



Ref: Syn/CS/SE/PR/2024-25/Jul09

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July 24, 2024

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, 2024.

With reference to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the press release titled “**Syngene reports first quarter results**”

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
Head Legal, Company Secretary & Compliance Officer

Enclosed: Press Release along with fact sheet

Press Release

Syngene reports first quarter results

Reported revenue from operations declined 2% year-on-year to Rs. 790 Crore

Bangalore, July 24, 2024: Syngene International Limited today announced its first quarter results. Reported revenue from operations declined 2% year-on-year to Rs. 790 crores. Reported profit after tax declined 19% year-on-year to Rs 76 crores.

Commenting on the first quarter, **Jonathan Hunt, Managing Director and Chief Executive Officer, Syngene International Limited**, said, *“First quarter performance was broadly flat, in line with our expectations, reflecting the dip in funding for US biotechs that has impacted our sector over the last two years. However, the value of US biotech funding has seen a marked improvement in the first half of 2024. It will take a while for this funding to flow through into outsourcing activities and Syngene is in a strong position to capture a significant share of the upturn in biotech spending in the months ahead.”*

Sibaji Biswas, Executive Director and Chief Financial Officer, Syngene International Limited added, *“The current industry dynamics, particularly the geopolitical shifts, present a substantial opportunity for our organization. We continue to generate strong cash flows and our balance sheet is robust. We are investing in technology and capabilities that will position us favorably to leverage the opportunity and capture an increased market share.*

Based on the current dynamics, we are on track to hit our guidance range for the year with momentum expected to build in the second half of the year.”

Q1 FY25 Financial Highlights (All numbers are in Indian rupees in Crores except margins)

	Q1 FY24	Q1 FY25	YoY Change (%)
Revenue from operations	808	790	-2%
Revenue	832	808	-3%
Reported EBITDA	235	188	-20%
<i>Reported EBITDA margin (%)</i>	28%	23%	
PAT before exceptional item*	93	55	-42%
<i>PAT Margin (%)</i>	11%	7%	
Reported PAT	93	76	-19%
<i>Reported PAT Margin (%)</i>	11%	9%	

*Excludes exceptional item of Rs 21 crores (net of tax) relating to final settlement from an insurance claim.

Business updates

The Dedicated Centers and Biologics Manufacturing Services reported steady growth. During the quarter, the Company introduced a protein production platform, which reduces development timelines by months for a variety of biologics - including monoclonal antibodies, biosimilars, antibody drug conjugates and other recombinant proteins - gaining time for clients and enabling medicines to reach patients more quickly.

The repurposing of the biologics manufacturing facility acquired from Stelis Biopharma remains on schedule with completion of the qualification and facility modifications expected in the second half of FY 2025. Once operational, the facility will triple Syngene's biologics manufacturing capacity and add a high-speed, high-volume fill-finish line.

Discovery Services revenue was hit by the dip in funding for US biotechs. Nonetheless, the quarter was marked by the start of several pilot projects for pharma clients exploring outsourcing options beyond China. Successful delivery of these projects will build a foundation for larger scale future collaborations.

Development Services continued to attract repeat business from existing clients, reflecting high standards of service delivery.

Board Appointment

The Board of Directors approved the appointment of Manja Boerman as an independent Non-Executive Director effective June 4, 2024, subject to shareholders approval at the ensuing Annual General Meeting. Manja Boerman is a biopharmaceutical leader with over 20 years of experience in protein, cell and gene therapy. She is currently the CEO of Prothya Biosolutions B.V. and has held senior roles at Catalent, Aesica, Patheon, DSM Biologics, Kiadis Pharma and Regenesance. Manja holds a PhD in Biochemistry from the State University of New York and is recognized for her expertise in clinical operations, strategic planning and business development. She is known for driving growth and innovation in the biotechnology sector.

Earnings call

Syngene will host an investor call at 2.15 pm IST on July 25, 2024, 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 on the website and until August 1, 2024, on +91 22 71945757, Playback ID: 61549. 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: INE 398R01022) 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 5600 scientists offer both skills and the capacity to deliver great science, robust data security, and world class 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 2.2 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. For the Company's latest Environmental, Social, and Governance (ESG) report, visit <https://esgreport.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

Financial results for the quarter and year ended 30 June 2024

(Consolidated)



SYNGENE INTERNATIONAL LIMITED (CONSOLIDATED)

BALANCE SHEET

(Rs. Millions)

	30 June 2024	31 March 2024
ASSETS		
Non-current assets		
Property, plant and equipment	23,557	23,783
Capital work-in-progress	8,831	8,368
Right-of-use assets	4,220	4,024
Investment property	394	411
Other intangible assets	284	282
Intangible assets under development	13	13
Financial assets		
(i) Investments	365	347
(ii) Derivative assets	2,030	1,847
(iii) Other financial assets	411	384
Deferred tax assets (net)	258	407
Income tax assets (net)	1,998	1,923
Other non-current assets	145	137
Total non-current assets	42,506	41,926
Current assets		
Inventories	1,985	2,385
Financial assets		
(i) Investments	4,957	5,132
(ii) Trade receivables	4,006	4,416
(iii) Cash and cash equivalents	1,066	857
(iv) Bank balances other than (iii) above	4,376	4,778
(v) Derivative assets	820	694
(vi) Other financial assets	242	206
Other current assets	1,157	1,122
Total current assets	18,609	19,590
Total assets	61,115	61,516
EQUITY AND LIABILITIES		
Equity		
Equity share capital	4,025	4,020
Other equity	39,670	38,557
Total equity	43,695	42,577
LIABILITIES		
Non - current liabilities		
Financial liabilities		
(i) Borrowings	1,000	1,000
(ii) Lease liabilities	3,858	3,651
(iii) Derivative liabilities	-	-
Provisions	421	407
Other non-current liabilities	2,380	2,438
Total non-current liabilities	7,659	7,496
Current liabilities		
Financial liabilities		
(i) Borrowings	417	417
(ii) Lease liabilities	541	484
(iii) Trade payables	2,466	2,555
(iv) Derivative liabilities	-	10
(v) Other financial liabilities	807	665
Provisions	776	727
Current tax liabilities (net)	523	476
Other current liabilities	4,231	6,109
Total current liabilities	9,761	11,443
Total equity and liabilities	61,115	61,516

(Rs. Millions)

KEY FINANCIAL INFORMATION

		FY24	FY25	Movement
		Q1	Q1	%
Revenue from operations	<i>Rs. Mn</i>	8,081	7,897	(2.3)
EBITDA from operations	<i>Rs. Mn</i>	2,119	1,699	(19.8)
EBITDA from operations margin	%*	26.2	21.5	-471bps
EBIT from operations	<i>Rs. Mn</i>	1,098	630	(42.7)
EBIT from operations margin	%*	13.6	8.0	-562bps
PAT	<i>Rs. Mn</i>	934	545	(41.7)
PAT margin	%	11.2	6.7	-449bps

		FY24	FY25	Movement
		Q1	Q1	%
Revenue from operations	<i>Rs. Mn</i>	8,081	7,897	(2.3)
Other income	<i>Rs. Mn</i>	236	181	(23.2)
Reported revenue	<i>Rs. Mn</i>	8,317	8,078	(2.9)
Material costs	<i>Rs. Mn</i>	(2,228)	(2,335)	4.8
	%*	(27.6)	(29.6)	-200bps
Staff costs	<i>Rs. Mn</i>	(2,288)	(2,524)	10.3
	%*	(28.3)	(32.0)	-365bps
Other direct costs#	<i>Rs. Mn</i>	(275)	(255)	(7.5)
	%*	(3.4)	(3.2)	18bps
Other expenses	<i>Rs. Mn</i>	(1,016)	(1,051)	3.4
	%*	(12.6)	(13.3)	-73bps
Foreign exchange fluctuation gain/(loss), net	<i>Rs. Mn</i>	(155)	(33)	(78.7)
EBITDA	<i>Rs. Mn</i>	2,355	1,880	(20.2)
Depreciation and amortisation expenses (refer note 1)	<i>Rs. Mn</i>	(1,021)	(1,069)	4.8
EBIT	<i>Rs. Mn</i>	1,334	811	(39.2)
Finance costs	<i>Rs. Mn</i>	(105)	(117)	11.8
PBT	<i>Rs. Mn</i>	1,229	693	(43.6)
Tax	<i>Rs. Mn</i>	(295)	(149)	(49.6)
PAT	<i>Rs. Mn</i>	934	545	(41.7)
Exceptional item, net gain/(loss) (refer note 2)	<i>Rs. Mn</i>	-	212	N/a
PAT after exceptional item	<i>Rs. Mn</i>	934	757	(19.0)

includes power, utility and clinical trial cost

* % over revenue from operations

This quarter results include following adjustments

Note 1. During the quarter ended 30 June 2024, the Company has revised the estimated useful life of its manufacturing assets, which include Plant and Machinery and Equipment, effective from 1 April 2024 based on its technical evaluation. Resultantly, depreciation charge on such assets has reduced by Rs 51 Mn for the quarter ended 30 June 2024 compared to the previous estimated useful life.

Note 2. Pursuant to a fire incident on 12 December 2016, the Company has received its final claim from the insurance company for the loss of fixed assets and the same has been presented 'net of tax' in the financial results under the head 'Exceptional Items'.

(Rs. Millions)

KEY FINANCIAL INFORMATION										
		FY23	FY23	FY23	FY23	FY24	FY24	FY24	FY24	FY25
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Revenue from operations	<i>Rs. Mn</i>	6,445	7,681	7,859	9,944	8,081	9,101	8,535	9,169	7,897
EBITDA from operations	<i>Rs. Mn</i>	1,728	2,165	2,310	3,140	2,119	2,540	2,316	3,169	1,699
EBITDA from operations margin	<i>%*</i>	26.8	28.2	29.4	31.6	26.2	27.9	27.1	34.6	21.5
EBIT from operations	<i>Rs. Mn</i>	866	1,262	1,363	2,185	1,098	1,494	1,235	2,059	630
EBIT from operations margin	<i>%*</i>	13.4	16.4	17.3	22.0	13.6	16.4	14.5	22.5	8.0
PAT before exceptional item	<i>Rs. Mn</i>	739	1,020	1,097	1,787	934	1,220	1,145	1,886	545
PAT margin	<i>%</i>	11.2	13.0	13.7	17.6	11.2	13.1	13.0	20.2	6.7
		FY23	FY23	FY23	FY23	FY24	FY24	FY24	FY24	FY25
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Revenue from operations	<i>Rs. Mn</i>	6,445	7,681	7,859	9,944	8,081	9,101	8,535	9,169	7,897
Other income (refer note 1)	<i>Rs. Mn</i>	155	154	172	228	236	216	293	161	181
Reported revenue	<i>Rs. Mn</i>	6,600	7,835	8,031	10,172	8,317	9,317	8,828	9,330	8,078
Material costs (refer note 2)	<i>Rs. Mn</i>	(1,612)	(1,990)	(2,061)	(2,938)	(2,228)	(2,672)	(2,374)	(2,028)	(2,335)
	<i>%*</i>	(25.0)	(25.9)	(26.2)	(29.5)	(27.6)	(29.4)	(27.8)	(22.1)	(29.6)
Staff costs	<i>Rs. Mn</i>	(1,971)	(2,185)	(2,192)	(2,528)	(2,288)	(2,412)	(2,405)	(2,502)	(2,524)
	<i>%*</i>	(30.6)	(28.4)	(27.9)	(25.4)	(28.3)	(26.5)	(28.2)	(27.3)	(32.0)
Other direct costs#	<i>Rs. Mn</i>	(283)	(288)	(264)	(273)	(275)	(275)	(254)	(246)	(255)
	<i>%*</i>	(4.4)	(3.7)	(3.4)	(2.7)	(3.4)	(3.0)	(3.0)	(2.7)	(3.2)
Other expenses	<i>Rs. Mn</i>	(817)	(868)	(876)	(1,022)	(1,016)	(1,022)	(1,063)	(1,124)	(1,051)
	<i>%*</i>	(12.7)	(11.3)	(11.1)	(10.3)	(12.6)	(11.2)	(12.5)	(12.3)	(13.3)
Foreign exchange fluctuation gain/(loss), net	<i>Rs. Mn</i>	(34)	(186)	(156)	(42)	(155)	(179)	(124)	(100)	(33)
EBITDA	<i>Rs. Mn</i>	1,883	2,319	2,482	3,369	2,355	2,757	2,608	3,330	1,880
Depreciation and amortisation expenses (refer note 3)	<i>Rs. Mn</i>	(861)	(902)	(946)	(956)	(1,021)	(1,046)	(1,081)	(1,111)	(1,069)
EBIT	<i>Rs. Mn</i>	1,021	1,417	1,535	2,413	1,334	1,711	1,527	2,219	811
Finance costs	<i>Rs. Mn</i>	(94)	(117)	(137)	(104)	(105)	(130)	(108)	(129)	(117)
PBT	<i>Rs. Mn</i>	928	1,300	1,399	2,309	1,229	1,581	1,419	2,090	693
Tax (refer note 4)	<i>Rs. Mn</i>	(189)	(280)	(302)	(522)	(295)	(361)	(274)	(204)	(149)
PAT before exceptional item	<i>Rs. Mn</i>	739	1,020	1,097	1,787	934	1,220	1,145	1,886	545
Exceptional item, net gain/(loss) (refer note 5)	<i>Rs. Mn</i>	-	-	-	-	-	(53)	(30)	-	212
PAT after exceptional item	<i>Rs. Mn</i>	739	1,020	1,097	1,787	934	1,167	1,115	1,886	757

includes power, utility and clinical trial cost

* % over revenue from operations

Notes:

Note 1. Q3FY24: The Company recorded Interest income on income tax refund of Rs 158 million pursuant to Income Tax Tribunal order for Financial Years 2009-10 and 2010-11 and the same has been presented as income in the financial results under the head 'Other Income'.

Note 2. Q4FY24: Reversal of inventory provisions created in prior quarters (Rs 203 Mn) of FY24. This relates to reassessment of inventory provisioning classified as a change in accounting estimate.

Note 3. Q1FY25: During the quarter ended 30 June 2024, the Company has revised the estimated useful life of its manufacturing assets, which include Plant and Machinery and Equipment, effective from 1 April 2024 based on its technical evaluation. Resultantly, depreciation charge on such assets has reduced by Rs 51 Mn for the quarter ended 30 June 2024 compared to the previous estimated useful life.

Note 4. Q4FY24: Reversal of tax provision amounting to Rs 232 Mn based on favourable tax assessment orders received during the quarter.

Note 5. Exceptional item (net of tax) in FY24 (Q2 and Q3) pertains to transaction costs relating to the acquisition of multi modal facility (Unit 3) of Stelis Biopharma Limited (SBL)

Note 5. Q1FY25: Pursuant to a fire incident on 12 December 2016, the Company has received its final claim from the insurance company for the loss of fixed assets and the same has been presented 'net of tax' in the financial results under the head 'Exceptional Items'.