

Transgene Biotek commences commercial production of DHA

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Transgene Biotek today announced the commencement of commercial manufacturing operations of DHA, an Omega-3 fatty acid used as a nutraceutical product in health foods and supplements. DHA is the first among a portfolio of APIs that the company intends to put into commercial manufacturing in the near future. Transgene has entered into an agreement to manufacture DHA at a third party facility where production will be ramped up over the coming months to optimal capacity.

DHA is one of a small group of Omega-3 fatty acids known as Essential Fatty Acids (EFAs), termed because humans cannot synthesize these molecules directly and must therefore be consumed indirectly through diet. DHA (docosahexaenoic acid) is an Omega-3 fatty acid, which is known to have beneficial roles in heart and brain health, infant and child development, and in the treatment of inflammation amongst other health functions. The awareness surrounding the health benefits from Omega-3 inclusion in diets, either as supplements or in fortified processed foods, has grown exponentially over the last decade. GOED (Global Organization for EPA and DHA) currently values the Omega-3 market at US \$18.6 billion (Rs. 90,000 Cr), and yet demand still outstrips supply!

Simultaneously alongside the commercial production of DHA at third party facilities, Transgene is also undertaking an expansion of manufacturing capacity at the company's own Headquarters in Hyderabad, and is expecting to complete this expansion by the end of the current financial year.

In addition to the aforementioned API division, the company has an extensive and rapidly advancing pipeline of biotech products, including drugs against various cancers, vaccines against Auto-immune disorders such as AIDS and MS, and platforms that deliver protein and peptide based drugs by oral and transdermal routes. With potential out-licensing of specific products within this biotech portfolio, coupled with the impending revenues from our API manufacturing, Transgene estimates double-digit growth over the coming quarters as they harvest some of the seeds sown in recent years.