

Press Release

**Sustained positive performance in fourth quarter
delivers strong full year results**

- Fourth quarter revenue from operations up 31% to Rs. 994 Cr and PAT up 21% to Rs. 179 Cr
- Full-year revenue from operations up 23% to 3,193 Cr and PAT before exceptional items up 10% to Rs 464 Cr

Bangalore, April 26, 2023, Syngene International Limited today announced its fourth-quarter and full-year results.

Momentum in the fourth quarter drove revenue from operations up 31% to Rs. 994 Cr and profit after tax was up 21% to Rs. 179 Cr. For the full year ending March 31, 2023, revenue from operations was up 23% to Rs. 3,193 Cr resulting in profit after tax, before exceptional items, up 10% to Rs. 464 Cr.

Commenting on the results, **Jonathan Hunt, Managing Director and Chief Executive Officer, Syngene International Limited**, said, *“Strong growth in the fourth quarter, added to a positive performance over the course of the year, delivered full-year results ahead of our upgraded guidance.*

All business divisions delivered growth through the year triggering investment in additional laboratory capacity and new facilities at our campuses in Bangalore and Hyderabad, as well as creating over 1000 new jobs.

Manufacturing Services had a particularly strong year, led by our commercial-scale biologics manufacturing business which had a busy fourth quarter supporting our partnership with Zoetis, following successful regulatory inspections by the US, European and UK regulatory authorities.

Looking ahead, we are optimistic - despite challenges such as inflation, geopolitical uncertainties and recessionary pressures visible in some regions of the world - that our performance over the last year and the progress we have made on the strategic development of the Company, position us well for the year ahead.”

"I am pleased to report a strong performance throughout the year, including our biggest ever quarter to finish this fiscal year. Our robust business model, broad customer base and strong balance sheet, combined with a tight focus on execution, enabled us to deliver revenue growth of 23% year-on-year, margins at around 30% and increased net cash of Rs 224 Crs.

As a result, in this fiscal year, the Company delivered the highest absolute year-on-year increase in revenue and EBITDA that we have seen in the last 5 years, providing a strong foundation for our future plans." added **Sibaji Biswas, Chief Financial Officer, Syngene International Limited**

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

	Q4 FY23	Q4 FY22	YoY Change (%)
Revenue from operations	994	758	31%
Revenue	1017	773	32%
Reported EBITDA	337	265	27%
EBITDA margin (%)	33.1%	34.3%	
PAT before exceptional item	179	148	21%
PAT Margin (%)	17.6%	19.1%	

FY23 Financial Highlights (All numbers are in Indian rupees in Crores except margins)

	FY23	FY22	YoY Change (%)
Revenue from Operations	3,193	2,604	23%
Revenue	3,264	2,657	23%
Reported EBITDA	1,005	849	18%
EBITDA margin (%)	30.8%	31.9%	
PAT before exceptional item	464	421	10%
PAT Margin (%)	14.2%	15.8%	
PAT after exceptional item	464	396	17%
PAT Margin after exceptional item (Note1)	14.2%	14.9%	

Note 1: Exceptional item relating to FY22 pertains to an exceptional downward adjustment of Rs. 25.3 crores (net of tax) on account of the Government's decision during that quarter to cap the Services Export Incentive Scheme (SEIS) for research and development services at Rs. 5 crores for the Financial Year 2020.

Fourth quarter: business updates

All divisions contributed to growth in the fourth quarter.

Discovery Services and our Dedicated Centers showed sustained growth. Syngene's research facility in Hyderabad continued to expand and played an important role in Discovery Services: this facility now accommodates around 900 scientists.

Growth in Development Services was driven predominantly by further orders from existing clients, reflecting the high service levels and sustained on-time delivery that have become the hallmark of these services.

Manufacturing Services continued to support the long-term partnership with Zoetis, following the successful regulatory inspections by the US, European and UK regulatory authorities.

Full-year business update

All four divisions of the Company delivered sustained growth through the year.

The biologics manufacturing partnership with leading animal health company, Zoetis, signed in the first quarter, is expected to be worth up to US\$ 500 Mn to Syngene over 10 years, subject to regulatory approvals and market demand.

Our discovery research partnership with Bristol Myers Squibb (BMS), one of the world's largest pharmaceutical companies, celebrated 25 years of collaboration in March 2023. The partnership, which started with a handful of scientists in a single laboratory, is now BMS' largest R&D facility outside the United States, accommodating several hundred scientists working in therapeutic areas including cardiovascular, fibrosis, immunology, and oncology. In 2021, the collaboration was extended through to the end of 2030 and the breadth of drug discovery research was expanded.

The Company continued to invest in building capacity. At its Bangalore campus, a state-of-the-art sterile fill-finish facility was commissioned to add to the end-to-end capability in Development Services; a kilo lab for polymers and specialty materials was also commissioned during the year. At Hyderabad, the Company opened a dedicated PROTACs (proteolysis-targeting chimeras) facility for clients involved in researching treatments for cancer and other therapy areas.

In addition to the successful regulatory audits of its biologics facilities, the Company completed almost eighty regulatory and client audits during the year. The latest one was

the successful completion of a Good Clinical Practice (GCP) audit by the Indian National Accreditation Board for Testing and Calibration Laboratories (NABL), which endorsed Syngene's scientific standards for clinical trials.

Dividend:

The Company reported sustained positive performance throughout the year resulting in strong full year results. Consequently, the Board of Directors has recommended a dividend of 50 paisa per share for the year.

The Board of Directors has further recommended a special additional dividend of 75 paisa per share to mark the 30th anniversary of the founding of the Company in November 1993.

The dividend of 50 paisa per share and special additional dividend of 75 paisa per share will be subject to shareholders approval at the Annual General Meeting of the Company.

Earnings Call

Syngene will host an investor call at 12:00 pm IST on April 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. The operator will provide instructions on asking questions before the start of the call. A replay of this call will also be available till May 4, 2023 on 91 22 71945757, Playback ID: 04633. 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 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. For The Company's latest Environmental, Social, and Governance (ESG) report, visit <https://esgreport.syngeneintl.com/>

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