

Syngene

Putting Science to Work

Investor Presentation

July 2023



Safe harbour



Certain statements in this release concerning our future growth prospects are forward-looking statements, which are subject to a number of risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated in such forward-looking statements.

Important factors that could cause actual results to differ materially from our expectations include, amongst others general economic and business conditions in India, business outlook of our clientele and their research and development efforts, our ability to successfully implement our strategy, our growth and expansion plans and technological changes, changes in the value of the Rupee and other currencies, changes in the Indian and international interest rates, change in laws and regulations that apply to the Indian and global biotechnology and pharmaceuticals industries, increasing competition, changes in political conditions in India and changes in the foreign exchange control regulations in India.

Neither the company, nor its directors and any of the affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after this date or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.



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1

Operating Highlights



Q1 FY24 performance

Operating Highlights

- Q1FY24 financial performance in line with the guidance.
- Strong performance led by Development and Manufacturing Services and supported by sustained growth in the research divisions: Discovery Services and the Dedicated Centers.
- 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 support long term growth in research business.
- Development Services continued the strong operational delivery of the previous quarter.
- In the Dedicated Centers, a new kilo laboratory was inaugurated as an extension of the Syngene Amgen R&D Center (SARC) in Bangalore which will accelerate the advancement of Amgen R&D projects.
- Successfully completed the US Food and Drug Administration (US FDA) approval for the API facility in Mangalore which is an important building block for the company's small molecule commercial manufacturing capability.
- In Biologics manufacturing, Syngene continued to make good progress on the long-term contract with Zoetis. Additionally, the Company has entered into a binding term sheet to acquire a multi-modal facility (Unit 3) 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.

Q1 Financial Highlights

Total Revenue
Rs.8,317 Mn

Reported EBITDA
Rs.2,355 Mn

Profit After Tax
Rs. 934 Mn

Revenue from Operations +25% YoY
EBITDA from operations Margin 26%
PAT growth +26% YoY

Acquisition of biologics manufacturing capacity, strengthens our growing position as a leading biologics contract development and manufacturing service provider



About the deal

- Entered into a binding term sheet to acquire Unit 3 of Stelis Biopharma Limited offering biologics manufacturing capacity
- The site will add 20,000 liters of installed biologics drug substance manufacturing capacity for Syngene with the potential for future expansion up to a further 20,000 liters of biologics drug substance manufacturing capacity
- Site also includes a commercial scale, high speed, fill-finish unit - an essential capability for drug product manufacturing
- The facility, which was initially built to manufacture Covid 19 vaccines, is now being repurposed to manufacture monoclonal antibodies.



Deal rationale

- **Capacity addition:** Immediately adds monoclonal antibody manufacturing capacity – likely to support immediate business growth
- **Capability:** Adds commercial scale drug product offering
- **Replaces an internal capex** investment program planned for the next three years and will be fully funded through internal accruals and cash.
- **Convenience:** Site is located 10 mins from Biocon park – offering oversight and synergy opportunities



Financial impact

- **Gross value** of Rs 7,020 Million (US\$86Mn). Syngene will further invest up to Rs 1 Billion (US\$12Mn) to repurpose and revalidate the facility.
- **Asset turnover** : As we ramp up utilization, we expect asset turnover to grow to 1x in less than 5 years
- **No material impact on the financial guidance** given for FY24.
- **Short term:** minor dilution of operating margins as a result of costs incurred in the facility. The plant is expected to positively contribute to the bottom line from FY27
- **EBITDA margin** expected to be in line with the Company average from FY29
- The Company will continue to maintain a strong balance sheet, a low debt profile and a good safety margin for debt covenants

2

Syngene – Putting Science to Work



Partner in innovation: #Putting science to work

Who we are and what we do

We aim to be a world class partner delivering innovative scientific solutions for clients



We offer integrated solutions across research, development and manufacturing



Sector expertise include pharmaceuticals, biotech, nutrition, animal health, consumer goods and specialty chemicals

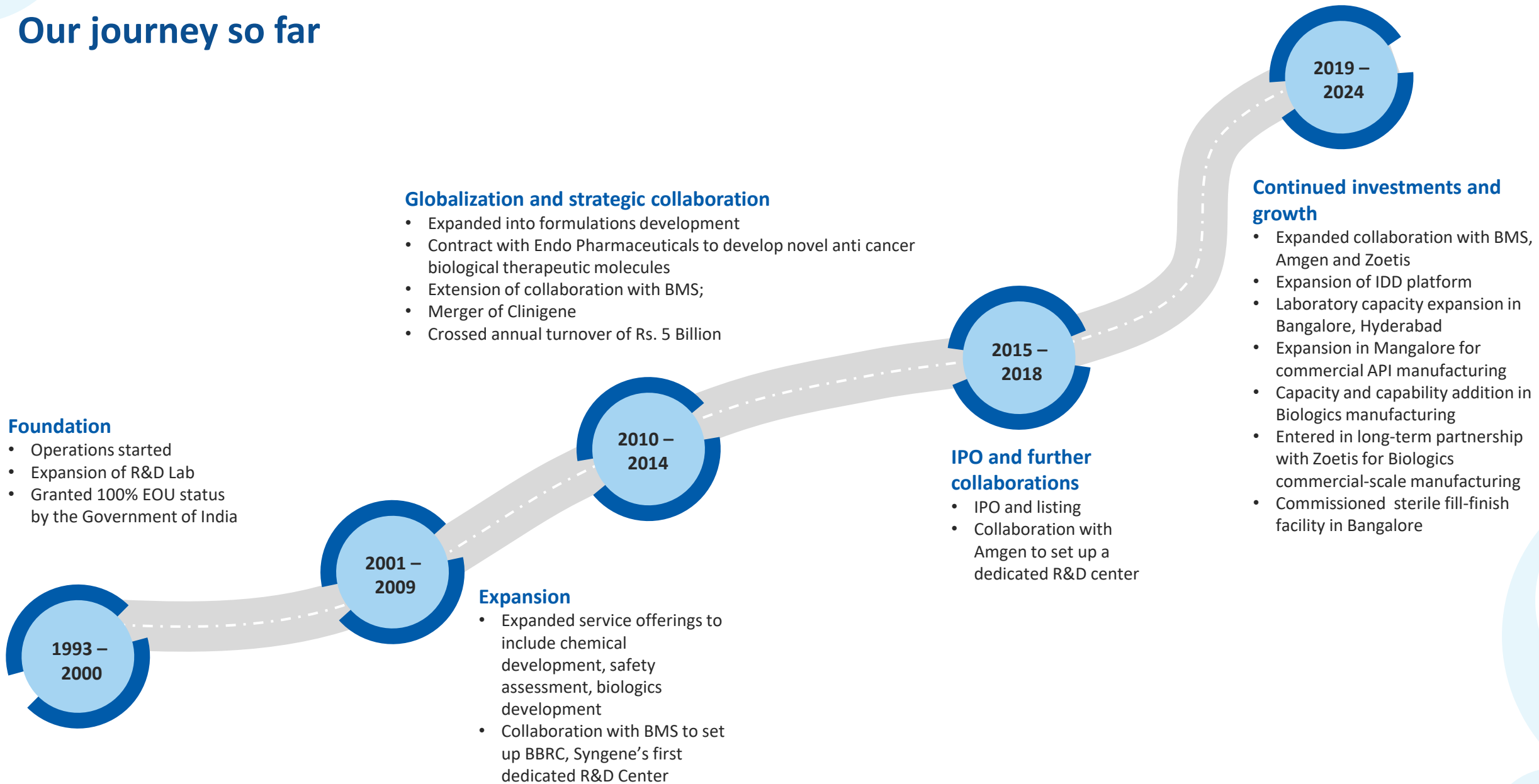


Our team includes more than ~6,000 scientists out of total ~8,500+ headcount, operating across 3 state-of-the-art campuses located in India's leading life science hubs: Bangalore, Mangalore and Hyderabad



Established track record in discovery research and development for small and large molecules. Emerging presence in commercial manufacturing

Our journey so far



Key facts and figures



400+
active clients



13 out of top **15**
pharma companies are
clients



400+
patents
held with clients



World class infrastructure
3 campuses in Bangalore, Hyderabad and Mangalore
qualified to meet international standards



Rs. 45,589 Mn
(US\$567Mn*)
Gross Block of
Investments ^



Rs. 32,638 Mn
(US\$406Mn*)
FY23 Revenue



Rs. 4,644 Mn
(US\$58Mn*)
FY23 PAT



~8,500+ headcount
including ~6,000+
talented scientists
750 new graduate joiners



75%
energy from
renewable sources



All figures are as on March 31, 2023, unless otherwise specified. @ ca. Rs 80 /US\$

^Tangible and Intangible Assets

Our strategic priorities



Research: Discovery Services

Provide end-to-end therapeutic discovery capabilities including differentiating research technologies and platforms, across many disciplines, disease areas and therapeutic modalities



Research: Dedicated Centers

Continue to strengthen our existing partnerships with Amgen, Bristol Myers Squibb (BMS) and Baxter through the dedicated centers which provide: a strong foundation for future planning; revenue visibility over the medium to long term; and predictable cash flows



Operational Excellence

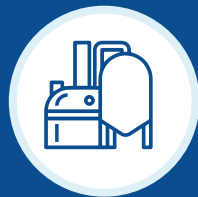
Focus on customer delivery through operational excellence



Development and Manufacturing Services – Small Molecules

Leverage existing capabilities to offer integrated Chemistry, Manufacturing, and Controls (CMC) solutions

Secure US FDA and other major global regulatory approvals for the small molecule commercial scale manufacturing facility as a platform to attract a broader scope of projects



Development and Manufacturing Services – Large Molecules

Drive an integrated approach for biologics development and manufacturing to provide a one-stop-shop capability from drug discovery to commercial manufacturing for biologics

Accelerate capacity build-up



People

Develop strong leaders and managers while offering all employees career-long learning opportunities



Environmental, Social and Governance (ESG)

Committed to operating in a responsible and sustainable manner.

Our broad capabilities, spanning the value chain, facilitate integration and captures additional benefits for clients

Research business

Discovery Services



Flexible Platform with capability across multiple modalities including small molecule, large molecule, peptides, oligonucleotides, antibody drug conjugates, PROTACs

SynVent - our proprietary platform for Integrated Drug Discovery

SARchitect- our proprietary platform for data visualization and analysis, including features specifically designed to foster collaboration between scientific experts across geographies

Dedicated R&D Centers



Ring-fenced infrastructure for exclusive operations for an individual client

Dedicated, multi-disciplinary team of scientists

Access to entire Syngene ecosystem for specialist research and development operations

Development and Manufacturing business

Development Services



Pre-clinical to clinical trials

Drug substance and drug product development

Associated services to demonstrate the safety, tolerability and efficacy of the selected drug candidate

cGMP-compliant manufacturing of clinical supplies, and registration batches for small molecules

Manufacturing Services

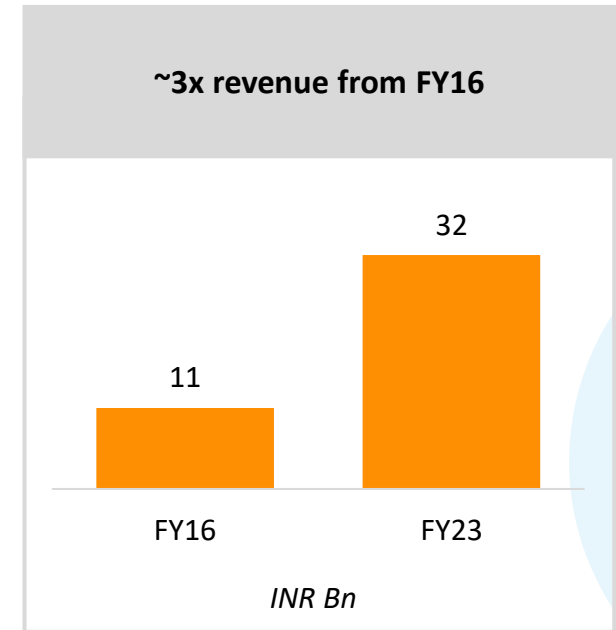
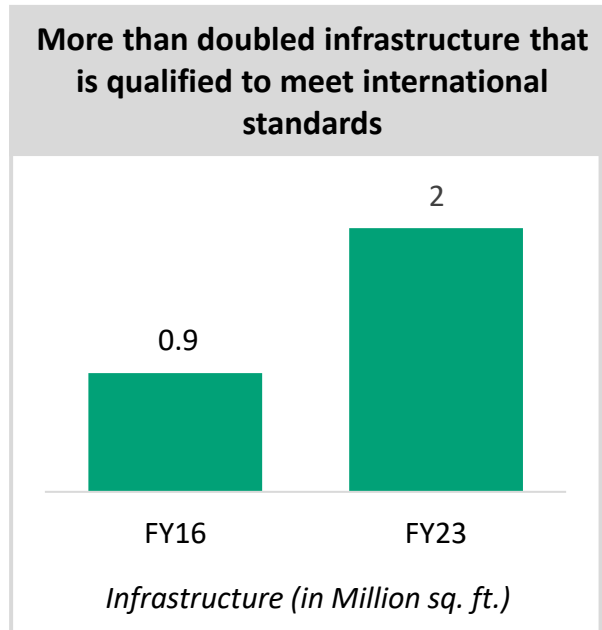
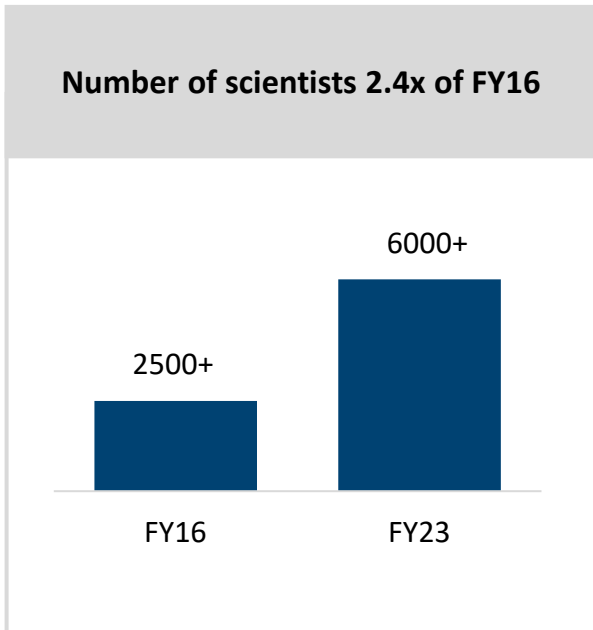


Manufacturing of small and large molecules for commercial supplies

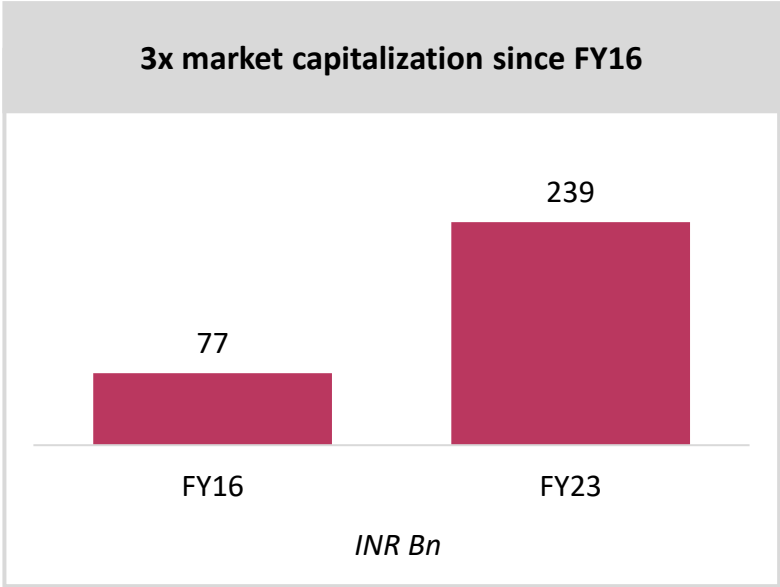
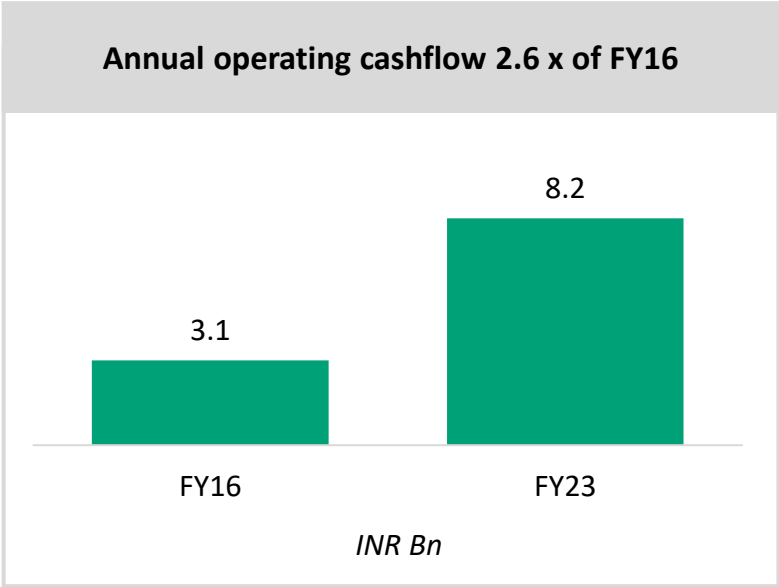
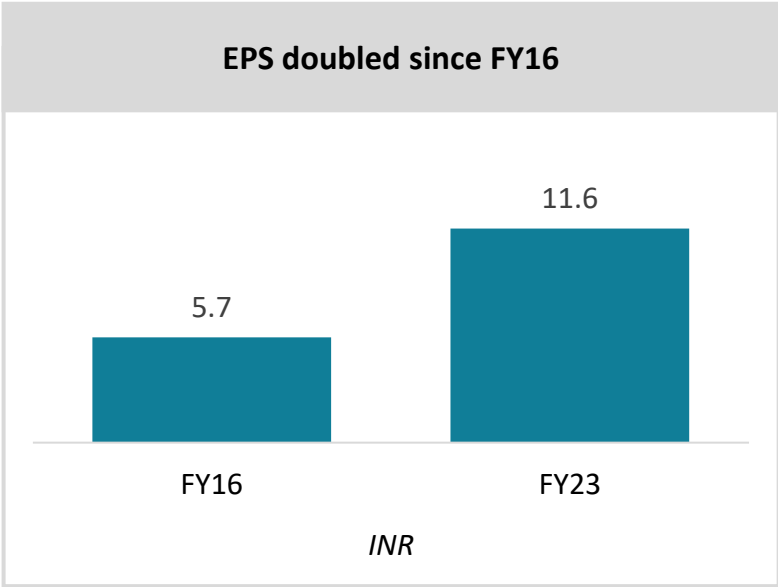
cGMP-compliant facilities

State-of-the art API manufacturing and Biologics manufacturing facilities

Sustained investment in skilled workforce and world class infrastructure: a catalyst for expanded client base and strong revenue growth



Strategic investments augment cash flows and EPS : driving consistent shareholder returns



3

Syngene strengths



Syngene strengths

A global scale CRO/CDMO

- Integrated Drug Discovery, Development and Manufacturing service provider
- Small and large molecules, ADCs, oligonucleotides
- Listed on Indian Stock Exchanges (NSE and BSE)



Solutions through innovation

- IP fully assigned to clients
- Track record of data management and security
- Over 400+ patent filings by clients recognizing Syngene scientists



Quality matters

- Fully digitized quality organization
- Strong compliance track record with global regulators
- US FDA, EMA and PMDA approved, GLP certified, AAALAC accredited facilities
- 80 client and regulator audits in the last financial year



Science in our DNA

- Located in 3 top India life science hubs: Bangalore, Mangalore and Hyderabad
- ~5000+ qualified scientists including ~500 PhDs (~6,000+ total headcount)
- Resilient supply chain management
- 2 Mn+ sq. ft. world-class R&D and manufacturing infrastructure



Blue chip client list

- + 400+ active clients
- Partnering with large / mid-size / emerging biopharma and other industries
- Clients concentrated in US, Europe & Japan
- Track record of working with diverse industry sectors

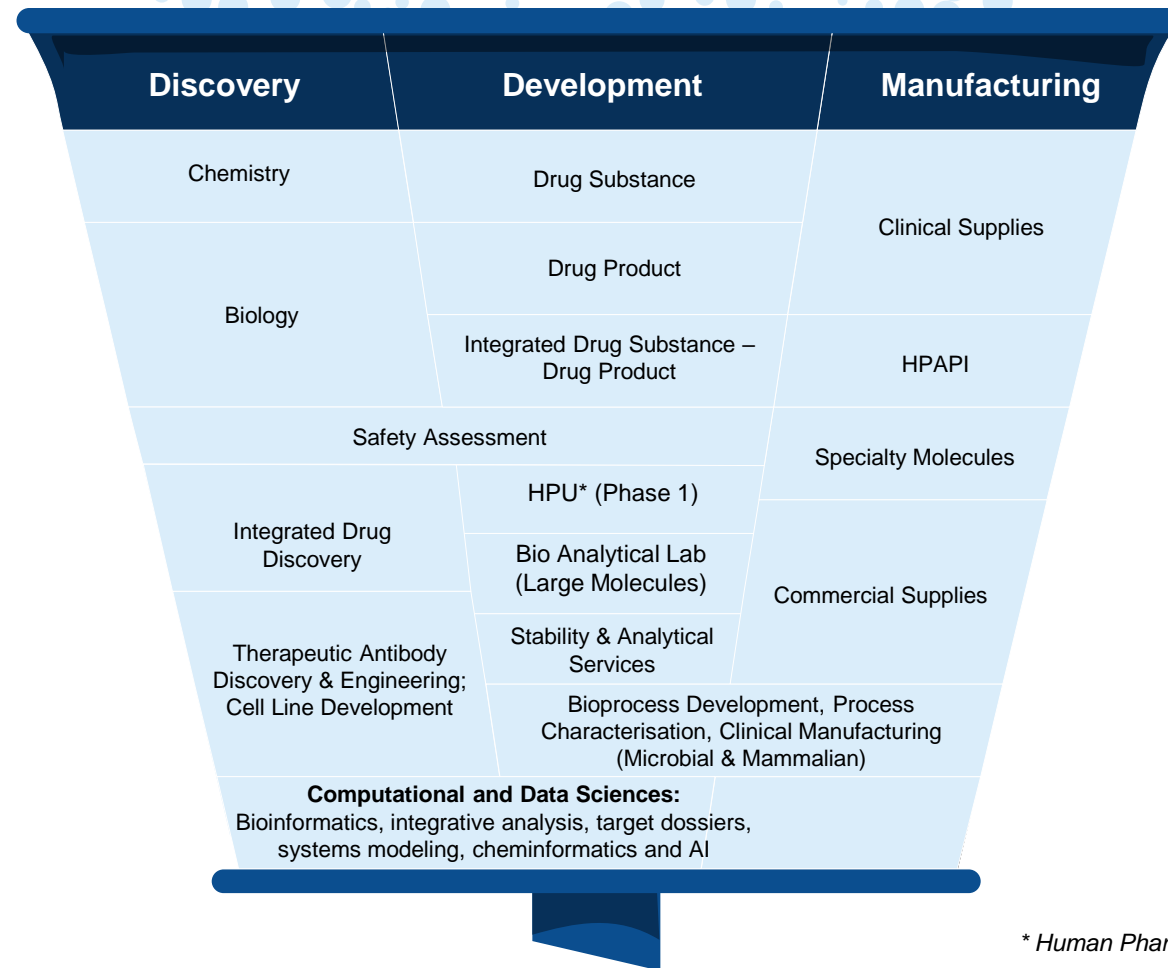
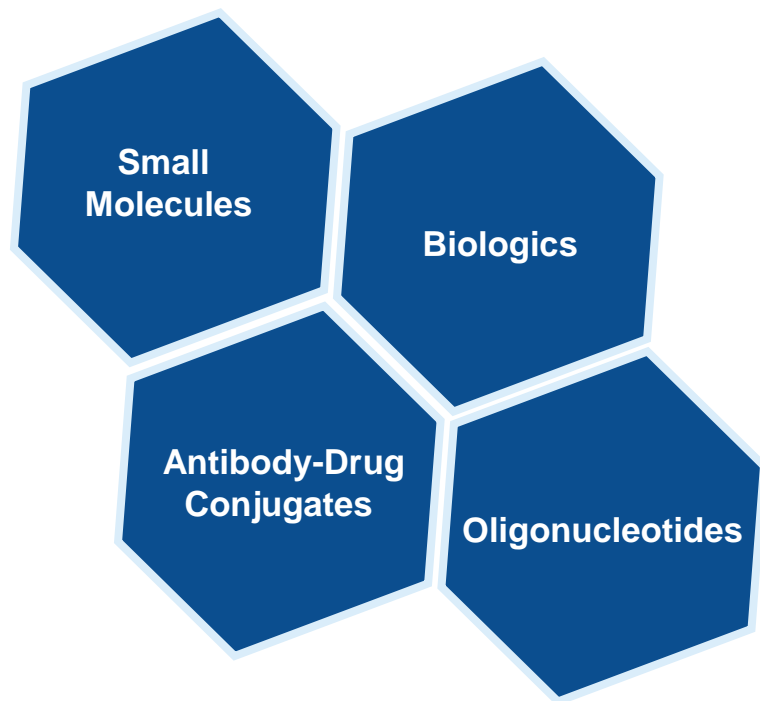


Making a difference

- Partnerships have delivered numerous clinical candidates
- Delivery history for integrated CMC programs up to clinical trials and beyond



Our end-to-end platform enables us to be a 'one-stop-shop' for discovery, development and manufacturing (small molecules and biologics)



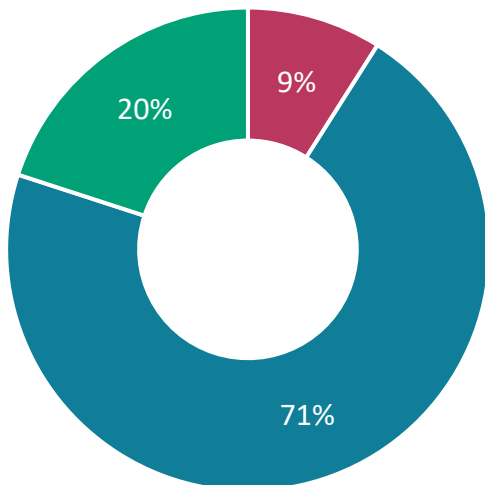
* Human Pharmacology Unit

Experienced workforce: building capabilities and careers

~8,500+
total headcount

6000+ scientists delivering
high quality solutions – create
a competitive edge

■ PhDs ■ Master's Degree ■ Others



Inspiring technical excellence and providing opportunities to grow

Nurturing young talent and enhancing science skills

- Syngene Training Academy offers new graduate recruits a six-month extended induction to help them understand the Company's vision and values while acquiring the skills to be an industrial scientist
- Science Certification Program is open to all employees to enhance their capabilities keep their skills up to date and provide opportunities for continuous learning

Developing leaders and managers

- Emerging Leaders Development Program is designed to help strong managers transition from managerial to leadership roles
- Manager Development Program is designed for first- and second-line managers to develop basic management skills and performance management to help them manage their teams and ensure that they are making a positive contribution to the organizational goals

Promoting workplace diversity

- The Company has strong equal opportunity policies to protect against all forms of discrimination and provide a workplace where all employees can deliver their best work
- Support provided to parents of young families. 28% of our workforce are female and 20% of senior management positions are held by females

Extended our State-of-the-art infrastructure & new capabilities in different locations within India to meet our strategic partners needs...

HQ campus at Bengaluru, India

90 Acres (3,64,217 sq. mt) where most of Syngene's capabilities are housed today



Biologics

Discovery development & manufacturing plant at HQ campus

Fully functional R&D Centre at Genome Valley, Hyderabad, India

Genome Valley, Hyderabad, India



API manufacturing

Commercial manufacturing to support product launch located at Mangalore, India

We currently operate a range of successful collaboration models



Dedicated R&D Labs

- Dedicated scientific and support personnel customized and managed to partner requirements
- Dedicated infrastructure implemented and maintained by Syngene based upon partner specifications
- Access to additional R&D, Manufacturing and support functions at Syngene
- Long-term (5-7 years) contractual commitment



Full time equivalent (FTE)

- Dedicated scientific resources selected from partner-specified disciplines
- Deliverables and team composition evolve as project advances
- Typically ~3 year contract term ensures team continuity, adjustable with specified notice period
- Effective for longer-term research commitments



Fee For service (FFS)

- Flexible, on-demand resources with targeted skill sets
- Clearly defined project, limited in scope and deliverables
- Effective way to managed fluctuating demand, ad-hoc requests or uncertain quantity of work



Risk-reward

- Rewards based on clearly defined, pre-agreed milestones
- Project scope spans drug discovery, product development or truly end to end across both

... and are open to any single or combination of above

Our experience spans multiple industry segments and partners us with global leaders across the world...

Bristol Myers Squibb™

GSK

sanofi

NOVARTIS

AMGEN

MERCK

Boehringer
Ingelheim

Baxter



Large & Mid-Sized
BioPharma

Albireo
AN IPSEN COMPANY

AMPHISTA
THERAPEUTICS

idorsia

Genmab

ASCENEURON
A Neuroscience Therapeutics Company

PharmAust
LIMITED

saniona

C4 Therapeutics



Emerging
BioPharma (EBP)

zoetis

Elanco

MERCK



Animal Health

FMC

Dow
Dow AgroSciences



AgroChem

Givaudan

PURINA

Unilever



CPG

BAUSCH+LOMB

essilor

Beiersdorf

KRATON



Chemicals/
Polymers

Operational robustness driving strategy execution

Continuous improvement embedded in operations driven by certified operational leaders

Six Sigma Black Belt certified staff in each service line and support function
Green belt certified staff across operations
All employees white belt certified

Quality management system: digitized and audit-ready

80 customer and regulator audits in the last financial year
8 successful USFDA audits in the last 4 years

Client-focused commercial organization

Leaders based in the US, Europe, UK and Asia
Close to client locations



Focused execution through strong Project Management

Structured program management for executing client projects enabled by SynPro platform and SynPro Academy ensuring delivery of client projects

Digital as a differentiator

AI capability in all research teams
IoT for maintenance and infrastructure reliability
Data Management, IT infrastructure and security systems to strengthen our proposition as a strategic partner to clients

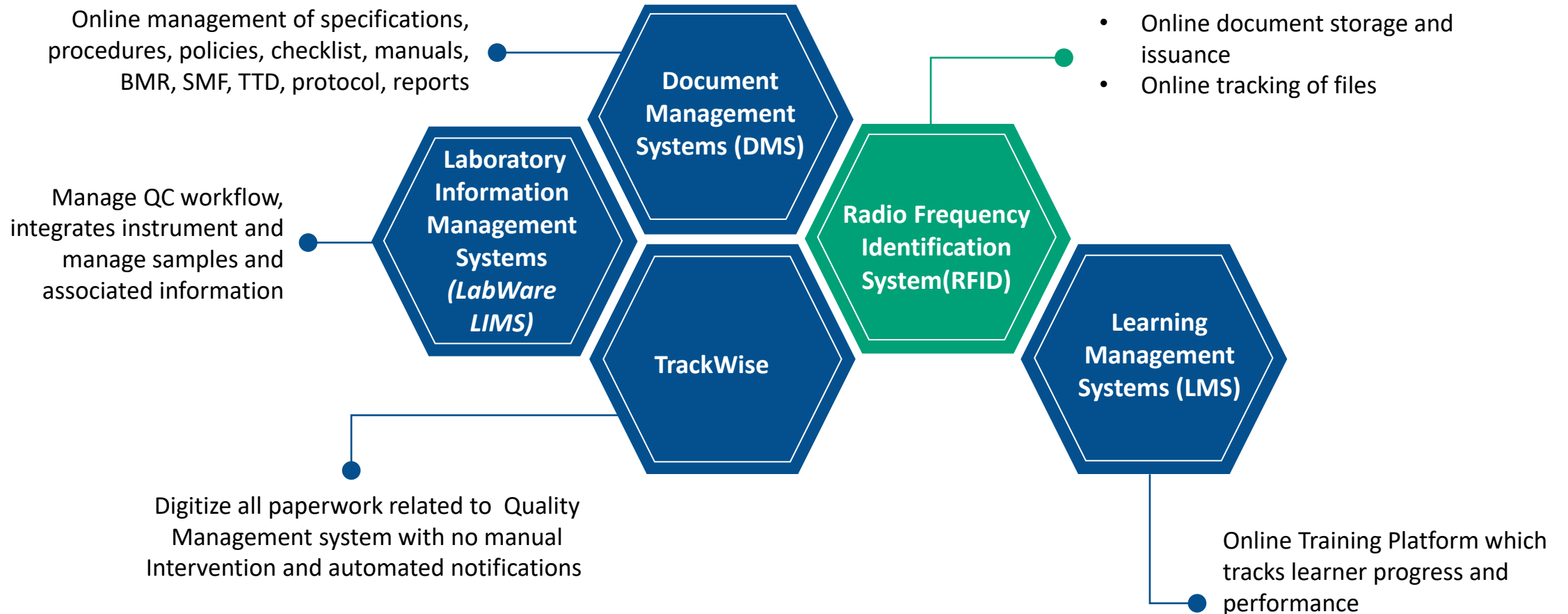
Strategic Sourcing that makes a difference

Strategic supplier management to avoid supply chain disruption
Supply distributed across the world to ensure business continuity

We are harnessing digitization and automation through our Lab 4.0 strategy

At Syngene, we have adopted Lab 4.0, deploying technology for compliance, as an optimizer and as an augments

Certification as per ISO 13485:2016, ISO/IEC 27001 and ISO 9001:2015 requirements



Committed to safety and sustainability

Safety is our first priority

- Accredited with ISO 45001:2018 for Occupational Health and Safety (OH&S) measures
- Risk assessments are an integral part of our operation: a proactive approach in incident prevention
- Kavach, our flagship safety program, has delivered improvement in safety metrics and drives focus on industrial safety for all employees
- 13.7 million manhours without Lost Time Incident (LTI) on rolling 12-month basis for FY22



Committed to environmental protection

- 69,280 hours of EHSS training
- 77% of total hazardous and non-hazardous waste recycled
- 75% of energy procured from green energy sources
- 3.8% reduction in energy usage
- 2663 MT equivalent CO2 savings from energy conservation
- 58388 MT equivalent CO2 savings from green power.
- 39% freshwater savings achieved
- 69714 KL fresh water saved from recycling, reusing and rainwater harvesting.
- 1021 KL water rainwater harvested
- 2000 saplings planted

Refer to the [CSR link](#) on our website to know about our corporate social responsibility pursuits on healthcare, education, environment, rural development
Refer to the [ESG Report](#) on our website to know more

International accreditations



- USFDA, OHSAS 18001
- GLP, cGMP, AAALAC & CPCSEA Certified facilities
- CAP accreditation, ISO/IEC 27001:2013 accreditation
- EMA and PMDA approved, AAALAC accredited facility
- The safety assessment laboratories and large molecule bioanalytical lab are ISO IEC 17025:2017 certified by the National Accreditation Board for Testing and Calibration Laboratories (NABL)



We have consistently received industry recognition for our scientific capability and best practices

- **Bio-Excellence Award 2018** - At Bengaluru Tech Summit, Bengaluru
- **Best Bioprocessing Excellence Award 2018** - At 5th Biologics Manufacturing Asia, Singapore
- **Healthcare Company of the Year 2018** - At the 7th Annual VC Circle Awards 2018, Mumbai
- **HR Excellence Award 2018** 'For Best Talent Management Strategy' - World HRD Congress, Mumbai
- **CMO Leadership Award Winner 2020** - under Categories: Capabilities, Compatibility, Expertise and Service
- **Bioprocessing Excellence Awards 2020** in the category 'Bioprocessing Excellence in South Asia—Viral Clearance and Safety Testing'
- **Great Place to Work Certified™ Company**
- **(ASSOCHAM) CSR & NGO Awards 2020** for our contribution to COVID-19 relief work in Karnataka.
- **CMO Leadership Awards 2022** Presented by Life Science Leader and Outsourced Pharma
- **CMO Leadership Award Champion 2022** - Presented by Life Science Leader and Outsourced Pharma
- **Golden Peacock Award for Excellence in Corporate Governance** for 2021 by the Institute of Directors at the 'Golden Peacock Awards Ceremony'
- **The 2022 Brandon Hall Group HCM Excellence Bronze Award** In Leadership Development for 'Best Unique or Innovative Leadership Program'
- **The 2022 Brandon Hall Group HCM Excellence Bronze Award** In Leadership Development for 'Best Advance in Compliance Training'
- **Asia Pacific Biologics CMO Excellence Awards 2022** - For Quality
- **Biopharma Honours Award 2022** - For Viral Testing Facility by Informa Markets
- **Most Preferred Workplace 2022** - Award by MarksmenDaily.com

2018

2019

2020

2021

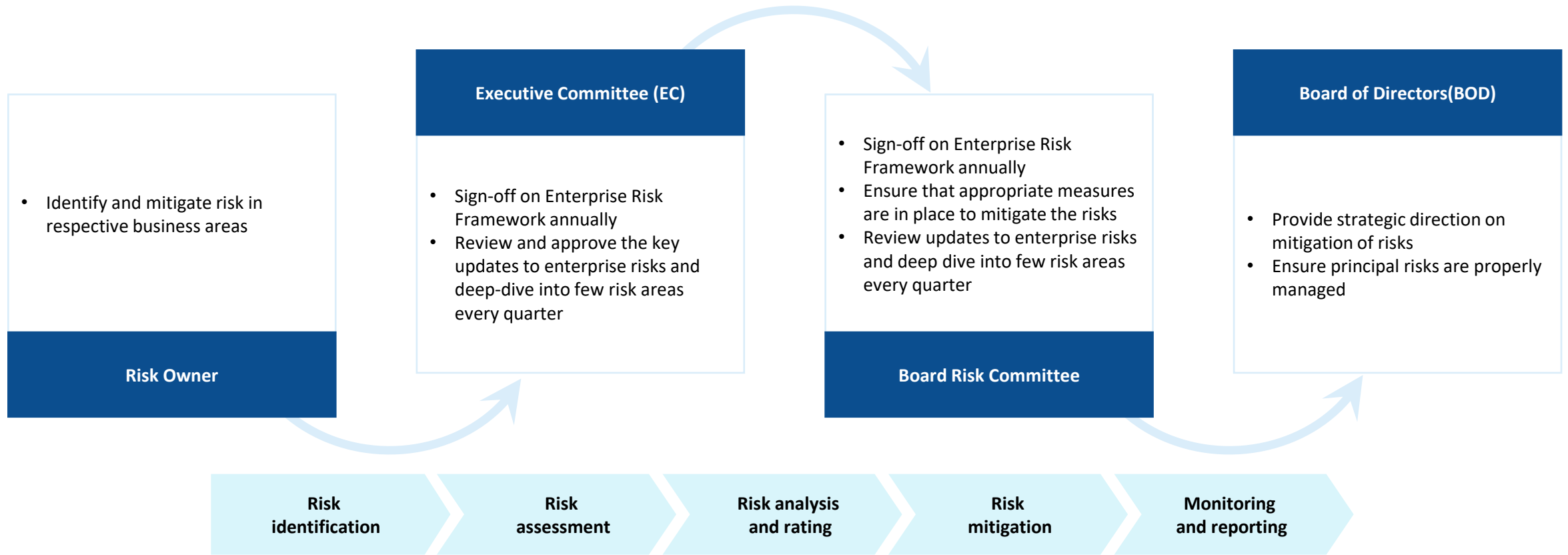
2022

2023

- Ranked as one of the **25 fastest growing companies in India** by Outlook Business
- **CMO Leadership Awards 2019** - Presented by Life Science Leader Magazine
- **FICCI CSR Award for Environmental Sustainability** - At the 17th Edition of the awards in New Delhi
- **Safe Workplace Champion Award** - At the 8th Manufacturing Supply Chain Summit and Awards
- **Best Leadership Development Program for Middle Management Award** - At the 6th Global Training and Development Leadership Awards
- **India Pharma Award 2019** - For "Excellence in Contract Research and Manufacturing Services" at CPhI & P-MEC India Expo.
- **Utthama Suraksha Puraskar 2019** - (Pharma and Chemical Manufacturing Category) by National Safety Council of India (NSCI). Leadership Awards
- **Dream Companies to Work Award** at the 29th Edition of the World HRD Congress Awards.
- **Asian Leadership Award for Excellence in Branding and Marketing** in the Contract Research Development and Manufacturing category
- **CRISIL awards Syngene Top score among Indian Pharma** - for Environment Safety Governance (ESG)
- **Syngene ranked #69 in Fortune India magazine's** list of 'Top 100 Indian wealth creators 2021'
- **India Pharma Awards 2021** for Operational Excellence—Manufacturing organized by Informa Markets, India
- **Best Governed Company in the Listed Segment: Medium Category** at the 21st National Awards for Excellence in Corporate Governance by The Institute of Company Secretaries of India (ICSI)
- **Most Innovative New Learning Programme** at the L&D Vision & Innovation Award organized by Transformance Forums
- **Mahatma Award 2021** under Health & Wellbeing Category
- **Best Corporate Foundation Award** at the World CSR Congress
- **Golden Peacock National Quality Award 2023** For meeting the overall requirements of the Golden Peacock Excellence Model
- **Biopharma Excellence Awards 2023** For Best Contract Development and Manufacturing Organization (CDMO)

Robust risk management framework

Syngene has a risk management framework to identify, monitor, report and manage risk
Every risk owner monitors and manages risks relevant to their area of responsibility



Refer [Annual report](#) for complete risk profile and risk mitigation strategy

4

Financials



Q1FY24 financial highlights

Particulars	Q1 FY24	Q1 FY23	YoY Change	Q4 FY23	QoQ change
Revenue from Operations	8,081	6,445	25%	9,944	-19%
Other Income	236	155	52%	228	3%
Total Revenue	8,317	6,600	26%	10,173	-18%
Material costs	2,228	1,612	38%	2,938	-24%
Staff cost	2,288	1,971	16%	2,528	-10%
Other direct costs	275	283	-3%	273	1%
Other expenses	1,016	817	24%	1,022	-1%
Foreign exchange (gain)/loss, net	155	34		42	
EBITDA	2,355	1,883	25%	3,369	-30%
EBITDA Margin	28.3%	28.5%		33.1%	
Depreciation and finance cost	1,125	955	18%	1,060	6%
PBT	1,229	928	33%	2309	-47%
Tax on above	295	189	56%	522	-43%
PAT before exceptional items	934	739	26%	1,787	-48%
PAT Margin	11.2%	11.2%		17.6%	

All figures in Rs. Mn unless otherwise specified

FY23 financial highlights

Particulars	FY23	FY22	YoY Change
Revenue from operations	31,929	26,042	23%
Other income	709	528	34%
Reported revenue	32,638	26,570	23%
Material costs	8,602	7,490	15%
Staff costs	8,876	7,408	20%
Other direct costs	1,109	872	27%
Other expenses	3,580	2,859	25%
Foreign exchange (gain)/loss, net	418	-548	-176%
EBITDA	10,053	8,489	18%
EBITDA Margin	30.8%	32.0%	
Depreciation and Finance Cost	4,118	3,338	23%
PBT	5,936	5,151	15%
Tax	1,292	940	37%
PAT before exceptional item	4,644	4,211	10%
PAT Margin	14.2%	15.8%	
PAT after exceptional item	4,644	3,958	17%
PAT Margin after exceptional item	14.2%	14.9%	

All figures in Rs. Mn unless otherwise specified

(1) Other Assets calculated as (Inventories + Trade Receivables + Unbilled Revenues + Advance Tax + FX premium less (Trade payables + Others current liabilities) at the end of the year

(2) Net cash / (Net debt) calculated as the Cash & cash equivalents (Cash and bank balances + Current investments+ Fixed deposits) less Total debt (Short-term borrowings + Long-term borrowings) at the end of the year

Balance Sheet Highlights

As on 31st March 2023

Shareholders' funds	36,180
Net Fixed assets	28,437
Other net assets ⁽¹⁾	(1,818)
Net cash/(debt) ⁽²⁾	9,561
Total Use of Funds	36,180

5

Shareholding and Share Information



Syngene and Biocon Group

Syngene

Syngene is an operationally independent publicly listed subsidiary of Biocon Limited, established in 1993 as India's first Contract Research Organization. Company has 25+ years of experience in novel molecule discovery, development and manufacturing services

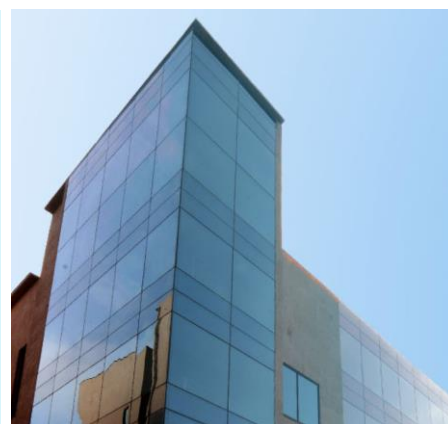


Biocon Limited, founded in 1978, is an innovation-led global biopharmaceuticals company and has majority holding in key operating entities including Syngene

Syngene

Integrated services:

- Discovery research
- Development
- Manufacturing small/large molecules

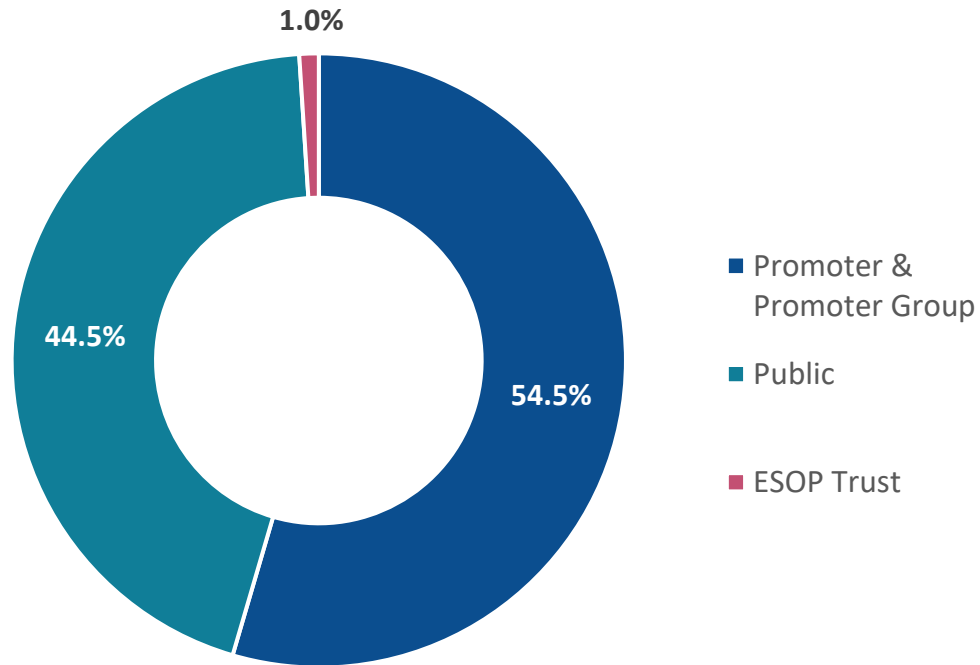


- Product Based
- Biosimilars
- Formulations and Compounds
- Alternative Therapeutic Drugs

Biocon *

Shareholding and Share Information

Syngene's Shareholding Pattern*



Syngene's Share Information*

NSE Ticker	SYNGENE
BSE Ticker	539268
Market Cap (Rs. Mn)	3,07,562
% free-float	44%
Free-float market cap (Rs. Mn)	1,36,699
Share Outstanding (Mn)	402

For more details

Visit our website www.syngeneintl.com



<https://twitter.com/SyngeneIntl>



<https://www.linkedin.com/company/syngene-international-limited>



<https://www.facebook.com/syngeneintl/>



<https://www.youtube.com/channel/UCIC4WSA1k5YAC531gMLkblQ>

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Syngene

Putting Science to Work

Thank you

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