

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
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- Current offerings directly addresses multiple aspects sustainability for Safety & Surveillance | Traffic Mgmt. | Waste Management | Smart Metering
 - Integrated Control and Command Center
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- 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:



Communications

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



Safe & Smart Cities

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



Cybersecurity

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

SWC Offerings

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

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

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

LTTS Offerings

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

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

- OT Cybersecurity
- Product security



Synergies to Expand & Grow



Next-Gen Communications

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



Sustainable Spaces

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



Cybersecure

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

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

ABOUT L&T TECHNOLOGY SERVICES

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.

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