultants, web designers, graphic designers, curriculum advisors to any person, other than natural persons being the end user, including without limitation government organisations including local authority or agency (direct to government i.e. B2G) in Australia, private companies, partnership, body corporate, association, universities, education institutions and banks and financial institutions all over the world (direct to business i.e. B2B).

Unique Value Proposition

- Use of knowledgeable local resources
- Latest features in the eLearning industry: Works with the latest eLearning technology, including 360VR, gamification techniques, and video animation
- Extensive quality assurance and checks: All deliverables undergo rigorous quality checks and strict testing regimes ensuring high-quality content creation

Service Offerings

Liberate Group provides broad L&D service offerings to customers at every stage of their learning journey, from initial early-stage consulting projects to larger-scale projects including entire course content development and deployment.



Learning Consulting:

- Liberate Group leverages experienced learning consultants to assess its client's current learning capabilities and provide a proposed content creation framework to support any learning deficiencies.
- Consulting engagements are usually low value but provide an entry point for Liberate Group to get their 'foot in the door' to build trusted long-term relationships with customers at an early stage in their L&D transformation.
- Management estimates ~90% of the consulting work of consulting engagements lead to further learning content creation work.
- Services:
 - Learning Needs Assessment
 - Learning Design Blue Print

Learning Content Development:

- Liberate Group is primarily engaged by customers to design and create eLearning content and blended learning solutions.
- The modules are mobile-friendly and incorporate gamification techniques and other interactive elements to make the user learning experience more engaging.
- Liberate Group does not use proprietary authoring tools and eLearning content is SCORM compliant, meaning it can be accessed via any industry standard platform.
- As part of its blended learning offerings, Liberate Group also offers facilitator-led learning and self-directed learning solutions.
- Services:
 - eLearning Modules
 - Blended Learning
 - Videography and animation
 - 360VR

Learning Content Deployment:

- Liberate Group offers ongoing support to customers to manage logistics and administrative duties associated with eLearning.
- This includes scheduling sessions, monitoring eLearning usage, creative learning materials, reporting, and LMS management.
- This is especially important for SME customers and smaller corporates who either need an alternative LMS or need to provide ongoing support materials to their employees but don't have the scale to warrant the necessary infrastructure.
- Based on some long-term customer needs, Liberate Group also provides learning campaigns and hosting services using Moodle LMS. Liberate Group assists customers with the setup of the LMS, including arranging the annual hosting agreement.
- Services
 - Maintenance Support.
 - Web apps and portals - develop custom web apps, learning portals, and system front ends.
 - Hosting (this is a very small portion of revenue and is generally added when customers do not have a LMS).

HISTORICAL REVENUE AND EBITDA MARGIN %

(All Amounts in AUD '000)

PARTICULARS	FY 20*	FY 21*	FY 22*
REVENUE	5,027	7,517	8,327
EBITDA MARGIN (IN %)	30.1%	41.6%	40.4%

* FY- Year ended 30th June

The figures for the Financial Year ended 30 June 2023 have not been finalized as on the date of the transaction and have not been included in the aforesaid figures.

Press Release

29 August 2023

MPS Interactive Systems Limited acquires Liberate Group

Noida, India and Melbourne, Australia: MPS Interactive Systems Limited, a wholly owned subsidiary of MPS Limited, announced today that it has agreed to acquire 65% of the issued and paid-up capital of all the following entities i.e. Liberate Learning Pty Ltd (Australia), Liberate eLearning Pty Ltd (Australia), App-eLearn Pty Ltd (Australia), and Liberate Learning Limited (New Zealand) (here-in-after referred to as "Liberate Group"). The remaining 35% shareholding of each of the entities of the Liberate Group will be acquired by MPSi in subsequent tranches based upon valuation methodology as agreed under the transaction documents.

Rodney Charles Beach, Founder of Liberate Group, stated:

Melbourne, Australia: The Liberate team and I are incredibly excited to partner with MPS, and with the backing of a larger global organization, it is going to allow Liberate to better service customers through streamlined management and reporting platforms and digital infrastructure. Over the next several years, we will be leading the Australia and New Zealand learning and development sector through positive change, reshaping how training and education institutions think about training innovation, and we will be well placed to lead our sector in AI, VR, AR, and machine learning - creating blended and digital learning solutions that are revered throughout the world. My team and I are passionate about making positive change in our sector, and our core focus will be supporting and enabling our long-term clients, and creating bespoke training solutions that improves the human condition and lives of millions of learners in the Asia Pacific region, whilst branching into other regions around the globe in 2026.

Rahul Arora, Chairman and CEO of MPS Limited, stated:

Noida, India: eLearning has been our fastest-growing business, and the acquisition of Liberate Group furthers our momentum. We stay committed to our recently modified acquisition playbook that focuses on growing businesses that add tremendous value and synergies to MPS. The APAC market has historically been untapped for MPS, and the recent acquisition events are changing that for us, which is also in sync with general market trends. I look forward to supporting Rod and his team in their determined journey to scale up Liberate Group.

About Liberate Group

Liberate Group (<https://www.liberatelearning.com.au/>) was established in 2010 by Rodney Beach (Group Managing Director). Liberate provides digital, blended learning, and training solutions to its long-term clients and steadily expanding customer base. Liberate helps its customers in creating bleeding-edge blended and digital learning solutions, providing consulting services, and assisting customers in the creation and deployment of eLearning solutions. Liberate has a loyal customer base, primarily including blue chip Corporates, State and Commonwealth Government departments and most of the large Educational institutions in Australia.



MPS Limited

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About MPS Interactive Systems Limited (MPSi) and MPS Limited (MPS)

Founded in 1990, MPSi was a part of one of India's largest conglomerates, which is valued today at more than USD 250 Billion. To further its growth as a global leader in learning, MPS acquired MPSi in 2018. MPSi was the first eLearning company to be assessed at Level 5 (highest level) of SEI-CMM. MPSi has consistently been ranked among the Training Industry's Top 20 Content Development Companies, Top 20 Training Outsourcing Companies, Top 20 Gamification Companies, and Top 20 Experiential Learning Technologies Companies. Since its acquisition by MPS, MPSi had acquired E.I. Design, in June 2022, to expand its operations.

MPS was established as a subsidiary of Macmillan Limited in 1970 to change how the world learns. After a change of ownership in 2012, MPS developed significant momentum because of consistent reinvestment in the business and considerable diversification by completing seven acquisitions between 2013 and 2020. Recently, MPS has entered a new growth phase by unlocking synergies between all its acquisitions. The journey to 2027 for MPS is about building a serious scale that includes a market-oriented approach to drive organic growth and an enhanced acquisition playbook that involves acquiring growing assets at competitive prices instead of acquiring distressed assets at distressed prices.

www.mpslimited.com

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Corporate Identification Number: L22122TN1970PLC005795