

January 12, 2023

National Stock Exchange of India Limited
Exchange Plaza, Bandra-Kurla Complex
Bandra (East), Mumbai-400 051
NSE Symbol: LTTS

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400001
BSE Script Code: 540115

Dear Sir/Madam,

We are sending herewith copy of the Press release titled “L&T Technology Services agrees to acquire Smart World & Communication business of L&T” and Investor Presentation titled “Business Update: Acquisition” which is self-explanatory.

This is for your information and record.

Thanking You,

Yours sincerely,
For L&T Technology Services Limited

Prajakta Powle
Company Secretary & Compliance Officer
M. No. A 20135

L&T Technology Services agrees to acquire Smart World & Communication business of L&T

- ***LTTTS to strengthen global reach across Next-Gen Communications, Sustainable Spaces and Cybersecurity through this acquisition***
- ***Acquisition is a continuation of LTTTS' 6 Big Bets strategy in 5G, Sustainability and Digital Products & AI***

Bengaluru (India) January 12, 2022: L&T Technology Services Limited (BSE: 540115, NSE: LTTTS), a global leading pure-play engineering services company, today announced that it has agreed to acquire the Smart World & Communication (SWC) Business of L&T, enabling LTTTS to combine synergies and take offerings in Next-Gen Communications, Sustainable Spaces and Cybersecurity to the global market.

Smart World & Communication was founded in 2016 to cater to the demands in smart cities, address opportunities and provide smart solutions in the areas of end-to-end communications, city surveillance and intelligent traffic management system for the Government as well as enterprises. It has an employee base of over 700 engineers from diversified technology domains and has crossed an annual revenue of INR 1,000 Crores.

The coming together of the LTTTS and SWC teams will address the entire gamut of digital offerings including design, architect, build & operate, effectively catering to the portfolios encompassing Next-Gen Communications, Sustainable Spaces and Cybersecurity.

SWC's strong expertise in the area of **Next-Gen Communications** has been instrumental in the network design, planning, implementation and management including Network Operations Center (NOC), OSS, Datacenter, Cloud/Private 5G of over 25,000 locations across India. It has assisted multiple state governments in India with network operating centers and network management systems while establishing end-to-end network connectivity projects such as TANFINET and Telangana Fiber Grid. SWC has created gEDGE data centers with a lot of innovation resulting in up to 40 percent reduction in power consumption and up to 30 percent savings in capex.

LTTTS has been an early mover in the global communications domain, identifying 5G as a Big Bet in 2020. Today, LTTTS' 5G offerings and services have resulted in the company taking complete ownership of 10+ Labs-as-a-Service for customers, 5G network assurance with over 100 use cases for clients, and more than 100 product families developed for OEMs globally.

[5G is expected to have a global impact of \\$1.3 trillion by 2030](#) and LTTTS with SWC believes that together, it is in a stronger position to continue to win and execute large scale transformational programs in India and globally in this segment.

In Sustainable Spaces, SWC brings capabilities around public safety, smart cities, critical infrastructure and smart metering along with *L&T Fusion Platform* and Integrated Command and Control Center (IC3). Implementation of mega public safety projects were completed in Mumbai, Hyderabad and Nagpur where tens of thousands of devices including cameras and network

equipment have been rolled out for city level projects. Another notable measure of success is the Prayagraj Smart City program, an AI based crowd management project which has successfully managed over 250 million people. SWC has also implemented smart metering in states like Uttar Pradesh, Haryana and Delhi to the tune of 6 million meters.

LTTS brings smart building and experience management capabilities through its *i-BEMS* platform that has been deployed in the 'world's smartest office campus' in Israel with over 14,000 sensors. Together, LTTS and SWC will address a [larger market of \\$390 billion](#) globally for sustainable spaces.

In Cybersecurity, SWC brings Full Lifecycle Threat Management capabilities, with offerings in risk assessment, threat monitoring, security architecture, design, and DevSecOps. LTTS has been offering Cybersecurity services to its OT and product customers globally.

The joint team of LTTS and SWC would provide Security Operating Centers (SOC), full lifecycle threat management, OT cybersecurity and product security credentials and address the demands of [the projected \\$376 billion cybersecurity market](#).

Commenting on the occasion, **Mr. S. N. Subrahmanyam, Chief Executive Officer & Managing Director, Larsen & Toubro Limited** remarked: *"Smart World & Communication has created a niche for itself in the communications and smart spaces domain across developing markets. By combining with a global engineering services player like LTTS, its offerings across next-gen networks, smart spaces, and cybersecurity will help unlock new synergies across the technology spectrum. LTTS is well-positioned to take these capabilities to the global market, cementing its robust leadership in the engineering and technology domain."*

Amit Chadha, CEO & Managing Director, L&T Technology Services said *"The acquisition of SWC is a progression of LTTS' 6 Big Bets strategy with a direct bearing on 5G, Digital Products & AI, and Sustainability. SWC's capabilities will enhance LTTS' differentiation in the exciting field of next-gen communications with cutting edge solutions around 5G networks, sustainable spaces, along with a full stack of cybersecurity solutions to our global clientele. The combined team of LTTS and SWC will take these offerings incubated in India to the World while bringing best practices to Indian and global customers. On behalf of all employees at LTTS, I express my gratitude to the L&T management for putting their confidence in us and extend a warm welcome to all our colleagues at SWC. Look forward to doing exciting transformational programs together"*.

The acquisition is subject to customary closing and approvals.

About L&T Technology Services Ltd

L&T Technology Services Limited (LTTS) is a listed subsidiary of Larsen & Toubro Limited focused on Engineering and R&D (ER&D) services. We offer consultancy, design, development and testing services across the product and process development life cycle. Our customer base includes 69 Fortune 500 companies and 57 of the world's top ER&D companies, across industrial products, medical devices, transportation, telecom & hi-tech, and the process industries. Headquartered in India, we have over 21,400 employees spread across 20 global design centers, 28 global sales offices and 90 innovation labs as of September 30, 2022. For more information, please visit <https://www.ltts.com/>

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BUSINESS UPDATE: ACQUISITION

January 2023



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Transaction Overview

On 12th January 2023, the Board of Directors & Audit Committee of L&T Technology Services Ltd. (LTTS) approved the acquisition of Smart World & Communication (SWC) business of Larsen & Toubro Limited subject to approval of shareholders



Transaction Summary

- **Transaction consideration** of INR 8 Bn
- LTTS to fund transaction using internal cash reserves
- Completion is subject to approval from shareholders
- Closing is expected to be achieved within 3 months



Strategic Rationale

- **Revenue:** INR 10.98 Bn (FY22)
- **700+ Employees** across India
- SWC is a leading connected intelligence solution provider operating in 3 segments – Communications (74%), Safe & Smart Solutions (25%), Cybersecurity (1%)
- Aligns with 3 of the 6 Big Bets of LTTS – 5G, Sustainability & Digital Products & AI
- Acquisition will enhance LTTS' end-to-end offerings playbook across Next-Gen Communications, Sustainable Spaces & Cybersecurity

About SWC



COMMUNICATIONS



SAFE & SMART SOLUTIONS



CYBERSECURITY

Business Overview

- Solutions for Wired & Wireless networks (including OFC, GPON, Wi-Fi, 5G) covering design, implementation, monitoring, modernization & cloud-based network management
- Integrated NOC/SOC/DCO capability to implement converged solutions around Data Centre, Multi-Cloud and Virtualisation

- Solving challenges of rapid urbanization with tech platforms for citizen safety, crowd management, intelligent traffic and transit management
- Offerings across themes of Safety, Security, Integrated Operations, and Intelligent Automation

- Advisory, Implementation and Managed services for Threat Monitoring, Vulnerability Assessment, SOC design, implementation, management, and governance
- Full Life Cycle Cyber Security strategies

Successes

- Mega Communications Projects connecting 30k+ Gram Panchayats
- Manage, Support & Operate the country-wide Network of an Indian Govt. Entity

- Implemented 27 Smart Cities with Integrated Command Control Centers (ICCCs)
- Integrated 125K+ IoT Devices & 30+ Data Centers and a leader in the metro communication space in India

- Security Assessment, Network & Security Architecture for OT network monitoring & secure remote access solution for an Indian Bank

Assets

650+
Engineering Talent

Solution Architects
Network Architects
IoT Experts

Cybersecurity Experts
O-RAN, NMS Experts
DC & Cloud Experts

Solutions & Platforms

Fusion™ platform
gEdge Data Centre

Labs & CoEs

5G Experience Centre, Chennai
NOC/SOC, Chennai
Software Foundry, Hyd.

Aligns with 3 of LTTS' 6 Big Bets

LTTS Big Bets



5G



Sustainability



Digital Products

LTTS + SWC

- Telecom Operator play strengthened with full stack offering and NOC
 - Global Enterprise Private 5G market can be addressed better
 - Lab-as-a-Service across products and telecom equipment
 - 5G capability to enhance overall offerings in V2X, Edge computing and Vehicle analytics
-
- Current offerings directly addresses multiple aspects sustainability for Safety & Surveillance | Traffic Mgmt. | Waste Management | Smart Metering
 - Integrated Control and Command Center
-
- Extend cyber security to Products, OT, IT and Cloud
 - Extend Apps for Safe OS and City OS across domains
 - Enhanced IIOT capabilities
 - SOC

LTTS + SWC Synergies

Business Segments:

SWC Offerings

LTTS Offerings

Synergies to Expand & Grow



Communications

Global Communications market:
5G Total Impact on worldwide GDP by 2030: US\$1.3 Tn - PWC

- Network Operations Center (NOC)
- OSS, Network Architecture, Planning & Roll Out
- Datacenter, Private 5G & Cloud

- Operator Network mgmt. and assurance, RAN
- 5G Lab-as-a-Service
- OEM NPD/Sustainance



Next-Gen Communications

Full stack offerings with added capabilities in 5G for Operators, OEMs and enterprises



Safe & Smart Cities

Global Sustainable Spaces market:
ITES TAM for Sustainable spaces by 2025 – US\$241 Bn – Statista 2022

- Safety & Surveillance
- Traffic Management
- Waste Management
- Smart Metering
- Fusion™ Platform & IC3



- Building Automation
- Energy & Sustainability
- iBEMS™ | UBIQWeise™



Sustainable Spaces

End to End solutions across Efficient Campuses and Cities, Utilities, Mobility, Public Safety and Environment



Cybersecurity

Global cyber security market:
\$155.8 Bn in 2022; \$376.32 Bn by 2029
CAGR of 13.4% - Fortune Business Insights

- Security Operating Centers (SOC)
- Full Lifecycle Threat Management

- OT Cybersecurity
- Product security



Cybersecure

Cybersecurity playbook for End-to-end **Security Lifecycle Management**

Opportunities in: **NA | Europe | Middle East | APAC | India**

ABOUT L&T TECHNOLOGY SERVICES

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Our customer base includes 69 Fortune 500 companies and 57 of the world's top ER&D companies, across industrial products, medical devices, transportation, telecom & hi-tech, and the process industries. Headquartered in India, we have over 21,400 employees spread across 20 global design centers, 28 global sales offices and 90 innovation labs as of September 30, 2022.

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For additional information about L&T Technology Services log on to <https://www.LTTS.com/>

