LLOYDS ENGINEERING WORKS LIMITED
(Formerly known as Lloyds Steels Industries Limited)

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RS/LLOYDSENGG/BSEL-NSEL/2024/422 **Date: 30th July 2024**

The Department of Corporate Services, BSE Limited 27th Floor, P.J. Towers, Dalal Street, Mumbai - 400 001	The National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051
Scrip Code : 539992	**Symbol: LLOYDSENGG**

Sub.: Press Release to be read with the Outcome filed on 30th July 2024 bearing reference No. RS/LLOYDSENGG/BSEL-NSEL/2024/418

Dear Sir / Madam,

The Board of Directors at its Meeting held today i.e. 30th July 2024 have approved Share Purchase Agreement with Techno Industries Private Limited ("**TIPL**"). The detailed disclosure has been mentioned in the aforesaid Outcome, press release has been enclosed herewith for your reference.

Thanking You,
Yours faithfully,

For Lloyds Engineering Works Limited

(*formerly known as Lloyds Steels Industries Limited*)

Rahima Shabbir Shaikh Digitally signed by Rahima Shabbir Shaikh Date: 2024.07.30 19:20:25 +05'30'

Rahima Shaikh
Company Secretary and Compliance Officer
ACS: 63449

Mumbai, 30th July ,2024

Lloyds Engineering Works Limited (LEWL) to acquire majority share in Techno Industries Private Limited (TI),

LEWL's Strategic Entry into Electrical Engineering Sector

Lloyds Engineering Works Ltd. (LEWL) is pleased to announce the acquisition of 77% of Techno Industries Private Limited (TI) via a share purchase agreement, a move that marks its strategic entry into the fast-growing electrical engineering sector. This acquisition broadens LEWL's product portfolio and strengthens its market position. With TI's already strong base, LEWL aims to solidify its presence further. TI's acquisition will open a window for LEWL to the B2C segment. The company's revenue was INR 168 cr. in the F.Y. 2023-24 and post-acquisition in the next 5 years it is expected to grow multifold.

Mr. Shreekrishna Gupta, Whole-time Director at Lloyds Engineering Works Ltd., expressed his optimism stating that

"Lloyds Engineering Works Ltd. is thrilled to announce the acquisition of Techno Industries Private Ltd. This strategic move significantly expands our product portfolio and market presence, marking a major milestone in our growth journey. We are particularly excited about entering the fast-growing electrical engineering sector and leveraging Techno Industries' established strengths. This acquisition aligns perfectly with our vision for growth and innovation, and we look forward to the new opportunities it will bring."

About Techno Industries:

- Established in 2000, Techno Industries Private Ltd. has established itself as a leading player in the elevator and escalator space with a significant presence in India's motor and pump industry.
- Promoted by Mr. Bharat Patel, a technocrat with experience of more than three decades.
- Strong Existing base of 21k+ elevators, 800k+ induction motors, and 11.5mn+ pumps, with Elevators installed nationwide, along with a Wide base of Motors and Pumps.
- Manufacturing Facilities Spread Over 1,10,000 Sq. Feet Area.
- Only Elevator Company in Gujarat Having Such a Big Set Up, 16% market share in Gujarat.
- 800 Employees and All India operations.
- Robust Profitability and Margin profile, with the ability to scale up further and faster.
- Marquee clients include Adani Group, Dalmia Cement, JSW, L&T, Aditya Birla Group, NTPC and some of the largest engine OEMs in India

Brief Product profile across its verticals

	Elevators	Motors & Pump Division
Products & Services offered	Passenger Lifts	Fire Fighting Pumps
	Industrial Elevators	Solar Pumps
	Kits	Submersible Pumps
	AMC Services	Induction Motors
Key customers Served	Offerings for commercial and residential Setups	Fire Fighting Motors to Reputed Clients
	High Tonnage Elevators for Industrial Setup	Long-term contract with leading engine manufacturers to supply general-purpose motors
	Kits being sold outright to 3rd party vendors	Vast clientele, with existing empanelled clients for pumps
	AMC services for lifts and escalators	
Key Strengths: Diversified Product Mix, wide existing Empanelment, Recurring AMC revenues, High installed base of Motors, pumps and elevators.		

Future Prospects Post-Acquisition: Building and Compounding on Existing Strong Base:

LEWL aims to scale TI's revenue multi fold through several strategic initiatives. These include:

- Geographical Expansion- to increase its presence in tier 2/3 cities amongst residential and commercial buildings.
- Export of elevators: Expand its presence in key markets like UAE, USA and Africa through strategic marketing initiatives
- Industrial Elevators- Expand aggressively in Industrial elevators.
- Parking lifts & Parking systems – TI has an in-house developed technology, LEWL plans to grow this segment widely as well to its large installed base clientele
- Escalators—Cater to the growing institutional Escalators market for the railways and the vast metro network being built in India in collaboration with leading world players.
- Expanding the scope of existing AMC business,
- Adding New channel dealers for motors and Pumps verticals
- Expanding capacities of Motors and pumps to even cater to large industrial motors
- Broadening marketing Team: setup new branches, offices and sales workforce and embracing new technologies.
- Management expertise: Strengthening management bandwidth.

- Capex-driven growth: Incur a capex of more than INR 30 cr over three years to expand its capacities across all verticals.

Acquisition Cost:

In the first stage, LEWL plans to acquire 77% stake in Techno Industries, through secondary transfer from existing shareholders, at an overall equity valuation of INR 227.27 crore. For this, LEWL will issue 1,76,05,634 equity shares and pay INR 25 Crores for 96,25,000 equity shares held by the promoters of TI. In the second stage, which shall not be later than 3 months form the first stage, LEWL intends to acquire another 11% and pay INR 25 Crores for 13,75,000 equity shares held by the promoters of TI effectively resulting in acquisition cost of Rs.200 crores for 88% stake in Techno Industries. At this valuation, the acquisition is expected to be EPS accretive from the first year itself. LEWL also intends to extend its stake to 100% in three years on pre-agreed terms.

About Lloyds Engineering Works Limited (LEWL):

Lloyd Engineering Works Ltd., incorporated in 1994, is a complete customised Process plant equipment-providing company in India. It provides a complete engineering and infrastructure solutions package by designing engineering, manufacturing, fabrication and installation. Its products cover various categories in Heavy Equipment, Machinery and Systems for the carbon Sector, Oil & Gas, Steel Plants, Power Plants, Nuclear Plant Boilers and Turnkey Projects. Various authorities like the Industrial Boiler Regulatory Authority, SGS UK, Petroleum and Explosives Safety Organisation, etc have approved its facilities. The company's state-of-the-art manufacturing facilities are located in Murbad, Thane and headquartered in Mumbai.

For more information, please contact:

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Safe Harbour: This document may contain forward-looking statements about the Company, which are based on the beliefs, opinions, and expectations of the Company's management as of the date of this press release and the Company does not assume any obligation to update its forward-looking statements if those beliefs, opinions, expectations, or other circumstances should change. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict. Consequently, readers should not place any undue reliance on such forward-looking statements.