

April 24, 2019

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

**Sub: Press Release in respect of results for the quarter and year ended March 31, 2019**

This has reference to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, please find enclosed the press release titled **“Syngene records strong Q4 and FY19 growth.”**

The above mentioned press release will also be available on website of the Company [www.syngeneintl.com](http://www.syngeneintl.com).

This is for your information and records.

Thanking You,

Yours faithfully,  
For **SYNGENE INTERNATIONAL LIMITED**

*Mayank*  
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Mayank Verma  
**Company Secretary**  
E: [Mayank.verma@syngeneintl.com](mailto:Mayank.verma@syngeneintl.com)



**Enclosed: Press Release along with fact sheet**



## EARNINGS RELEASE

Q4 FY 2018-19

For Immediate Release

### Syngene records strong Q4 and FY19 growth

*Q4 revenue up 30% to Rs. 555 Cr; FY19 revenue up 28% to Rs. 1901 Cr;*

*Board recommends 1:1 bonus share issue*

**Bengaluru, April 24, 2019:** Syngene International Limited today announced its fourth quarter and full year financial results for FY19.

- The Company posted Q4 revenue of Rs. 555 Cr, an increase of 30% from the prior year quarter.
- Full year revenue was up 28% to Rs 1901 Cr compared to the previous year.

Commenting on the results, **Mr. Jonathan Hunt, Chief Executive Officer - Syngene International Limited** said, *“We are very pleased to report strong revenue growth of 30% for Q4 FY19, with revenues growing to Rs 555 Cr from Rs 426 Cr in the prior year quarter. The growth was driven by strong performances in both Discovery Services and Development Services. EBITDA for the quarter was up 24% to Rs. 181 Cr, while PAT was up 19%.*

*On a full year basis, revenue recorded robust 28% growth from Rs. 1485 Cr in FY18 to Rs. 1901 Cr in FY19. During the year we strengthened our partnerships with key strategic clients such as Baxter, Merck KGaA, Bristol-Myers Squibb, Amgen and GSK as well as improved our position within the emerging biopharma segment. Our CAPEX investment programme through the year has added capacity and new capability to drive future growth and our ongoing initiatives to improve service delivery, safety and quality our already beginning to have a positive impact.”*

## EARNINGS RELEASE

Q4 FY 2018-19

### Quarterly Financial Highlights (All numbers in INR Cr except Margins)

	Q4 FY19	Q4 FY18	YoY Change (%)
Revenue	555	426	30
EBITDA	181	146	24
EBITDA Margin (%)	33	34	
PAT	100	84	19
PAT Margin (%)	18	20	

### Full Year Financial Highlights (All numbers in INR Cr except Margins)

	FY19	FY18	YoY Change (%)
Revenue	1901	1485	28
EBITDA	612	527	16
EBITDA Margin (%)	32	35	
PAT	332	305	9
PAT Margin (%)	17	21	

### Business Update

Q4 FY19 was a record quarter that saw revenue crossing the Rs 500 Cr mark for the first time. The strong growth was driven by sustained growth in the discovery and development services.

During the quarter, Syngene and the Biotechnology Industry Research Assistance Council (BIRAC) collaborated to set up a Centre for Advanced Protein Studies (CAPS) at its Bengaluru campus. The Centre hosts a state-of-the-art GLP accredited analytical laboratory which will be available to BIRAC-funded start-ups, SMEs/MMEs and academia in India at an affordable cost.



## EARNINGS RELEASE

Q4 FY 2018-19

### Full Year Update

For the full year, Syngene recorded strong growth of 28% with revenue increasing from Rs. 1485 Cr to Rs. 1901 Cr in FY19. The growth was driven by robust performances in both Discovery Services and our Dedicated R&D Centre business. The Company expanded its customer base, adding new clients as well as extending existing client relationships, taking the total active client base in FY19 to 331 from 316 in FY18.

The expansion of our ongoing strategic collaboration with Baxter Inc. led to the commissioning of additional infrastructure for Baxter.

Discovery Services delivered strong growth on the back of both contract renewals and new client wins. The Company invested in adding new competencies in small and large molecules, Antibody Drug Conjugates (ADCs), and Oligonucleotides that will enable it to address emerging client requirements. The collaboration with GSK, entered into in FY18, was made fully operational during the year, while the collaboration with Merck KGaA was extended until 2022. Within Discovery Services, our bioinformatics group entered into a collaboration with a French biotech to develop a novel tool that will enable better prediction of the toxic impact of drug candidates on the liver.

The Development and Manufacturing businesses completed development and clinical manufacturing of drug products for multiple clients during the year in both small and large molecules.

The refurbished S2 unit was re-commissioned bringing online 35,000 sq ft laboratory capacity that was earlier nonoperational. The Company continued to make investments in the areas of improving safety and operational excellence as well as strengthening the leadership team.

### Award and Recognitions

Syngene won awards during the year for operational excellence, customer satisfaction and talent development. It won the CMO Leadership Awards presented by Life Science Leader magazine during the DCAT™ Week in New York. Syngene was successfully rated across all the six award CMO categories - capabilities, compatibility, expertise, quality, reliability and service.

The Company also won the 'Best Leadership Development Program for Middle Management Award' at the 6th Global Training and Development Leadership Awards organized by the Human Resources Development Management Committee of the World HRD Congress. The award recognizes Syngene's proactive approach towards building leadership skills for its middle managers to equip them to take on bigger roles.



## EARNINGS RELEASE

Q4 FY 2018-19

Syngene's safety initiative; Kavach and its organisation-wide focus on safety and sustainability has helped it win the 'Safe Workplace Champion Award' at the 8th Manufacturing Supply Chain Summit and Awards. The Manufacturing Supply Chain Awards recognizes companies who have excelled in manufacturing technology, innovation, safety and logistics.

Syngene and Biocon Foundation's combined efforts to revive and restore the Hebbagodi lake in Anekkal, Bengaluru won it the FICCI CSR Award for Environmental Sustainability presented by the FICCI Aditya Birla CSR Centre for Excellence that promotes sharing, scaling and replicating CSR best practices.

### Bonus Issue

The Board of Directors have recommended a bonus share issue of 1:1 i.e. one fully paid up bonus equity share of Rs. 10 for every one existing equity share of Rs. 10/- each held by the members, as on the record date.

### Key Appointment

**Dr. Kenneth Barr** was appointed as Senior Vice President of Discovery Services. Kenneth is a Ph.D. from Massachusetts Institute of Technology and has done his Postdoctoral study from the University of Texas. His experience of over two decades is in the areas of drug discovery for both small and large molecules and includes working with large, small and virtual pharma companies. In his most recent role as the Head of R&D Strategic Global Operations at FORMA Therapeutics, Kenneth was responsible for driving research effectiveness through optimisation of internal and external R&D research efforts, including providing alliance management for key CRO relationships. Prior to FORMA, Kenneth spent a number of years with Merck in their Discovery & Preclinical Sciences group. At Syngene, Kenneth will focus on cross-functional collaboration across Syngene's Discovery research services, capable of driving large or small molecule programs from target identification and validation all the way through the IND.

**Encl.: Fact Sheet - Consolidated Income Statement and Balance Sheet (Ind-AS)**

### Earnings Call

The Company will conduct a 60-minute-long call at 10 AM IST on April 25, 2019 where the senior management will discuss the Company's performance and answer questions from participants. To participate in this conference call, please dial the numbers provided below



## EARNINGS RELEASE

Q4 FY 2018-19

ten minutes ahead of the scheduled start time. The dial-in number for this call is +91 22 62801279 / +91 7045671221. Other toll numbers are listed in the conference call invite 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 till 5<sup>th</sup> May, 2019 on +91 22 71945757, Playback ID: 50703. 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 innovation focused global discovery, development and manufacturing organisation providing integrated scientific services to the pharmaceutical, biotechnology, nutrition, animal health, consumer goods and specialty chemical industries around the world. Syngene's clientele include world leaders such as Bristol-Myers Squibb, Baxter, Amgen, GSK, Merck KGaA and Herbalife. Its innovative culture is driven by the passion of its 3500-strong team of scientists who work with clients from around the world to solve their scientific problems, improve R&D productivity, speed time to market and lower the cost of innovation. For more details, visit [www.syngeneintl.com](http://www.syngeneintl.com)

### For further information please reach out to:

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**Disclaimer:** Certain 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 particular forward-looking statement made at the conference call.

# Syngene

Putting Science to Work

Confidentiality

Quality

Innovation

Science



**EARNINGS RELEASE**

**Q4 FY 2018-19**

**SYNGENE GROUP**

**FACT SHEET**

**March - 2019**



SYNGENE INTERNATIONAL LIMITED (CONSOLIDATED)		(Rs. Crores)	
BALANCE SHEET		March 31, 2019	March 31, 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	1,323	1,012	
Investment property	40	-	
Capital work-in-progress	274	156	
Intangible assets	14	18	
<b>Financial assets</b>			
Derivative assets	68	108	
Other financial assets	21	8	
Deferred tax assets (net)	91	72	
Income tax assets (net)	63	51	
Other non-current assets	46	44	
<b>Total non-current assets</b>	<b>1,940</b>	<b>1,469</b>	
<b>Current assets</b>			
Inventories	43	86	
<b>Financial assets</b>			
Investments	716	157	
Trade receivables	339	267	
Cash and cash equivalents	165	253	
Bank Balances other than above	272	715	
Derivative assets	70	88	
Other financial assets	93	91	
Other current assets	66	63	
<b>Total current assets</b>	<b>1,764</b>	<b>1,720</b>	
<b>Total assets</b>	<b>3,704</b>	<b>3,189</b>	
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	200	200	
Other equity	1,768	1,520	
<b>Total equity</b>	<b>1,968</b>	<b>1,720</b>	
<b>LIABILITIES</b>			
<b>Non - current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	362	585	
Derivative liabilities	30	12	
Provisions	37	29	
Other non-current liabilities	178	59	
<b>Total non-current liabilities</b>	<b>607</b>	<b>685</b>	
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	191	78	
Trade payables	223	203	
Derivative liabilities	10	1	
Other financial liabilities	344	205	
Provisions	21	14	
Income tax liabilities (net)	16	13	
Other current liabilities	324	270	
<b>Total current liabilities</b>	<b>1,129</b>	<b>784</b>	
<b>Total equity and liabilities</b>	<b>3,704</b>	<b>3,189</b>	



**SYNGENE INTERNATIONAL LIMITED (CONSOLIDATED)**  
**PROFIT AND LOSS STATEMENT**

(Rs. Crores)

Particulars	Q4 FY 19	Q4 FY 18	Variance
<b>INCOME</b>			
Revenue from operations	534	409	31%
Other income	21	17	25%
<b>Total Revenue</b>	<b>555</b>	<b>426</b>	<b>30%</b>
<b>EXPENDITURE</b>			
Material and power costs	161	135	19%
Staff costs	131	104	26%
Foreign exchange (net)	8	(31)	-126%
Other expenses	74	72	3%
<b>Material, Power, staff, forex and other expenses</b>	<b>374</b>	<b>280</b>	
<b>EBITDA</b>	<b>181</b>	<b>146</b>	<b>24%</b>
Finance costs	8	7	13%
Depreciation and amortisation expenses	44	35	29%
<b>PBT</b>	<b>129</b>	<b>104</b>	<b>24%</b>
Taxes	29	20	
<b>NET PROFIT FOR THE PERIOD</b>	<b>100</b>	<b>84</b>	<b>19%</b>
EPS - Basic	5.05	4.27	
EPS - Diluted	5.04	4.25	

Note: a) The figures are rounded off to the nearest crore, percentages are based on absolute numbers



**SYNGENE INTERNATIONAL LIMITED (CONSOLIDATED)**  
**PROFIT AND LOSS STATEMENT**

(Rs. Crores)

Particulars	Q4 FY 19	Q3 FY 19	Variance
<b><u>INCOME</u></b>			
Revenue from operations	534	467	14%
Other income	21	17	20%
<b>Total Revenue</b>	<b>555</b>	<b>484</b>	<b>15%</b>
<b><u>EXPENDITURE</u></b>			
Material and power costs	161	152	6%
Staff costs	131	119	10%
Foreign exchange (net)	8	(1)	-2075%
Other expenses	74	56	31%
<b>Material, Power, staff, forex and other expenses</b>	<b>374</b>	<b>326</b>	
<b>EBITDA</b>	<b>181</b>	<b>158</b>	<b>15%</b>
Finance costs	8	8	-2%
Depreciation and amortisation expenses	44	43	3%
<b>PBT</b>	<b>129</b>	<b>107</b>	<b>21%</b>
Taxes	29	20	
<b>NET PROFIT FOR THE PERIOD</b>	<b>100</b>	<b>87</b>	<b>15%</b>
EPS - Basic	5.05	4.39	
EPS - Diluted	5.04	4.38	

Note: a) The figures are rounded off to the nearest crore, percentages are based on absolute numbers



**SYNGENE INTERNATIONAL LIMITED (CONSOLIDATED)  
PROFIT AND LOSS STATEMENT**

(Rs. Crores)

Particulars	FY 19	FY 18	Variance
<b>INCOME</b>			
Revenue from operations	1,826	1,423	28%
Other income	75	62	22%
<b>Total Revenue</b>	<b>1,901</b>	<b>1,485</b>	<b>28%</b>
<b>EXPENDITURE</b>			
Material and power costs	572	416	37%
Staff costs	473	380	25%
Foreign exchange (net)	2	(74)	-103%
Other expenses	242	236	2%
<b>Material, Power, staff, forex and other expenses</b>	<b>1,289</b>	<b>958</b>	
<b>EBITDA</b>	<b>612</b>	<b>527</b>	<b>16%</b>
Finance costs	32	23	42%
Depreciation and amortisation expenses	164	132	25%
<b>PBT</b>	<b>416</b>	<b>372</b>	<b>12%</b>
Taxes	84	67	
<b>NET PROFIT FOR THE PERIOD</b>	<b>332</b>	<b>305</b>	<b>9%</b>
EPS - Basic	16.77	15.47	
EPS - Diluted	16.72	15.43	

Note: a) The figures are rounded off to the nearest crore, percentages are based on absolute numbers

