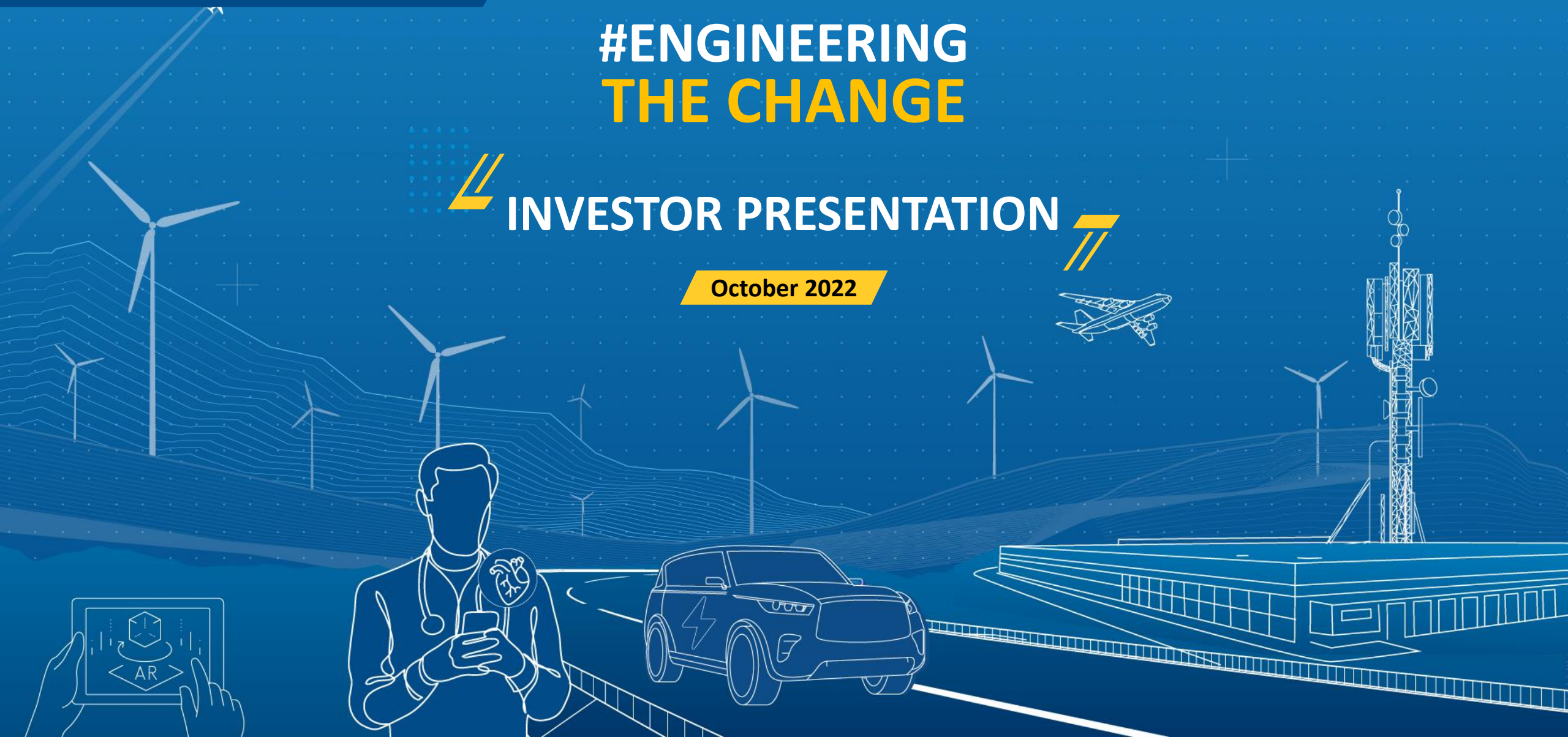


# #ENGINEERING THE CHANGE

## INVESTOR PRESENTATION

October 2022



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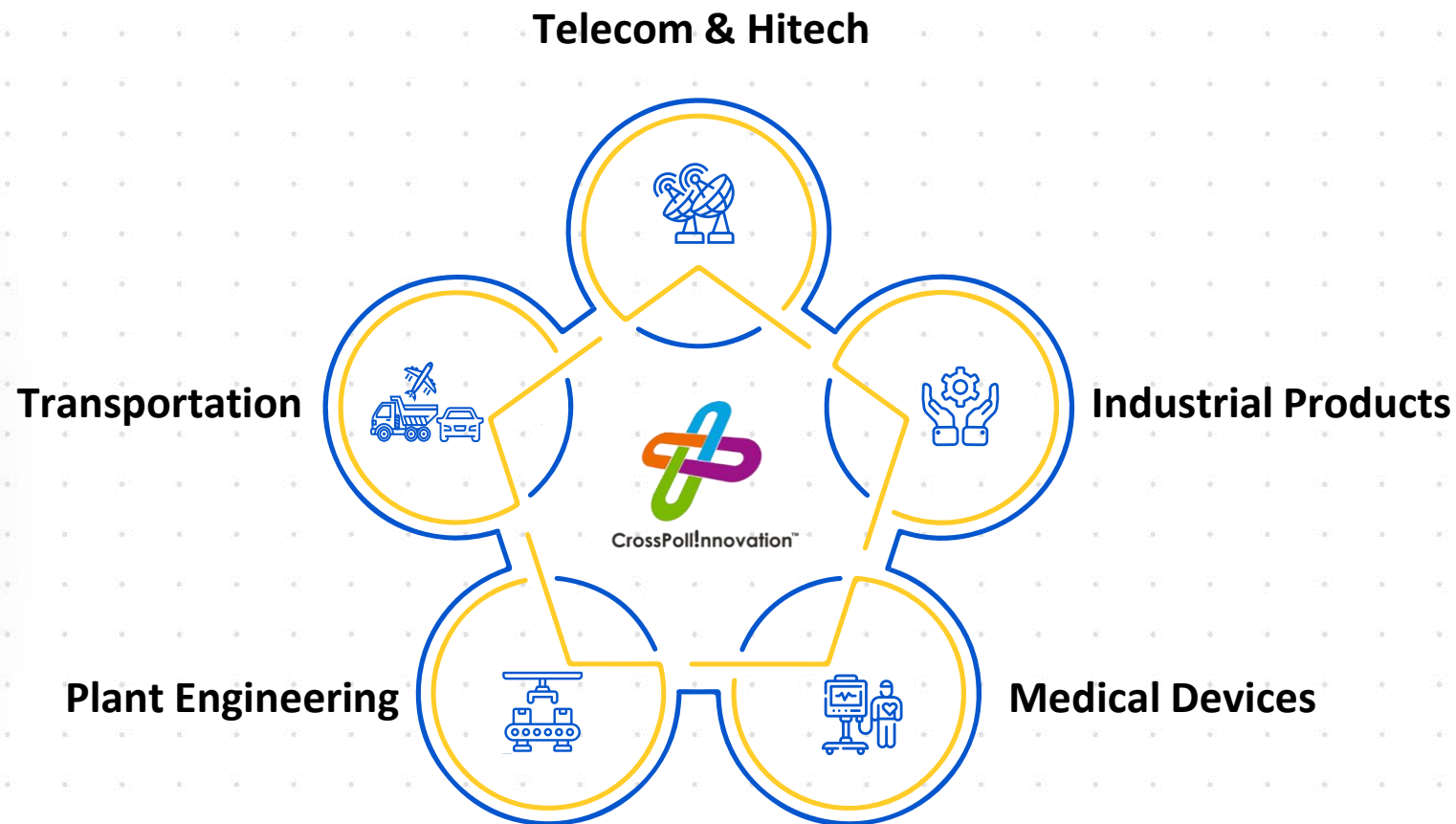
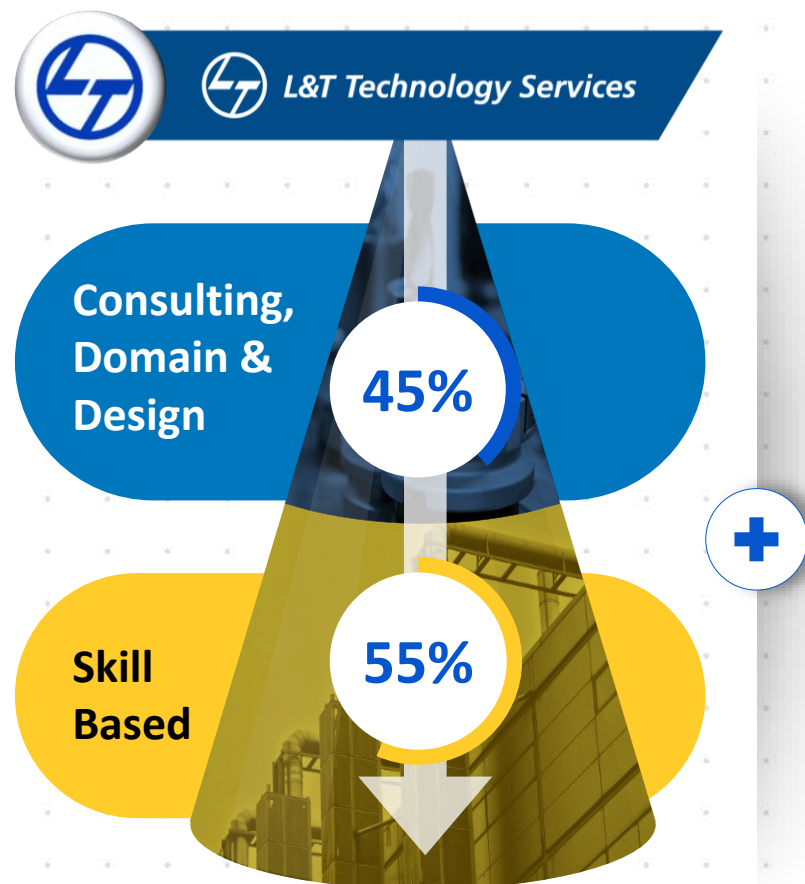
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# This is L&T Technology Services

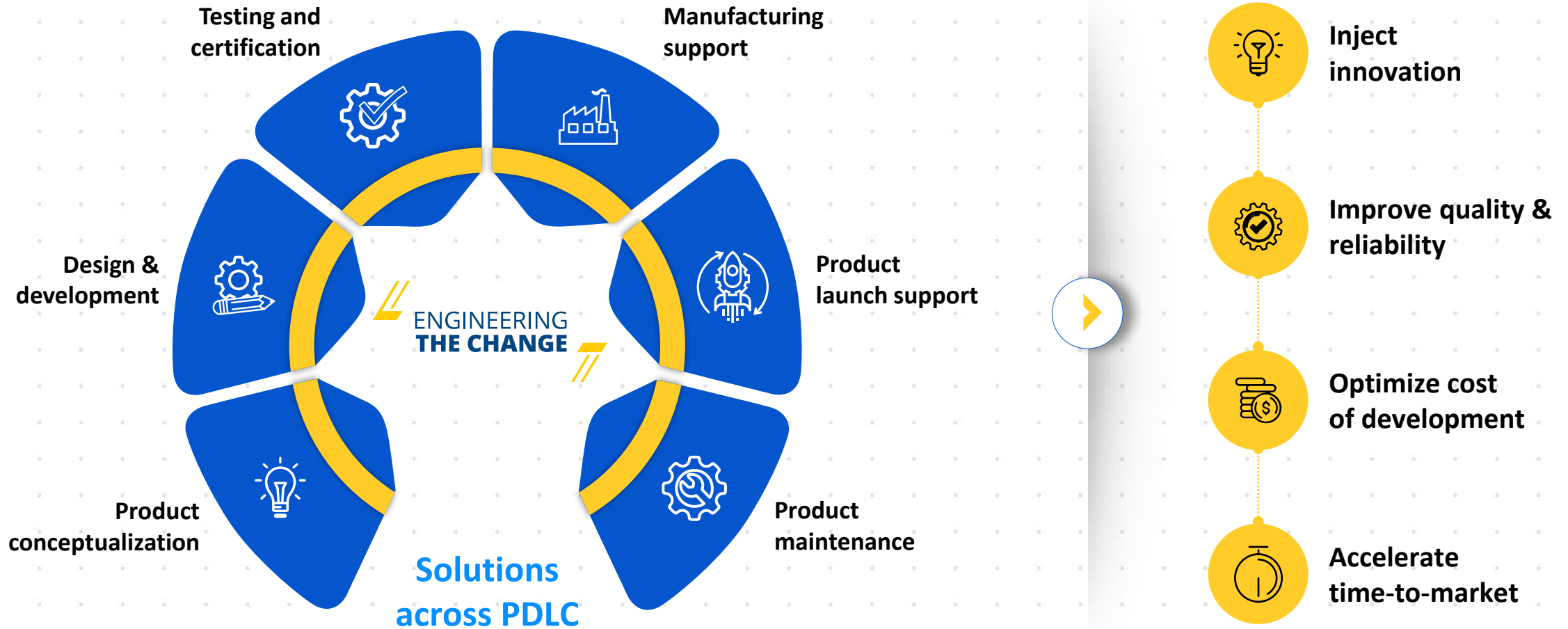




# Our Engineering Heritage and Multi-domain Capabilities...



# ...Allows us to be the End-End Engineering Partner for our Clients

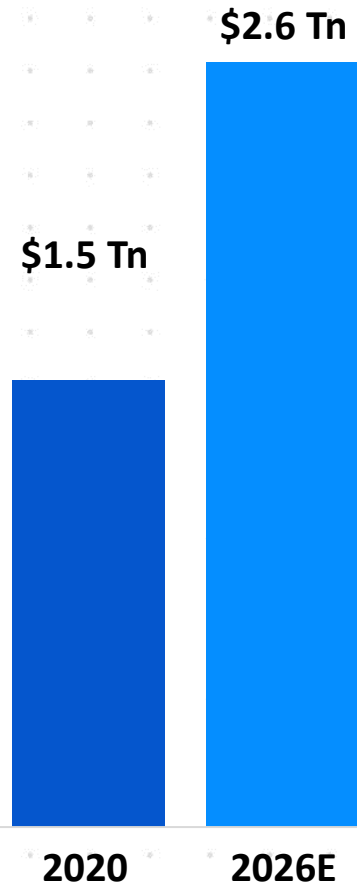


PHYSICAL TO **DIGITAL**

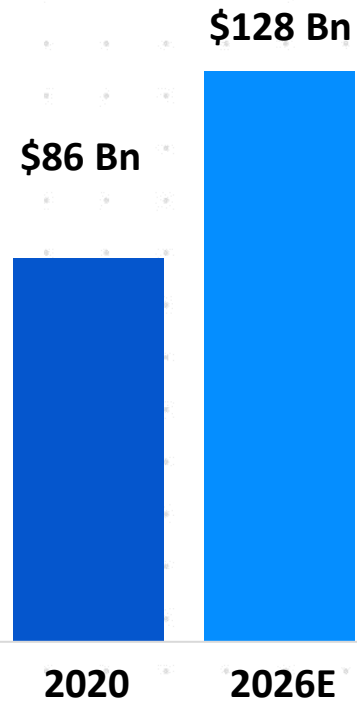
SILICON TO **CLOUD**

# Our Playing Field

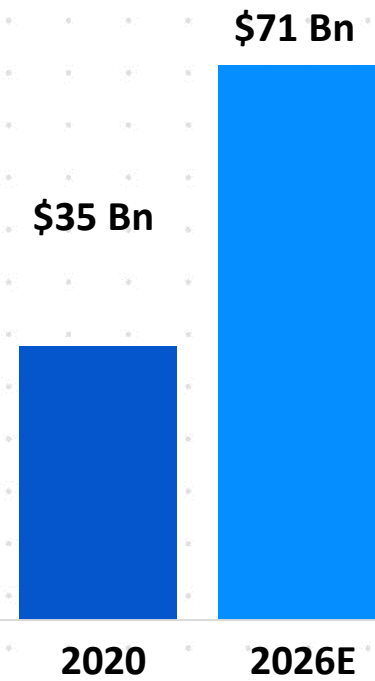
## Global ER&D Spend



## Addressed Market

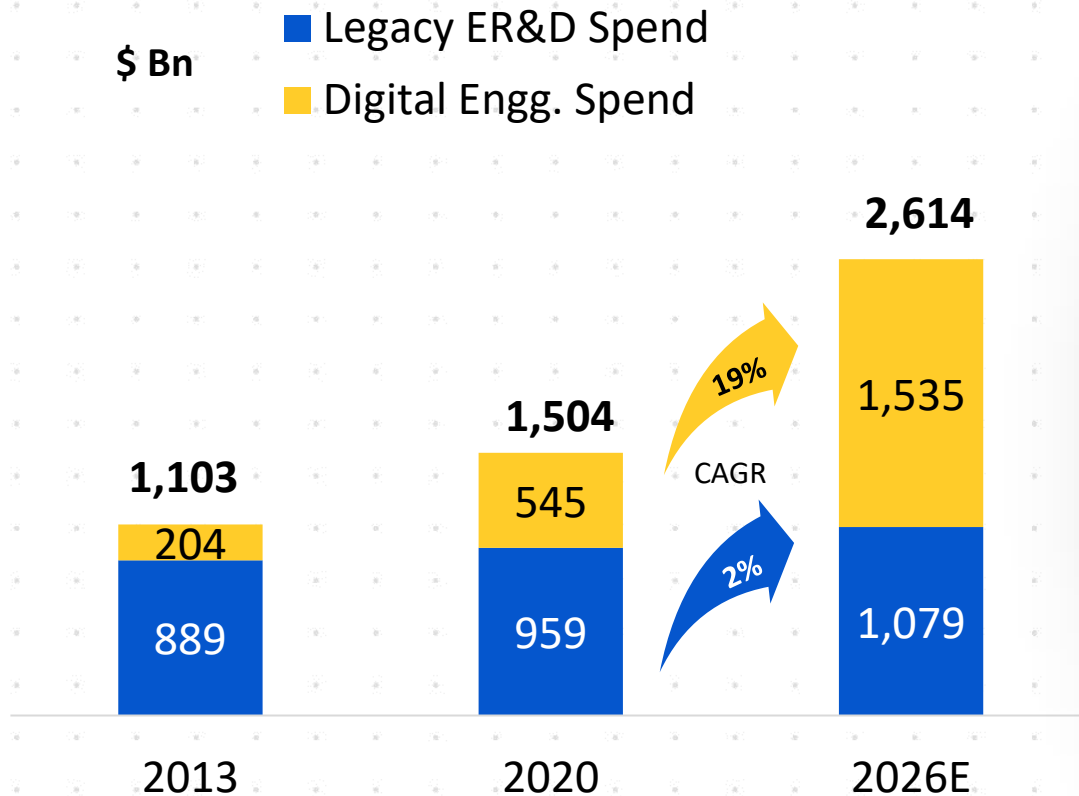


## India ER&D Market



Zinnov March 2021, NASSCOM, Estimates

# Digital Driving ER&D Spend



## Digital Engineering Spend



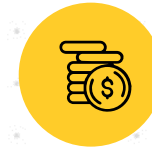
**56%**

Of LTTS Revenue  
FY22



**59%**

Of Global ER&D  
spend by 2026



**2.8X**

Increase in Digital Engineering  
Spend by 2026

# Our Six Strategic Growth Areas...

6

BIG BETS



01

**EACV**

25% of Cars to be EV by 2025E



02

**MedTech**

\$200 Bn by 2025E



03

**5G**

\$155 Bn by 2025E



04

**AI & Digital Products**

\$100 Bn by 2025E



05

**Digital Manufacturing**

\$475 Bn by 2025E



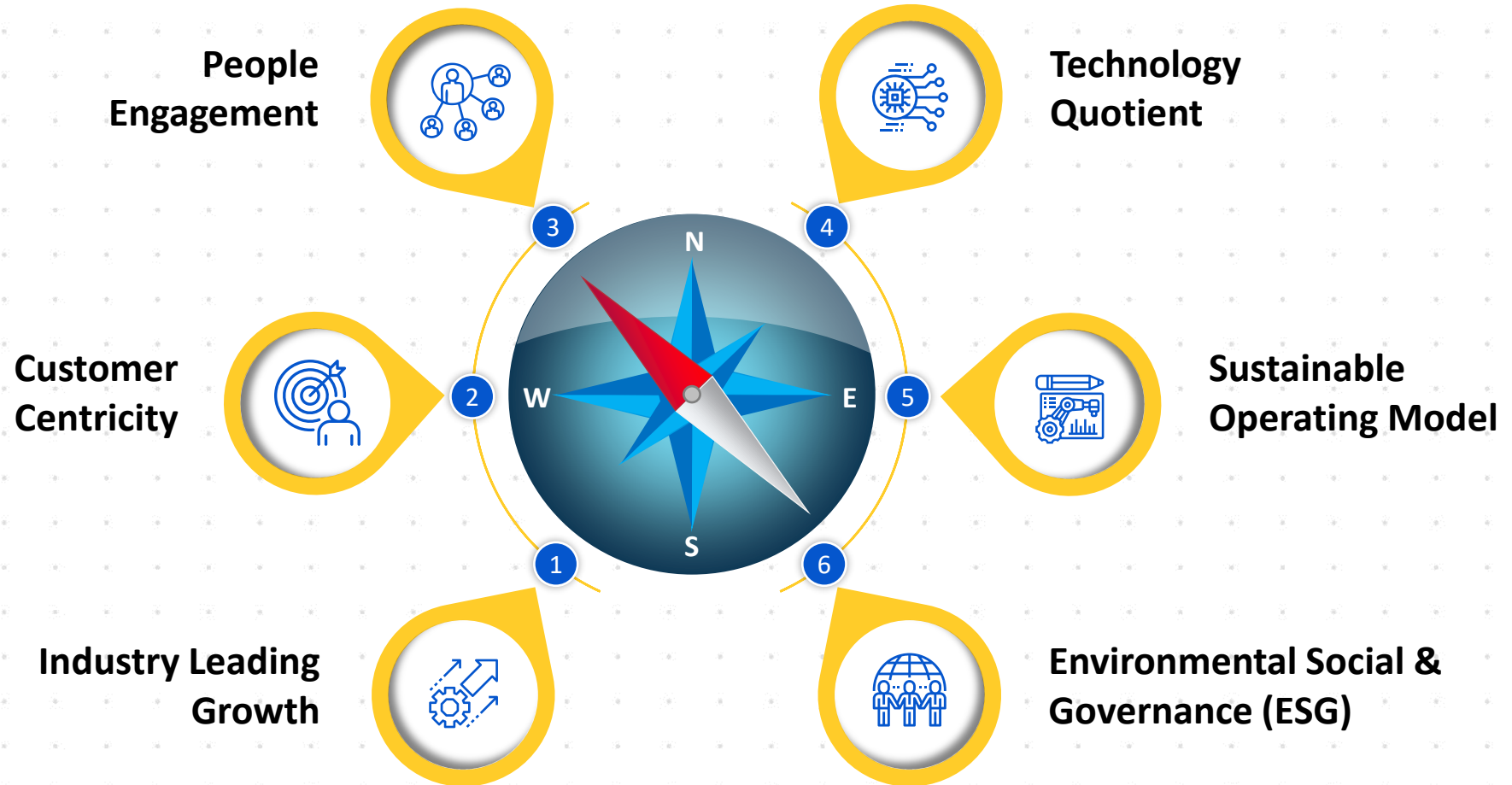
06

**Sustainability**

\$400 Bn by 2025E



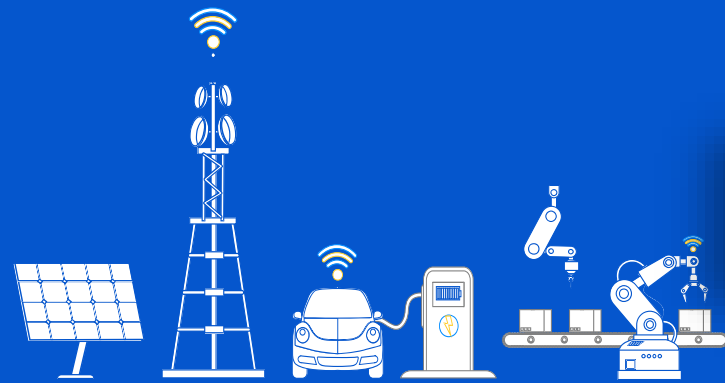
# With a Six-Dimensional Glide Path



**Strategy for Profitable, Sustainable & Inclusive Growth**

# 90 R&D INNOVATION LABS

Supporting focused  
investment areas



## IoT lab



IoT solutions come to life- from connected workers to predictive analytics and industrial cybersecurity

## Smart manufacturing lab



Focused on engineering solutions for manufacturing operations management

## 5G lab



Focused on for 5G development, NFV Benchmarking, Validation and Design services

## Electric vehicle lab



Innovation design center for detailed engineering & testing on advanced electrical instruments

## Wet lab



Life science & diagnostic devices are validated using chemicals, drugs and bio-matter.

## Environment facility



Pre-compliance activities to test products under different environmental conditions.



**Technology  
labs**



**Industry  
specific labs**



**Compliance  
testing labs**



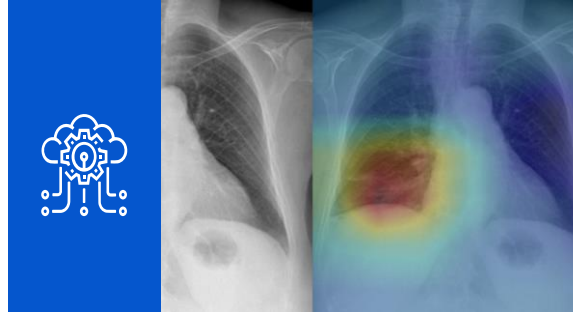
**Design  
studio**

# Enabling Innovation With World Class Solutions



## eVOLTTS

In-house developed end-to-end vehicle electrification platform enabling faster GTM



## Chest rAI™

AI-based chest X-ray analysis system to assist the radiologists in improving speed and accuracy of the diagnosis



## 5G Enterprise

Best in-class lab for automation of 5G SA and NSA System and Testing test cases



## Energy Management

Resulting to energy intensity reduction by 10-15% across multiple sites



## Optical Subsystem

New age flow cytometer with high precision levels for single-cell population characterization



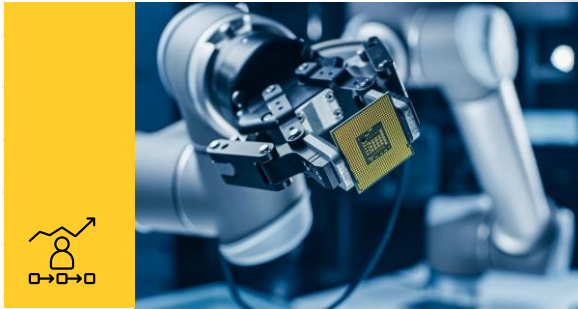
## Unmanned Aerial Vehicle

Enhanced Flight Control Computer and Structure Design



# Creating Customer Value Via Crosspoll!nnovation

By bringing transformative ideas from other industries, LTTS' Innovations helped us reduce lead time to market.



5G TCU Testing from our Hi-Tech Segment for a Transportation Customer



Annotation Technology from Transportation being used for Imaging Medical Radiology



Battery operated Autonomous Welding Robot from Industrial Products for a Plant Engineering manufacturer

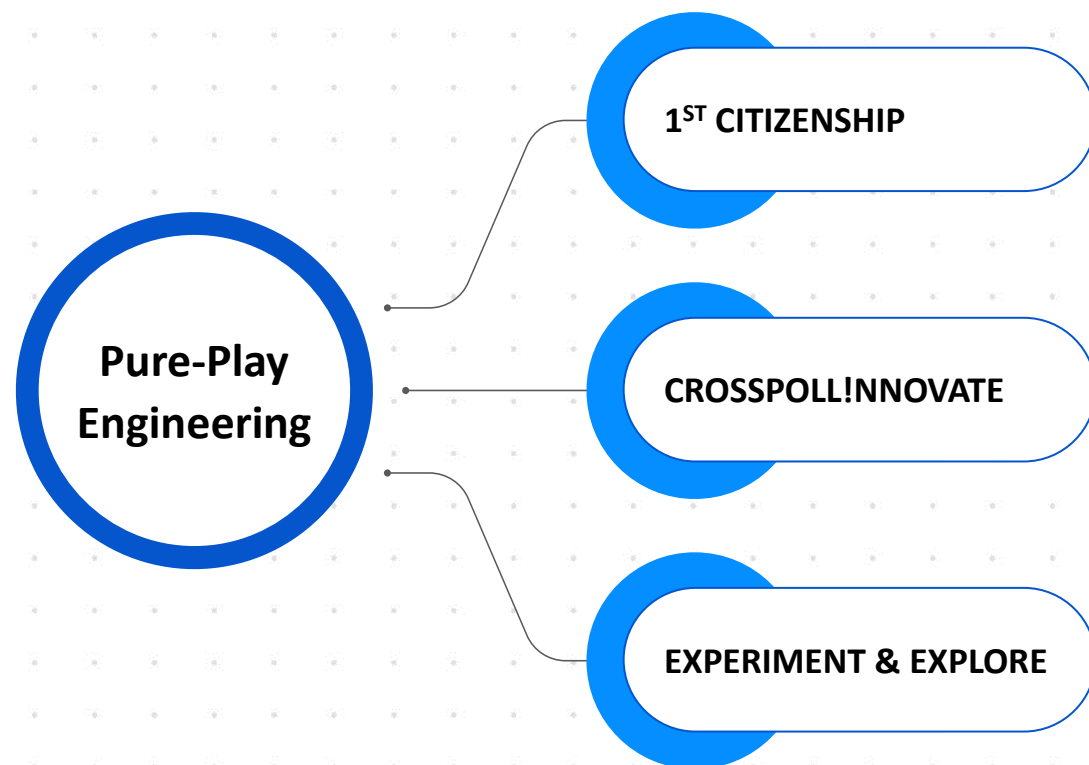


# Our World Class Talent



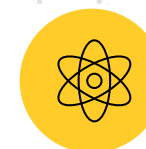
**21,400+**

**EMPLOYEES ENGINEERING  
THE CHANGE**



## **Tech investments**

Innovation Labs,  
Futuristic Technology



## **Attracting Gen-Z engineers**

**TECHgium<sup>®</sup>**  
Engineering education for the future



## **Innovation generation**

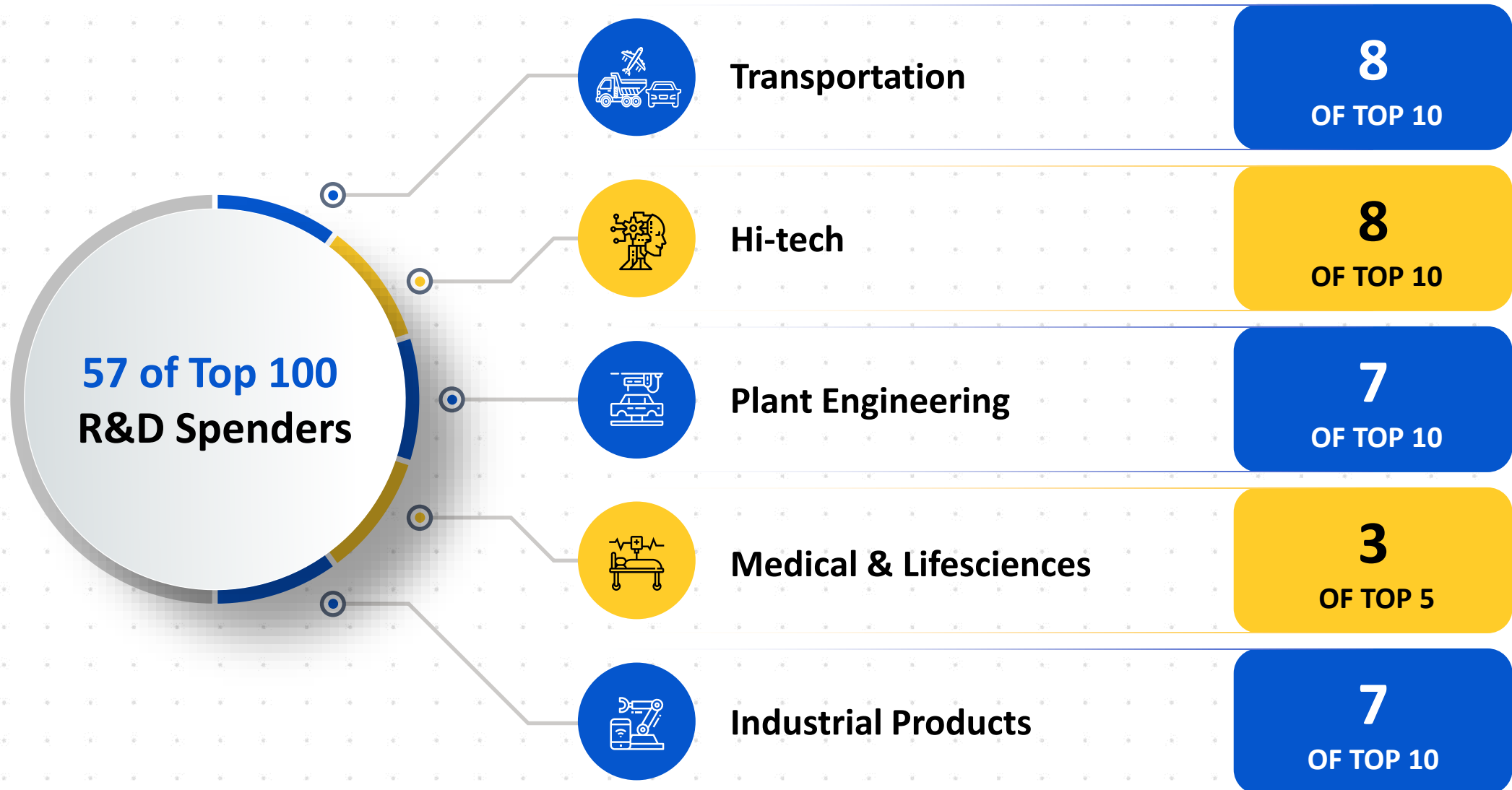
Reveries, TechExpression,  
Hackathons



## **Next-Gen career**

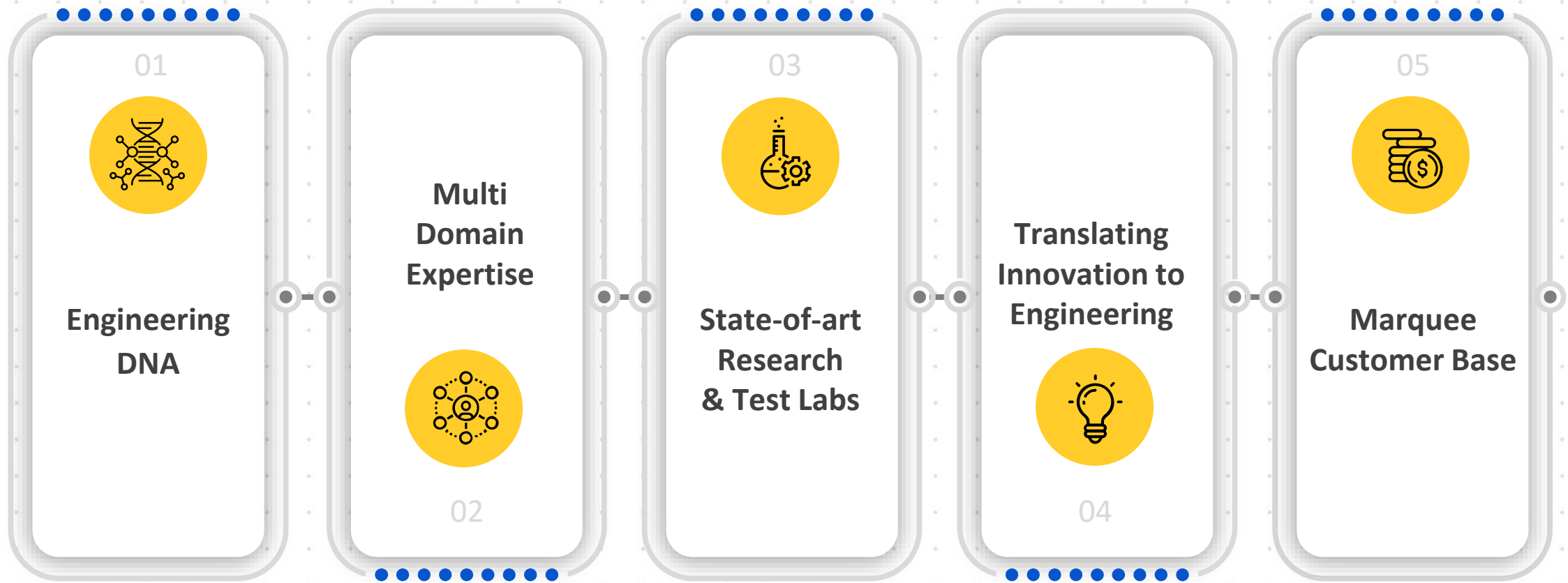
Multi-Dimensional  
Technocrats

# Helps us Expand Relationship With Top R&D Spenders



# What Sets us Apart

## Our Key Differentiators



# Has Led Us To Where We Are



**#1** Pure-Play **Engineering Services Provider** for **two consecutive years**

## Leading Edge in Emerging Tech Areas



### Digital Engineering

Among Top 5 ESPs



### ADAS

Among Top 3 ESPs



### Digital Thread

Among Top 3 ESPs



### IoT

Among Top 4 ESPs



### AI Engineering

Among Top 5 ESPs

### Aerospace

Among Top 5 ER&D players



### Auto

Among Top 4 in competency



### Medical

Among the Top 2 in competency



### Telecom

Among the Top 4 ESP



### Industrial

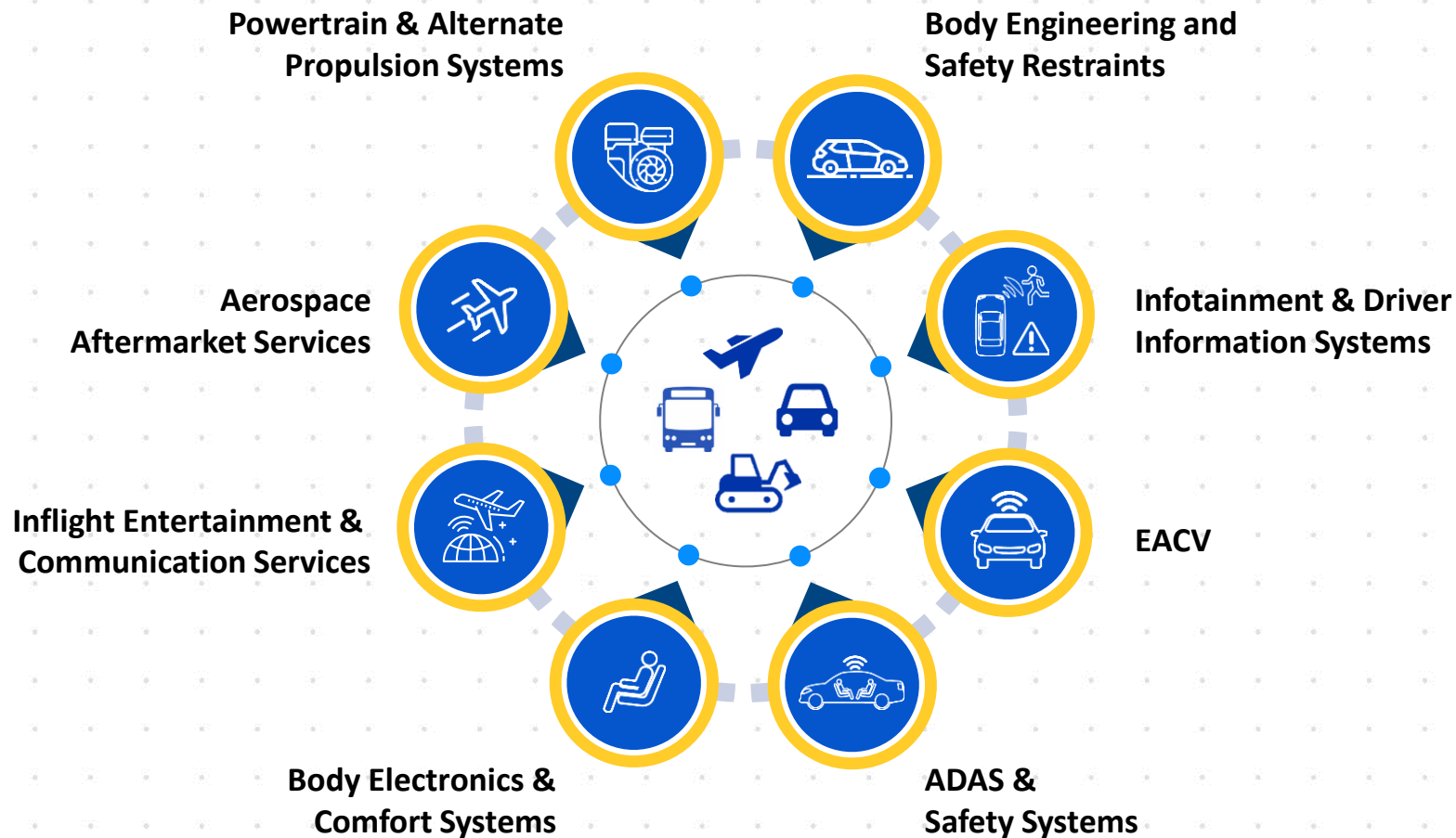
Maintained Top 2 position



## Leading Edge in Vertical Positioning



# Transportation: Co-creating The Next-generation Of Mobility



**Revenue: USD340mn+**  
(Q2FY23 annualized)

**//** An automotive engineering service provider with strong expertise across the value chain, strong innovation credentials and a solid presence in the off-highway vehicle segment.



-HfS Research,  
Automotive Engineering Services Blueprint



Automotive practice rated in Winner Circle by HfS Research



Off-highway practice rated as the Leading ESP for 5 consecutive year by Zinnov Management Consulting.



10+ State-of-the-art labs across Infotainment, ADAS/ Autonomous drive, Electric vehicles, EMI/EMC, Smart Manufacturing, Design & Tear Down.



Leader – ISG Provider Lens 2021

# Telecom & Hi-Tech: Strengthening Connectivity



## Advanced Silicon

3D Imaging &  
Depth Perception

Speech Recognition  
Engine

Semicon



## Next-gen Connectivity

5G &  
Nb-IoT Stack

Telecom



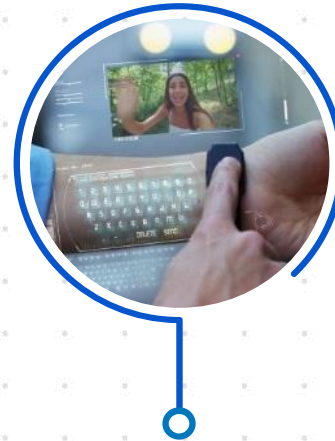
## Innovative Entertainment

Blockchain

OTT Platform &  
Applications

VOD &  
Catch-up Tv

Media &  
Entertainment



## Cutting-edge Wearables

Smart Home

Smart Appliances

Wearables

Consumer  
Electronics

**Revenue: USD190mn+**  
(Q2FY23 annualized)

LTTS stood out for clients' very positive impressions of its operations and service delivery. Reference clients have praised LTTS's capability for design to manufacturing solutions

-HfS Research,

Embedded & Semicon Engineering Services Blueprint

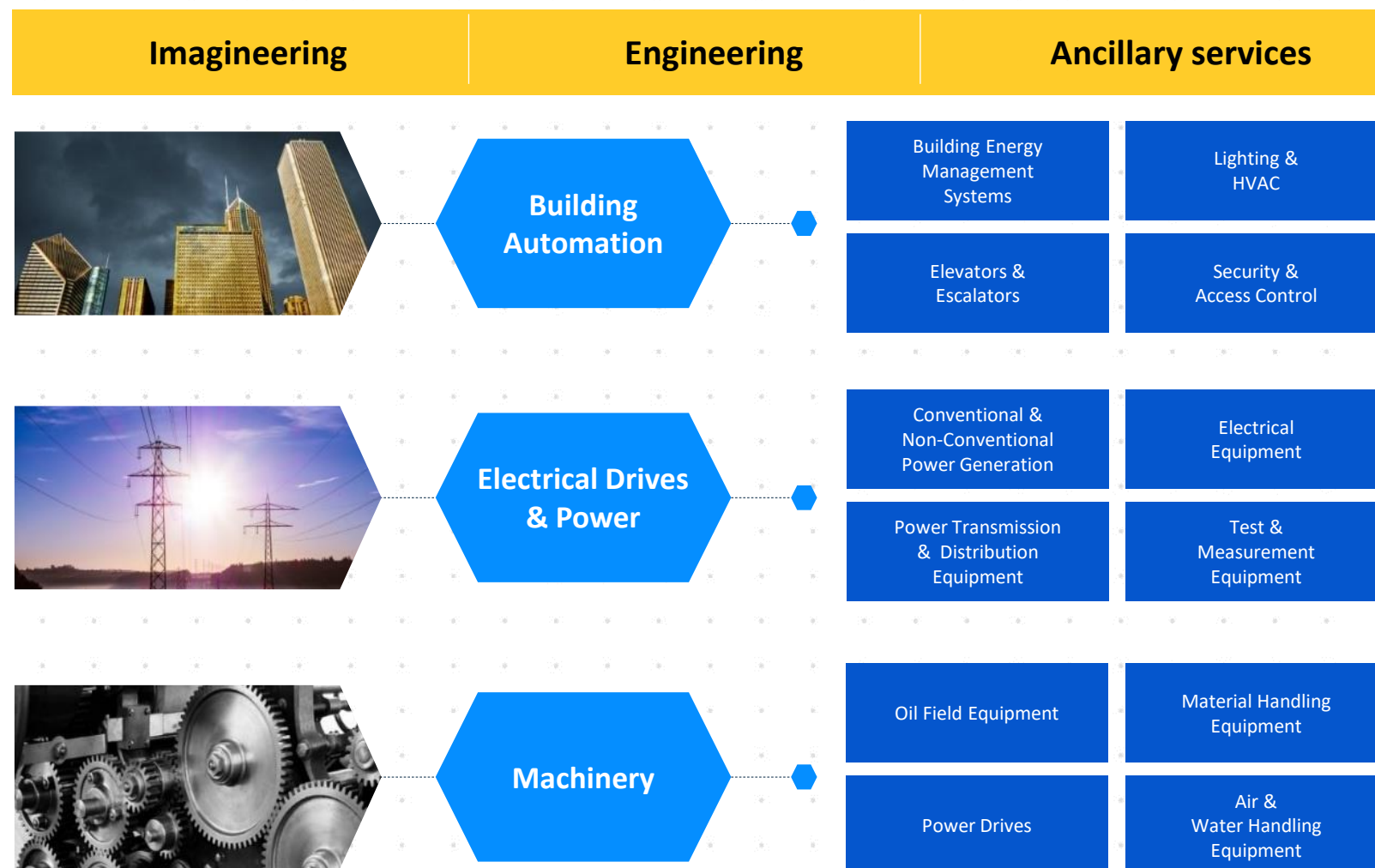
Rated as one of the leading global ESPs in embedded space by Zinnov Management Consulting

Rated among the top 5 embedded & semicon ESPs globally by HfS Research

20+ partnerships and 40+ in-house solutions, IPs and accelerators.

Leader – ISG Provider Lens 2021

# Industrial Products: Infusing Technologies



**Revenue: USD185mn+**  
(Q2FY23 annualized)

L&T Technology Services' deep multi-vertical expertise, rich IP portfolio such as UBIQWeise™, iBEMS, W.A.G.E.S and innovation focused multi-domain labs gives it a clear advantage over its peers.

-Zinnov Management Consulting,  
Zinnov Zones 2017 for IoT Technology Services

Rated as #1 engineering services company for the last 7 years by multiple industry experts

Rated in the Winner Circle by HfS Research for deep domain capabilities in IIoT

20+ labs and over 150+ authored/co-authored patents

Leader – ISG Provider Lens 2021

# Plant Engineering: Extending Industry 4.0

## Consumer Packaged Goods

### Industry 4.0 Enablers

- IoT and M2M Consulting
- Analytics
- Mobility
- Cloud

### Operations & Business Management

- ERP and EAM
- Applications and Systems
- Integration Services
- Testing Services
- AMS and ADM

### Infrastructure

- Hosting & Cloud Services
- End User Computing
- Network
- Security

## Speciality Chemicals

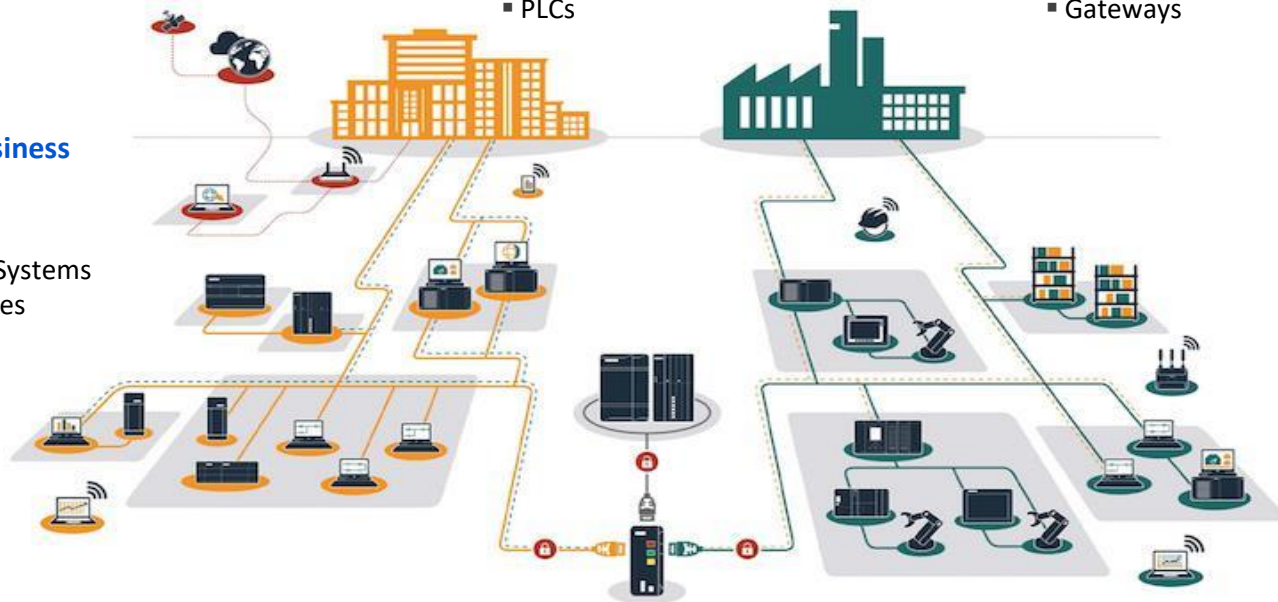
### Monitoring and Control

- SCADA
- DCS
- Control Panel
- PLCs

## Energy & Utilities

### Data Acquisition

- CNC
- Robots
- Alarms
- Gateways
- RTU
- HMI
- Historian



### Engineering Expertise

- Product lifecycle Management
- Mechanical Design Expertise
- Electrical Design Expertise
- Embedded System Engineering

### Sensors and Instrumentation

- RFID Equipment
- Sensors
- I/O Devices
- Device Integration
- Embedded System

**Revenue: USD160mn+**  
(Q2FY23 annualized)

L&T Technology Services' deep understanding of Plant Engineering and track record of making products and manufacturing smarter, established it in the Winners Circle.

-HfS Research,  
Industry 4.0 Services Blueprint Assessment

Rated in the Winner's Circle by HfS Research in their Industry 4.0 Blueprint

Extensive global reach and expertise with geographically distributed resource base working across 200+ global manufacturing locations

Leader – ISG Provider Lens 2021

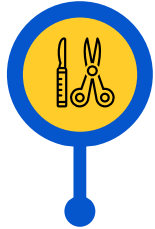


# Medical Devices: Touching Lives



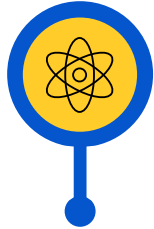
## Patient Mobility

- Critical Care Bed
- Patient Handling
- Surfaces
- Wheel Chairs



## Surgical & Diagnostic

- Endo
- Vascular
- Wound Closure
- Ultrasound Systems
- CT Scanners
- MRI Scanners
- Patient Monitoring



## Therapeutic & Life Science

- Oncology
- Drug Delivery
- Inhalable
- Histopathology
- Hematology
- Mass Spectroscopy



## Musculoskeletal

- Joint Replacement
- Trauma
- Biologics
- Dental Equipment
- Orthodontic

**Revenue: USD105mn+**  
(Q2FY23 annualized)

“The ability to pro-actively build and demonstrate proof-of-concepts, take risks, and explore new ways of doing things has created stellar results for our partnership with LTTS.”



- Leading American Medical Devices & Lifesciences conglomerate



Rated as one of the leading global ESPs for Medical devices for the past 3 years consecutively



Innovation focused culture with 50+ patents to credit



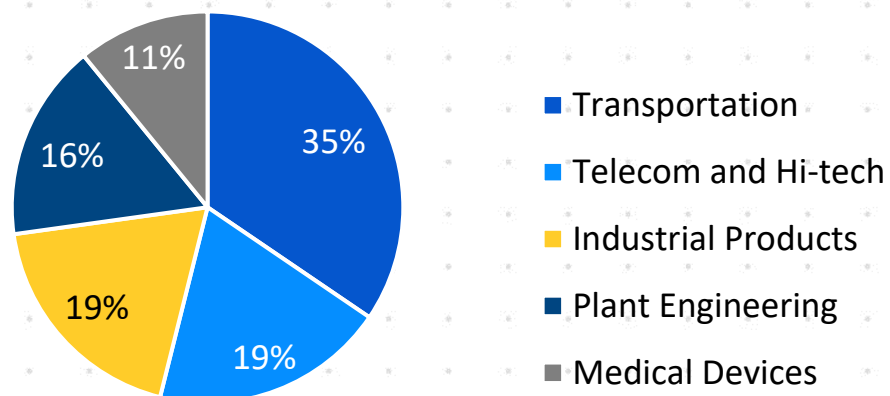
cGMP focused manufacturing practice



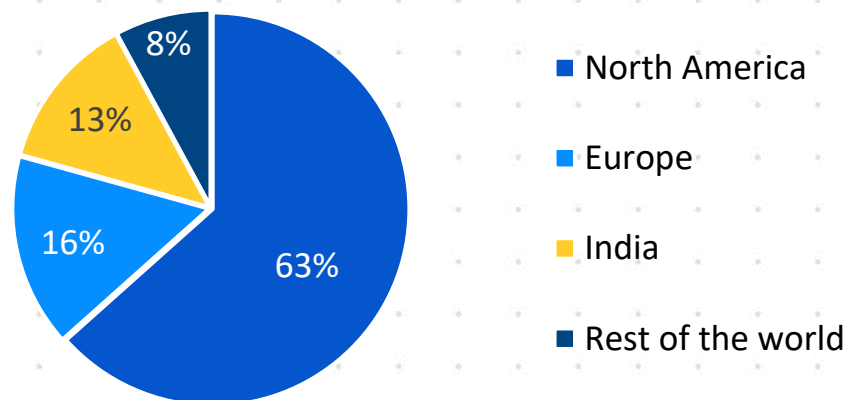
Leader – ISG Provider Lens 2021

# Diversified Business Mix

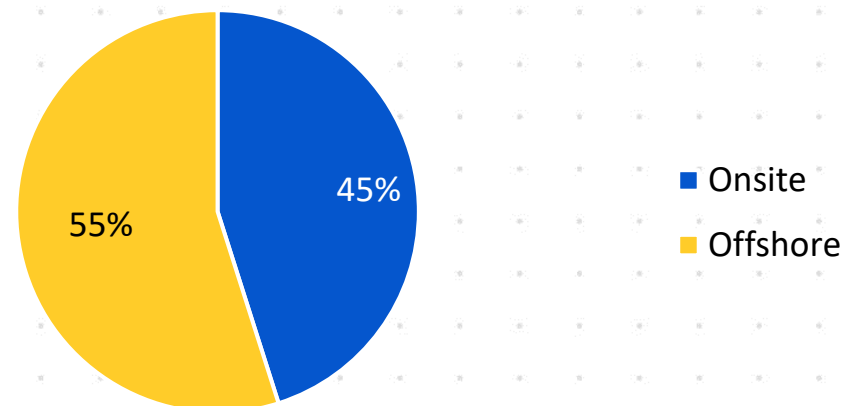
## By Vertical



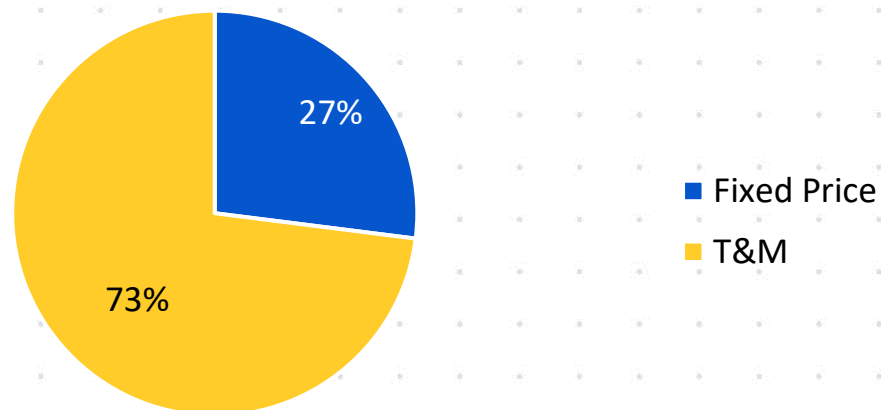
## By Geography



## Onsite vs. Offshore Split

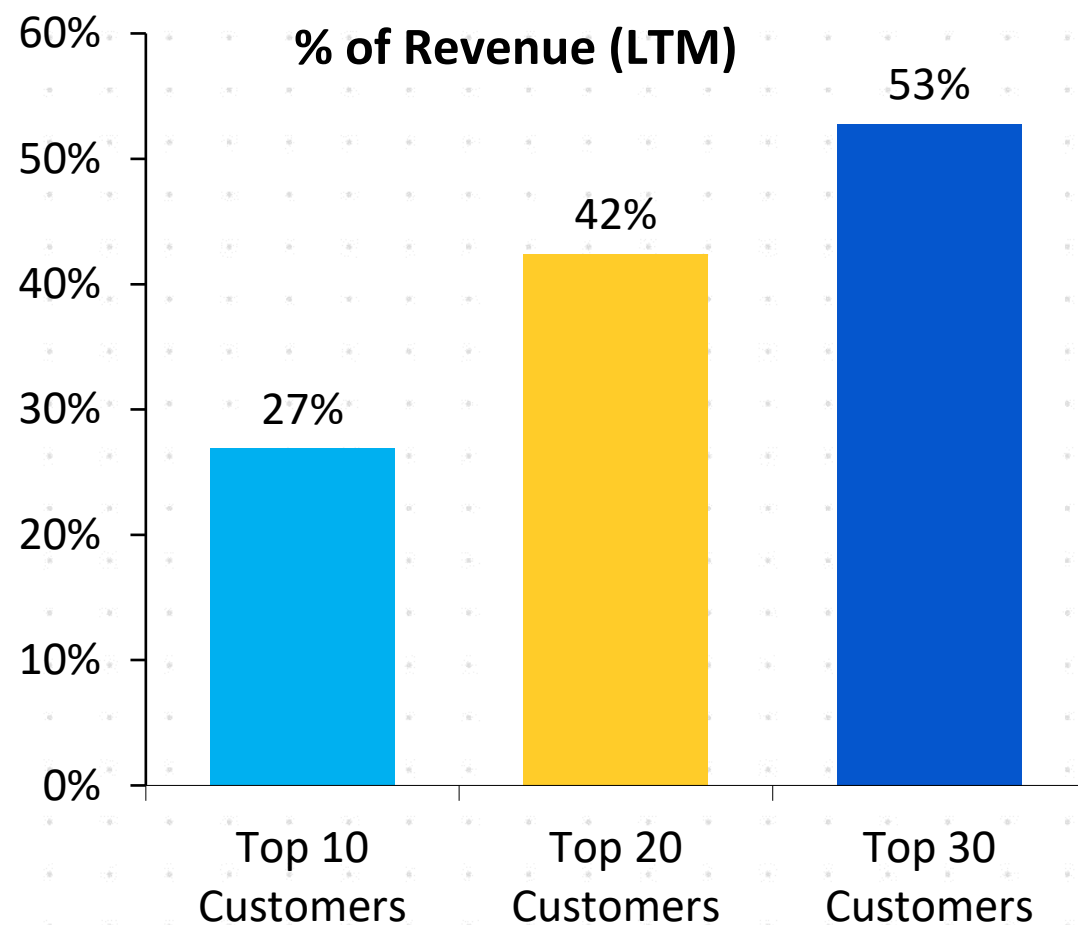


## Fixed Price vs. T&M



# Diversified Customer Base

## Top Clients Contribution



## Scale-up of million dollar clients

Customer Revenue (USD Mn)	FY20	FY21	FY22	Q1 FY23	Q2 FY23
30 Million +	2	0	2	2	3
20 Million +	8	3	6	7	8
10 Million +	21	20	22	23	24
5 Million+	43	39	48	51	49
1 Million +	113	122	136	142	150

# Performance Highlights

FY17	FY18	FY19	FY20	FY21	FY22	Parameters	Q1 FY23	Q2 FY23
484	580	723	786	737	880	Revenue from Operations (USD mn)	239.5	247.1
32,483	37,471	50,783	56,191	54,497	65,697	Revenue from Operations (INR mn)	18,737	19,951
16.1%	13.0%	16.0%	16.5%	14.5%	18.3%	EBIT Margin	18.3%	18.2%
4,249	5,060	7,656	8,186	6,633	9,570	Net Income (INR mn)	2,742	2,824
13.1%	13.5%	15.1%	14.6%	12.2%	14.6%	Net Income Margin	14.6%	14.2%
42.1	49.6	74.1	78.6	63.3	90.9	Earnings Per Share (INR)	26.0	26.8
7.0	16.0	21.0	21.0	22.0	35.0	Dividend Per Share (INR)	-	15.0



# Financial Performance – Q2 FY23

Amount in ₹ million

Income Statement	Q2 FY22	Q1 FY23	Q2 FY23	QoQ	YoY
<b>Revenue</b>	<b>16,077</b>	<b>18,737</b>	<b>19,951</b>	<b>6.5%</b>	<b>24.1%</b>
Cost of sales	10,726	12,560	13,546		
<b>Gross Profit</b>	<b>5,351</b>	<b>6,177</b>	<b>6,405</b>	<b>3.7%</b>	<b>19.7%</b>
Selling, General & Administration Expenses	1,858	2,167	2,187		
<b>EBITDA</b>	<b>3,493</b>	<b>4,010</b>	<b>4,218</b>	<b>5.2%</b>	<b>20.8%</b>
Depreciation & Amortisation	529	576	590		
<b>EBIT</b>	<b>2,964</b>	<b>3,434</b>	<b>3,628</b>	<b>5.6%</b>	<b>22.4%</b>
Other Income, net	180	340	261		
Income tax expense	836	1,024	1,057		
Minority Interest	8	8	8		
<b>Net Income</b>	<b>2,300</b>	<b>2,742</b>	<b>2,824</b>	<b>3.0%</b>	<b>22.8%</b>
<b>Margins (%)</b>					
Gross Margin	33.3%	33.0%	32.1%		
EBITDA Margin	21.7%	21.4%	21.1%		
EBIT Margin	18.4%	18.3%	18.2%		
Net Income Margin	14.3%	14.6%	14.2%		
<b>Earnings Per Share (INR)</b>					
Basic	21.89	25.98	26.75		
Diluted	21.77	25.95	26.68		

# Financial Performance – Q2 FY23

Amount in ₹ million

Balance Sheet	FY22	Q2 FY23
<b>Assets</b>		
Property and equipment	6,496	6,754
Intangible Assets and Goodwill	6,430	6,463
Accounts Receivable	16,959	16,564
Unbilled Revenues	2,610	3,826
Investments	14,779	17,947
Cash and Cash equivalents	6,742	6,411
Other current assets	3,022	2,711
Other non-current assets	3,872	2,647
<b>Total Assets</b>	<b>60,910</b>	<b>63,322</b>
<b>Liabilities and Shareholders' Equity</b>		
Shareholders' Funds	41,625	44,523
Other current liabilities	13,789	14,174
Other non-current liabilities	5,359	4,472
Minority Interest	137	153
<b>Total Liabilities</b>	<b>60,910</b>	<b>63,322</b>

Amount in ₹ million

Cash Flow Summary	FY22	YTD FY23
Net cash provided by operating activities	10,062	5,736
Capex	-1,555	-1,220
<b>Free Cash Flow</b>	<b>8,507</b>	<b>4,515</b>
Free Cash Flow to Net Income (%)	89%	81%

# Electrification of transport refrigeration for sustainability

## WHAT WE ENABLED

- Design and development of unique DC to DC convertor which can cater to a varying input requirement ranging from 300V to 950V DC and convert it into a constant output of 400V
- Design and developed a single controller for all motors and fans used in the refrigeration unit
- Innovative interleaved boost convertor enabled reduced ripple current, enhanced battery life

**100% electric powered  
refrigeration unit**

## OUR EXPERTISE

- Deep domain expertise in power electronics, sustainable solutions and ground transportation
- Availability of Power electronics, EMI/EMC, Electric Vehicle and Surge labs

# Disruptive Next-Gen Inverters with over 98% Efficiency

## WHAT WE ENABLED

- Market analysis and technology consulting to identify multiple feasible concept for next-gen SiC (Silicon Carbide) module-based product
- Design and development of PoC for the approved technical architecture to prove product feasibility
- End-to-end product development include mechanical, hardware and firmware; complete Alpha and Beta testing



**First of its kind SiC based Modular  
100KVA Grid Tie Inverter**



## OUR EXPERTISE

- Deep domain expertise in Power Electronics
- Reusable assets and extensive ecosystem partnership



# Smart Modular Test System for High Performance Batteries

## WHAT WE ENABLED

- End-to-end design and development of modular test rigs for testing of complex high-power batteries; Stacked rack design enables to monitor & manage multiple voltages (7.4V / 11.1V / 14.8V) and connect upto 6 Li-Ion battery packs at once.
- User friendly LabView program which allows users to quickly edit test programs based on the requirement and run automated testing procedures
- Highly accurate and cost-efficient solution compared to the existing COTS solution



**High Accuracy of  $\pm 1.5\%$  for Current in range of 100mAmps – 10Amps**



## OUR EXPERTISE

- Electric measurement and analytics domain - a core differentiator
- Availability of domain specific labs in areas such as Power electronics, EMI/EMC
- Reusable assets and extensive ecosystem partnership

