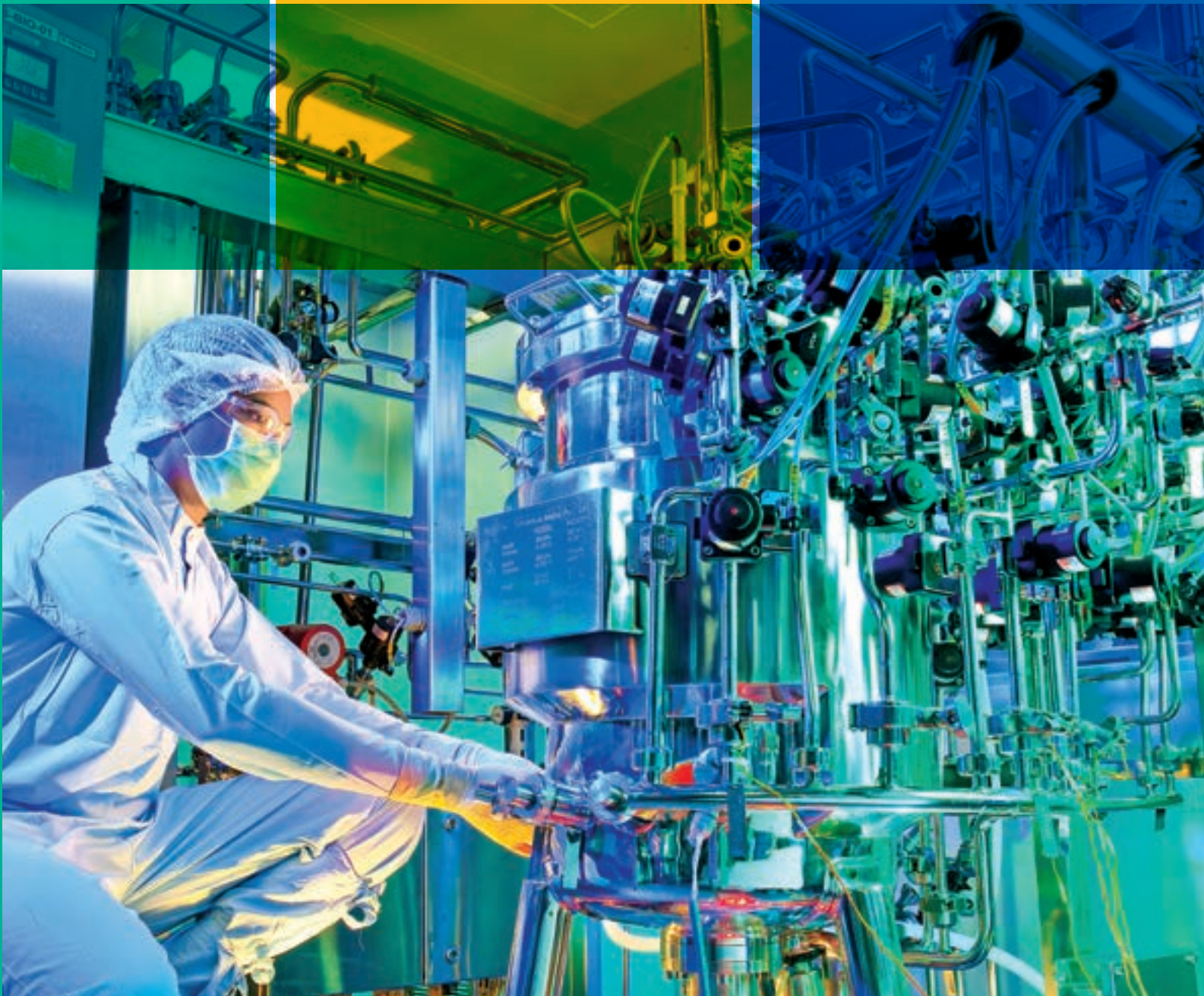


ANNUAL
REPORT
2017-18

DRIVING
INNOVATION.

DELIVERING
EFFICIENCIES.





About Syngene International Limited (Syngene)

Syngene is among the world's leading Contract Research Organisations (CROs), providing integrated discovery and development services for novel molecules across multiple platforms, including small molecules, large molecules, antibody drug conjugates and oligonucleotides.

We bring together state-of-the-art infrastructure and a highly experienced team of scientists to help R&D-focussed organisations achieve better research efficiency and reduce development time. We cater to global pharma companies as well as industry leaders in segments such as biotechnology, nutrition, animal health, consumer goods and specialty chemicals.

BSE code: 539268

NSE code: SYNGENE

ISIN ID: INE398R01022

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FY18 Highlights

Rs. 14,849 Mn

Revenue
17% ▲ Y-o-Y

Rs. 5,266 Mn

EBITDA
10% ▲ Y-o-Y

Rs. 3,054 Mn


PAT
6% ▲ Y-o-Y

USD 2 Bn

Market capitalisation
as on March 31, 2018

10%

Dividend payout



Our macro and micro strategies focus on innovation and cost-effective efficiencies to partner our clients in their complex research endeavours. We do this by harnessing the power of science, integrated infrastructure, advanced technology and teamwork.

We have developed significant expertise in managing large integrated collaborations and executing complex projects across multiple sectors.

Our emphasis on scientific innovation, operational efficiencies, quality and safety compliance, ethics and integrity differentiate us as one of the preferred partners for scientific services, attracting new clients as well as deepening our existing client relationships through successive renewals and expansion of contractual arrangements.

We see this as reflecting the high level of science we do for them and the deep impact we make on their business strategies.

Our value-creation model is deeply anchored in our ability to innovate and accomplish industry-next efficiencies to usher in profound and transformative impact in the lives of millions of people.

1.3 Mn Sq Ft.

World-class R&D
and manufacturing
infrastructure

3,540

Qualified scientists
(>85% Doctorate or
Master's degree holders)

316

Global clients
across multiple sectors

400+

Patents filed by our clients
with the support of our
scientists in the last five years

DRIVING INNOVATION

We are putting our science to work for developing innovative solutions that meet the R&D requirements of global organisations.

By constantly engaging with our clients to better understand their current and future requirements and gearing up our capabilities.

By offering 'one-stop' discovery and development solutions for complex projects that help us deliver value to clients.

By empowering our growing multi-disciplinary scientific talent pool, who bring their experience and expertise to elevate our innovation curve.

By investing in state-of-the-art research and manufacturing infrastructure; we have one of the largest campuses in India, with sophisticated equipment and facilities.

By developing comprehensive capabilities across therapeutic platforms and service models.



DELIVERING EFFICIENCIES

Our capabilities help us deliver efficiencies to global clients in an agile, flexible and cost-effective manner.

By expanding the scale and scope of our business, while at the same time extending our client collaborations.

By strengthening our systems and processes to ensure data confidentiality, data integrity and Internet Protocol (IP) protection.

By enhancing emphasis on quality of delivery and compliance with regulatory requirements at every stage of our operations.



SOLUTIONS THAT DRIVE LASTING IMPACT

Our track record of successful delivery of complex projects, process efficiencies, consistent innovation, turnaround times and enhanced productivity has helped us create significant impact for our clients.

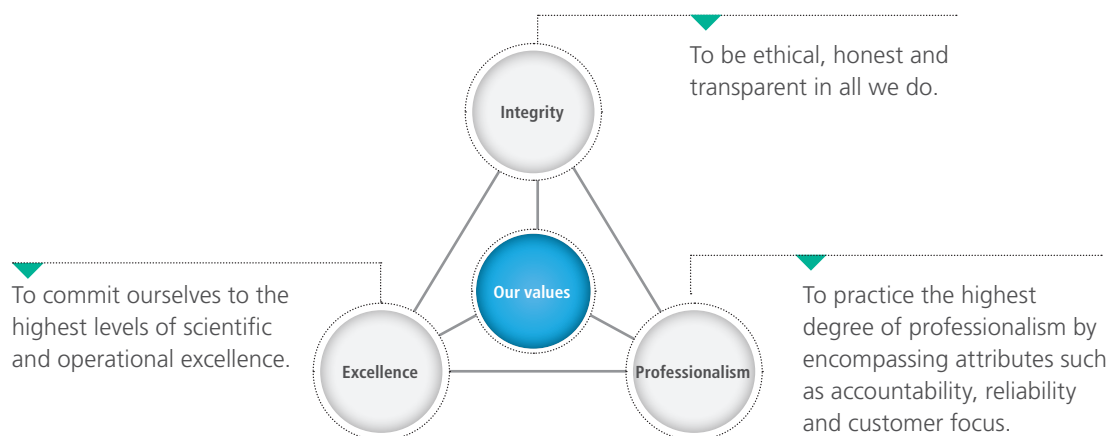
We are one of the world's fastest growing CROs, providing one-stop solutions to the global life sciences and other research-focussed industries. Our integrated capabilities help organisations conduct discovery (from hit to candidate selection), development (including pre-clinical and clinical studies, analytical and bio-analytical evaluation, formulation development and stability studies) and manufacturing (scale-up, pre-clinical and clinical supplies) under one roof with a distinctive economic advantage. We offer an attractive variable cost alternative to the traditionally fixed-cost, in-house, resource-intensive business model of R&D-focussed organisations.

Over the years, we have steadily enhanced our investments to build robust infrastructure and a strong scientific talent pool to remain ahead of the curve.

Our world-class facilities are certified with ISO 9001:2008, ISO 14001:2004, and OHSAS 18001:2007 certifications and have been audited by US Food and Drug Administration (USFDA), European Medicines Agency (EMA), Pharmaceuticals and Medical Devices Agency (PMDA) and major life sciences partners. Moreover, our animal health facilities are Good Laboratory Practice (GLP) certified by the Indian authorities and The Association for Assessment and Accreditation of Laboratory Animal Care International (AAALAC) accredited.

Our Vision and Values

To be a world-class partner delivering innovative scientific solutions.



Our Stakeholder Commitment

Customers

- ▲ To meet their current and future requirements by providing world-class talent, infrastructure and systems
- ▲ To deliver sustained quality and productivity
- ▲ To provide flexible and effective partnership models

Employees

- ▲ To ensure a safe and sociable working environment
- ▲ To offer work opportunities with high-performing teams
- ▲ To develop scientific, managerial and leadership skills and cultivate professional competencies

Society and Environment

- ▲ To safeguard the environment by reducing waste, controlling pollution and creating eco-friendly products
- ▲ To support community health and wellness programmes

Patients, Physicians and Providers

- ▲ To maintain the highest standards of ethics with regard to patient care
- ▲ To conform to best ethical practices envisioned for physicians and providers

The Syngene Advantage



Ability to adapt to industry-specific expertise

- ▲ Significant expertise in offering services to diverse industries



World-class offerings with India cost advantage

- ▲ World-class infrastructure, quality systems, scientific standards and productivity



Customisation of resources with flexibility

- ▲ Customised, dedicated resources with flexibility to up-or down-regulate



Ability to attract an experienced scientific talent pool

- ▲ Scientific talent pool with relevant expertise and experience



Variabilisation of resources

- ▲ Converting fixed R&D and manufacturing costs to variable costs for our partners



Recognised for Excellence

Best Bioprocessing Award 2018:

We won the Best Bioprocessing Excellence Award (India) at the Asia-Pacific Bioprocessing Excellence Awards 2018 held in conjunction with the 5th Annual Biologics Manufacturing Conference at Singapore. The Asia-Pacific Bioprocessing Excellence Awards celebrates outstanding bioprocessing people, organisations and technologies across the world.

World HRD Congress Award

2018: Our Company was awarded the 'HR Excellence – For Best Talent Management Strategy' at the 25th edition of the HR Talent Management Leadership Award organised by the HRD Management Committee of the World Human Resource Development Congress.

Healthcare Company of the Year

2017: We were conferred with the Healthcare Company of the Year Award for 2017 at the VCCircle India Limited Partners Summit 2018. We were assessed by a jury of industry veterans on a variety of qualitative and quantitative parameters such as financial performance, brand salience and management quality.

Bio Services Excellence Award

2017: Syngene won the Bio Services Excellence Award 2017 at the Bangalore Tech Summit. The Tech Summit was organised by the Department of IT and BT, Government of Karnataka, recognising disruptive technologies, path-breaking products and unique services.

Runners-up in the Best CRO Category at the World ADC

Conference 2017: Syngene won the Runners-up award in the 'Best CRO Category' at the 4th World ADC Awards organised at San Diego, US. The awards showcase the innovation, leadership and devotion shown by the best companies, teams and individuals in the industry.



1 Dr. Amit Jogi and Mr. Pravin Kumar Prajapati receiving the Best Bioprocessing Excellence Award.



2 Mr. Sebi Chacko and Ms. Preeti Nandakumar receiving the HR Excellence Award – For Best Talent Management Strategy.



3 Dr. Dhananjay Patankar receiving the Bio Services Excellence Award at the Bangalore Tech Summit.



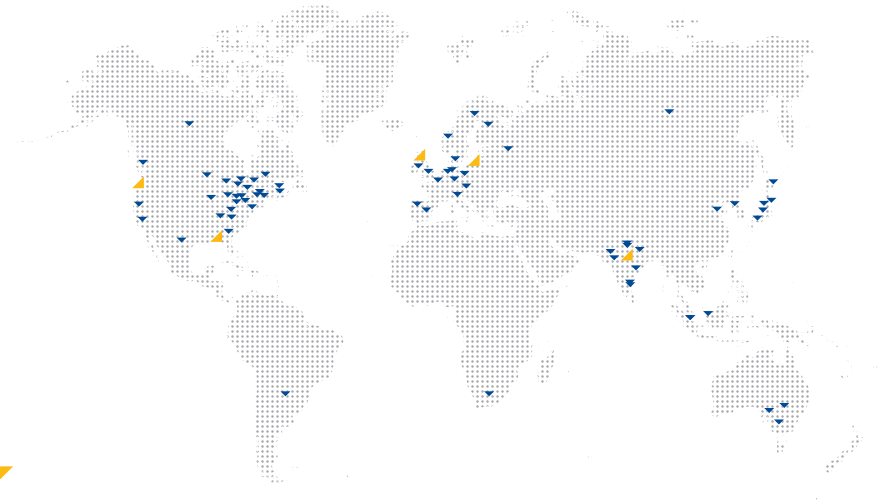
4 Dr. Satheesh Nagaraj and Dr. Priyaranjan Patnaik receiving the Runner-up award at World ADC Awards.

EXPANDING OUR GLOBAL FOOTPRINT

As a global player, we cater to clients spanning the US, Europe, Asia-Pacific and Australia.

We have appointed regional Business Development representatives in the US (East and West Coast), Ireland, Germany and India, enabling us to stay closer to our clients and facilitate better engagement.

We also incorporated a wholly-owned overseas subsidiary in the US (Syngene USA Inc.), which will provide a strong local footing in the US market and will allow our clients easy and local access to our business teams.

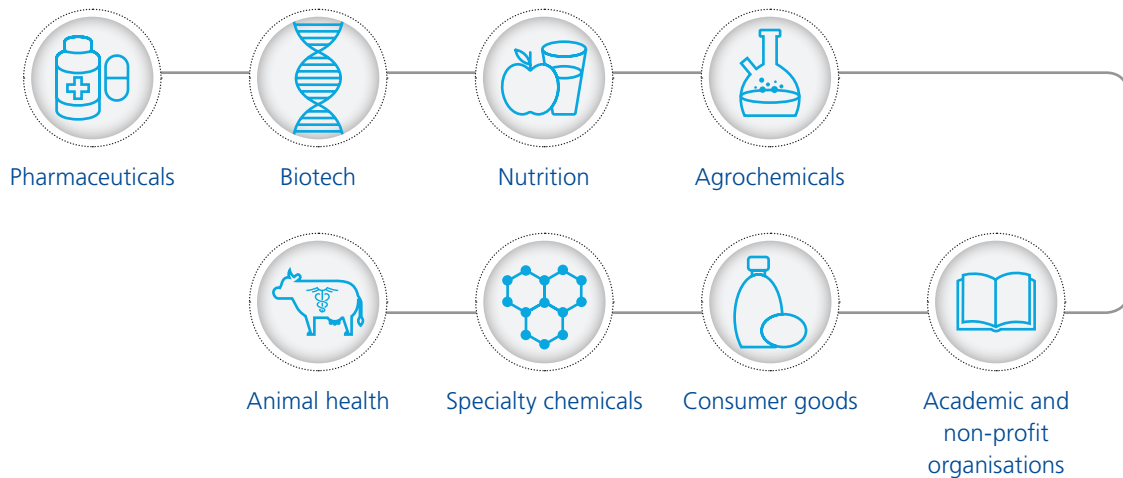


~96%

Clients are based outside India

▲ Regional Business Development representatives
▼ Client base

Wide Industry Coverage



MANAGING DIRECTOR'S MESSAGE TO SHAREHOLDERS



Kiran Mazumdar Shaw
Managing Director

Dear Shareholders,

As we endeavour to add value in research and innovation for our partners and customers, we are focusing on executing a strategy of differentiated services by expanding and strengthening our current range of capabilities.

FY18 delivered a strong performance for Syngene driven by an expansion of our client base as well an enhancement of our dedicated centres.

Through a combination of competency and capability building over the years, we have created sustainable value and laid a solid foundation for our long-term growth.

The global contract research industry continues to become ever more dynamic, with clients demanding not only the traditional range of high-quality, cost competitive services but are increasingly looking for more sophisticated, fully integrated research solutions, often delivered through a strategic partnership model. In meeting the needs of this growing and diverse customer group, Syngene continues to move up the R&D value chain, transitioning from providing simple, cost-arbitrage based offerings to complex, fully integrated services that deliver enhanced R&D innovation, with greater efficiency and at an operating cost that ensures real value creation.