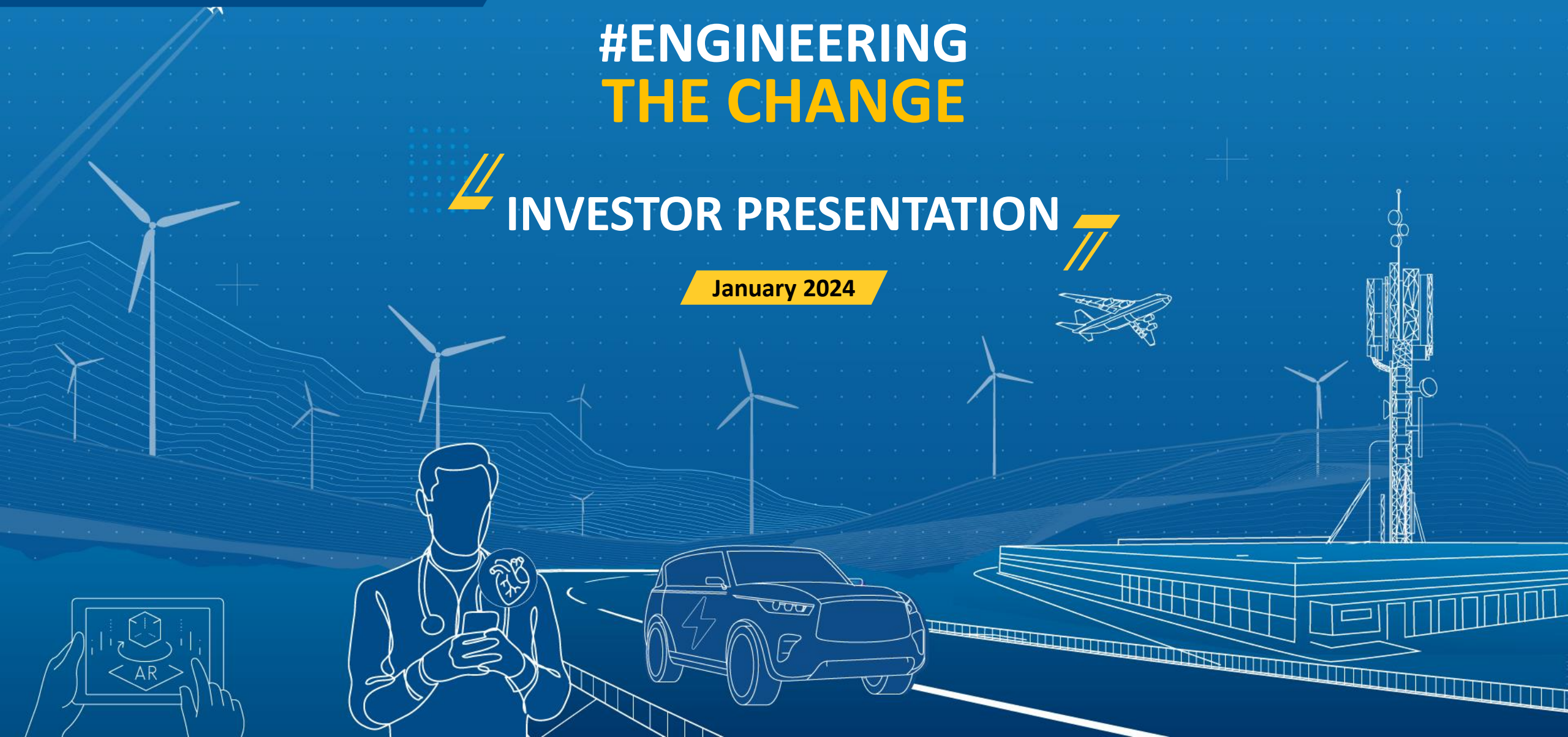


# #ENGINEERING THE CHANGE

## // INVESTOR PRESENTATION //

January 2024



# Disclaimer

This presentation is issued by L&T Technology Services Limited (the “**Company**”) for general information purposes only, without regard to specific objectives, suitability, financial situations and needs of any particular person. This presentation does not constitute or form part of any offer or invitation or inducement to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities of the Company, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contract or commitment whatsoever. No person is authorized to give any information or to make any representation not contained in or inconsistent with this presentation and if given or made, such information or representation must not be relied upon as having been authorized by any person.

This presentation may include statements which may constitute forward-looking statements. All statements that address expectations or projections about the future, including, but not limited to, statements about the strategy for growth, business development, market position, expenditures, and financial results, are forward looking statements. Forward looking statements are based on certain assumptions and expectations of future events. This presentation should not be relied upon as a recommendation or forecast by the Company. Please note that the past performance of the Company is not, and should not be considered as, indicative of future results. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The actual results, performance or achievements, could thus differ materially from those projected in any such forward-looking statements. The Company does not undertake to revise any forward-looking statement that may be made from time to time by or on behalf of the Company. Given these risks, uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements.

This presentation may not be copied or disseminated, in whole or in part, and in any manner or for any purpose. No person is authorized to give any information or to make any representation not contained in or inconsistent with this presentation and if given or made, such information or representation must not be relied upon as having been authorized by any person. Failure to comply with this restriction may constitute a violation of applicable laws.

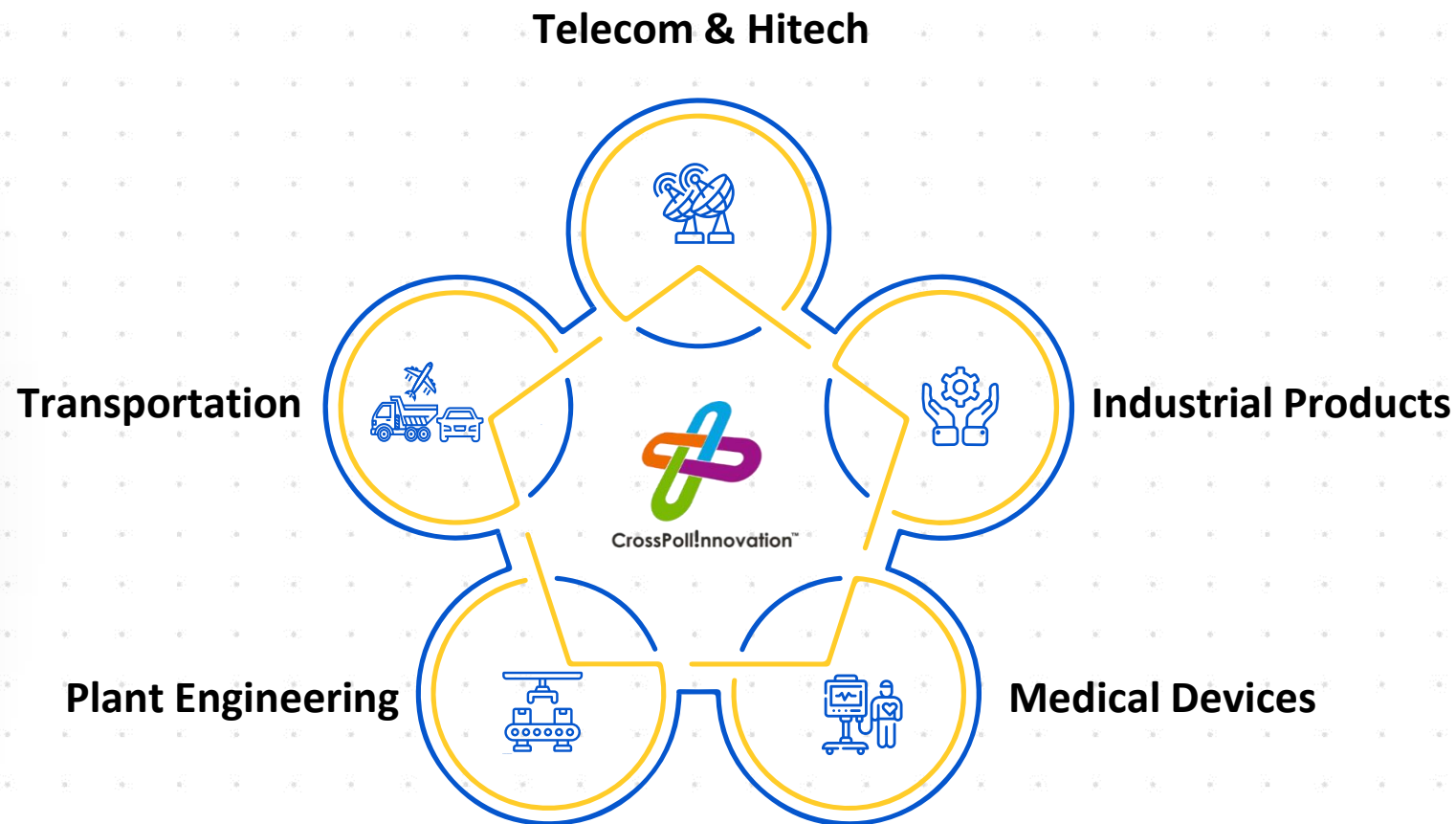
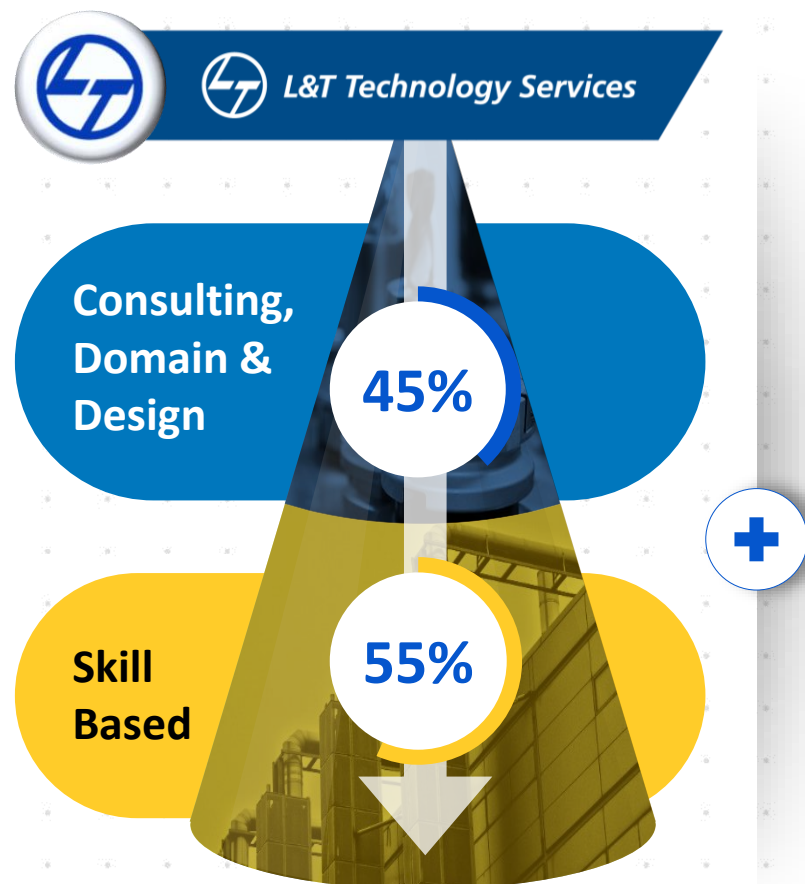
The information contained in these materials has not been independently verified. None of the Company, its Directors, Promoter or affiliates, nor any of its or their respective employees, advisers or representatives or any other person accepts any responsibility or liability whatsoever, whether arising in tort, contract or otherwise, for any errors, omissions or inaccuracies in such information or opinions or for any loss, cost or damage suffered or incurred howsoever arising, directly or indirectly, from any use of this document or its contents or otherwise in connection with this document, and makes no representation or warranty, express or implied, for the contents of this document including its accuracy, fairness, completeness or verification or for any other statement made or purported to be made by any of them, or on behalf of them, and nothing in this presentation shall be relied upon as a promise or representation in this respect, whether as to the past or the future. The information and opinions contained in this presentation are current, and if not stated otherwise, as of the date of this presentation. The Company undertakes no obligation to update or revise any information or the opinions expressed in this presentation as a result of new information, future events or otherwise. Any opinions or information expressed in this presentation are subject to change without notice.

# This is L&T Technology Services

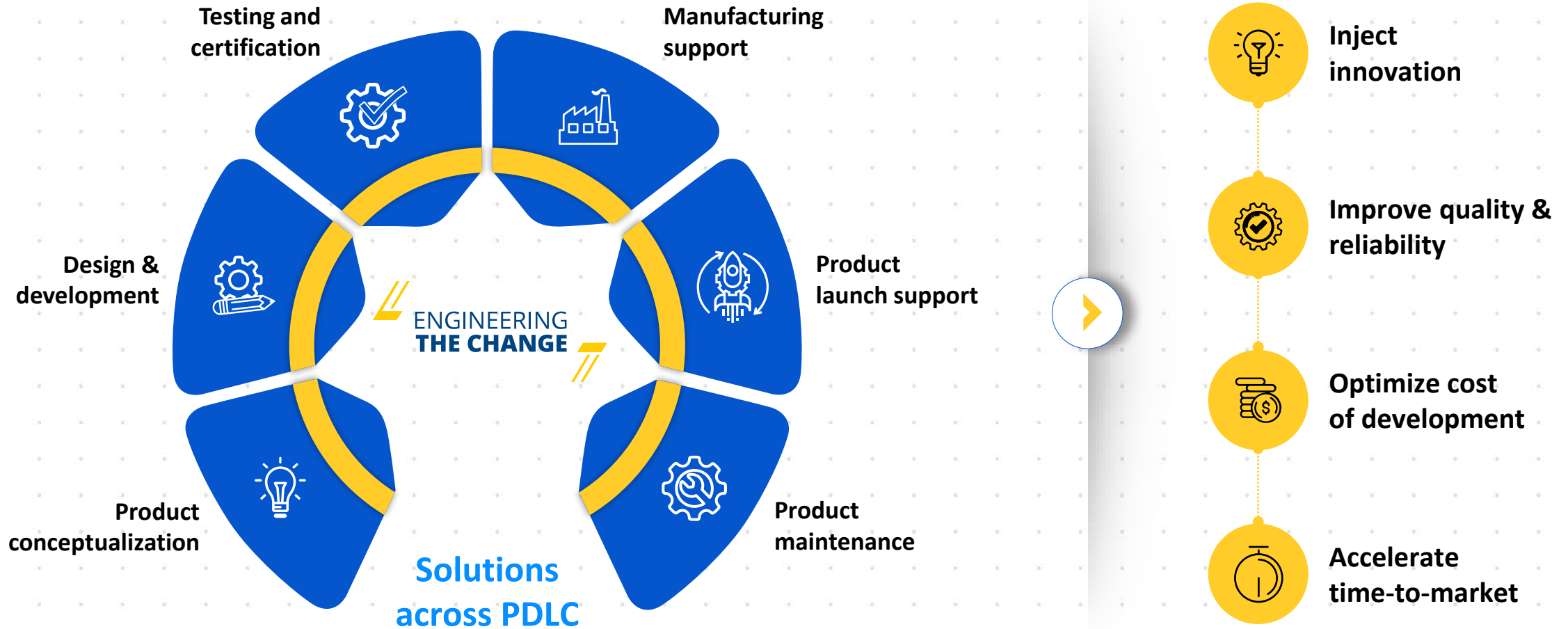




# Our Engineering Heritage and Multi-domain Capabilities...



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

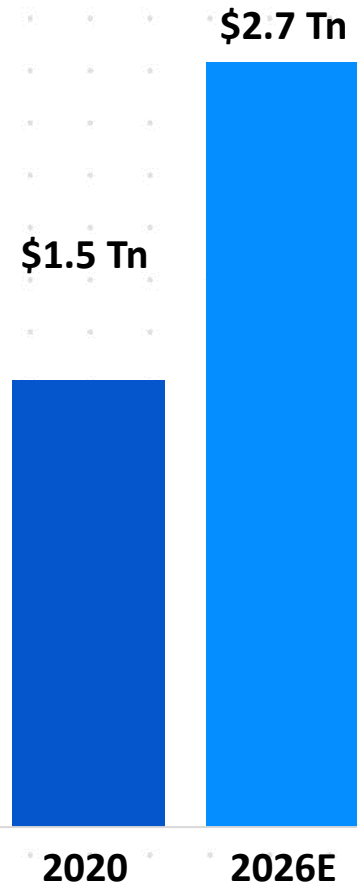


**PHYSICAL TO DIGITAL**

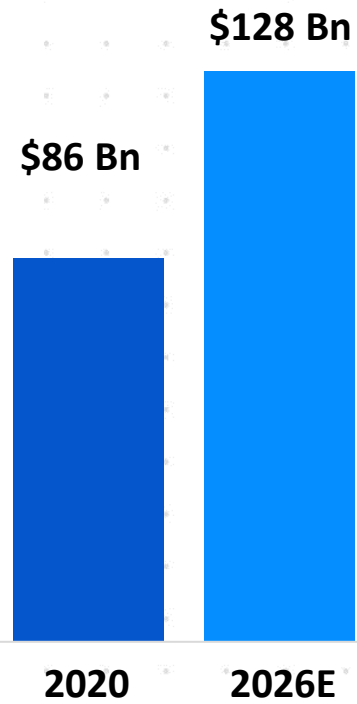
**SILICON TO CLOUD**

# Our Playing Field

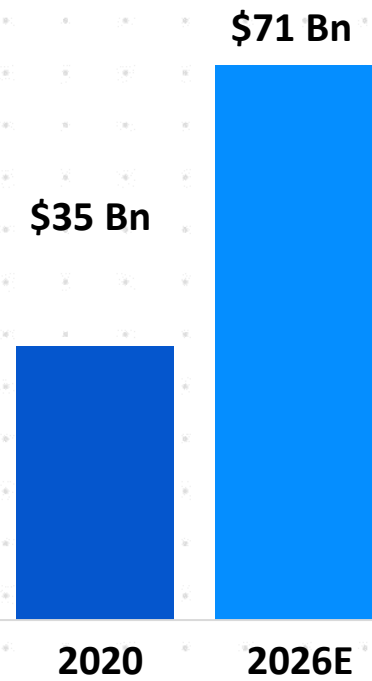
## Global ER&D Spend



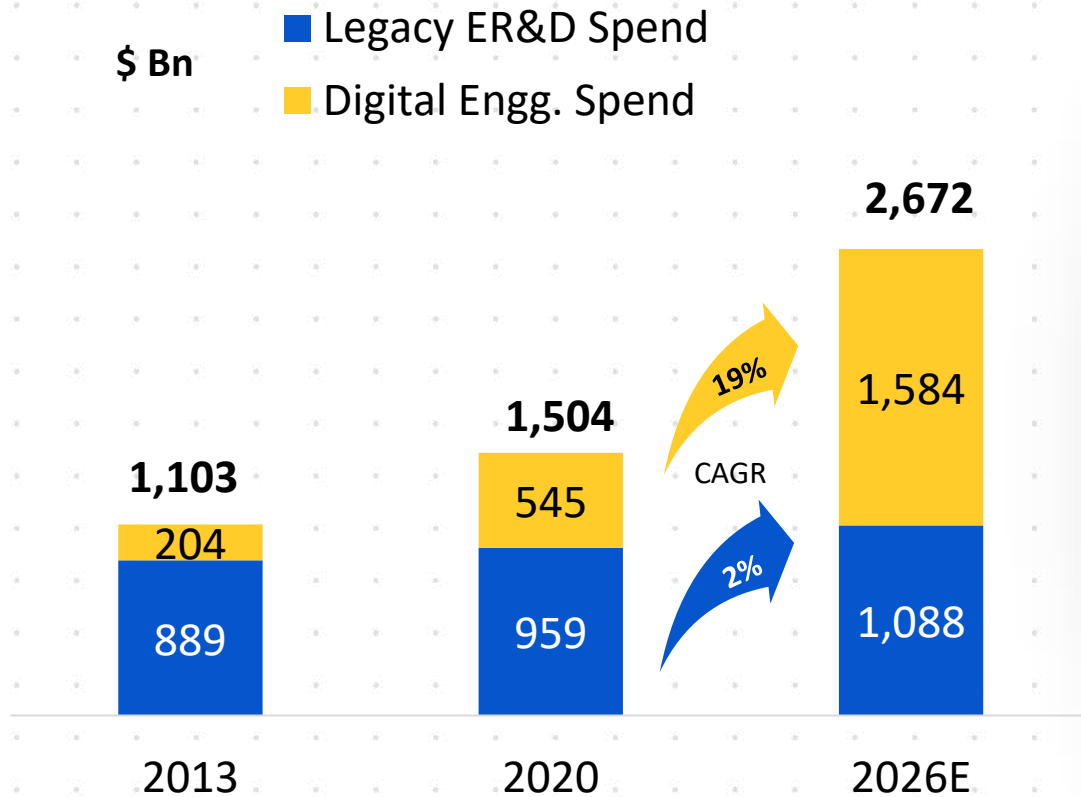
## Addressed Market



## India ER&D Market



# Digital Driving ER&D Spend



## Digital Engineering Spend



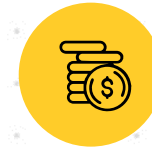
**60%+**

Of LTTS Revenue  
FY23



**59%**

Of Global ER&D  
spend by 2026



**2.9X**

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

**NexGen Comms**

\$155 Bn by 2025E



04

**AI & Digital Products**

\$100 Bn by 2025E



05

**Digital Manufacturing**

\$475 Bn by 2025E



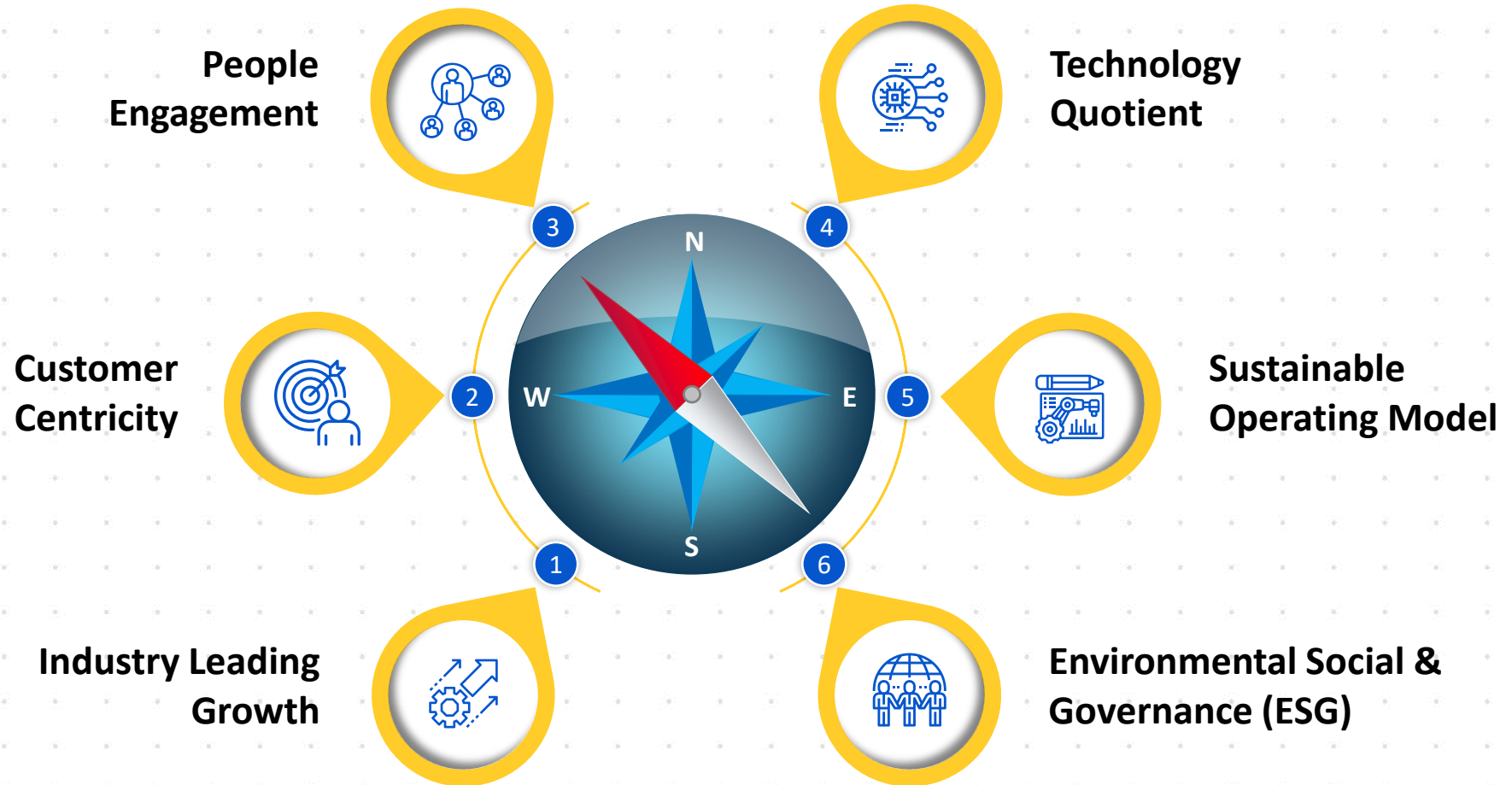
06

**Sustainability**

\$400 Bn by 2025E



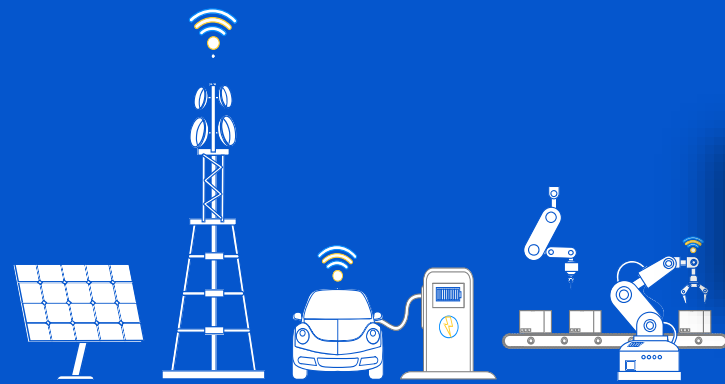
# With a Six-Dimensional Glide Path



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

# 105 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**



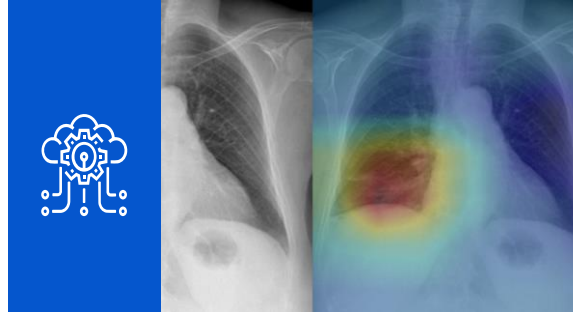
**Design  
studio**

# 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, LTTTS' 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

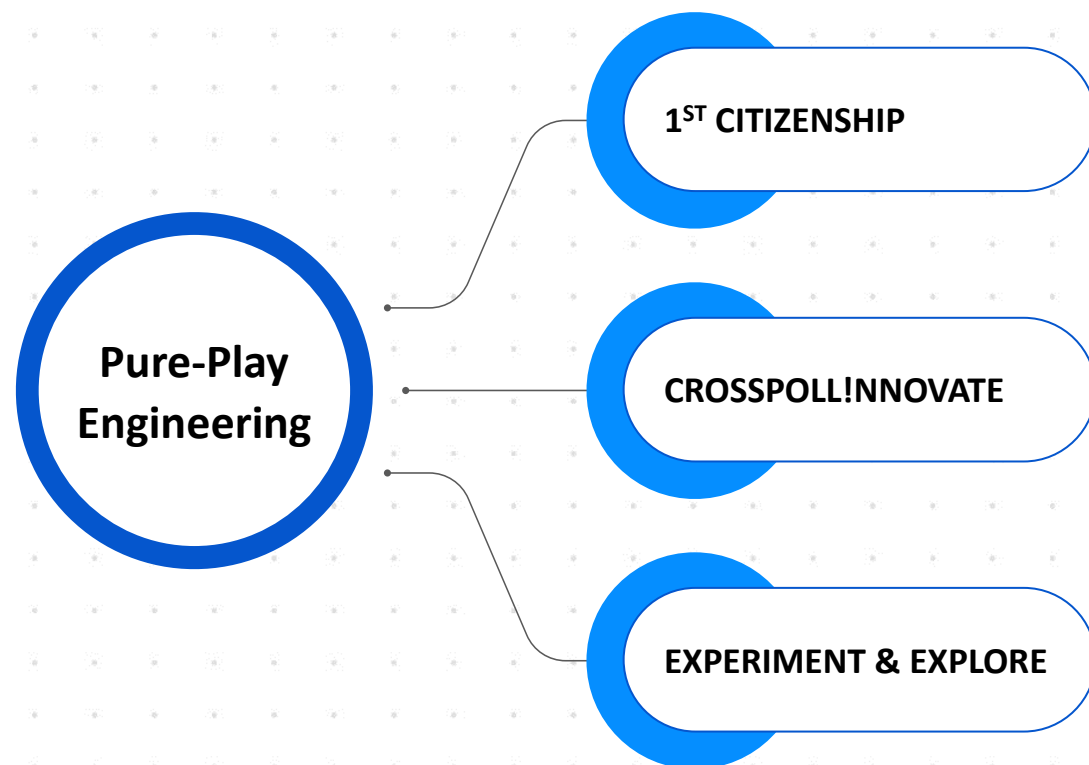


# Our World Class Talent



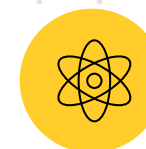
**23,200+**

**EMPLOYEES ENGINEERING  
THE CHANGE**



## **Tech investments**

Innovation Labs,  
Futuristic Technology



**Attracting  
Gen-Z engineers**  
**TECHgium®**  
Engineering education for the future



## **Innovation generation**

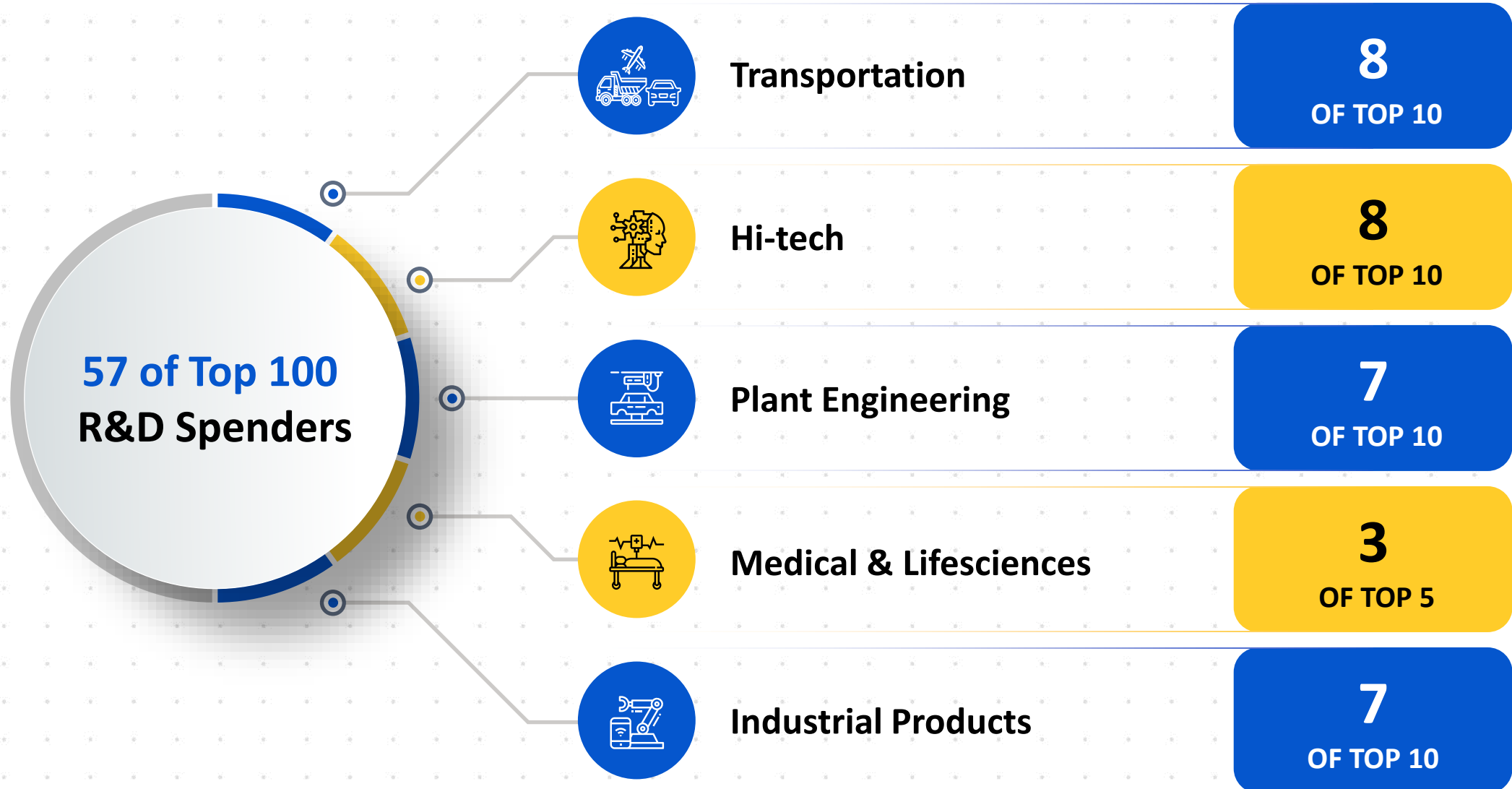
Reveries, TechExpression,  
Hackathons



## **Next-Gen career**

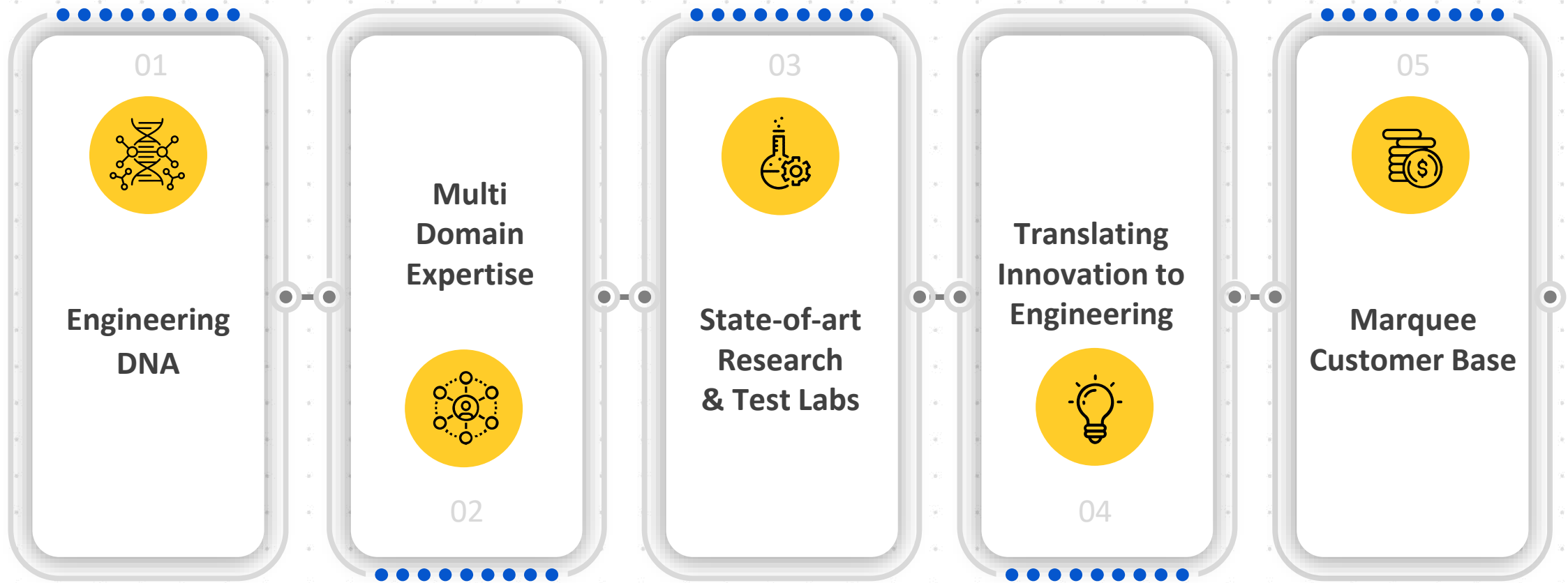
Multi-Dimensional  
Technocrats

# Helps us Expand Relationship With Top R&D Spenders



# What Sets us Apart

## Our Key Differentiators

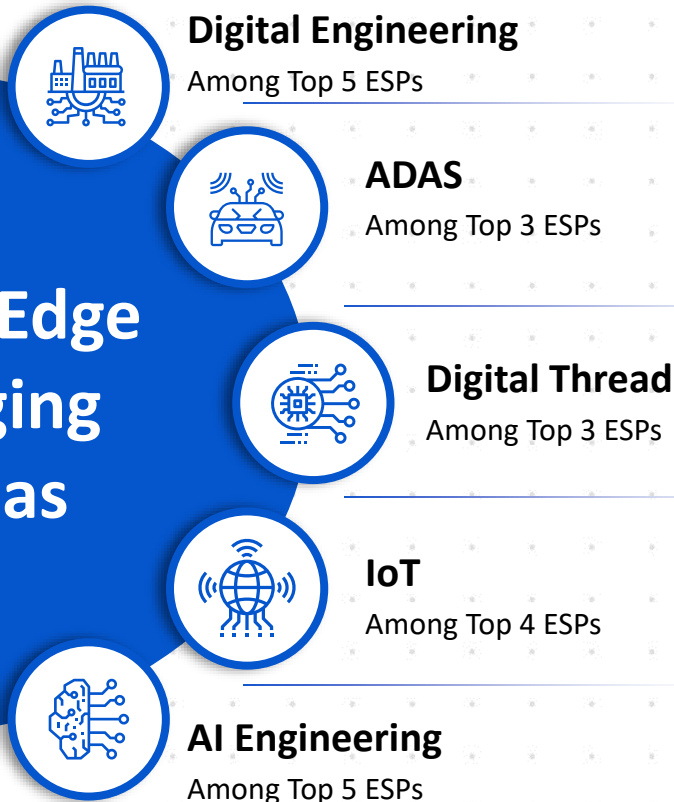


# Has Led Us To Where We Are



**#1** Pure-Play **Engineering Services Provider**<sup>^</sup> for **two consecutive years**

## Leading Edge in Emerging Tech Areas

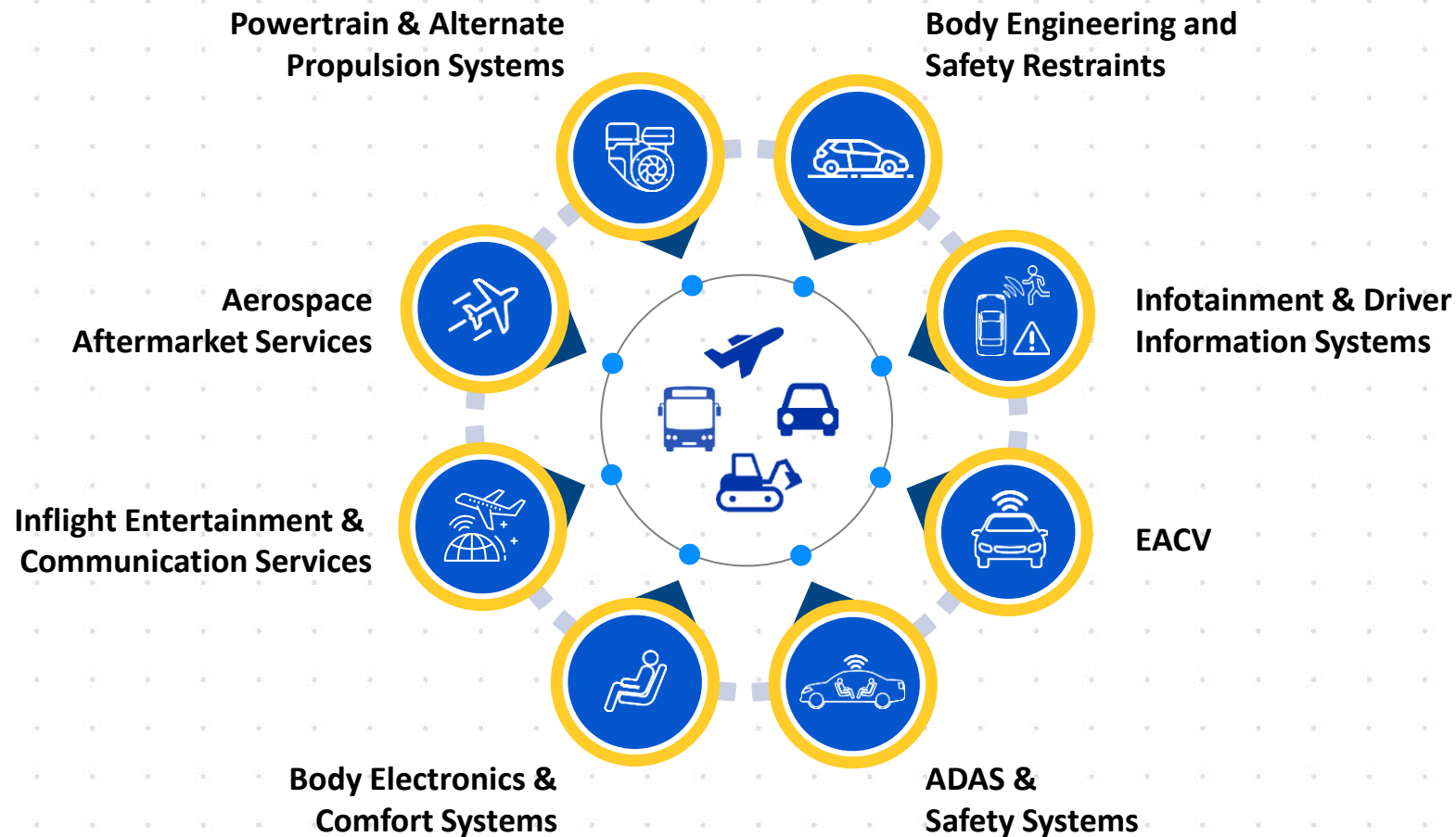


## Leading Edge in Vertical Positioning

**Industrial**  
Maintained Top 2 position



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



**Revenue: USD385mn+**  
(Q3FY24 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

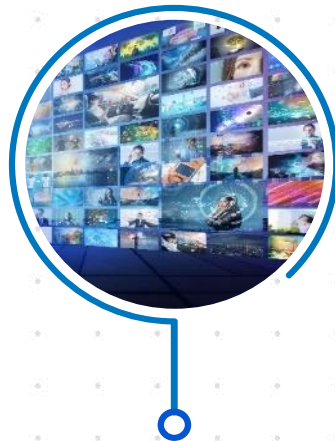


## Next-gen Connectivity

5G &  
Nb-IoT Stack

Telecom

Sustainable  
Spaces



## Innovative Entertainment

Blockchain

OTT Platform &  
Applications

VOD &  
Catch-up Tv

Media &  
Entertainment



## Cutting-edge Wearables

Smart Home

Smart Appliances

Wearables

Consumer  
Electronics

**Revenue: USD295mn+**  
(Q3FY24 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

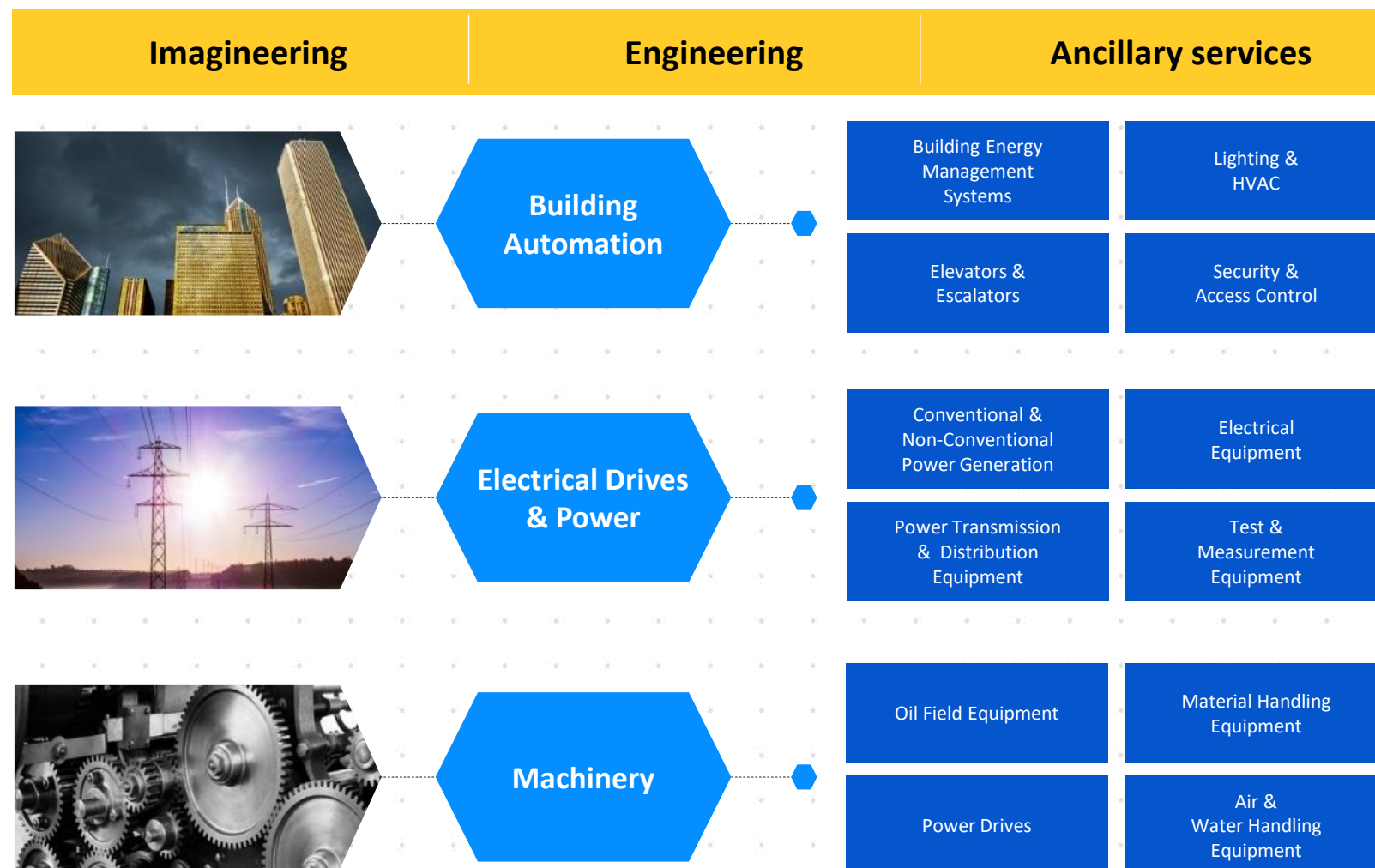
Rated as one of the leading global ESPs in embedded space by Zinnov Management Consulting

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: USD200mn**  
(Q3FY24 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

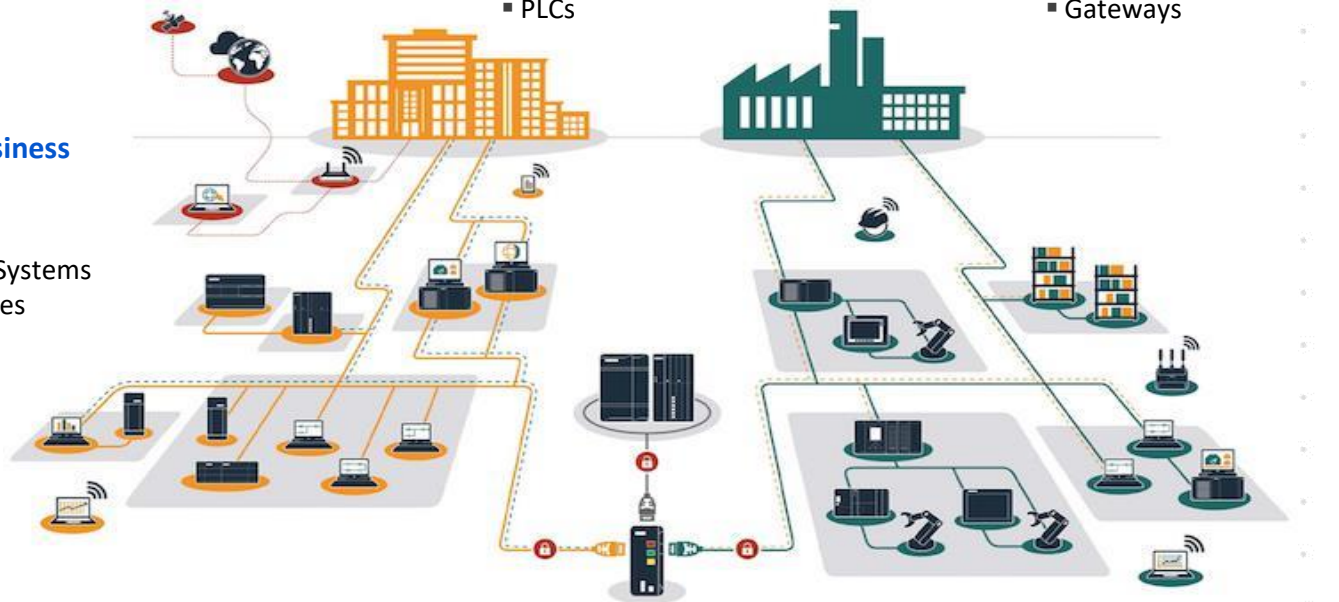
### Monitoring and Control

- 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+**  
(Q3FY24 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

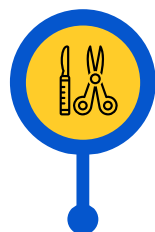


# Medical Devices: Touching Lives



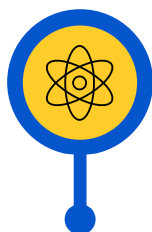
## Patient Mobility

- 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: USD115mn+**  
(Q3FY24 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



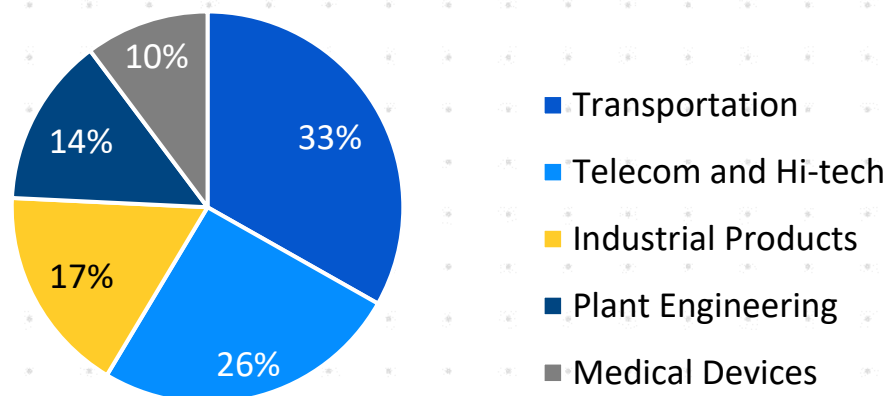
cGMP focused manufacturing practice



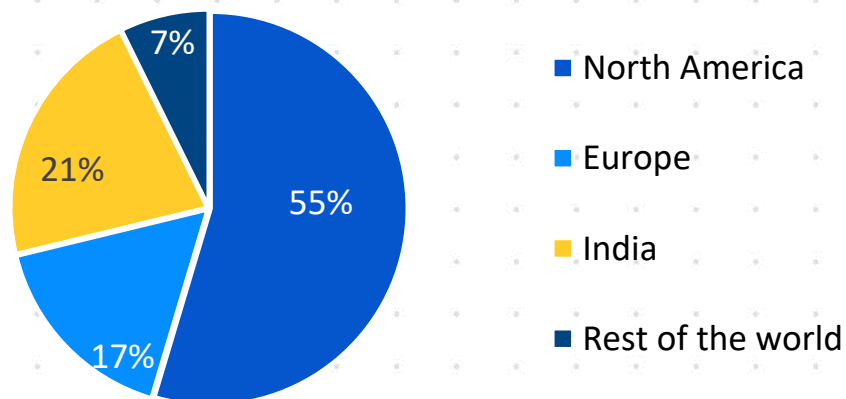
Leader – ISG Provider Lens 2021

# Diversified Business Mix

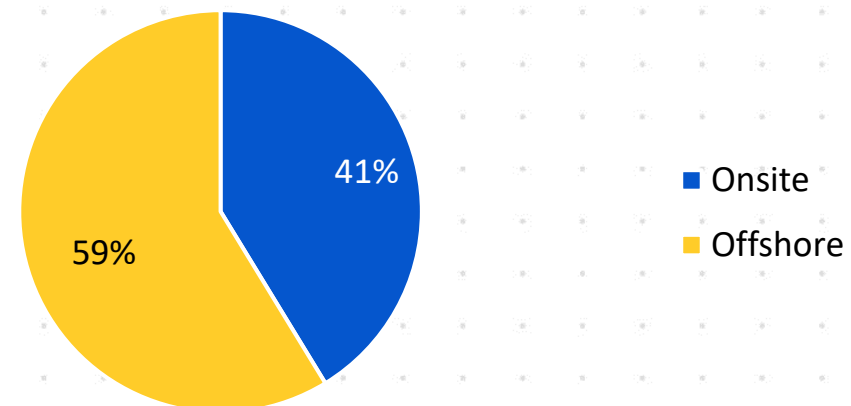
## By Vertical



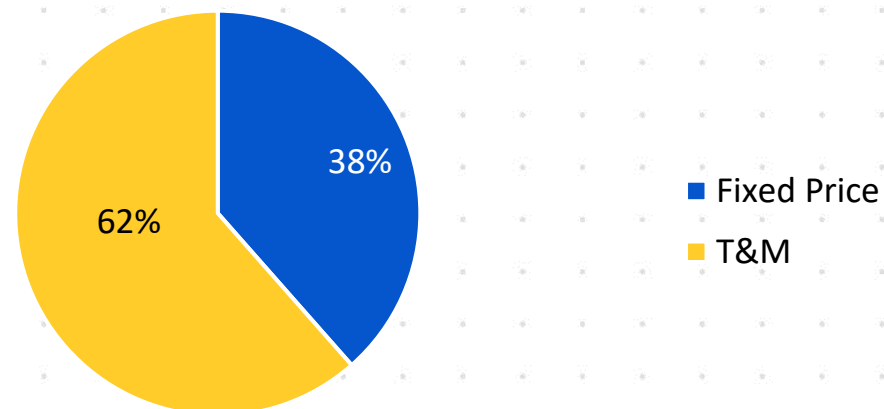
## By Geography



## Onsite vs. Offshore Split

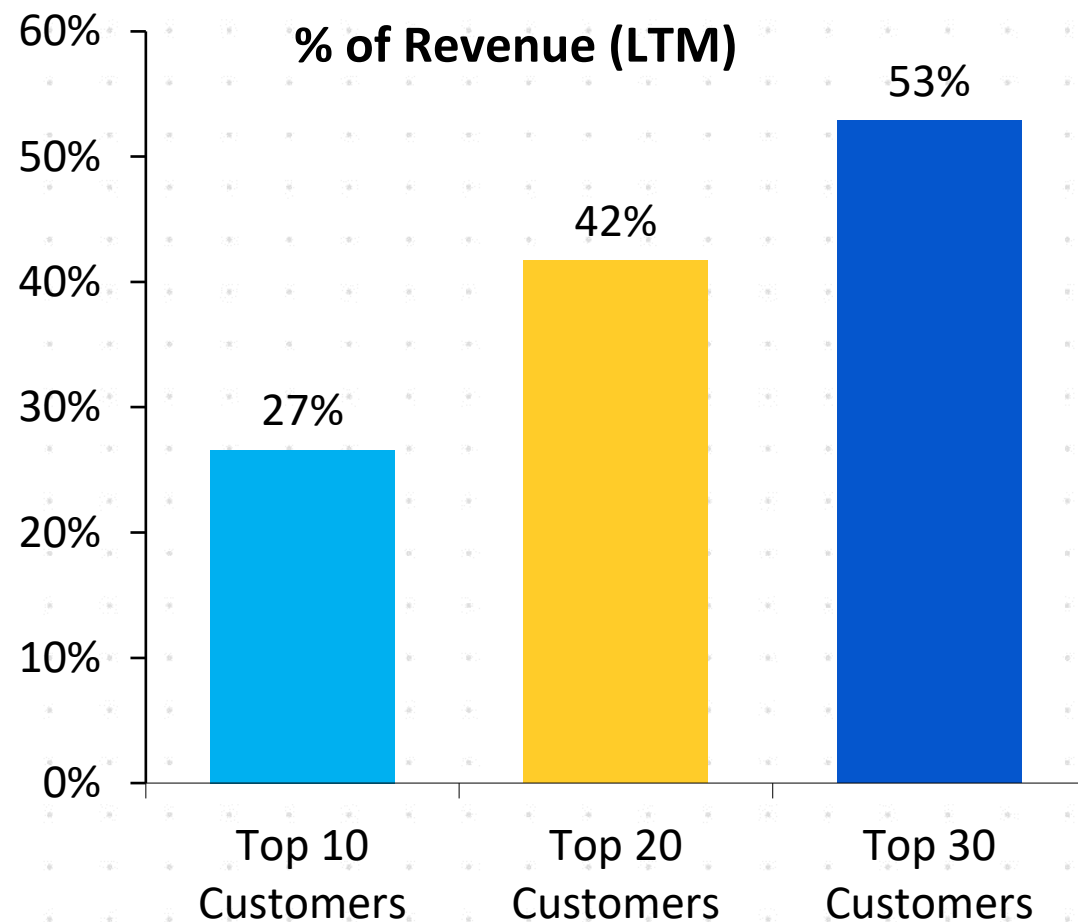


## Fixed Price vs. T&M



# Diversified Customer Base

## Top Clients Contribution



## Scale-up of million dollar clients

Customer Revenue (USD Mn)	FY21	FY22	FY23*	Q3 FY24
30 Million +	0	2	1	4
20 Million +	3	6	11	14
10 Million +	20	22	28	31
5 Million+	39	48	57	56
1 Million +	122	136	178	175

\*Note: Effective April 1, 2023, LTTS completed the acquisition of Smart World & Communication (SWC) Business of L&T. In compliance with Ind AS requirements applicable to common control transactions, FY23 financials have been re-stated to include SWC.

# Performance Highlights

FY19	FY20	FY21	FY22	FY23*	Parameters	Q1 FY24	Q2 FY24	Q3 FY24
723	786	737	880	1,089	Revenue from Operations (USD mn)	280	288	291
50,783	56,191	54,497	65,697	88,155	Revenue from Operations (INR mn)	23,014	23,865	24,218
16.0%	16.5%	14.5%	18.3%	17.3%	EBIT Margin	17.2%	17.1%	17.2%
7,656	8,186	6,633	9,570	12,121	Net Income (INR mn)	3,111	3,154	3,362
15.1%	14.6%	12.2%	14.6%	13.7%	Net Income Margin	13.5%	13.2%	13.9%
74.1	78.6	63.3	90.9	114.8	Earnings Per Share (INR)	29.4	29.8	31.8
21.0	21.0	22.0	35.0	45.0	Dividend Per Share (INR)	-	17.0	-
35%	31%	21%	25%	28%	Return on Equity (RoE)	-	-	-

\*Note: Effective April 1, 2023, LTTS completed the acquisition of Smart World & Communication (SWC) Business of L&T. In compliance with Ind AS requirements applicable to common control transactions, FY23 financials have been re-stated to include SWC.



# Financial Performance – Q3 FY24

Amount in ₹ million

Income Statement	Q3 FY23*	Q2 FY24	Q3 FY24	QoQ	YoY
Revenue	21,570	23,865	24,218	1.5%	12.3%
Cost of sales	14,822	17,175	17,141		
Gross Profit	6,748	6,690	7,077	5.8%	4.9%
Selling, General & Administration Expenses	2,392	1,934	2,200		
EBITDA	4,356	4,756	4,877	2.5%	11.9%
Depreciation & Amortisation	589	681	715		
EBIT	3,767	4,075	4,162	2.1%	10.4%
Other Income, net	620	286	493		
Income tax expense	1,405	1,202	1,287		
Minority Interest	14	5	6		
Net Income	2,968	3,154	3,362	6.6%	13.3%
Margins (%)					
Gross Margin	31.3%	28.0%	29.2%		
EBITDA Margin	20.2%	19.9%	20.1%		
EBIT Margin	17.5%	17.1%	17.2%		
Net Income Margin	13.8%	13.2%	13.9%		
Earnings Per Share (INR)					
Basic	28.11	29.84	31.80		
Diluted	28.02	29.76	31.72		

\*Note: Effective April 1, 2023, LTTS completed the acquisition of Smart World & Communication (SWC) Business of L&T. In compliance with Ind AS requirements applicable to common control transactions, FY23 financials have been re-stated to include SWC.

# Financial Performance – Q3 FY24

Amount in ₹ million

Balance Sheet	FY23*	Q3 FY24
<b>Assets</b>		
Property and equipment	6,692	9,239
Intangible Assets and Goodwill	6,402	6,302
Accounts Receivable	28,066	28,758
Unbilled Revenues	4,684	5,419
Investments	22,840	14,125
Cash and Cash equivalents	6,899	8,602
Other current assets	3,033	4,508
Other non-current assets	3,360	3,673
<b>Total Assets</b>	<b>81,976</b>	<b>80,626</b>
<b>Liabilities and Shareholders' Equity</b>		
Shareholders' Funds	44,349	49,525
Other current liabilities	33,101	25,802
Other non-current liabilities	4,346	5,098
Minority Interest	180	201
<b>Total Liabilities</b>	<b>81,796</b>	<b>80,626</b>

Amount in ₹ million

Cash Flow Summary	FY23*	YTD FY24
Net cash provided by operating activities	10,794	8,413
Capex	-1,787	-2,136
<b>Free Cash Flow</b>	<b>9,007</b>	<b>6,277</b>
Free Cash Flow to Net Income (%)	74%	65%

\*Note: Effective April 1, 2023, LTTS completed the acquisition of Smart World & Communication (SWC) Business of L&T. In compliance with Ind AS requirements applicable to common control transactions, FY23 financials have been re-stated to include SWC.

# Reimagining Real-time Rail Track Inspection

## With LTTS' Compute Vision Track Eye® for Rail Track Inspection

### What we enabled

- End-to-end design, development of a embedded AI based, Battery-operated, Light-weight, Locomotive/End-of-train/Hy-Rail mounted system for real-time detection and reporting of rail defects.
- Accurate and real time determination of the size and depth of the defect, enabling real-time strategizing of train routes based on the track condition enabling significant reduction in losses

### LTTS Edge

- Modular approach to address the different track defect detection uses cases and customer specifications
- Investments in infrastructure such as the Test-rig facility at Mysore which enables end-to-end testing of the solution
- Solution supports cloud service providers like Azure/AWS/GCP or On-Premise Cloud
- Flexibility to customize solutions based on customer's requirements



**Industry-leading 95% Defect Detection and Recall Rate**

From prescriptive to real-time, preventive rail track maintenance

Improved scheduling and streamlined maintenance across the rail network

Advanced compute vision for immediate fault detection, analysis, and resolution

# Redefining Testing and Validation Workflows

## With AI/ML based 'Auto-Triage' of Log Analysis

### What we enabled

- End-to-end design and development of a AI/ML based log analysis tool with capacity to manage large and versatile test case scenarios
- Almost real-time identification of error's root case through Natural Language Processing (NLP) based keyword search on the logs.
- Tool also enabled Prescriptive analysis of the test logs to automatically, and efficiently prescribe the next course of action

### LTTS Edge

- In-depth expertise across automation frameworks, interfaces, and test automation
- Hyper-efficient turnaround on automation and triage tools leveraging reusable AI and ML models and deep technology capabilities
- Extensive partner ecosystem and a robust repository of reusable assets



**99.91% time-savings in log analysis and triaging**

Improved speed of design, development, and deployment

Fail-proof and high-quality AI/ML-based product offerings

Lab-as-a-Service for accelerated testing and validation journeys



# Redefining Environmental Sustainability Approaches

## With LTTS' Direct Exhaust CO2 Capture and Methanol Synthesis Solution

### What we enabled

- End-to-end development of a direct air CO2 capture system – promoting sustainability goals for global manufacturers
- Over 35% single pass direct CO2 conversion into green methanol, with 95-98% selectivity for efficient operations
- Opportunity for a streamlined, industry-agnostic integration across factory/emitter premises

### LTTS Edge

- Segment-leading **Sustainability Center of Excellence** – enabled 66% optimization of freight CO2 footprints
- Extensive domain experience of working with leading global manufacturers across the value chain
- Differentiated offerings around **Climate Action**, **Energy Transition**, and Product Circularity

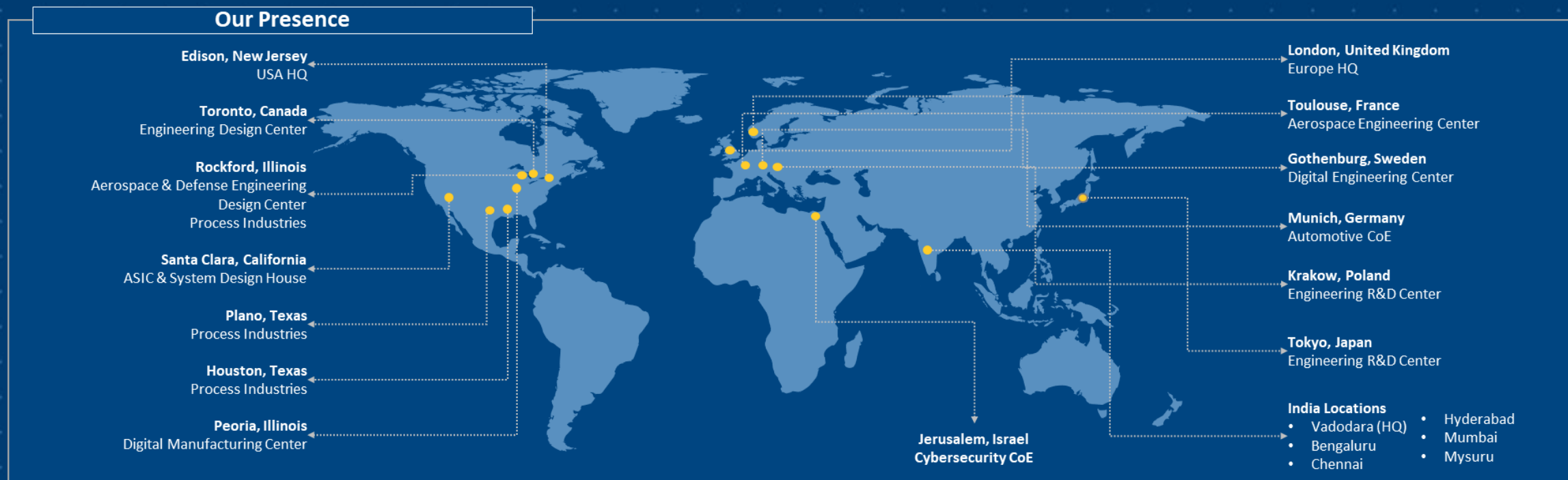


**35%+ Methanol Conversion Efficiency  
From Single Pass CO2 Conversion**

Industry-leading expertise in Net  
Zero Products and Operations

Single step, economical CO2-methanol  
conversion paradigm

20+ Sustainability labs and a  
**Center of Excellence**



## ABOUT L&T TECHNOLOGY SERVICES

L&T Technology Services Limited (LTTS) is a listed subsidiary of Larsen & Toubro Limited focused on Digital 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 23,200 employees spread across 22 global design centers, 28 global sales offices and 105 innovation labs as of December 31, 2023.

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

For more information please contact:

**Pinku Pappan**

Head, Investor Relations & M&A  
Email: [pinku.pappan@LTTS.com](mailto:pinku.pappan@LTTS.com)