

## Press Release

### Syngene reports second quarter results

- Revenue from operations increased sequentially by 13% to Rs. 891 crores, down 2% year-on-year
  - First half FY25 revenue was broadly flat, in line with our guidance, at Rs. 1,681 crores

**Bangalore, October 23, 2024:** Syngene International Limited today announced its second quarter and half year financial results. Revenue from operations increased sequentially by 13%, down 2% year-on-year to Rs. 891 crores, down 3% on constant currency basis. Reported profit after tax, after exceptional items, for the quarter was down 9% year-on-year to Rs. 106 crores.

For the half year ended on 30<sup>th</sup> September 2024, revenue from operations was down by 2%, around 4% decline in constant currency, and reported profit after tax after exceptional items was down by 13% to Rs. 182 crores compared to the same period last year.

Commenting on the quarter, **Jonathan Hunt, Managing Director and Chief Executive Officer, Syngene International Limited**, said, *“Performance in the second quarter and first half of the year was broadly flat, in line with our expectations. I am pleased with the early positive signs of recovery in Discovery Services, largely driven by collaborations on pilot projects with large and mid-sized biopharma clients looking for alternatives to China to rebalance their supply chains.*

*I am also encouraged to see healthy interest from clients in biologics. We have proven capabilities in biologics and additional manufacturing capacity coming online in the second half of the year. With a strong third quarter already underway, we expect to see a positive change in revenue trajectory in the third quarter and remain on track to deliver within our guidance range for the full year.”*

**Sibaji Biswas, Executive Director and Chief Financial Officer, Syngene International Limited added,** *“With improving sequential revenues, our operating EBITDA margin came in at 27% for the quarter compared to 22% in the first quarter and broadly within range year-on-year. With recent investments in the research and CDMO businesses, we are in a good position to leverage opportunities to drive medium to long-term growth. The Company maintains a robust balance sheet with strong net cash position, enabling us to invest in strategic areas including digitization, commercial capabilities and new technology to support growth.”*

## **Q2 FY25 Financial Highlights** (All numbers are in Indian rupees in Crores except margins)

	<b>Q2 FY24</b>	<b>Q2 FY25</b>	<b>YoY Change (%)</b>
Revenue from operations	910	891	-2%
Reported Revenue	932	908	-3%
Reported EBITDA	276	261	-5%
<i>Reported EBITDA margin (%)</i>	29.6%	28.8%	
PAT before exceptional item	122	106	-13%
<i>PAT Margin (%) (before exceptional items)</i>	13.1%	11.7%	
PAT after exceptional item*	117	106	-9%

*\*Note: Exceptional item (net of tax) in FY24 pertains to transaction costs relating to the acquisition of the biologics manufacturing facility of Stelis Biopharma Limited.*

## **H1 FY25 Financial Highlights** (All numbers are in Indian rupees in Crores except margins)

	<b>H1 FY24</b>	<b>H1 FY25</b>	<b>YoY Change (%)</b>
Revenue from operations	1,718	1,681	-2%
Reported Revenue	1,763	1,715	-3%
Reported EBITDA	511	449	-12%
<i>Reported EBITDA margin (%)</i>	29.0%	26.2%	
PAT before exceptional item	215	161	-25%
<i>PAT Margin (%)</i>	12.2%	8.7%	
PAT after exceptional item*	210	182	-13%

*\*Note: Exceptional item (net of tax) in FY24 pertains to transaction costs relating to the acquisition of the biologics manufacturing facility of Stelis Biopharma Limited.*

## **Business updates**

Syngene continued to receive healthy interest from clients, including increased requests for proposal (RFPs), on-site visits and more than 60 audits in the first 6 months of the year, a 36% increase compared to the same period last year.

The second quarter was underpinned by positive signs of recovery in Discovery Services, largely driven by pilot projects from large and mid-sized biopharma clients looking for alternatives to China. In anticipation of increased demand in the long term, the Company continues to add

capacity and capabilities in Discovery Services at its Bangalore and Hyderabad campuses in areas such as antibody-drug conjugates, peptides and oligonucleotides.

Development and Manufacturing Services was led by sustained delivery in biologics manufacturing and a higher number of process development projects compared to last year in small molecules. Syngene progressed with repurposing the biologics manufacturing facility (Unit III) acquired in December last year. The facility remains on track to commence operations in the second half of this financial year. In addition to single-use bioreactors, the plant includes a development suite for the clinical supply of drug substances and two high-speed vial filling lines. Once operational, the facility will offer plug-and-play manufacturing platforms, which can be customized and tailored to meet customer needs.

### **Guidance**

We expect to remain on track to deliver within our guidance range for the full year.

### **Leadership Changes Announced**

Syngene announces the following key leadership changes:

**Sibaji Biswas, Executive Director and Chief Financial Officer** of Syngene International has submitted his resignation and will leave the company to pursue other career opportunities.

Sibaji joined Syngene in December 2019 as Chief Financial Officer and has established himself as a well-respected member of the Executive Committee with a deep understanding of finance, strategy, and business. Sibaji will leave Syngene and step down from the Board on November 30, 2024.

Syngene is pleased to announce the appointment of **Deepak Jain** as **Chief Financial Officer** with effect from 1st December. Deepak joined Syngene in September 2024 from Ather Energy, where he led the company to significant revenue growth over four years as the Chief Financial Officer. Prior to that he was the India CFO for First Advantage and for Apple. He was part of the team that led Apple's expansion in the India market. He has also held leadership roles at Procter & Gamble, and Ernst & Young India.

Deepak has over 25 years of experience managing multi-location operations and transactional revenues. He has successfully led business growth strategies and is skilled in process

engineering, distribution modelling, sales finance, tax compliance, and finance controlling across various regions and organizational structures. Deepak is a Chartered Accountant with a Bachelor of Commerce Degree from Calcutta University.

Consistent with the significant importance that Syngene places on scientific leadership, innovation and excellence and to further strengthen this position, **Jayashree Aiyar is appointed Chief Scientific Officer (CSO)** and will join the Executive Committee with immediate effect.

Jayashree joined Syngene in 2016 as VP and Head of Discovery Biology. Under her leadership, Syngene has significantly strengthened its capabilities in small and large molecule discovery including in targeted degradation, bispecific antibodies, ADCs and cell and gene therapy services.

Jayashree holds a PhD in Immunology from the All India Institute of Medical Sciences, New Delhi. She pursued her post-doctoral research at the California Institute of Technology and the University of California at Irvine. She has over 25 years of experience as a molecular pharmacologist and has led drug discovery projects in global organizations like AstraZeneca, Merck, Ambrx and Theravance in the US and Jubilant Biosys in India. Jayashree has more than 30 peer-reviewed publications and book chapters to her credit and two issued patents.

In her new role as the CSO, Jayashree will play a pivotal role in driving our scientific strategy and innovation in Research and Development as well as strengthen academic and industry collaborations, thus ensuring that Syngene continues to lead with cutting-edge solutions for our clients.

We wish Sibaji continued success in the next phase of his career and congratulate both Deepak and Jayashree on their significant appointments.

### **Earnings call**

Syngene will host an investor call at 2.00 pm IST on October 24, 2024, where the senior management will discuss the Company's performance and answer questions from participants. Please dial the numbers provided below ten minutes ahead of the scheduled start time to participate in this conference call. The dial-in number for this call is +91 22 6280 1279/ +91 22 7115 8180. Other toll numbers are listed in the conference call invitation which is posted on the Company website [www.syngeneintl.com](http://www.syngeneintl.com). The operator will provide instructions on asking questions before the start of the call. A replay of this call will also be available on the website and

until 31<sup>st</sup> October 2024, on +91 22 71945757, Playback ID: 00382. We will aim to post the transcript of the conference call on the Company website within seven working days of the investor conference call.

## **About Syngene**

Syngene International Ltd. (BSE: 539268, NSE: SYNGENE, ISIN: INE 398R01022) is an integrated research, development, and manufacturing services company serving the global pharmaceutical, biotechnology, nutrition, animal health, consumer goods, and specialty chemical sectors. Syngene's more than 5600 scientists offer both skills and the capacity to deliver great science, robust data security, and world class manufacturing, at speed, to improve time-to-market and lower the cost of innovation. With a combination of dedicated research facilities for Amgen, Baxter, and Bristol-Myers Squibb as well as 2.2 Mn sq. ft of specialist discovery, development, and manufacturing facilities, Syngene works with biotech companies pursuing leading-edge science as well as multinationals, including GSK, Zoetis and Merck KGaA. For more details, visit [www.syngeneintl.com](http://www.syngeneintl.com) For the Company's latest Environmental, Social, and Governance (ESG)report, visit <https://esgreport.syngeneintl.com>.

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