

Suven Life Sciences Limited

February 2018



Safe Harbor Statement



Except for historical information, all of the statements, expectations and assumptions, including expectations and assumptions, contained in this presentation may be forward-looking statements that involve a number of risks and uncertainties. Although Suven attempts to be accurate in making these forward-looking statements, it is possible that future circumstances might differ from the assumptions on which such statements are based. Other important factors which could cause these statements to differ materially including outsourcing trends, economic conditions, dependence on collaborative partnership programs, retention of key personnel, technological advances and continued success in growth of sales that may make our products/services offerings less competitive; Suven may not undertake to update any forward-looking statements that may be made from time to time

Table of Contents



1



Company Overview

2



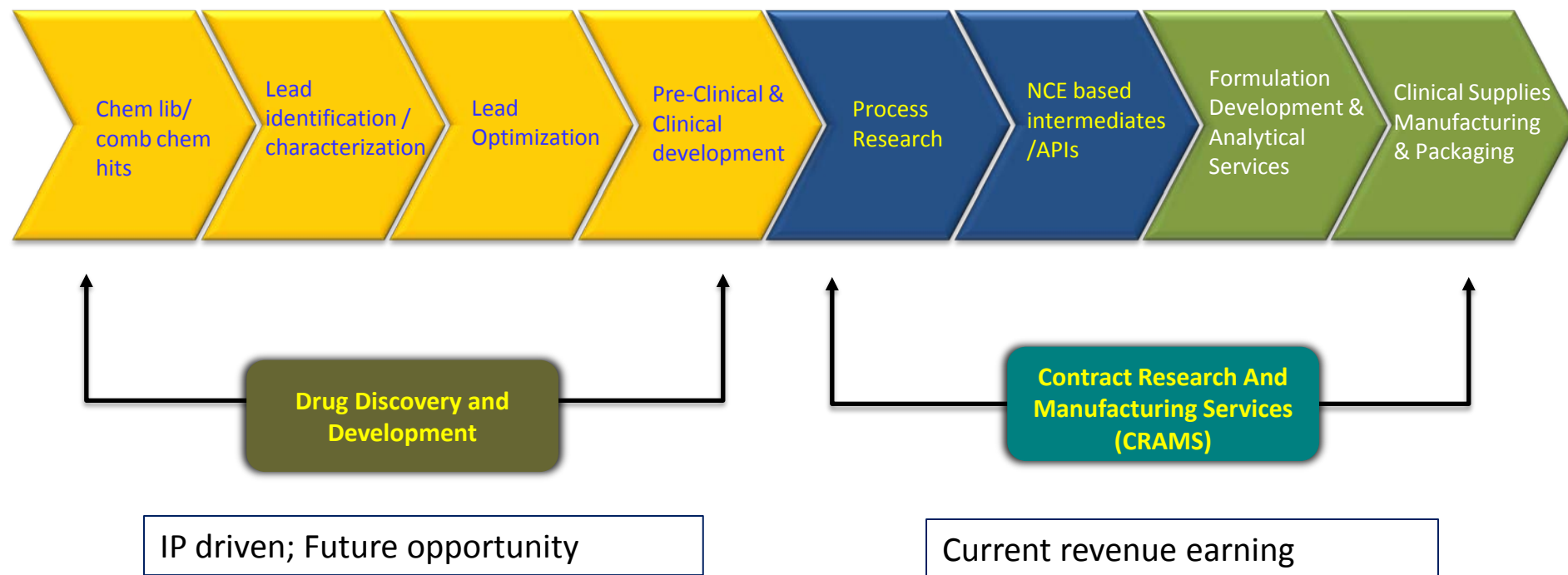
Our Business Strategy

3



Our Financial Approach

Business Model



In search of new CNS therapies for better living

Vision and Mission



- Providing world-class R&D solutions for Global Life Science companies with efficiency in cost, quality and speed
- Become a leading company focused on treatments for unmet medical needs in Mental Health
- Health for patients and value for partners



In search of new CNS therapies for better living



Our Evolution

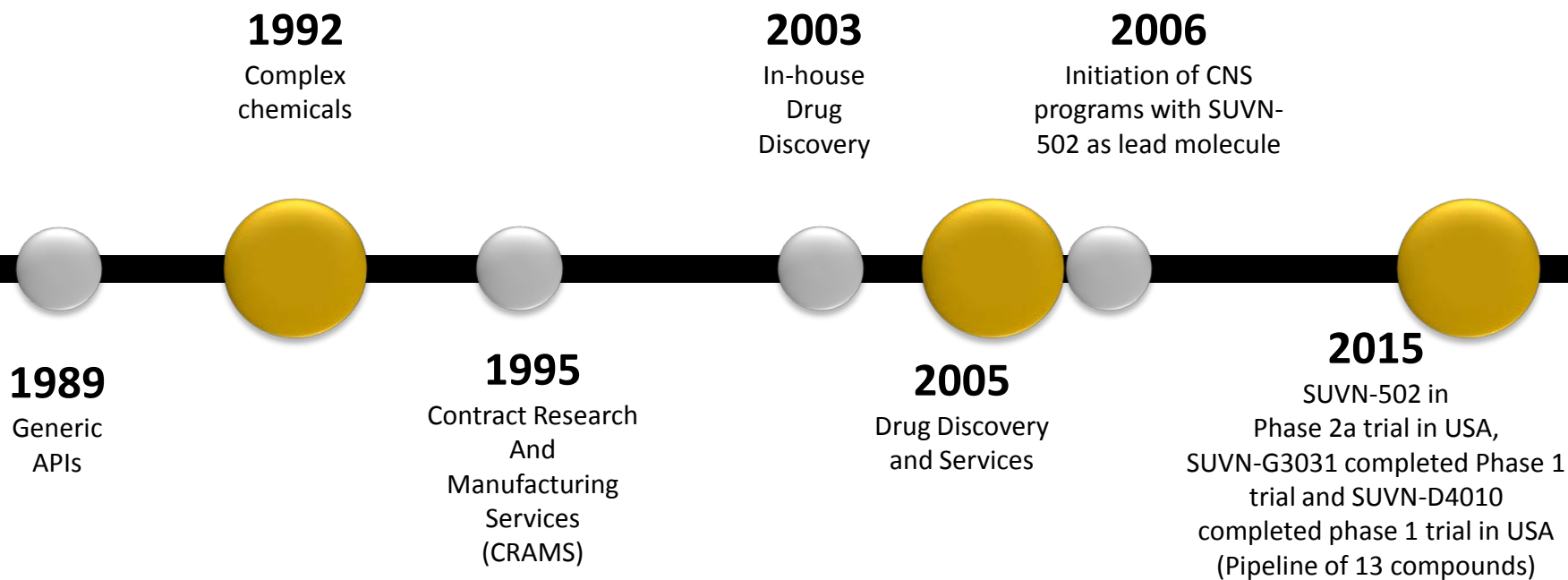


- Pioneer in CRAMS

- Diverse and entrenched business relationships

- Proven ability and expertise

- Well integrated CRAMS and Discovery services



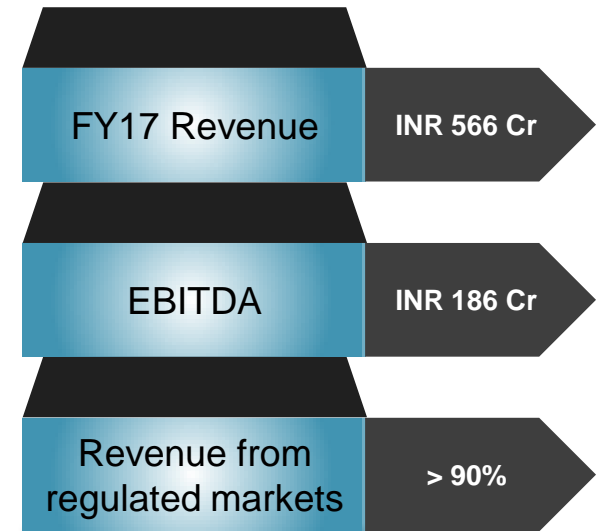
In search of new CNS therapies for better living



Company Overview



- Profitable and dividend paying since listing in 1995 on the NSE and BSE
- Established Contract Research And Manufacturing Services (CRAMS) - Leader and innovator for NCE based intermediates
- **111+3** Number of active CRAMS projects
- World class infrastructure, equipment and models with over 900 employees
- Robust financials and a healthy balance sheet
- Relationships with over 22 global pharmaceutical companies
- USFDA inspected facilities
- Current total cash and cash equivalents ~ INR 240+ Cr.



In search of new CNS therapies for better living

Suven Facilities



**Vizag, Andhra Pradesh,
India**



**Pashamylaram, Telangana,
India
SUVEN API & Formulation
Facility**



**Banjara Hills, Hyderabad,
India
Corporate Office**



- 300 CM reactors (93)
- 500L to 10 KL GL/SS
- GMP Intermediates

**Suryapet, Telangana, India
SUVEN Intermediate Mfg.
Facility**



- 307 KL reactor volume
- 3KL to 12KL Reactors
- GL/SS (45No's)
- API's/Advanced Intermediate's/CMO



- 120 kL reaction volume
- 50L – 6000 L GL/SS (45)
- API Manufacturing
- Biopharmaceutical Research (GLP)
- Formulation R&D

**Jeedimetla, Telangana, India
SUVEN R&D–Pilot Plant**



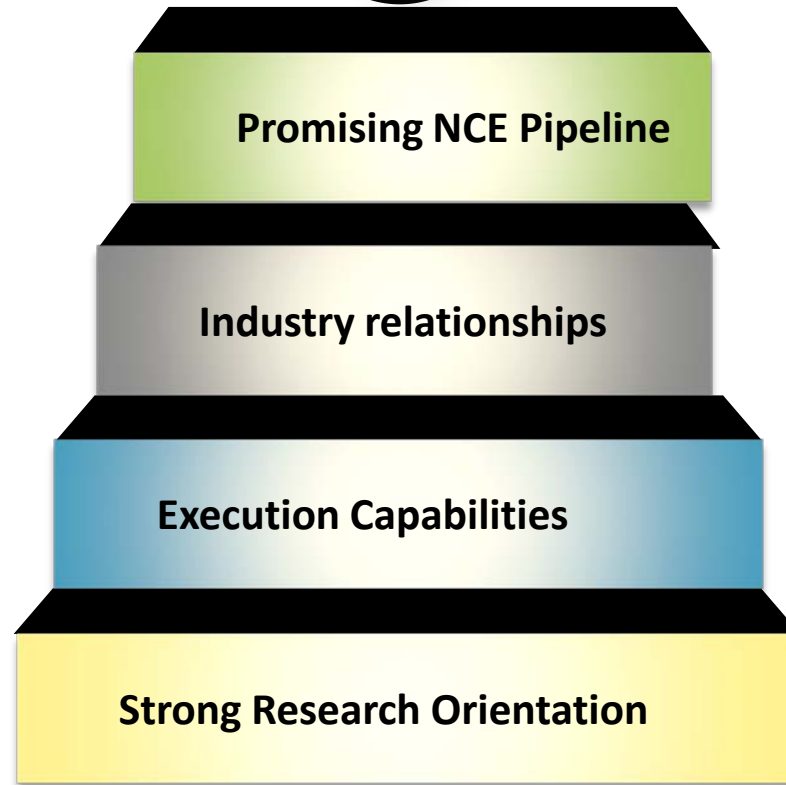
- Process Research
- Discovery R&D, Analytical R&D
- Killo lab, 30L CM Reactors (32)
- 50L – 4000 L GL/SS



**SUVEN USA, New Jersey
Business Office**

- Business Development
- Project Management
- Intellectual Property Management

In search of new CNS therapies for better living



Focus on driving quality research projects for clients

In search of new CNS therapies for better living

Business Drivers



- An integrated research service provider with unmatched capabilities
- Well qualified research team of 400+ scientists of which 35 are PhD holders
- Undertaken 800+ CRAMS projects since inception
- Pioneer in CRAMS business – research to execution



Promising NCE Pipeline

Industry relationships

Execution Capabilities

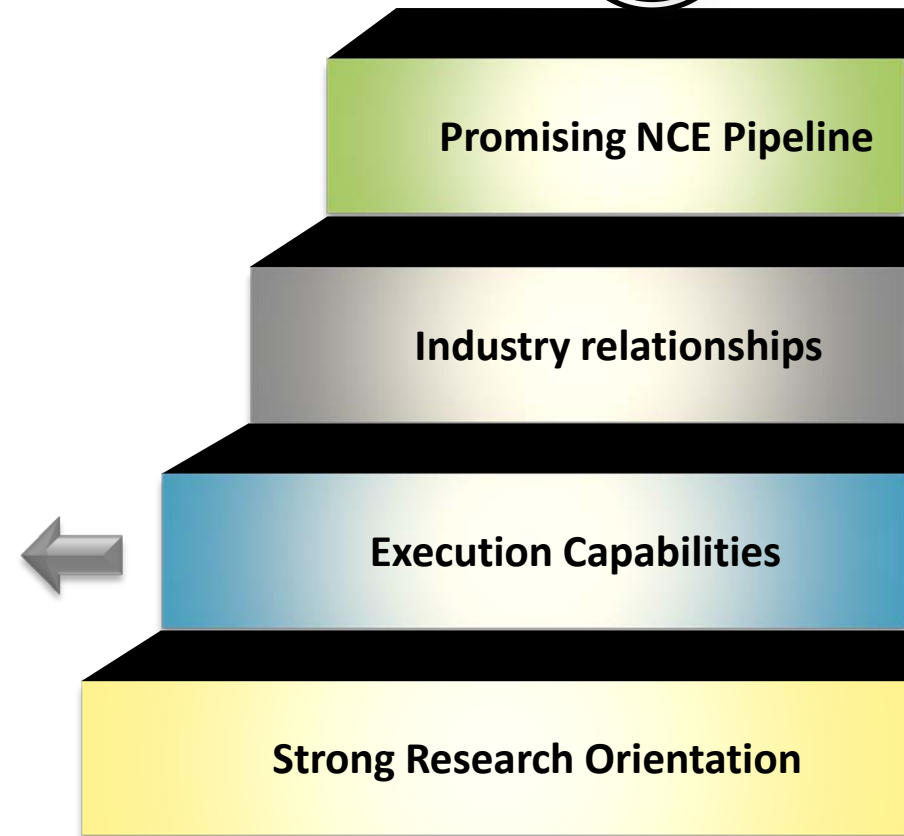
Strong Research Orientation



Business Drivers



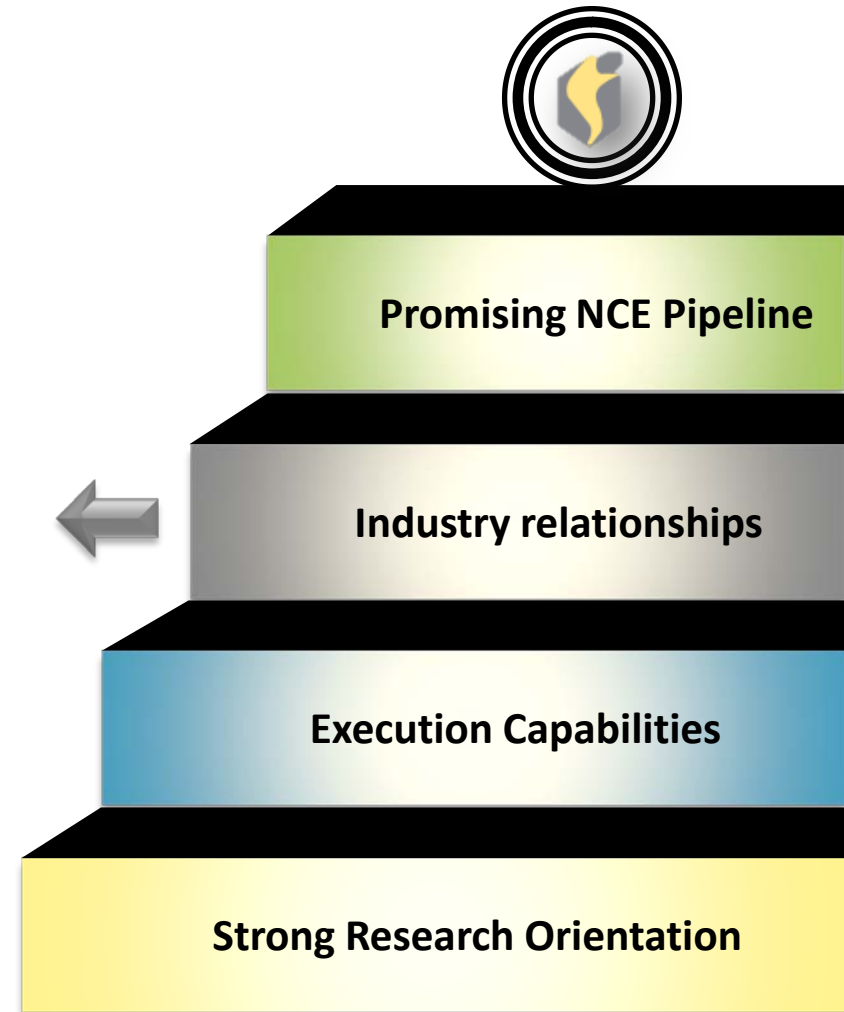
- Present across the entire CRAMS value chain – intermediates & APIs
- Leveraging on research capabilities to delivering NCE research
- State of the art facilities located across



Business Drivers



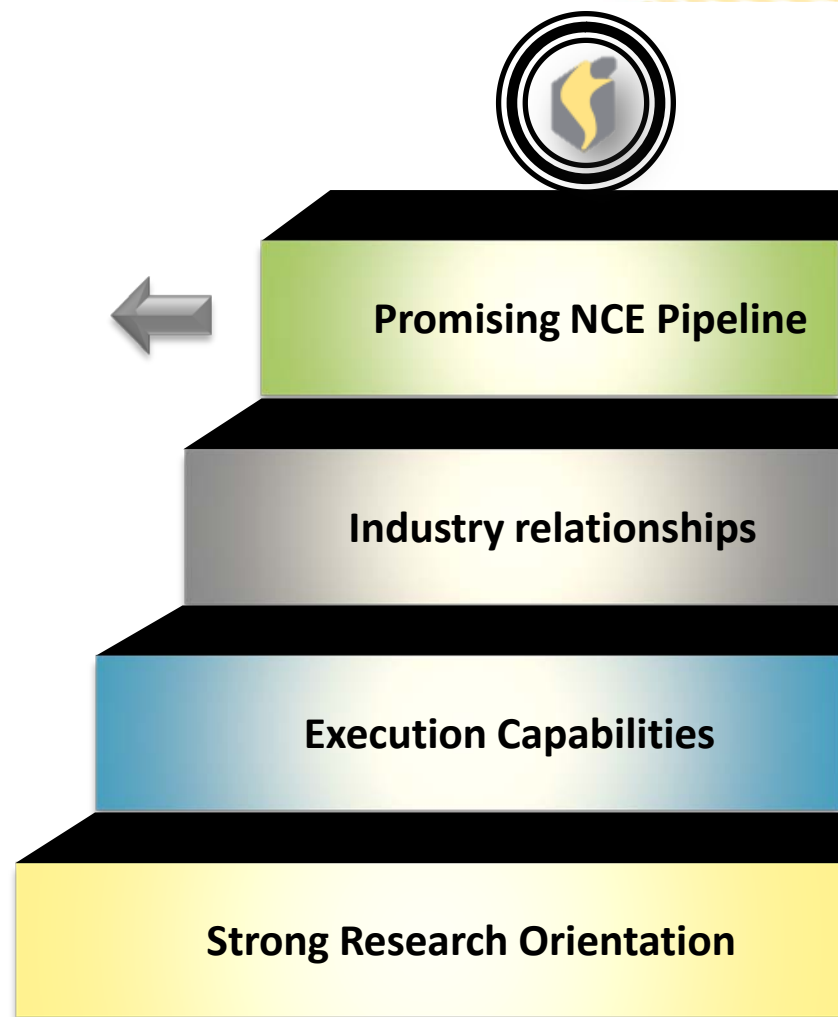
- Repeat business owing to long standing relationships with global companies
- Long term commercial supply opportunity with the launch of product by global sponsors
- Working with innovator companies in developed markets having stringent regulations – reflection of our research skills



Business Drivers

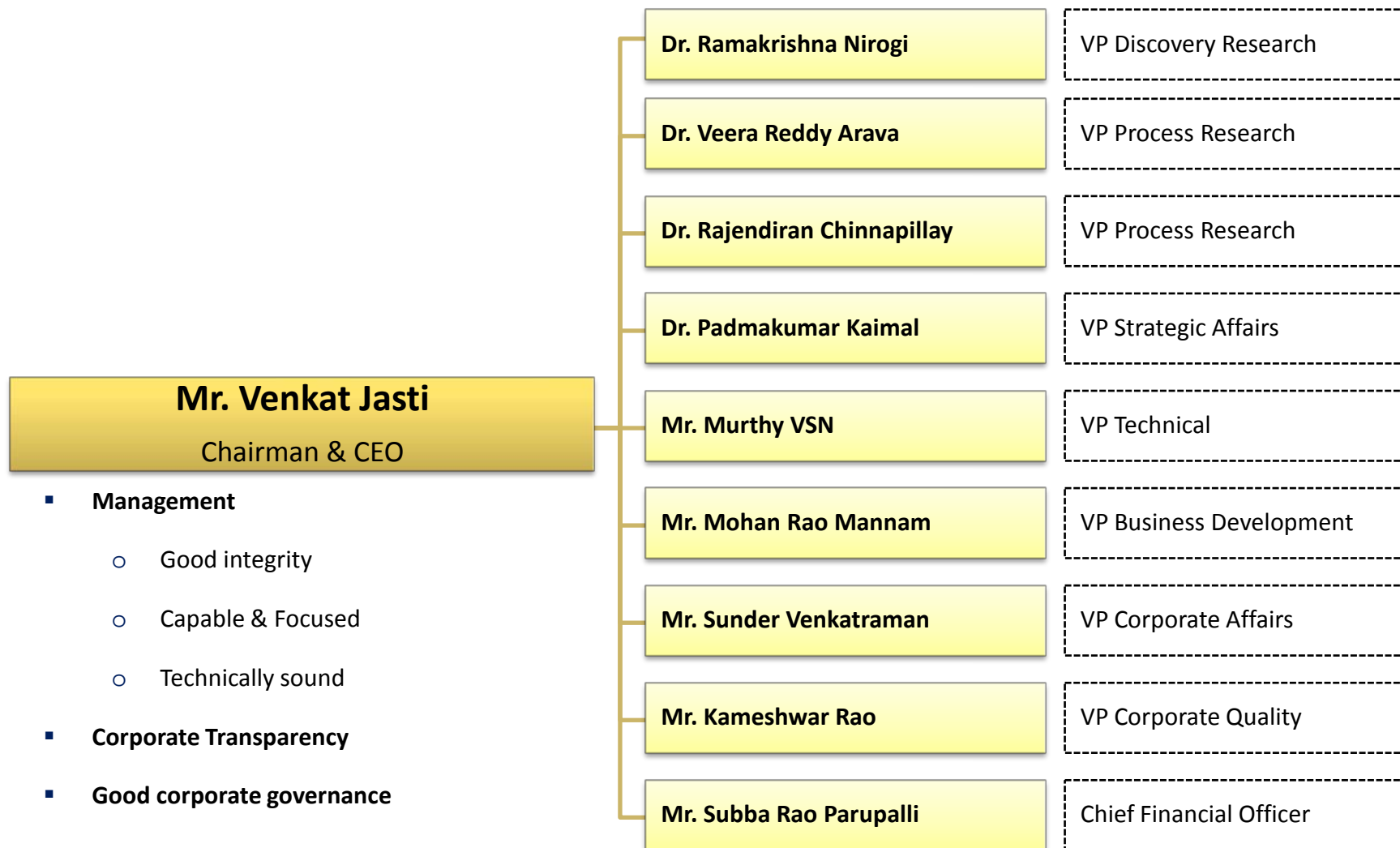


- One of the few players in the world in the CNS segment research
- Built strong intellectual capabilities in CNS segment since 2005.
- Globally CNS is the second largest and fastest growing segment
- A single successful molecule offers significant opportunity
- Self funded NCE research pipeline of 13 molecules





Suven Management Team



Our Business Strategy

CRAMS

Suven CRAMS Revenue Profile



- Sales growth with strong customer relationship
- Multi-year NCE based contract research for chemistry development for global sponsors.
- Long term commercial supply opportunities
- Pipeline of CRAMS projects:
 - Phase 1 - 75
 - Phase 2 - 34
 - Phase 3 – 2
 - Commercial – 3

Suven CRAMS Market Opportunity



- Customer focused long standing relationships for various early phase to commercial chemistry development
- Geographically dispersed in global markets (USA, Europe, Japan, Korea and Israel)
- Niche products DMFs and ANDAs for regulated markets
- Growing opportunity for CRAMS and drug discovery services

CRAMS - Key Risks and Challenges



- Sustaining long term relationships with innovator companies
- Potential price fluctuation/attrition
- Likely increase in competition from other Indian/global players
- Potential for lumpiness in revenues and profits

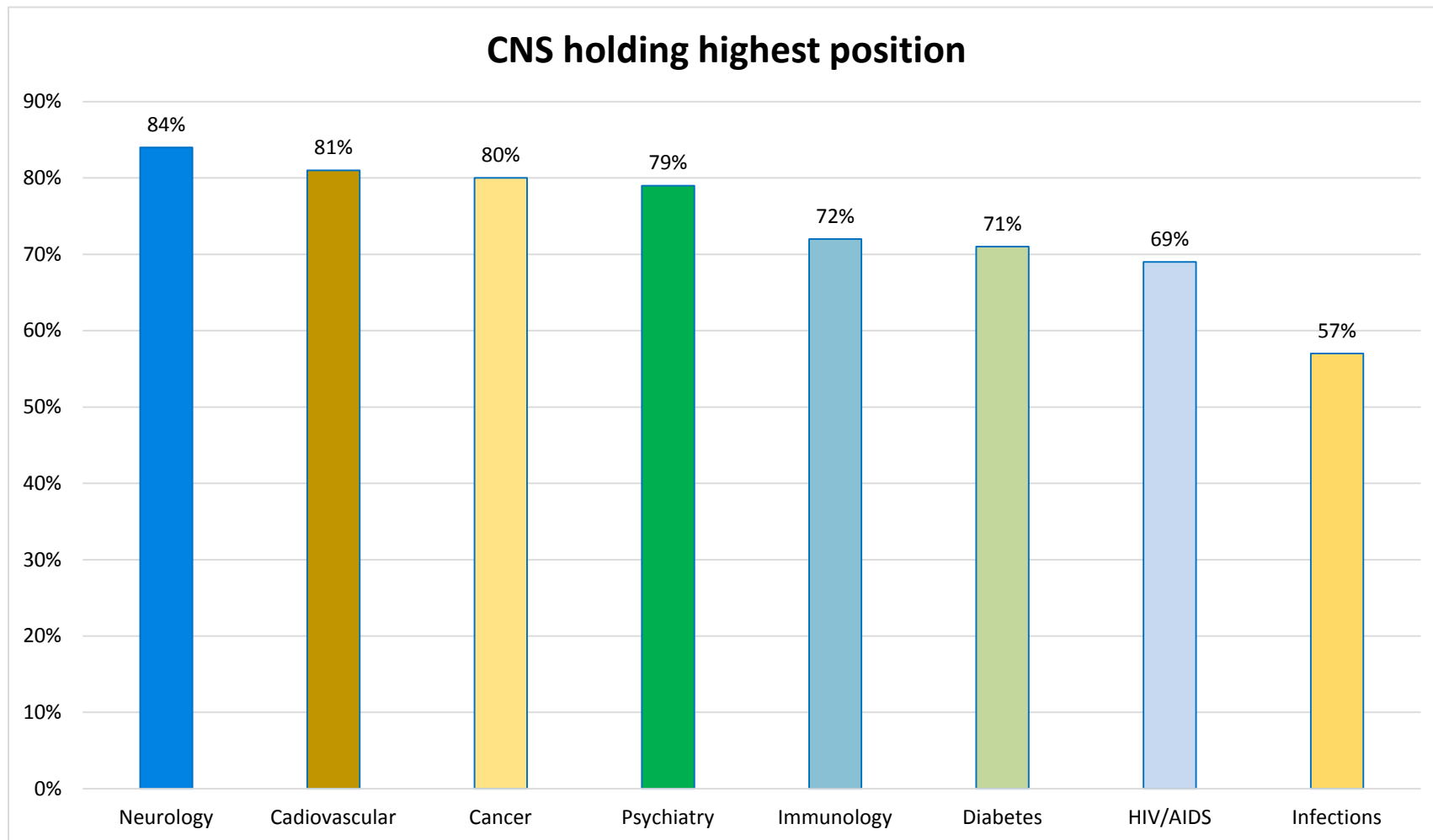
Our Business Strategy Drug Discovery and Development

Suven's chosen therapeutic area: CNS



- Why CNS?
- Central Nervous System (CNS) market is the Second Largest Therapeutic Category (15%) and it is one of the Fastest Growing segment
- Highly unmet medical need
- More than 200 compounds under development
- Challenges – High attrition during discovery and clinical development
- Highly rewarding – Based on the recent licensing deals in this segment

Potential First-in-Class medicines in selected therapeutic areas in United States



Source: *PhRMA 2015 report and article from Analysis Group. Innovation in the biopharmaceutical pipeline: a multidimensional view, January 2013*



Chosen Therapeutic Targets

Alzheimer's Disease

- ◆ **Potential to be a symptomatic treatment**
 - 5-HT₆ receptor antagonist
 - Histamine H₃ receptor inverse agonist
- ◆ **Potential to be both symptomatic and disease modifying treatment**
 - 5-HT₄ receptor partial agonist
 - M1 receptor positive allosteric modulator

Schizophrenia

- Dopamine D₂, 5-HT_{2A}, SSRI

Depression

- Cholinergic α 4 β 2 antagonist

Pain

- Cannabinoid 2 receptor agonist



In Search of New CNS Therapies

NCE Assets for Partnering

Candidates	Pre-clinical & GLP Tox	Clinical Phase			Indication
		I	II	III	
SUVN-502 5-HT ₆ antagonist					Cognitive Deficits Associated with Alzheimer's Disease
SUVN-G3031 H ₃ inverse agonist					
SUVN-D4010 5-HT ₄ agonist					
SUVN-911 α4β2 antagonist					Depression (MDD)

Potential to address unmet medical needs



SUVN-502

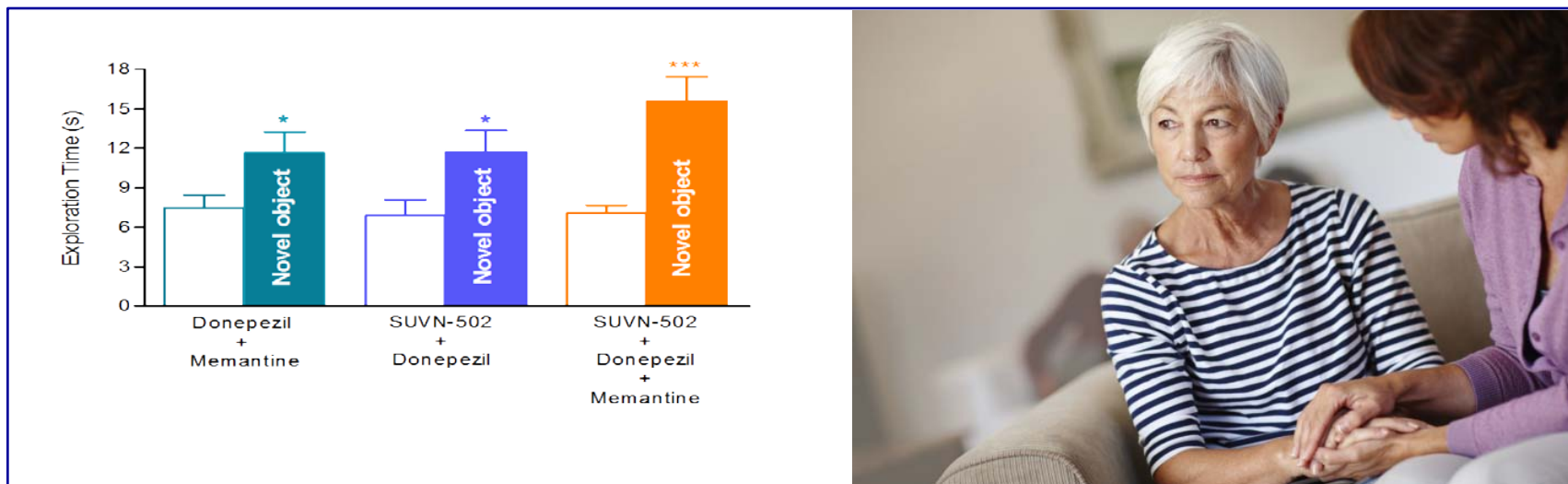
SUVN-502 is a safe, potent, selective, orally available, brain penetrant and pure *5-HT₆ antagonist* being developed for the symptomatic treatment of Alzheimer's disease

Current Status: Phase 2A POC study in progress - USA



Phase 2A POC Study of SUVN-502

SUVN-502 



Recruiting Sites / Investigators / Patients

SUVN-502 + Donepezil + Memantine Represents a Promising New Approach for Symptomatic Treatment of Alzheimer's Disease

Our Financial Approach

Financial Approach



R&D cost expensed out each year

Prudent utilization of cash flows

Low debt

Shareholder value creation focus

Consistently dividend paying

Financial Snapshot – based on Q3 release

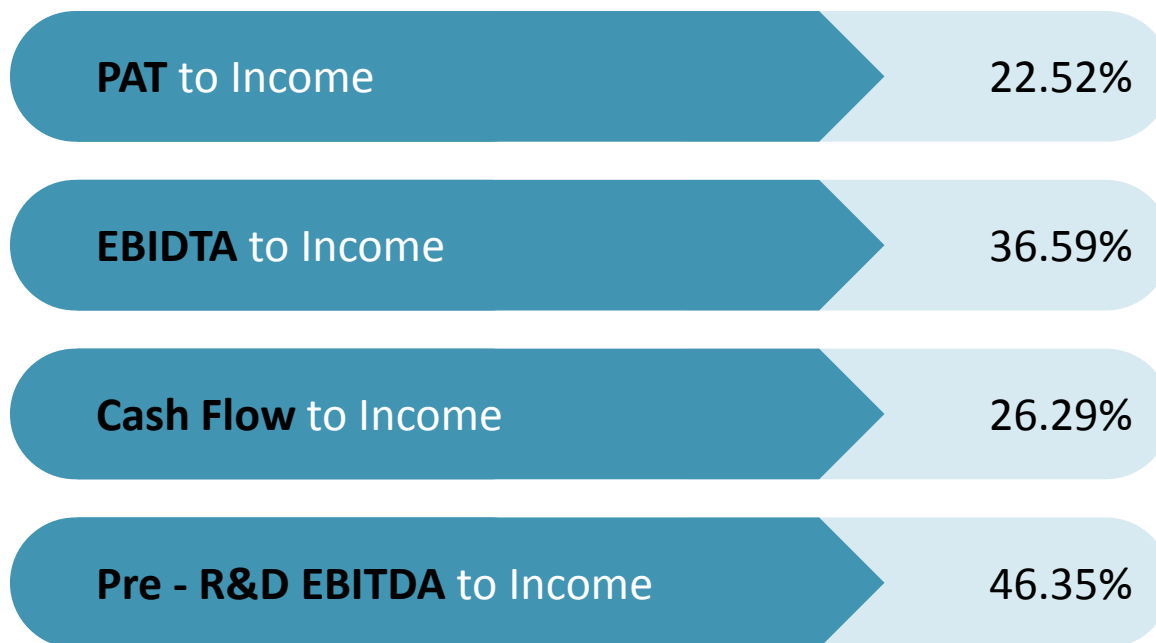


All figures in INR Million except ratios and per share data

Quarter ended December 31' 2017	Q3 FY18 Million	Q2 FY18 Million	Q-o-Q Growth %	Q3 FY17 Million	Y-o-Y Growth %	9M FY18 Million	9M FY17 Million	Y-o-Y Growth %
Income	1,669.47	1,119.91	49.07%	1,204.55	38.60%	4,255.80	3,804.84	11.85%
Pre-R&D EBITDA	685.59	617.65	10.96%	581.24	17.95%	1,972.70	1,790.35	10.19%
Pre-R&D EBITDA Margin	41.07%	55.15%	-	48.25%	-	46.35%	47.05%	-
EBITDA	546.81	501.28	9.08%	417.64	30.93%	1,557.19	1,333.31	16.79%
EBITDA Margin	32.75%	44.76%	-	34.67%	-	36.59%	35.04%	-
EBIT	492.64	447.88	10.0%	368.92	33.54%	1397.70	1,191.01	17.35%
EBIT Margin	29.51%	39.99%	-	30.63%	-	32.84%	31.30%	-
Financing costs	11.52	9.36	-	12.65	-	33.58	40.98	-
Taxes	135.15	121.05	-	113.57	-	404.96	316.00	-
Net Profit after tax	345.74	317.23	8.99%	241.58	43.12%	958.43	830.65	15.38%
NP Margin	20.71%	28.33%	-	20.06%	-	22.52%	21.83%	-
EPS (basic & diluted not annualised)	2.72	2.49	-	1.90	-	7.53	6.53	-
Paid up share capital One Rupee Share)	127.28	127.28	-	127.28	-	127.28	127.28	-
Depreciation	54.17	53.40	-	48.72	-	159.49	142.30	-
R&D expenses	138.78	116.61	19.01%	163.60	-15.17%	415.52	457.03	-9.08%



Key Ratios FY18 – based on Q3 release





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