



# Syngene

Putting Science to Work

EARNINGS RELEASE

Q1 FY 2019-20

## Syngene announces Q1 FY20 results

**Revenue up 4% to Rs. 441 Cr, Profit After Tax increases 9% to 72 Cr; Dr. Mahesh Bhalgat appointed Chief Operating Officer (COO), confirms opening of new Hyderabad Research Centre.**

Bengaluru, July 24, 2019: Syngene International Limited today announced its Q1 FY20 results.

The Company posted quarterly revenue of Rs. 441 Cr, an increase of 4% from the corresponding quarter last year.

Commenting on the results, **Mr. Jonathan Hunt, Chief Executive Officer - Syngene International Limited**, said: *“Q1 FY20 revenue grew 4% to Rs. 441 Cr. from Rs. 425 Cr in the corresponding quarter of FY19. The quarter saw continued steady growth in the Discovery Services and Dedicated R&D centres verticals. Growth in Development Services and Manufacturing Services was impacted by project phasing and is expected to pick up through the remainder of the year. Profit margins for the quarter remained steady and consistent with long term target ranges.*

*Continuing our strong regulatory compliance track record, we are pleased to announce the successful completion of a USFDA inspection of our Human Pharmacology Unit (HPU)*

*During the quarter, we were delighted to appoint Dr. Mahesh Bhalgat as Chief Operating Officer and look forward to benefitting from the extensive experience he brings to the company, especially in GMP manufacturing and biologics. Additionally, as part of our long-term growth strategy, we confirmed the expansion of our operations, with the setting up of a new research centre in Hyderabad. The facility is scheduled to be operational during Q2 this fiscal.”*

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### Quarterly Financial Highlights (All numbers in INR Cr except Margins)

	Q1 FY20	Q1 FY19	YoY Change (%)
Revenue	441	425	4
EBITDA	142	128	11
EBITDA Margin (%)	32	30	
PAT	72	66	9
PAT Margin (%)	16	16	

### Business Updates

Q1 FY20 business performance was driven by good growth in Discovery Services and steady performance in the Dedicated R&D Centre business.

During the quarter, the Company successfully cleared the USFDA inspection of its HPU facility in Bengaluru without any observations. This is Syngene's seventh successful USFDA inspection and reinforces the Company's commitment to ensuring the highest quality standards in its operations.

In order to meet the growing demand for its services, the Company has identified Hyderabad as the location for the next phase of R&D expansion. The Company evaluated various locations before finalizing on Hyderabad due to excellent infrastructure, availability of "turnkey" R&D facilities and extensive scientific talent pool. The facility is in the final stages of commissioning and is scheduled to be operational during Q2 FY20.

### Key Appointment:

Dr Mahesh Bhalgat was appointed as Chief Operating Officer with effect from July 1st, 2019. Dr Bhalgat has over twenty-five years' experience in biotechnology, biologics and vaccines and has worked across multiple areas of manufacturing, R&D, including analytical development, technology transfer, regulatory sciences, engineering projects, supply chain and quality. He holds a Ph.D. in Medicinal Chemistry from the University of



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Utah, USA and has experience across multiple industries including pharmaceuticals, biotechnology and agro chemicals. During his career, he has been associated with companies such as Amgen, Monsanto, Celera Genomics, Molecular Probes, Biological E, and was most recently COO, Executive Director and Site Head at Shantha Biotechnics, a Sanofi company.

### Earnings Call

The Company will conduct a 60-minute-long call at 3.00 pm IST on 25<sup>th</sup> July 2019 where the senior management will discuss the Company's performance and answer questions from participants. To participate in this conference call, please dial the numbers provided below ten minutes ahead of the scheduled start time. The dial-in number for this call is +91 22-62801279 / 71158180. Other toll numbers are listed in the conference call invite 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 till 5<sup>th</sup> August 2019 on +91 22 71945757, Playback ID: 02462. We will aim to post the transcript of the conference call on the Company website within seven working days of the investor conference call.

### About Syngene

Syngene International Ltd. (BSE: 539268, NSE: SYNGENE, ISIN: INE398R01022), is an innovation focused global discovery, development and manufacturing organisation providing integrated scientific services to the pharmaceutical, biotechnology, nutrition, animal health, consumer goods and specialty chemical industries around the world. Syngene's clientele include world leaders such as Bristol-Myers Squibb, Baxter, Amgen, GSK, Merck KGaA and Herbalife. Its innovative culture is driven by the passion of its 4000 strong team of scientists who work with clients from around the world to solve their scientific problems, improve R&D productivity, speed time to market and lower the cost of innovation. For more details, visit [www.syngeneintl.com](http://www.syngeneintl.com).

### Contact details

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**Disclaimer:** Certain of the statements that may be made or discussed at the conference call may be forward-looking statements and/or based on management's current expectations and beliefs concerning future developments and their potential effects upon Syngene International Limited ("Syngene") and its associates. There can be no assurance that future developments affecting Syngene and its associates will be those anticipated by management. These forward-looking statements are not a guarantee of future performance and involve risks and uncertainties and there are important factors that could cause actual results to differ, possibly materially, from expectations reflected in such forward-looking statements. Syngene does not intend, and is under no obligation, to update any forward-looking statement made at the conference call.