

## Press Release

# Syngene revenue up 26% to Rs. 832 crores, PAT up 26% to Rs.93 crores in the first quarter

- Acquisition of biologics manufacturing facility in Bangalore to complete by the end of the third quarter in FY 24
- US FDA approval for API manufacturing plant in Mangalore received
- Acquisition of land in Hyderabad to support long term growth in research services

**Bangalore, July 26, 2023:** Syngene International Limited today announced its first quarter results. Quarterly revenue was up 26% year-on-year to Rs. 832 crores, while profit after tax for the quarter increased 26% year-on-year to Rs 93 crores. During the quarter, the Company marked three events: the previously announced acquisition of a biologics manufacturing facility in Bangalore from Stelis Biopharma Ltd.; the receipt of regulatory approval for the commercial manufacturing plant in Mangalore from the US Food and Drug Administration; and the acquisition of additional land in Hyderabad to support further growth.

Commenting on the first quarter, **Jonathan Hunt, Managing Director and Chief Executive Officer, Syngene International Limited**, said, *“First quarter performance was strong, led by Development and Manufacturing Services and well supported by our research divisions: Discovery Services and the Dedicated Centers.*

*Earlier this month we announced our intention to acquire a site offering additional biologics manufacturing capacity close to our existing Bangalore campus. With 20,000 liters of installed biologics capacity - and scope for further expansion – the site strengthens our position as a leading biologics contract development and manufacturing service provider.*

*Also during the quarter, we were pleased to receive US FDA approval for our API facility in Mangalore. This approval reflects the robust quality standards applied in all our operations and represents an important building block for our small molecule commercial manufacturing strategy.*

*Finally, we completed the acquisition of development land in Hyderabad to support the long-term growth ambitions of our Research Services division.*

*Together, these actions show meaningful progress on our strategy to become a global leader in both research services (CRO) and manufacturing services (CDMO) and give us the capacity we need for the next stage of growth.”*

**Sibaji Biswas, Chief Financial Officer, Syngene International Limited added,** “*We are pleased to report a solid start to the year. The financial performance is in line with the revenue growth guidance for the year on a constant currency basis. At 25%, EBITDA growth reflects better operating leverage as we gain scale in development and manufacturing services.*

*We made investments in growing our portfolios in biologics manufacturing and discovery services. Despite these investments, the Company will continue to maintain a strong balance sheet and a low debt profile.”*

**Q1 FY24 Financial Highlights** (All numbers are in Indian rupees in Crores except margins)

	Q1 FY23	Q1 FY24	YoY Change (%)
Revenue from operations	644	808	25%
Revenue	660	832	26%
Reported EBITDA	188	235	25%
Reported EBITDA margin (%)	28.5%	28.3%	
PAT before exceptional item	74	93	26%
PAT Margin (%)	11.2%	11.2%	

**Business updates**

The first quarter results reflect a strong performance by Development and Manufacturing Services supported by sustained growth in the research divisions: Discovery Services and the Dedicated Centers.

Development Services continued the strong operational delivery of the previous quarter. During the quarter the process research and development laboratory, which is integrated with a process safety laboratory, an analytical laboratory and a kilo laboratory, was inaugurated. This multi-dimensional facility will reduce turnaround time and will enable faster progression from early-stage research to the production of viable drug candidates.

In Manufacturing Services, the Company continued to make good progress on the long-term contract for Zoetis. Additionally, the Company announced the acquisition of a multi-modal facility from Stelis Biopharma Ltd, adding 20,000 liters of installed biologics drug substance manufacturing capacity, with scope for further expansion, and a high speed, commercial scale, fill-finish unit. This facility is expected to be operational in 2024, following the completion of a programme of facility upgrades and re-validation.

In small molecule manufacturing, the Company received regulatory approval from the US Food and Drug Administration (US FDA) for the commercial manufacturing facility in Mangalore. This facility, which is designed to manufacture active pharmaceutical ingredients (API), obtained Good Manufacturing Practices (GMP) certification in 2021.

In Discovery Services, operations in the Company's Hyderabad campus continued to grow with the commissioning of the centralized compound management facility, which will serve as a central storage facility for all compounds synthesized by Syngene. Additionally, Syngene acquired 17 acres of land in Genome Valley, Hyderabad, to accommodate future growth. The Company expects to procure the required statutory clearances and commence construction on the land in 2024.

In the Dedicated Centers, a new kilo laboratory was inaugurated as an extension of the Syngene Amgen R&D Center (SARC) in Bangalore. The kilo lab will accelerate the advancement of Amgen R&D projects.

## **Earnings call**

Syngene will host an investor call at 2.00 pm IST on July 27, 2023, where the senior management will discuss the Company's performance and answer questions from participants. Please dial the numbers provided below ten minutes ahead of the scheduled start time to participate in this conference call. The dial-in number for this call is +91 22 6280 1279/ +91 22 7115 8180. Other toll numbers are listed in the conference call invitation which is posted on the Company website [www.syngeneintl.com](http://www.syngeneintl.com). The operator will provide instructions on asking questions before the start of the call. A replay of this call will also be available on the website and until 3rd August 2023, on +91 22 71945757,

Playback ID: 61353. We will aim to post the transcript of the conference call on the Company website within seven working days of the investor conference call.

### **About Syngene**

Syngene International Ltd. (BSE: 539268, NSE: SYNGENE, ISIN: INE398R01022) is an integrated research, development, and manufacturing services company serving the global pharmaceutical, biotechnology, nutrition, animal health, consumer goods, and specialty chemical sectors. Syngene's more than 6000 scientists offer both skills and the capacity to deliver great science, robust data security, and quality manufacturing, at speed, to improve time-to-market and lower the cost of innovation. With a combination of dedicated research facilities for Amgen, Baxter, and Bristol-Myers Squibb as well as 2 Mn sq. ft of specialist discovery, development and manufacturing facilities, Syngene works with biotech companies pursuing leading-edge science as well as multinationals, including GSK, Zoetis and Merck KGaA. For more details, visit [www.syngeneintl.com](http://www.syngeneintl.com). For the Company's latest Environmental, Social, and Governance (ESG) report, visit <https://esgreport.syngeneintl.com/>.

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