In search of new CNS therapies for better living

Suven Life Sciences at Jefferies Global Healthcare Conference 2018 New York

June 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.
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1. Company Overview
2. Our Business Strategy
3. Our Financial Approach
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
Our Evolution

- Pioneer in CRAMS
- Proven ability and expertise
- Diverse and entrenched business relationships
- Well integrated CRAMS and Discovery services

1989
Generic APIs

1992
Complex chemicals

1995
Contract Research And Manufacturing Services (CRAMS)

2003
In-house Drug Discovery

2005
Initiation of CNS programs with SUVN-502 as lead molecule

2006
Drug Discovery and Services

2005
Initiation of CNS programs with SUVN-502 as lead molecule

2014
3 CRAMS projects commercialized

2018
SUVN-502: Phase 2a trial in USA
SUVN-G3031: Ready to start Phase 2 in USA
SUVN-D4010: Completed phase 1 in USA
SUVN-911: Ongoing Phase 1 USA
SUVN-I6107: Ready to start Phase 1 in USA
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
- **113 (109+4)** number of active CRAMS projects
- World class infrastructure, equipment and models with over 950 employees
- Robust financials and a healthy balance sheet
- Relationships with over 30 global pharmaceutical companies
- USFDA inspected facilities
- Current total cash and cash equivalents ~ USD 45+ Mn
Suven Facilities

- **Multi-product/specialty chemicals facility**
  - Vizag, India
  - 307 KL reactor volume
  - 3KL to 12KL Reactors
  - GL/SS (45No’s)
  - API’s/Advanced Intermediate’s/CMO

- **API & Formulation Facility**
  - Pashamylaram, India
  - 120 KL reaction volume
  - 50L – 6000 L GL/SS (45)
  - API Manufacturing
  - Biopharmaceutical Research (GLP)
  - Formulation R&D

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

- **R&D–Pilot Plant**
  - Jeedimetla, India
  - 300 CM reactors (93)
  - 500L to 10 KL GL/SS
  - GMP Intermediates

- **SUVEN USA, New Jersey**
  - Business Development
  - Project Management
  - Intellectual Property Management

- **SUVEN Intermediate Mfg. Facility**
  - Suryapet, India
  - 300 CM reactors (93)
  - 500L to 10 KL GL/SS
  - GMP Intermediates
Business Drivers

Focus on driving quality research projects for clients

- Strong Research Orientation
- Execution Capabilities
- Industry relationships
- Promising NCE Pipeline
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
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
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 - 72
  - Phase 2 - 36
  - Phase 3 – 1
  - Commercial – 4
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 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
<table>
<thead>
<tr>
<th>Candidates</th>
<th>Pre-clinical &amp; GLP Tox</th>
<th>Clinical Phase</th>
<th>Indication</th>
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</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>I</td>
<td>II</td>
</tr>
<tr>
<td><strong>SUVN-502</strong></td>
<td>5-HT₆ antagonist</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>SUVN-G3031</strong></td>
<td><strong>H₃</strong> inverse agonist</td>
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<tr>
<td><strong>SUVN-D4010</strong></td>
<td>5-HT₄ agonist</td>
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<tr>
<td><strong>SUVN-911</strong></td>
<td>α₄β₂ antagonist</td>
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<tr>
<td><strong>SUVN-I6107</strong></td>
<td>M1 PAM</td>
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</table>

Potential to address unmet medical needs
New CNS Therapies

SUVN-502

Pure 5-HT$_6$ Antagonist

Well Differentiated from Competitor Clinical Candidates

First-in-Class Triple Combination - A Promising New Approach for Symptomatic Treatment of Alzheimer's Disease

Phase 2 POC Study in USA (Ongoing)
SUVN 502: Phase 2A POC Study in USA

Recruiting Patients

A PHASE 2A MULTICENTER, RANDOMIZED, DOUBLE-BLIND, PARALLEL GROUP, 26-WEEK, PLACEBO-CONTROLLED STUDY OF 50 MG AND 100 MG OF SUVN-502 IN SUBJECTS WITH MODERATE ALZHEIMER’S DISEASE CURRENTLY TREATED WITH DONEPEZIL HYDROCHLORIDE AND MEMANTINE HYDROCHLORIDE

SUVN-502 + DONEPEZIL + MEMANTINE Represents a Promising New Approach for Symptomatic Treatment of Alzheimer’s Disease
### Phase-2 POC Investigational Plan

<table>
<thead>
<tr>
<th>Study Arms</th>
<th>50 mg SUVN-502</th>
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<tbody>
<tr>
<td></td>
<td>100 mg SUVN-502</td>
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<tr>
<td></td>
<td>Placebo</td>
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</table>

<table>
<thead>
<tr>
<th>Number of Subjects</th>
<th>537 (179 subjects per arm)</th>
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<tbody>
<tr>
<td>Enrolment completed</td>
<td>450 (as of May 2018)</td>
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</tbody>
</table>

| Study Population    | Male or Female subjects,    |
|---------------------| 50 to 85 years of age, with Moderate AD |

<table>
<thead>
<tr>
<th>Duration of Treatment</th>
<th>26 weeks</th>
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| Concurrent Medications | Donepezil HCl (10 mg qd) and |
|                       | either Memantine HCl (10 mg bid) or |
|                       | Namenda XR® (28 mg qd)         |
New CNS Therapies

SUVN-G3031

Histamine H3 Inverse Agonist

Sleep Disorders (Narcolepsy)

Cognitive Disorders (Alzheimer’s)

Phase 1 Completed in USA;
Phase-2 for Narcolepsy; Planned for Q3/Q4 2018
Strong preclinical data and early clinical package supporting efficacy and safety profile of SUVN-G3031

Clear potential to serve unmet need in narcolepsy, where few safe and effective treatments exist

Differentiated asset and mechanism - opportunity to gain significant market share

Additional upside potential in Alzheimer’s and other indications
New CNS Therapies

SUVN-D4010

5-HT4 Partial Agonist

Dual Mechanism of Action (Disease Modifying and Symptomatic Treatment Potential for AD)
Gastro-Intestinal Motility Disorders

Phase 1 Completed in USA; Ready for Phase 2 POC
New CNS Therapies

SUVN-911

Selective α4β2 nAChR Antagonist

Addressing the Limitations of Current SOC for Major Depressive Disorders

Phase 1 in progress (USA)
New CNS Therapies

SUVN-I6107

M1 True PAM - No Cholinergic Side Effects

Muscarinic 1 True Positive Allosteric Modulator

For Treatment of Cognitive Deficits; Getting ready for Phase 1
Our Financial Approach
Financial Approach

- R&D cost expensed out each year
- Prudent utilization of cash flows
- Low debt
- Shareholder value creation focus
- Consistent dividend paying
# Financial Snapshot – based on FY18 release

All figures in USD Million except ratios and per share data

<table>
<thead>
<tr>
<th></th>
<th>Q4 FY18</th>
<th>Q3 FY18</th>
<th>Q-o-Q Growth %</th>
<th>Q4 FY17</th>
<th>Y-o-Y Growth %</th>
<th>FY18</th>
<th>FY17</th>
<th>Y-o-Y Growth %</th>
<th>Standalone</th>
<th>Consolidated</th>
<th>Y-o-Y Growth %</th>
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<tbody>
<tr>
<td>Income</td>
<td>34.30</td>
<td>25.68</td>
<td>33.55%</td>
<td>28.47</td>
<td>20.46%</td>
<td>99.77</td>
<td>87.01</td>
<td>14.67%</td>
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<td>14.67%</td>
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<tr>
<td>Pre-R&amp;D EBITDA</td>
<td>18.03</td>
<td>10.55</td>
<td>70.92%</td>
<td>11.17</td>
<td>61.44%</td>
<td>48.37</td>
<td>38.66</td>
<td>25.11%</td>
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<td>47.91</td>
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<tr>
<td>Pre-R&amp;D EBITDA Margin</td>
<td>52.56%</td>
<td>41.05%</td>
<td>-</td>
<td>39.22%</td>
<td>-</td>
<td>48.48%</td>
<td>44.43%</td>
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<td>48.02%</td>
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<td>EBITDA</td>
<td>15.43</td>
<td>8.41</td>
<td>83.36%</td>
<td>8.21</td>
<td>87.95%</td>
<td>39.37</td>
<td>28.67</td>
<td>37.34%</td>
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<tr>
<td>EBITDA Margin</td>
<td>44.97%</td>
<td>32.74%</td>
<td>-</td>
<td>28.82%</td>
<td>-</td>
<td>39.46%</td>
<td>32.95%</td>
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<td>34.11%</td>
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<tr>
<td>EBIT</td>
<td>14.60</td>
<td>7.58</td>
<td>92.60%</td>
<td>7.11</td>
<td>105.42%</td>
<td>36.09</td>
<td>25.37</td>
<td>42.27%</td>
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<td>30.75</td>
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<tr>
<td>EBIT Margin</td>
<td>42.57%</td>
<td>29.49%</td>
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<td>24.94%</td>
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<td>36.17%</td>
<td>29.16%</td>
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<td>30.82%</td>
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<td>Financing costs</td>
<td>0.19</td>
<td>0.18</td>
<td>-</td>
<td>0.24</td>
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<td>0.71</td>
<td>0.87</td>
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<td>Taxes</td>
<td>4.82</td>
<td>2.08</td>
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<td>0.66</td>
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<td>11.05</td>
<td>5.52</td>
<td>-</td>
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<td>11.05</td>
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<td>Taxes to Profit</td>
<td>34.47%</td>
<td>28.10%</td>
<td>-</td>
<td>9.61%</td>
<td>-</td>
<td>31.24%</td>
<td>22.59%</td>
<td>-</td>
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<td>22.75%</td>
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<tr>
<td>Net Profit after tax</td>
<td>9.59</td>
<td>4.88</td>
<td>96.41%</td>
<td>6.20</td>
<td>54.57%</td>
<td>24.33</td>
<td>18.98</td>
<td>28.19%</td>
<td></td>
<td></td>
<td>18.99</td>
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<tr>
<td>NP Margin</td>
<td>27.95%</td>
<td>20.71%</td>
<td>-</td>
<td>21.78%</td>
<td>-</td>
<td>24.39%</td>
<td>21.81%</td>
<td>-</td>
<td></td>
<td></td>
<td>19.03%</td>
</tr>
<tr>
<td>EPS (basic &amp; diluted not annualized)</td>
<td>0.08</td>
<td>0.04</td>
<td>-</td>
<td>0.05</td>
<td>-</td>
<td>0.19</td>
<td>0.15</td>
<td>-</td>
<td>0.15</td>
<td>0.11</td>
<td>-</td>
</tr>
<tr>
<td>Paid up share capital One Rupee Share)</td>
<td>1.96</td>
<td>1.96</td>
<td>-</td>
<td>1.96</td>
<td>-</td>
<td>1.96</td>
<td>1.96</td>
<td>-</td>
<td>1.96</td>
<td>1.96</td>
<td>-</td>
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<tr>
<td>Depreciation</td>
<td>0.82</td>
<td>0.83</td>
<td>-</td>
<td>1.11</td>
<td>-</td>
<td>3.28</td>
<td>3.29</td>
<td>-</td>
<td></td>
<td></td>
<td>3.28</td>
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<tr>
<td>R&amp;D expenses</td>
<td>2.60</td>
<td>2.14</td>
<td>21.88%</td>
<td>2.96</td>
<td>-12.08%</td>
<td>8.99</td>
<td>9.98</td>
<td>-9.91%</td>
<td></td>
<td></td>
<td>13.88</td>
</tr>
</tbody>
</table>
Key Ratios FY18

- **PAT to Income**: 24.39%
- **EBIDTA to Income**: 39.46%
- **Cash Flow to Income**: 26.67%
- **Pre - R&D EBITDA to Income**: 48.48%
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