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## **SYNGENE INTERNATIONAL LIMITED**

**Mr Kiran Mazumdar Shaw-** ನಮಸ್ಕಾರ Ladies and gentlemen, Syngene International Limited ನೆ 31ನೇ ಯ ವಾರ್ಷಿಕ ಸಾಮಾನ್ಯ ಸಭೆಗೆ ನಿಮ್ಮೆಲ್ಲರಿಗೂ ಸ್ವಾಗತ, I welcome all the shareholders to the 31st Annual general meeting of Syngene International Limited. This meeting is being held through video conference in accordance with the circulars issued by the Ministry of Corporate affairs. Before we initiate the AGM proceedings, let me introduce my colleagues who have joined us via video conference and are with me on the dais on the dais I have Mr Jonathan Hunt, managing director and Chief Executive Officer Mr Sibaji Biswas, executive director and chief financial Officer and Mrs Priyadarshini Mahapatra, Company secretary. On video we have Mrs Sharmila Karve, independent Director and chairperson of Audit Committee and Stakeholders Relationship Committee as well as the ESG committee Mrs Vinita Bali, lead independent Director and chairperson of Nomination and Remuneration Committee Professor Catherine Rosenberg, nonexecutive Director and Chairperson of Corporate Social Responsibility Committee Dr Kush Parmar, Independent Director our newly co, opted Director Mrs Mania Borman, Independent Director Mr Nilanjan Roy, Independent Director Dr Vijay Kuchroo, independent Director and chairperson of the Science and Technology Committee. All directors are present at this AGM statutory auditors BSR and Company LLP and Secretarial Auditors V Sreedharan and associates have also joined this meeting. Meeting participation of members through video conference is being reckoned for the purpose of quorum as per the circular issued by the Ministry of Corporate affairs and pursuant to the provisions of section 103 of the Companies Act 2013 as the requisite quorum is present for the annual general meeting. I would like to call this meeting to order notice of the 31st Annual General Meeting and the annual report for FY 23- 24 were sent through email to all the shareholders whose email ids are registered with us or the depository participants in compliance with the circulars issued by the Ministry of Corporate affairs and Sebi as the notice has already circulated to the members, I take the notice as read today. There are three ordinary resolutions and two special resolutions proposed to be passed as set out in the notice of the AGM. The company has taken all necessary steps required as per the provisions of the Companies Act 2013 and the circulars issued by the Ministry of Corporate affairs to enable the members to participate and vote on the resolutions as set forth in the notice. Members who have not cast their vote through remote E voting and who are participating in this meeting will have the opportunity to cast their votes through the Insta poll facility provided by the company's RTA, K Fin tech Technologies Limited. I now call upon our company secretary, Priyadarshini to provide general instructions to the members regarding the participation in this meeting and on casting of votes through the Insta poll facility. Over to you Priyadarshini.

**Mrs Priyadarshini Mahapatra-** Thank you chairperson. Good afternoon, everyone. The members may note that this meeting is being held through video conference in compliance with the provisions of the Companies Act 2013 and circulars issued by the Ministry of Corporate affairs and Sebi facility to join the meeting through video conference or other audio-visual means is being made available to members on a first come, first served basis. All the

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members are kept on mute to enable a smooth flow of the proceedings of the meeting. The register all the statutory registers documents have been made available electronically for inspection by the members. Members who wish to inspect such documents can send their request to investor @syngeneintl.com as the AGM is being held through video conference, the facility for appointment of proxies by the members was not applicable and hence proxy register for inspection is not available. The company has received requests from a few members to register them as speakers at the meeting. Accordingly, the floor will be open for these members to ask questions or express their views. The moderator will facilitate the session once the chairperson opens the floor for questions and answers. It may be noted that the company reserves the right to restrict the number of members asking questions depending on the availability of time at the AGM. Now let me summarize the resolutions set out in the notice. There are three ordinary resolutions and two special resolutions placed before the meeting today seeking members approval as set out in the notice of the annual general meeting. The first three resolutions pertain to ordinary business. The first resolution proposed is on adoption of the audited standalone financial statements of the Company for the financial year ended the 31 March 2024 and the reports of the board of directors and the auditors thereon, and adoption of the audited consolidated financial statements of the Company for the financial year ended the 31 March 2024, along with the auditor's report thereon. The second item is on the declaration of the final dividend of Rs 1.25 paisa per equity share for the financial year ended the 31 March 2024. The third item of ordinary business is on the appointment of Mrs Kiran Mazumdar shaw as director who retires by rotation and, being eligible, seeks reappointment. Resolutions four and five are special businesses and are proposed as special resolutions. The fourth item pertains to the reappointment of Dr Kush Parmar as an independent director of the company for a second term of five years and the fifth item pertains to the appointment of Mrs Mania Borman as independent director of the company in compliance with the provisions of the Companies act and the Sebi regulations, the company has arranged for E voting facility for all the members holding shares in the company as on the cutoff date of July 17, 2024 through K fin Technologies Limited on all resolutions proposed at today's annual general meeting. The remote E voting period commenced on Friday, July 19, 2024 at 09:00 AM and was open till Tuesday, July 23, 2024, up to 05:00 PM. both days. Inclusive. Members who have joined us today for this AGM through the video conferencing facility and who have not exercised their voting rights during the remote E voting period can still cast their vote on all the resolutions as set forth in the AGM notice to the Insta poll facility provided by K fin Technologies Limited. Members may click on the thumb option below the screen to cast their vote on the resolutions. Mr V. Sreedharan, practicing Company secretary, has been appointed by the board as a scrutinizer for the E voting process. Upon submission of the report by the scrutinizer, the results of E voting and the Insta poll will be intimated to the stock exchanges within two working days of conclusion of this AGM and made available on the company's website and the website of K fin Technologies Limited, the company's registrar and share transfer agents, statutory auditors, Mrs. BSR and Company Limited, and secretary auditors, Mrs. V. Sridharan and associates have expressed unqualified opinion on their respective reports for the financial year 23- 24. The auditor's report on the financial statements of the company for the year ended March 31,

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2024 does not contain any qualifications, observations or adverse remarks on the financial statements or matters which have any material bearing on the functioning of the company. The statutory auditor's report on the standalone financial statements and the consolidated financial statements are available on page numbers 178 and 241 of the annual report, respectively. The secretary audit report is enclosed as an extra five to the board's report on page 94 of the annual report. As the auditor's report are already circulated to the as a part of the annual report, we take the auditor's report as read. I now request Kiran to address the shareholders.

**Mr Kiran Mazumdar Shaw-** Thank you. Priyadarshni, Good afternoon, ladies and gentlemen. I'm delighted to have the opportunity to engage with so many of our shareholders together with Jonathan and Sibaji, our CEO and CFO respectively, and all the other members of the board who are in Bangalore today. We look forward to answering your questions later in the call. I'm pleased to report that our company has achieved steady growth despite the challenging environment that has impacted the entire sector over the past 18 months. Our broad spectrum of discovery, development and manufacturing capabilities, combined with strategic investments made in recent years have contributed to this resilient growth. We have remained focused on delivering projects reliably for clients while ensuring compliance with global regulatory demands. In November 2023, we celebrated the 30th anniversary of Syngene founding, starting with a handful of scientists at the Biocon campus. Our vision was to build a research and development organization capable of delivering cutting edge scientific innovation for global clients. Today, that vision is a reality and we have not stopped there. We have invested in building manufacturing facilities for small and large molecules, which gives us the ability to deliver speed and efficiency to our clients from a fully integrated approach which takes a molecule from early discovery to delivery of commercial volumes. Our clients list, encompassing a complete spectrum of companies from small and medium Biotech to the biggest pharma companies, is commendable. We provide solutions to clients in the pharmaceutical, biotechnology, nutrition, animal health, consumer goods and specialty chemical sectors, earning a reputation for delivering patentable ideas that improve efficacy, efficiency, speed and cost. Our financial performance for the fiscal year ended the 31 March 2024 was robust. Revenue from operations increased by 9% to Rs 3,489 crores, resulting in a profit after tax before exceptional items up 12% to 519 crores. A highlight of the year was the acquisition of a biologics manufacturing facility from Stelis Biopharma, providing capacity for growth in an expanding market. This highly automated facility is being repurposed and re qualified and is on track to be operational in the second half of the current fiscal I'm equally pleased to report a significant milestone in our nonfinancial performance with our commitment to 10year, science-based targets SBTI as part of our sustainability journey. This will involve reducing greenhouse gas emissions across all our operations and we will expect our suppliers to make commitments to reduce their emissions as well. Achieving these targets will require our scientists and engineers to think and plan differently. However, over the long term, the company will be more efficient and leave a smaller footprint on the planet, a smaller carbon footprint on the planet. We firmly believe that this is the only responsible approach to respect the needs of generations to come. We continued to invest in our communities through

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meaningful CSR initiatives. This year we contributed to the funding for the construction of the Indian Institute of Sciences Postgraduate Medical School and Hospital in Bengaluru. We also supported the new Bengaluru metro, which will alleviate traffic around our Bangalore campus once it opens. Apart from contributing to greening of our planet. To mark our 30th anniversary, we significantly extended our science quiz Inquisitive with 7500 students from 150 schools in Bengaluru, Mangalore, and Hyderabad participating. Our employees are at the heart of our work and we continue to invest in their professional growth and wellbeing. During the year, we updated our employment policies to align with the industry best practices and reflect the way our employees want to work. Today, we have also reviewed our leadership development plans to ensure that we are preparing the next generation of leaders for the demands of future roles. In closing, I would like to express my gratitude to all St. Jean employees for their contribution to our clients' projects and for the benefit they deliver to people, animals and patients everywhere. And I would like to recognize our executive team for the leadership they have provided while navigating external challenges. As I mentioned, all our board members are present today participating in this meeting. So let me take this opportunity to thank them for their sound counsel and unwavering support throughout the year. At this point, I would like to take a moment to acknowledge and express our deepest gratitude to a valued member of our board, Paul Blackburn, who will be stepping down from his position on July 23, 2024. Paul has been an integral part of Syngene Board for the past eight years. He has also served as the chairman of our audit committee. Paul's insights and expertise have been invaluable in guiding Syngene through a period of significant growth and transformation. On behalf of the entire board and the Syngene family, I extend our heartfelt appreciation to Paul for his remarkable service and leadership. Finally, let me extend my thanks to all of you for continuing to support our company. Syngene is playing a vital role in advancing medical science in collaboration with our global clients. From the quality of our science and the global standards that we meet to the values that we embrace, our company makes a difference to lives everywhere and in doing so, showcases the meaningful role that India can play on a global stage. On behalf of the board of directors, I wish you a safe and prosperous year ahead. Thank you. I now request Jonathan Hunt to address the shareholders on the company's performance during FY 23- 24.

**Mr Jonathan Hunt-** Thank you, Kiran. Good afternoon. Let me add my warm welcome to all of our shareholders. I'm particularly delighted to be speaking to you today from our campus in Bangalore. It sits at the very heart of all of our scientific operations. So, reflecting on the last year, I'm pleased to report another successful year of science and innovation and share the progress we made throughout the year. Despite a challenging environment, the company continued to pursue its strategic goals, invest in developing people, as well as building the facilities and capabilities that we're going to need to drive future growth. And as Kiran mentioned in November, we were very proud last year to celebrate three decades of scientific excellence. Our journey began, as you know, in discovery science and has expanded to now cover the full range of development and manufacturing services delivered from three campuses here in Bangalore, Mangalore and Hyderabad. And these investments have enabled us to offer a broad range of integrated services, saving valuable time and delivering efficiency

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for our clients as they strive to deliver new medicines to patients around the world, as our client centric ethos has fostered these enduring partnerships. And it's exemplified, I think, with the 10year manufacturing agreement with Zoetis, which we signed in July of 22, and that built upon eleven years of prior research collaboration with them. And of course, the 27year relationship we have with Bristol Myers School through our dedicated facilities that we run on behalf of them here in Bangalore is a real testament to that customer centricity. Several years ago, we made a strategic decision to invest further in the development and manufacturing and creating a more balanced business with two growth engines, contract research services, known as CRO on the one hand, and contract development and manufacturing the CDMO for large and small molecules. These businesses have different dynamics in terms of the longevity of contracts and the nature of the equipment and skills required, and the balance of them gives us great stability. Combined, they help us to align with our pharma clients to deliver a streamlined end to end service with all the benefits that offers in terms of speed and extra efficiency. So let me turn now and focus on some of the highlights of the past year. As Kiran already mentioned, the biologics manufacturing facility we acquired from Stelis Biopharma. This acquisition will bring forward our growth plans for this business at a time when there's a shortage of biologics manufacturing capacity in the world and we're well on track to start operating in the second half of this financial year. To complement the new biologics site, we've set up a digitally enabled quality control laboratory using the very latest technology that's among the most modern that you'll find anywhere in the world. And we've commissioned a facility for purifying and separating chiral and highly potent APIs. And in Hyderabad, at our Hyderabad campus, we established a state of the art, compound management facility which will act as the central repository for all of the compounds that we work on at Syngene. Conscious of the need to plan ahead, we acquired 17 acres of land in Genome Valley in Hyderabad and that's adjacent to our current campus and that'll allow us to accommodate future growth. And finally, we marked an important milestone with the receipt of us FDA approval of the API manufacturing facility in Mangalore, adding to the approvals from the US, European and UK regulatory authorities for our Biologic's facilities. We never take for granted any regulatory approval and despite our long experience and our teams prepare meticulously on every occasion. So, we were very pleased that this approval went smoothly. So, looking ahead, we're encouraged by more positive signals in the global outsourcing market. The dip in us biotech funding has undoubtedly impacted many, but we believe it we're coming to an end of this rough patch. Biotech funding's resumed and over the coming months we expect to see that funding driving outsourcing demand, which will be a benefit for companies like Syngene. We're optimistic about the opportunities that are arising from the shifting dynamics of China. We're seeing new clients placing pilot projects with us prior to shifting work away from their current Chinese partners. These projects will be pivotal in driving growth over the next five years and were very focused on winning our share. All in all, we anticipated a slow start to this year with momentum building in the second half and we continue to believe that's going to be the case. In closing, I'd like to add my thanks to the Syngene team. I know just how hard they work to deliver great work for our clients every day and thanks to you, our shareholders, for your support. My executive team and I are committed to delivering on our plans and we believe that we're on the threshold of a new phase of growth for the company.

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So, thank you.

**Mrs Priyadarshini Mahapatra-** Thank you Jonathan. Dear members, before proceeding with the question-and-answer session, we would request you to kindly bear in mind a few points while participating during the session. Kindly unmute yourselves before you proceed to ask your questions, please mention your name and demat credentials. Each shareholder will have two minutes for his or her questions, hence request you to keep your questions brief and specific. I will now request the moderator to facilitate the question-and-answer session. Moderator, please.

**Moderator-** Thank you madam. We have total 13 members registered as speakers for this particular AGM. The first registered speaker whom we are going to call is Mr Mukesh V Ajmera from Bangalore. May I request Mr Mukesh to unmute yourself Switch on your camera and speak please.

**Mr Mukesh V Ajmera-** Am I audible?

**Moderator-** Yeah, you are audible. Sir, you can proceed with your question please.

**Mr Mukesh V Ajmera-** Namaste and good afternoon to Mrs Kiran Mazumdar Shaw. It's a delight to be a first speaker and meeting you annually. I wish we were meeting personally also, which is now history for last three, four years. If you can convert this into a hybrid format which many shareholders and speakers have been demanding from different cities. Namaste to all the other directors, Mr Paul, who is retiring this year and welcoming the new directors, Mr Balaji and the new company secretary. Is it? I'm missing my friend John, whom I'm remembering this time. He was such a beautiful person. And when we used to meet physically in your auditorium, it was a delight to be with him even for a few minutes.

**Mrs Kiran Mazumdar Shaw-** thank you, Mukesh,

**Mr Mukesh V Ajmera-** Yeah, thank you, Kiran I'm very impressed by the company's sustenance for last 30 years. And we are such a beautiful company. We have so much going. But something that is distressing is why aren't we? Why aren't our shares doing so good in both the companies? Just now I saw the result of the company a few minutes back on the tv that it's not as good as it was expected. Though the company said that for the first quarter, this is what is in line and next quarter onwards, it will be better henceforth. One of my feelings, I don't know how good or right it may be that most of our business comes from US, Europe, Japan and other places. India is also a very huge pharmaceutical hub and I feel our presence within India seems to be a little low. Can we not improve on that? And maybe that would be related to the performance of the shares as well. I don't know what the correlation could be. Just I'm thinking aloud. And also, there is a lot of advents happening in Ayush ministry and you know, the traditional ayurvedic medicine. Ultimately the compounds are all the same, whether for allopathy and the chemical based, you know, medicines versus the original ayurvedic. So, is it something we can explore in terms of getting involved into that as well? Along with the government of India, I'm just making my thoughts aloud. Also, we have been. Recently I got

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the annual report from Syngene which distressed me because some 45, 50 search annual reports is equivalent to 1,3. And last couple of years the new trend is to all the speaker shareholders is being sent. Still, my request would be, I don't look at it and it turns out to be a wasted paper. Couple of months before the AGM, the company can have something like RSVP we have for functions and wedding and all that. Ask whoever the shareholders who want to have a physical copy. Only those many should be printed. Because with thousands of companies in India and thousands of speakers as well, if it is taken for granted that all speakers have to be sent physical copies, we are talking about once again, moving away from sustainable policies that we have. And personally also, I'm against that. So, I would urge you to take care of this henceforth, in future years. And madam, with your background, the corporate leader that you are, the government has allotted some additional funding for research. And I feel if India has to leapfrog into 2047 as a developed country, we have to have much more of research and innovation. And I personally feel it's not sufficient for the size of the country that we are unlike in many other countries in the west and in the US. And one other small request I have is perhaps it may not be related to this, but then this is I'm thinking once again, on behalf of. There needs to be a national investors foundation. There are so many investors who are losing their own wealth, their family's wealth. I'm also a victim. My dear mother passed away almost 25 years ago and some other large companies shares I'm not getting in my name despite complying with Sebi and all of the regulators. And this is growing by leaps and bounds. Six lakh crores of public wealth is now lying in government coffers. Which is a shame for a country like ours when we can send a rocket to the moon on the dark side of the moon. Why can't we give relief to lakhs of investors whose darker lives will be better if these money come to them which belongs to them? But we are a victim of some old era systems and regulations and procedures. While our company is good, I appreciate we are one of the few companies who are investor friendly. There are so many companies which are not. So, you and some other concerned corporate leaders get together and if we can impress upon the prime minister who is concerned about these kinds of issues, it will make a huge difference. That's all I would like to say. Thank you very much. Wish you all very good health and happiness in life.

**Mrs Kiran Mazumdar Shaw-** Thank you Mukesh bhai. I will try and answer all your questions. I think the Sebi has created the IEPF and I know it's very difficult to process all the applications. But certainly, I'm sure you know, people like you can also raise your voice and make sure that the government actually deals with these kinds of issues. And we on our part certainly will try and raise this issue from time to time. Now, when it comes to your suggestion of not printing so many annual general. I mean these annual reports. I completely agree with you. We will certainly take up your suggestion of only printing as many reports as people want, because you're right, we should not be, you know, we should be actually only dealing with e annual reports rather than printing so many. I'm completely in agreement with you when it comes to our overall business. I can tell you that there have been a number of macros, you know, economic impact on our business because of various geopolitical reasons. But we feel very confident that we will end the year well. So we had guided for a weak first quarter. In fact, we had guided for a fairly weak first half. But we expect the second half to be where the pickup

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will happen, and we hope to end in a much better way. I think Jonathan will also add to this, but needless to say that we are committed to being a very science led, research led company. So, as you know, the innovation fund is certainly something that, as you very rightly said, is required by a country like India to drive nonlinear growth. And that's exactly why I, the Biocon Group and Syngene are pursuing research, innovation and science in such a cutting-edge way. Overall, I think we are very confident that we have invested in all the right areas. We have invested significantly in creating world class research laboratories, manufacturing facilities, and Syngene is very differentiated because it has a fully integrated model from lab to large scale manufacturing, both in small molecules and biologics. So, I think we are very confident that we will continue to lead this sector from India. Thank you.

**Mr Jonathan Hunt-** Thank you. I could maybe pick up one or two other points. I think Kiran's covered the business dynamics very comprehensively. You mentioned one or two other things. The ayurvedic medicine, I think, is a super idea, not something that our western clients have really demanded. But I'll take that back into our R and D group and discuss it. Definitely worth looking at the other bit you've mentioned more if I broaden your comment about annual reports, paper based versus digital, I'm looking at Priyadarshini, where now the vast majority of people take the digital form.

**Mrs Priyadarshini Mahapatra-** Yes, we print only limited versions,.

**Mr Jonathan Hunt-** so, we are there very happy to see more people going for the digital ones. More broadly, on sort of environmental issues, we plant a lot of trees through our CSR activities. We've planted thousands of trees over the last year as part of the greening of the planet and carbon capture. So, you can be rest assured that certainly we're planting more trees than we're taking down in our AGM public publications. And then the other part, I would say really the big area for us on that environmental is around the type of power that we use and where it comes from. So, you've seen us invest a lot in recent years into solar power and renewables. And I'm delighted to say that across the whole company our total power consumption is now up in the mid-eighties, and here in this campus in the mid-nineties is renewable solar power and other forms of renewable. So really good and good business as well because it's. It's actually more cost effective than carbon generated electricity as well as being a lower environmental input. So, thank you.

**Moderator-** Thank you madam. Thank you, sir. Can we move on to the next speaker please?

**Mrs Priyadarshini Mahapatra-** Yes please.

**Moderator-** Yeah. Thank you, madam. Next registered speaker is Aspi Bamanshaw Bhesania from Mumbai. May I request Mr Aspi to unmute yourself Switch on your camera and speak please. Mr Aspi Bamanshaw Bhesania. Mr Aspi Bamanshaw Bhesania from Mumbai. As there is no revert from Mr Aspi we will move on to the third speaker of the day. Yusuf Yunus Rangwala. May I request Mr Yusuf Yunus Rangwala to unmute yourself. Switch on your camera and speak please. Mr Yusuf Yunus Rangwala. As there is no response from Mr Yusuf we will move on to the next speaker. Celestian Elizabeth Mascarenhas. May I request Mrs Celestian

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Elizabeth Mascarenhas to unmute yourself Switch on your camera and speak please.

**Mrs Celestian Elizabeth Mascarenhas-** Hello. Hello.

**Mrs Moderator-** **Kiran Mazumdar Shaw-** Yeah, yeah, we are ready to hear you ma'am. You can proceed with your question.

**Mrs Celestian Elizabeth Mascarenhas-** Respected chair, visionary chairperson Mr Kiran Mazumdar, other members of the board, my dear fellow shareholders who are attending this BBC. I am Mrs CE Mascarenhas speaking from Mumbai. First of all, I thank the company secretary for sending me an annual report and also registering me as a speaker. And also, a big thank you for K fin tech for giving this platform where in this virtual we can associate ourselves. And we always prefer to have a virtual because from Bombay I can see you, I can dialogue, I can express my opinion. Thank you so much. Now annual report is full of information, fact speakers, self-explanatory. At the same time adhering to all the norms of corporate governance. Now I come to my queries. Of course, working is good and all even this market capitalization. Now my questions are on which platform our ESG is listed dedicated and what is our score number two how many R&D centres we have. Total staff averages and attrition level. What is the percentage of CDMO business to total business? How number? Next question is how much of AI generic AI cloud computing do we use in a stool and how much is the spend on it? What about the cyber security? Fourth is the highlight of the year was the acquisition of a biologic manufacturing facility from Stelis biopharma. We give our company growth and this facility is highly automated and which will be operational in the second half. My question is how much after operation it will add to our revenue. Any more acquisitions in the piping and what will be the capex for the next three years? We have next question. We have total of 8,146 workforce. New joiners are 1,047 average and now this budget says that the interns. Interns have to be taken by recruited honest typhoon and this typhoon will come from the CSR. So, I would like to know how much you will keep aside from the CSR for paying these interns. Please can you throw some light rest, I support all the resolutions. I wish my company all the best. Thank you for giving me this patient hearing. I think next speaker is Aloysius Mascarenhas. So, he will say two words.

**Mr Aloysius Mascarenhas-** Hello. Hello. Can I proceed? Can I.

**Mrs Kiran Mazumdar Shaw-** Yeah, yeah.

**Mr Aloysius Mascarenhas-** Okay. Good. Respected chairman, sir, very distinguished members of the board and fellow shareholders. Good evening to you all. My name is Aloysius Mascarenhas. I am happy to be a proud shareholder of this company and the growth of this company and the management of this company. The company is doing quite well and I would like to know who are my peers and competitors and the market shares and many questions have been asked by my predecessor. I don't want to repeat, I endorse most of the questions and I end my speech reaching you personally. All the board members and more importantly all the employees. All the very best in the days and years to come with this, sir. Thank you very

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much for patient hearing. Good luck and goodbye. Thank you.

**Mr Jonathan Hunt-** Thank you. Sibaji, I saw you scribbling away so keep me honest. If I forget any of the questions and prompt me in no particular order, but I'm going to start with a cybersecurity question that you had given that I think the whole world has focused quite a lot over the last weekend on cyber security with the CrowdStrike blue screen issue that we will have seen throughout the world something that actually did impact Syngene. We are a user of that CrowdStrike software, the Falcon software, I should say. By the way, it's a world leading platform. They had a very unfortunate event in rolling out an update that caused problems but it is genuinely recognized to be one of the best cyber defences as the world goes ever more digital as more and more of our work is done in the cloud, more of our interactions with our clients are done through cyberspace. We have to be ever more vigilant around that. So, an increasing amount of our budget goes in every year into maintaining those cybersecurity defences. Our track record has been very good, but it's not an area where we can afford to be under invested or ever complacent. So, we take that very, very seriously. We've reached ISO standards and routinely get it tested. We use external agencies to validate our cyber security, and we have an intensive program with many of our clients where their own cyber teams test and validate our approach to cybersecurity. But I think your question is right in putting it to the very forefront of our minds. You asked about numbers of R & D centres. We operate in India in three main cities. Here in Bangalore, Mangalore and in Hyderabad. From a research side, it's mainly in Bangalore and in Hyderabad. We opened up our first research centre in Hyderabad about two weeks before the global pandemic. It grew. We've added over a thousand scientists to that site in Hyderabad, and we're now on to phase four of its expansion. So, we have three big research buildings there and we're developing a fourth one here in Bangalore. We're split over one main campus and a couple of smaller satellite ones. And of course, Mangalore is the home for our API manufacturing. So, you can see now, and I know you've been a shareholder for a number of years, you'll have seen the development of the company from one campus in one city to now being spread throughout India. Wherever I there's a deep talent base and Bangalore and Hyderabad really are the places that lead on science in India. Capex, do you want to cover that? Sibaji the question was really around biologics, what next? As we bring that new Stelis facility online, it doubles and triples our install capacity, gives us headroom for growth. And then the capex budgets running what, 60 million.

**Mr Sibaji Biswas-** \$60 million. That's approximate 500 crores. That's the guidance we have given for the current year. We are perfectly on track on executing that capex. Broadly, the capex is being spent to expand our research facilities both in Hyderabad and Bangalore, to improve, to kind of add new capabilities. And also, a part of that money is being spent to kind of commission the biologics facility that we have acquired. Last year there was modifications, upgradations going on, and as you know, that later part of this financial year will be commissioning that. So that's broadly how the capex is being spent in the current year. Future, you ask for three years, future year. Capex will guide later in the, later in the year. But broadly, we'll follow our aspiration and we see a good growth in the future years coming. So, Capex

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will follow that aspiration.

**Mr Jonathan Hunt-** Thank you. I'll cover the question around peers and competitors. Was there anything else that we.

**Mr Sibaji Biswas-** Another question on how, what percentage of our business is now development and manufacturing. You know, we have gradually increased the share of development and manufacturing over the last one or two years as we got into commercial manufacturing. As of last financial year, close to 40% of our top line came from development and manufacturing. The rest is from research.

**Mr Jonathan Hunt-** Thank you. And then peers and competitors, they differ slightly between the CRO research part of the business and the CDMO manufacturing. But you've got a number of Indian companies that we compete with. I point to, I don't know, PSI, Aragen Jubilant and so forth. On the research side, I would say none of them are public companies. They're all privately held at the moment, and the vast majority of them are somewhat smaller than Syngene. But collectively, we represent an industry now in India that I think is emerging onto the global stage as we look at the geopolitics. And there's a piece of legislation in the United States called the Biosecurity act, which is prompting many companies to think very carefully about where in the world they partner and the geographical distribution of that. And we're starting to see a trend. It's building momentum this year. I think it'll run for the next two or three years with people moving work out of China and finding another place. India is right at the front of that. And I think Syngene is very well positioned as being one of the leading players. If we look more broadly, of course, there's a Chinese company, Wuxi Pharma, and all of their guises are very well known. And then there's a number of European and US companies that we compete with. And of course, the last one. And this is a little more counterintuitive, we, of course, compete with our clients own R & D and manufacturing departments and divisions because they have to be confident that we can do better than they can do in house. Better value, more capability, speed or cost. And we're seeing a decade long trend of more of that work being outsourced than staying inside organizations. Thank you.

**Mr Sibaji Biswas-** I think there was one more clarification which is required. There was a mention that interns' salaries are paid out of CSR. I want to clarify, none of our employee salary be interns or any otherwise is paid from.

**Mrs Kiran Mazumdar Shaw-** No, I think. I think Mr Mascarenhas asked whether or Mrs Mascarenhas asked whether, you know, we were. This is a new policy that the government is coming out with. They've actually looked at, you know, internships at large companies for creating and, you know, training job ready young people. And I think we still need to have a greater clarity on this policy. But of course, we will certainly support this policy in terms of internship and utilize our CSR towards such schemes. In the meantime, I think it will just be interesting for you to know that we have already spent this last year Rs 30 lakhs of on stem education of young people. So, I think that's something which we've done. And moreover, as

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you know, we also have the Biocon Academy which also provides, you know, a very comprehensive training program for young graduates and where we have 100% placement record for all of those who have graduated from or who have been certified by the Biocon academy. So, we are very keen on, on making sure that the youth in the biosciences area are well trained and they have good jobs.

**Moderator-** Thank you, madam. We will move on to the next speaker. Mr K. Sadananda Shastry from Bengaluru. Mr K. Sadananda Shastry. Yeah. As there is no response from Mr K. Sadananda Shastry, we will move on to the next speaker. Vinay Vishnu bhide from Mumbai. Mr Vinay Vishnu bhide. Mr Vinay Vishnu bhide. Also not joined. The next speaker is Vasudha Vikas Dhakve from Thane. Mrs Vasudha,

**Mrs Vasudha Vikas Dhakve-** please unmute me?  
**Moderator-** Yeah, yeah. Ma'am, you can speak.

**Mrs Vasudha Vikas Dhakve-** Very good evening, respected chairman, sir, board of directors and my fellow shareholders. Myself Vasudha from Thane. Opening speech given by the chairperson is also very informative and excellent. I would like to ask what is your next three years projection plan? Secondly, I would like to ask what is our attrition rate. with this I support all the resolution and wish the company all the best for coming financial years. And my best wishes for coming all the festivals during the month of Shravan and Bhadrapada. Thank you very much, sir.

**Mrs Kiran Mazumdar Shaw-** Thank you, madam. I will request.

**Mr Jonathan Hunt-** So, the outlook for the next three years. I think we covered some of it in the speeches. Clearly, we have a lot of enthusiasm and we see real potential in the biologic space as we bring on the Stelis facility. We're upgrading it. We're getting it up to the standards that we think are needed to be competitive globally. So, I think you can expect to see a lot more growth in the biologics area. That said, that doesn't mean to say that the other parts of the business, research services, they're also expected to grow. We're starting to see a renaissance, particularly in the us biotech sector. They've had a very, very tough 18 months or so as funding levels, new capital flows going into biotech from private equity and venture sources. Quite a tough 18 months for them. Just we started to see this year, so far this year, a return to more normal levels of investment that will now start to flow through into expenditure, which is really the shape of the year that we've described. So, I expect to see better performance in the second half of the year and that to be broadly distributed across the organization. But I think the biologics, both in development, in discovery and in manufacturing, is one of the areas that we're very excited about and we see good demand around the world. You mentioned attrition, I think was the other one. Like all organizations, our attrition rates went up throughout the pandemic period. I'm delighted to say we've seen them really come down a lot over the last twelve months. They're back down to much more normal levels. Of course, it depends by site, location, department and skillset, but they're back

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then in the twenties and dropping. That's from what was a much higher level during the pandemic. And that helps really stabilize the organization, helps our staff grow and really helps us deliver for our clients.

**Moderator-** Yeah, Thank you sir. We will move on to the next speaker. Rajesh Kevalram Chenani from Mumbai. Rajesh Kevalram Chenani. As there is no reward from Rajesh Kevalram Chenani, we will go to the next speaker. Prakashini Ganesh Shenoy, from Mumbai. Prakashini Ganesh Shenoy. Prakashini Ganesh Shenoy There is no answer from that side. We will move on to the next speaker. Badri Vishal Bajaj from Hyderabad. Mr Badri Vishal Bajaj, may I request you to unmute yourself, switch on your camera and speak please.

**Mr Badri Vishal Bajaj-** Yeah, I have opened an about this time. Yeah. Are you able to see me?

**Mrs Kiran Mazumdar Shaw-** Yes, please go ahead.

**Moderator-** You can ask your question. Sir, I think there is a technical problem. You can.

**Mr Badri Vishal Bajaj-** Yeah, yeah. Madam. Good Applause to the board and just. It is what you call K Fintech's inability to manage a virtual meeting. That is clear because my video is not able to start though.

**Mrs Kiran Mazumdar Shaw-** No, we can see you **Mr**

**Badri Vishal Bajaj-** but I'm. Not there on the screen. I am not there. What is the fun? Why you are.

**Mrs Kiran Mazumdar Shaw-** No, no, you are there. We can see you on the screen.

**Mr Badri Vishal Bajaj-** Yeah. Correct now. Correct. Yeah. Now I am thankful to Priyadarshini madam for their followers on the speaker shareholder meeting and the further information given to us. Chairman sir, several questions of- Elizabeth madam. And it is really informative but basic server specific information on the company, on the finances, on the return on capital. I just put your data as per the annual report which says that return on equity for the past three years. Return on equity on past three years is flat. And your market cap. Market cap where as a shareholder my investment is there. My relation to Syngene is as a shareholder company grows and my money grows. Am I correct? Suppose as a shareholder my money is invested so that the company grows and I get better market cap in realization of my capital appreciation. But it is just 30,000 crores for the past three years. And one only appreciation is borrowing is reduced. You have reduced the borrowing. Now managing director has presented that in Crams. You are busy in the Crams specialty. And they said in India, Syngene and no other companies are there. But I'll put it a company which is stationed in Hyderabad, run by young Turk. I can say young Turk brothers. They have got three plants and one R & D. All are near their limited area of 1 km. Their market cap for the past two years itself in camps only. It has gone to almost 50 times in two years. 50 times. I can give the name. It is new land lab. It is purely working for multinationals. It is purely working for multinationals around the world. They have the client, but they never expose the client. So when as a shareholder's value in a company, it grows, company grows, their marketing

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grows, research is added. It gives a fruitful reward to the shareholder. But I wish to know what are the limitations which has caused you that for the past three years your market cap, your return on equity or turnover or margin, they are almost flat. So, what is the hope? Even the first quarter results. Just now I have seen in other shareholders of presented that is also in a negative way. Though you are assuring that second half will be better. So, all this gives a figure that my company is in stagnation. Though you are committing forward looking assurances. Are there one thing. Second thing is funny thing is K Fintech. They are working for virtual conference or audio visual. They should know in their system that who are the speaker shareholders who are logged in. Who are the speaker shareholders, they are logged in. Instead of that they are asking are you connected? It is other way it is a failure on K Fin tech, second thing is when it is a virtual meeting, audio visual meeting there should not be any mention about Bombay, Delhi, Hyderabad and all anybody can attend the AGM and join the meeting put their expressions or views and all so K Fin tech, is almost a failure for such meeting that is what I submit so I need your future guidelines and why the company is stagnant and what is the future growth and again I thank Priyadarshini and madam for their nice communication till the AGM is being conducted thank you.

**Mr Jonathan Hunt-** Thank you maybe a couple of comments savage, if I look at you, if you could the financial metrics I would make one comment alongside being a managing director, board member and CEO I'm also a shareholder so I'm absolutely with you sir if we can create more value we should and I've got the same investment as you have in the success of the company and I think that's true for all of the management team I'm not quite sure I followed all of your maths but let me tell you what my numbers say on a two year view, our share price is up 22% if you'd have invested at IPO, if you'd have been with us throughout the journey, you'd have seen a share price growth CAGR five times but a 19% CAGR that outpaces the Nifty, outpaces the Nifty pharma index but I'm never going to sit here and say that's enough. Of course, we can do better and that's what we're committed to every day. But do you have some of the financial metrics?

**Mr Sibaji Biswas-** now, I think thanks Jonathan and appreciate the question Jonathan, you were right. Last two years our share price grown have grown over 20% let me address the return on capital or return on equity point that was raised that's the metrics derived from the P & L and we as a company are in a growth phase and we are investing in capabilities, in infrastructure and those two create a charge on the P & L and the revenues from that come with a bit of a delay. So hence as a result the return on equity is flat but its planned is by design and it's for preparing the company for a stronger growth path, we completely are confident that the money that we are spending in expanding our capabilities and in our investment, infrastructure will put the company in a strong growth path which will create shareholder value and as Jonathan said, both of us are shareholders. We also look forward for creating more shareholder value thank you.

**Mr Jonathan Hunt-** Thank you.

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**Moderator-** Thank you, sir. We will move on to the next speaker, Prajwal Singh Sahani. Mr Prajwal Singh Sahani. Yeah. As there is no response from Mr Prajwal Singh Sahani. The last speaker of the day. Sushma Chanda. Sushma Chanda. Yeah. As there is no response from Sushma Chanda as well. So, with this, we wrap up all the questions from the speakers. Now the dais is given back to you, madam. Thank you.

**Mrs Kiran Mazumdar Shaw-** So with this, we conclude the question-and-answer session. I would like to thank all the shareholders, directors and other invitees for attending the 31st annual general meeting. Thank you. The meeting now stands concluded. I would request the directors to kindly log out. Members may note that the E voting facility through Insta poll will be available for the next 15 minutes on the K Fin Technologies Limited website. Thank you very much. And ನಮಸ್ಕಾರ.