



Ref: Syn/CS/SE/PR/2022-23/July/09

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July 20, 2022

To, The Manager, BSE Limited Corporate Relationship Department Dalal Street, Mumbai – 400 001	To, The Manager, National Stock Exchange of India Limited Corporate Communication Department Bandra (EAST), Mumbai – 400 051
Scrip Code: 539268	Scrip Symbol: SYNGENE

Dear Sir/Madam,

Sub: Press Release in respect of results for the quarter ended June 30, 2022.

With reference to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the press release titled **“Syngene reports revenue from operations up 8% in the first quarter”**

The above-mentioned press release will also be available on website of the Company www.syngeneintl.com.

This is for your information and records.

Thanking You,

Yours faithfully,
For **SYNGENE INTERNATIONAL LIMITED**

PRIYADARSHINI MAHAPATRA

Digitally signed by PRIYADARSHINI MAHAPATRA
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Priyadarshini Mahapatra
Company Secretary and Compliance Officer

Enclosed: Press Release along with fact sheet

Press Release

**Syngene reports revenue from operations up 8% in
the first quarter**

Company raises the annual revenue guidance from mid-teens to high teens

Bangalore, July 20, 2022: Syngene International Limited today announced its first quarter results for FY23. The Company reported quarterly revenue from operations up 8% year-on-year to Rs. 644 Cr; profit after tax for the quarter declined by 4% year-on-year to Rs 74 Cr.

The first quarter results were against a strong quarter last year due to sales of COVID treatment, Remdesivir. Excluding the impact of Remdesivir, the underlying revenue from operations growth in the quarter was around 30% year-on-year.

Commenting on the results, **Jonathan Hunt, Managing Director and Chief Executive Officer, Syngene International Limited**, said, *"A recent highlight was the signing of a 10-year agreement with Zoetis. The new agreement initially focuses on the commercial manufacturing of Librela®, a first-of-its-kind injectable monoclonal antibody used for the alleviation of pain associated with osteoarthritis in dogs. This is a major strategic step for our biologics business and gives us a pathway towards FDA and EMA regulatory approvals anticipated later this year.*

These first quarter results were in line with our expectations and reflect strong underlying performance across all our business divisions. The contribution from the Development and Manufacturing Services divisions drove the growth momentum against a low base in the previous year. The Dedicated Centers and Discovery Services divisions delivered continued growth.

The decline in profit in the quarter compared to the same period last year was as expected given the strong sales of Remdesivir last year when India was in the midst of the second wave of the pandemic. No sales of Remdesivir were recorded in the first quarter this year."

“Revenue guidance for the year has been raised from mid-teens to high teens to account for two factors: a significant change in the Rupee/US dollar exchange rate which helps the top line as most of our client contracts are dollar denominated and the recent agreement with Zoetis, which will start to benefit revenue in the second half of the year and build gradually in future years.” added, **Sibaji Biswas, Chief Financial Officer, Syngene International Limited.**

Quarterly Financial Highlights (All numbers are in Indian rupees in crore except margins)

	Q1 FY23	Q1 FY22	YoY Change (%)
Revenue from Operations	644	595	8%
Revenue	660	607	9%
EBITDA	188	177	6%
EBITDA margin (%)	28.5%	29.2%	
PAT	74	77	(4%)
PAT Margin (%)	11%	13%	

Business updates

Syngene’s first quarter revenue reflects strong underlying performance across all its business divisions. The Dedicated Centres and Discovery Services divisions continued to grow supported by a healthy demand environment. The Development and Manufacturing Services divisions delivered strong growth in the quarter.

The Company signed a long-term agreement with Zoetis for the commercial manufacturing of the drug substance for Librela®, a first-of-its-kind injectable monoclonal antibody to alleviate pain associated with osteoarthritis in dogs. The agreement, initially centred on Librela®, paves the way for the development and manufacturing of other molecules in the coming years and is expected to be worth up to US\$ 500 Mn over 10 years, subject to regulatory approvals and market demand. The multi-year agreement marks an inflection point for the Development and Manufacturing Services divisions.

The Company continued to invest in infrastructure: a kilo lab was established for polymer and speciality materials in the Development Services division. The facility will shorten the development timelines for clients who look for customizable and flexible systems to expedite formulation and process development services. Additionally, as part of the phase

three expansion in Hyderabad, a lab was commissioned in the newly constructed Innopolis building with over 150 scientists and analysts dedicated to PROTACs, a targeted protein degradation technology that offers therapeutic interventions not achievable with existing drug discovery approaches. PROTAC is part of Syngene's novel drug discovery strategy for clients involved in treatment for cancer.

Earnings call

Syngene will host an investor call at 3.00 pm IST on July 21, 2022, 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. The operator will provide instructions on asking questions before the start of the call. A replay of this call will also be available until July 28, 2021, on +91 22 71945757/ +91 22 66635757, Playback ID: 53984. 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 5200 scientists offer both skills and the capacity to deliver great science, robust data management and IP 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

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Disclaimer: *Certain of the statements that may be made or discussed at the conference call may be forward-looking statements and/or based on management's current expectations and beliefs concerning future developments and their potential effects upon Syngene International Limited (Syngene) and its associates. There can be no assurance that future developments affecting Syngene and its associates will be those anticipated by management. These forward-looking statements are not a guarantee of future performance and involve risks and uncertainties and there are important factors that could cause actual results to differ, possibly materially, from expectations reflected in such forward-looking statements. Syngene does not intend, and is under no obligation, to update any forward-looking statement made at the conference call.*

SYNGENE GROUP

FACT SHEET

June 2022

SYNGENE INTERNATIONAL LIMITED (CONSOLIDATED)		
BALANCE SHEET		(Rs. Millions)
	30 June 2022	31 March 2022
ASSETS		
Non-current assets		
Property, plant and equipment	22,179	21,229
Capital work-in-progress	2,172	3,464
Right-of-use assets	2,145	2,188
Investment property	514	385
Other intangible assets	130	126
Financial assets		
(i) Investments	1,800	2,703
(ii) Derivative assets	1,008	1,249
(iii) Other financial assets	212	203
Deferred tax assets (net)	986	656
Income tax assets (net)	1,383	1,191
Other non-current assets	172	185
Total non-current assets	32,701	33,579
Current assets		
Inventories	2,272	1,794
Financial assets		
(i) Investments	8,749	7,638
(ii) Trade receivables	4,377	5,077
(iii) Cash and cash equivalents	2,075	2,618
(iv) Bank balances other than (iii) above	1,645	2,561
(v) Derivative assets	471	842
(vi) Other financial assets	550	384
Other current assets	1,167	1,145
Total current assets	21,306	22,059
Total assets	54,007	55,638
EQUITY AND LIABILITIES		
Equity		
Equity share capital	4,014	4,008
Other equity	28,801	28,968
Total equity	32,815	32,976
LIABILITIES		
Non - current liabilities		
Financial liabilities		
(i) Borrowings	5,433	5,315
(i)(a) Lease liabilities	2,092	2,102
(ii) Derivative liabilities	446	84
Provisions	368	344
Other non-current liabilities	2,458	2,528
Total non-current liabilities	10,797	10,373
Current liabilities		
Financial liabilities		
(i) Borrowings	2,069	2,581
(i)(a) Lease liabilities	219	218
(ii) Trade payables	2,097	2,328
(iii) Derivative liabilities	189	8
(iv) Other financial liabilities	649	1,098
Provisions	611	582
Current tax liabilities (net)	306	240
Other current liabilities	4,255	5,234
Total current liabilities	10,395	12,289
Total equity and liabilities	54,007	55,638

SYNGENE INTERNATIONAL LIMITED (CONSOLIDATED)
PROFIT AND LOSS STATEMENT

(Rs. Millions, except per share data)

Particulars	Q1 FY 23	Q1 FY 22	Variance
<u>INCOME</u>			
Revenue from operations	6,445	5,945	8%
Other income	155	123	26%
Total Revenue	6,600	6,068	9%
<u>EXPENDITURE</u>			
Material and power costs	1,791	2,082	-14%
Staff costs	1,861	1,711	9%
Foreign exchange (net)	34	(154)	-122%
Other expenses	1,031	656	57%
Material, power, staff, forex and other expenses	4,717	4,295	
EBITDA	1,883	1,773	6%
Finance costs	94	79	19%
Depreciation and amortisation expenses	861	747	15%
PROFIT BEFORE TAX	928	947	-2%
Tax on above	189	174	9%
PROFIT AFTER TAX	739	773	-4%
EPS - Basic	1.85	1.91	
EPS - Diluted	1.83	1.89	

SYNGENE INTERNATIONAL LIMITED (CONSOLIDATED)
PROFIT AND LOSS STATEMENT

(Rs. Millions, except per share data)

Particulars	Q1 FY 23	Q4 FY 22	Variance
<u>INCOME</u>			
Revenue from operations	6,445	7,581	-15%
Other income	155	147	6%
Total Revenue	6,600	7,728	-15%
<u>EXPENDITURE</u>			
Material and power costs	1,791	2,325	-23%
Staff costs	1,861	1,736	7%
Foreign exchange (net)	34	(91)	-137%
Other expenses	1,031	1,108	-7%
Material, power, staff, forex and other expenses	4,717	5,078	
EBITDA	1,883	2,650	-29%
Finance costs	94	56	67%
Depreciation and amortisation expenses	861	803	7%
PROFIT BEFORE TAX	928	1,791	-48%
Tax on above	189	313	-40%
PROFIT AFTER TAX	740	1,478	-50%
EPS - Basic	1.85	3.71	
EPS - Diluted	1.83	3.67	