



Ref: Syn/CS/SE/BM/2024-25/Jul/08

Syngene International Limited

Biocon SEZ, Biocon Park, Plot No. 2 &
3, Bommasandra Industrial Area, IV
Phase, Jigani Link Road, Bengaluru
560 099, Karnataka, India

T +91 80 6891 8000

F +91 80 6891 8808

CIN: L85110KA1993PLC014937

www.syngeneintl.com

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 |

Sub: Outcome of the Board Meeting

Dear Sir/Madam,

Pursuant to Regulations 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 (“SEBI Listing Regulations”), we wish to inform you that the Board of Directors, at its meeting held today, has inter-alia, considered and approved the:

- i. un-audited financial results (standalone and consolidated) as per Indian Accounting Standards (Ind-AS) for the quarter ended June 30, 2024. A copy of the unaudited financial results along with the Limited Review Reports is enclosed herewith.
- ii. appointment of Deloitte Touche Tohmatsu India Limited Liability Partnership (“DTTILLP”), as Internal Auditors of the Company for a period of 3 (Three) years. The details required in terms of Regulation 30, Schedule III of the SEBI Listing Regulations and SEBI Circulars issued in this regard, are given in **Annexure – A**.

The above information will also be made available on the website of the Company at www.syngeneintl.com.

The Board Meeting commenced at 10:00 am (IST) and concluded at 2.50 pm (IST).

Kindly take the above information on record.

Thanking You

Yours faithfully,

For SYNGENE INTERNATIONAL LIMITED

Priyadarshini Mahapatra

Head Legal, Company Secretary & Compliance Officer

Encl: a/a

Information as required under Regulation 30 - Part A of Para A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

| S. No. | Particulars | Description |
|---------------|--|--|
| 1. | Reason for Change viz. appointment re-appointment, resignation, removal, death or otherwise | Appointment as Internal Auditors |
| 2. | Date of appointment and term of appointment | July 24, 2024, For a period of 3 (three) years, with effect from today. |
| 3. | Brief profile | Deloitte Touche Tohmatsu India Limited Liability Partnership (DTTILLP), a member firm of Deloitte Touche Tohmatsu Limited, is a professional services firm which provides consulting and advisory services to its clients. The services provided by DTTILLP are across Risk Advisory, Consulting, Financial Advisory, Tax and Assurance Services. DTTILLP has its presence across 14 offices in India and has over 20,000 professionals. The Firm serves many leading corporates in India and globally across sectors including Consumer, Financial Services, Technology, Media & Telecommunications, Life Sciences & Healthcare, Energy, Resources & Industrial and Government & Public Services. |

SYNGENE INTERNATIONAL LIMITED

CIN : L85110KA1993PLC014937 Website: www.syngeneintl.com

Registered office: Biocon SEZ, Biocon Park, Plot No. 2 & 3, Bommasandra Industrial Area IV Phase, Jigani Link Road, Bommasandra, Bangalore - 560099

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2024

(Rs. in million, except per share data)

| Sl. No. | Particulars | 3 months ended 30 June 2024 | Preceding 3 months ended 31 March 2024 | Corresponding 3 months ended in the previous year 30 June 2023 | Previous year ended 31 March 2024 |
|---------|---|--------------------------------|--|---|---|
| | | (Unaudited) | (Audited) (Refer note 3) | (Unaudited) | (Audited) |
| 1 | Income | | | | |
| | a) Revenue from operations | 7,265 | 8,647 | 7,158 | 32,031 |
| | b) Other Income [refer note 6] | 177 | 153 | 229 | 880 |
| | Total Income | 7,442 | 8,800 | 7,387 | 32,911 |
| 2 | Expenses | | | | |
| | a) Cost of chemicals, reagents and consumables consumed [refer note 8] | 2,102 | 1,624 | 2,138 | 8,391 |
| | b) Changes in inventories of finished goods and work-in-progress | 89 | 307 | 33 | 566 |
| | c) Employee benefits expense | 1,956 | 1,951 | 1,790 | 7,612 |
| | d) Finance costs | 74 | 85 | 61 | 295 |
| | e) Depreciation and amortisation expense | 917 | 957 | 887 | 3,689 |
| | f) Other expenses | 1,608 | 1,672 | 1,412 | 6,112 |
| | g) Foreign exchange fluctuation loss, net | 28 | 100 | 151 | 562 |
| | Total expenses | 6,774 | 6,696 | 6,472 | 27,227 |
| 3 | Profit before tax and exceptional items (1-2) | 668 | 2,104 | 915 | 5,684 |
| 4 | Exceptional Items, net gain/ (loss) [refer note 7 and 13] | 320 | - | - | (111) |
| 5 | Profit before tax (3-4) | 988 | 2,104 | 915 | 5,573 |
| 6 | Tax expense | | | | |
| | Current tax | 172 | 415 | 164 | 998 |
| | Deferred tax | 77 | (209) | (2) | (90) |
| | Total tax expense [refer note 9] | 249 | 206 | 162 | 908 |
| 7 | Profit for the period / year (5-6) | 739 | 1,898 | 753 | 4,665 |
| 8 | Other comprehensive Income | | | | |
| | (A) (i) Items that will not be reclassified to profit or loss | 13 | (88) | 15 | (115) |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | (5) | 32 | (3) | 38 |
| | (B) (i) Items that will be reclassified to profit or loss | 336 | 715 | 1,367 | 1,995 |
| | (ii) Income tax relating to items that will be reclassified to profit or loss | (77) | (247) | (288) | (487) |
| | Other comprehensive Income for the period / year, net of taxes | 267 | 412 | 1,091 | 1,431 |
| 9 | Total comprehensive income for the period / year (7+8) | 1,006 | 2,310 | 1,844 | 6,096 |
| 10 | Paid-up equity share capital (Face value of Rs.10 each) [refer note 11 and 12] | 4,025 | 4,020 | 4,020 | 4,020 |
| 11 | Reserves excluding revaluation reserves as per balance sheet i.e. 'Other Equity' | | | | 37,895 |
| 12 | Earnings per share (of Rs.10 each) | (not annualised) | (not annualised) | (not annualised) | (annualised) |
| | a) Basic | 1.84 | 4.73 | 1.88 | 11.62 |
| | b) Diluted | 1.84 | 4.72 | 1.87 | 11.61 |
| | See accompanying notes to the financial results | | | | |

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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2024

(Rs. in million, except per share data)

| Sl. No. | Particulars | 3 months ended 30 June 2024 | Preceding 3 months ended 31 March 2024 | Corresponding 3 months ended in the previous year 30 June 2023 | Previous year ended 31 March 2024 |
|---------|---|--------------------------------|--|---|--------------------------------------|
| | | (Unaudited) | (Audited) (Refer note 3) | (Unaudited) | (Audited) |
| 1 | Income | | | | |
| | a) Revenue from operations | 7,897 | 9,169 | 8,081 | 34,886 |
| | b) Other Income [refer note 6] | 181 | 161 | 236 | 906 |
| | Total Income | 8,078 | 9,330 | 8,317 | 35,792 |
| 2 | Expenses | | | | |
| | a) Cost of chemicals, reagents and consumables consumed [refer note 8] | 1,680 | 1,721 | 2,194 | 8,736 |
| | b) Changes in Inventories of finished goods and work-in-progress | 655 | 307 | 34 | 566 |
| | c) Employee benefits expense | 2,299 | 2,269 | 2,154 | 8,887 |
| | d) Finance costs | 117 | 129 | 105 | 472 |
| | e) Depreciation and amortisation expense | 1,069 | 1,111 | 1,021 | 4,259 |
| | f) Other expenses | 1,532 | 1,603 | 1,425 | 5,995 |
| | g) Foreign exchange fluctuation loss, net | 33 | 100 | 155 | 558 |
| | Total expenses | 7,385 | 7,240 | 7,088 | 29,473 |
| 3 | Profit before tax and exceptional items (1-2) | 693 | 2,090 | 1,229 | 6,319 |
| 4 | Exceptional Items, net gain/ (loss) [refer note 7 and 13] | 320 | - | - | (111) |
| 5 | Profit before tax (3-4) | 1,013 | 2,090 | 1,229 | 6,208 |
| 6 | Tax expense | | | | |
| | Current tax | 192 | 424 | 263 | 1,230 |
| | Deferred tax | 64 | (220) | 32 | (122) |
| | Total tax expense [refer note 9] | 256 | 204 | 295 | 1,108 |
| 7 | Profit for the period / year (5-6) | 757 | 1,886 | 934 | 5,100 |
| 8 | Other comprehensive Income | | | | |
| | (A) (i) Items that will not be reclassified to profit or loss | 12 | (89) | 15 | (119) |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | (5) | 33 | (3) | 39 |
| | (B) (i) Items that will be reclassified to profit or loss | 343 | 712 | 1,367 | 1,993 |
| | (ii) Income tax relating to items that will be reclassified to profit or loss | (79) | (247) | (288) | (487) |
| | Other comprehensive income for the period / year, net of taxes | 271 | 409 | 1,091 | 1,426 |
| 9 | Total comprehensive income for the period / year (7+8) | 1,028 | 2,295 | 2,025 | 6,526 |
| 10 | Paid-up equity share capital (Face value of Rs.10 each) [refer note 11 and 12] | 4,025 | 4,020 | 4,020 | 4,020 |
| 11 | Reserves excluding revaluation reserves as per balance sheet i.e. 'Other Equity' | | | | 38,557 |
| 12 | Earnings per share (of Rs.10 each) | (not annualised) | (not annualised) | (not annualised) | (annualised) |
| | a) Basic | 1.89 | 4.70 | 2.33 | 12.71 |
| | b) Diluted | 1.88 | 4.69 | 2.32 | 12.69 |
| | See accompanying notes to the financial results | | | | |

SYNGENE INTERNATIONAL LIMITED

Notes :

- 1 The statement of unaudited standalone and consolidated financial results ("the Statements") of Syngene International Limited ('the Company') for the quarter ended 30 June 2024 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meeting held on 24 July 2024. The above Statements have been subjected to the limited review by the statutory auditor of the Company. The reports of the statutory auditor are unqualified. The Statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2 The consolidated financial results include the financial results of the Company - Syngene International Limited and the financial results of the following subsidiaries:
 - i. Syngene USA Inc.
 - ii. Syngene Scientific Solutions Limited
 - iii. Syngene Manufacturing Solutions LimitedThe Company and the Subsidiaries are collectively referred to as 'the Group'. In addition to the above, the standalone and consolidated financial results also include the financial results in respect of Syngene Employees Welfare Trust.
- 3 The standalone and consolidated figures for quarter ended 31 March 2024 are the balancing figures between audited figures in respect of the full previous financial year and the published unaudited year to date figures upto the third quarter of the previous financial year which were subjected to limited review.
- 4 The Group operates in a single segment of providing Contract Research and Manufacturing Services.
- 5 On 04 July 2023, the Company's Board of Directors entered into a binding term sheet for acquiring Unit 3 biologics manufacturing facility in Bangalore, India, from Stelis Biopharma Limited (SBL). The unit has been acquired effective 01 December 2023 on a slump sale basis at a total cash consideration of Rs. 5,632 million.

The acquisition will add 20,000 litres of installed biologics drug substance manufacturing capacity for Syngene. The site has the potential for future expansion of up to a further 20,000 litres of biologics drug substance manufacturing capacity. It also includes a commercial scale, high speed, fill-finish unit – an essential capability for drug product manufacturing.

The acquired business has been consolidated in these results, effective 01 December 2023. The Company has carried out a preliminary purchase price allocation between tangible assets and other balances taken over to assess the fair value as on the acquisition date and accordingly recorded a capital reserve of Rs 39 million. These initial estimates will be finalized over the next few quarters not exceeding twelve-month period allowed under the accounting requirements.

The following table summarises major class of the assets and liabilities taken over:

| <u>Particulars</u> | |
|---|--------------|
| Capital work-in-progress | 6,207 |
| Other assets | 104 |
| Capital creditors | (638) |
| Other liabilities | (2) |
| Value of business taken over (A) | 5,671 |
| | |
| Purchase consideration (B) | 5,632 |
| | |
| Capital reserve (C=B-A) | (39) |

- 6 During the year ended 31 March 2024, 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'. Instead of providing a cash refund, the tax department has adjusted the refund against tax demands for Financial Years 2011-12, 2013-14, and 2015-16.
- 7 The Company has incurred transaction costs of Rs 111 million in the year ended 31 March 2024 relating to the acquisition of multi modal facility (Unit 3) from Stelis Biopharma Limited (SBL) and the same has been presented as an expense in the financial results under the head 'Exceptional Items'.

SYNGENE INTERNATIONAL LIMITED

- 8 In FY 2024 the Company's business has expanded into manufacturing and based on the Company's experience, a revised inventory provisioning policy specific to manufacturing has been created. Prior to this, the Company was applying its research inventory provisioning policy also to manufacturing.

The impact of this policy change is to reverse inventory provisions created in prior quarters, resulting in a net reversal of Rs 203 million in the quarter ended 31 March 2024 which is a change in accounting estimate. Under the old policy, the manufacturing inventory provision as at 31 March 2024 would have been higher by Rs 578 million. Had the Company continued the old policy for manufacturing inventory provisions, there would have been a provision reversal of Rs 59 million for the quarter ended 30 June 2024 and the reported 'cost of chemicals, reagents and consumables consumed' would have been lower by that extent. For the quarter ended 30 June 2023, the provision under the old policy (which was revised in the quarter ended 31 March 2024) was Rs 25 million.

- 9 Tax expenses in FY 2024 is net of reversal of income tax provision amounting to Rs 232 million based on favourable tax assessment orders received during the previous year.

- 10 The Company's business has expanded into manufacturing in FY 2024, and following a technical evaluation, it has revised the estimated useful life of its manufacturing assets, which include Plant and Machinery and Equipment, effective from April 1, 2024.

As a result of this change in accounting estimate, the depreciation expense for these assets has decreased by INR 51 million for the quarter ended June 30, 2024.

- 11 On 24 April 2024, the Board of Directors of the Company have approved an allotment of 521,981 equity shares of Rs. 10/- (Rupees Ten each) of the Company to Syngene Employees Welfare Trust at face value pursuant to the shareholder's approval at the Annual General Meeting on 24 July 2019 to allot fresh equity shares upto 1.67% of the paid-up equity capital of the Company in tranches for the purpose of implementation of the Syngene International Limited - Restricted Stock Unit Long Term Incentive Plan FY 2020.

- 12 On 24 April 2024, the Board of Directors recommended a final dividend of Rs. 1.25 per equity share of Rs. 10/-. The proposed dividend is subject to the approval of the shareholders in the Annual General Meeting.

- 13 During the quarter ended 30 June 2024, the Company has received its final claim of Rs 320 million from the insurance company for the loss of fixed assets in a fire incident on 12 December 2016, and the same has been presented in the financial results under the head 'Exceptional Items'.

For and on behalf of the Board of Directors of
Syngene International Limited

KIRAN
MAZUMDA
R SHAW

Kiran Mazumdar Shaw
Chairperson

Place :- Bangalore
Date :- 24 April 2024

Limited Review Report on unaudited standalone financial results of Syngene International Limited for the quarter ended 30 June 2024 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**To the Board of Directors of Syngene International Limited**

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Syngene International Limited (hereinafter referred to as "the Company") for the quarter ended 30 June 2024 ("the Statement") (in which are included interim financial information of its employee welfare trust).
2. This Statement, which is the responsibility of the Company's management and approved by its Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"). Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Attention is drawn to the fact that the figures for the three months ended 31 March 2024 as reported in the Statement are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it

Registered Office:

B S R & Co. LLP

Limited Review Report (Continued)
Syngene International Limited

contains any material misstatement.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

G
PRAKASH

Digitally signed
by G PRAKASH
Date: 2024.07.24
14:41:45 +05'30'

G Prakash

Partner

Bengaluru

24 July 2024

Membership No.: 099696

UDIN:24099696BKGPSI5106

Limited Review Report on unaudited consolidated financial results of Syngene International Limited for the quarter ended 30 June 2024 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**To the Board of Directors of Syngene International Limited**

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Syngene International Limited (hereinafter referred to as "the Parent"), and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended 30 June 2024 ("the Statement") being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:
 - (i) Syngene International Limited
 - (ii) Syngene USA Inc.
 - (iii) Syngene Scientific Solutions Limited
 - (iv) Syngene Manufacturing Solutions Limited
 - (v) Syngene Employees Welfare Trust
5. Attention is drawn to the fact that the figures for the three months ended 31 March 2024 as reported in the Statement are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.

Registered Office:

Limited Review Report (Continued)

Syngene International Limited

6. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

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PRAKASH Digitally signed
by G PRAKASH
Date: 2024.07.24
14:41:00 +05'30'

G Prakash

Partner

Membership No.: 099696

UDIN:24099696BKGPSJ7747

Bengaluru

24 July 2024