Suven Pharmaceuticals Ltd.

...Towards a Brighter Tomorrow

Investor Presentation – FY24

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Safe Harbour

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.

Executive Summary

We have set-up the organization for both mid-term and long-term growth in the last 8 months

- Augmenting teams across Commercial, R&D, Operations and M&A
- High quality customer engagement, "China + 1" strategy and positive pipeline movements have driven a 2x+ increase in RFQs inflows and a 2x+ increase in Phase III pipeline vs. FY23; one direct win in late Phase III.
- Outlined a long-term strategic roadmap; and are building a strong pipeline of M&A opportunities.

Industry environment is favorable, lifted by 'China plus one' and 'Europe plus one' dynamics.

- Uptick in RFQs continues along with increased enquiries for late Phase III products and commercial products under patent, both from existing and new customers.
- Discussions with several new major innovator companies are progressing positively.

Business segments: Pharma CDMO continue to do well and is set-up well for next year; Ag Chem continues to see destocking, Spec Chem recovery likely from 2HFY25

- **Pharma CDMO:** growth excluding Covid-base is 9.4%YoY; RFQs have been 2.3x; we now have 13 intermediates and 7 molecules in phase III vs. 5 molecules with 10 intermediates as per our last update. The inquiries for late Phase III products and commercial products under patent suggest a good pipeline, supporting accelerated future growth.
- **Spec Chem CDMO:** Ag Chem is experiencing de-stocking cycle, with recovery likely from 2HFY25.

Cohance performance (based on website published Investor Presentation)

- **CDMO:** Segment has sustained growth momentum, growing by ~20% in FY24 and maintaining ~30% CAGR over last 4 years**.** CDMO contributed 42% of gross profits.
    - **ADC:** Growth driven by commercial products and new products onboarding. R&D pipeline of new designer payloads and adjacent payloads in advanced stages of development. ADC market is expected to growth at 17-18% CAGR.
- **API ++:** Downcycle is behind us, 2H onwards we should be on recovery path. We expect double-digit plus growth through accelerated product validations and business development efforts over the mid-term. Our business focuses on mid volume products with low product concentration, and less pricing pressure.

Outlook : Excited about the medium-term growth given the China +1 and the RFQs inflows

- **Near term:** We should see growth from a full year perspective in FY25 with acceleration expected in FY26.
- **Longer term perspective**: We remain excited about strong growth over coming years. Given current industry tailwinds, we aim to double our combined business platform over next 5 years and add further boost through M&A activities.

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FY24 and Q4 Operating and Financial Performance

Financial overview

FY24 Performance:

- FY24 was a perfect storm with a) Global slowdown b) Ag Chem destocking c) COVID flush out d) commodity pricing. We think most of the headwinds are behind us fully, other than Ag Chem destocking.
- FY24 Revenue ex Spec chem and covid base **higher by 16.2%**
  - Pharma CDMO grew by 9.4% ex-covid base; impacted by temporary destocking for a few products; we don't expect it to continue.
  - Adjusted EBITDA margins were at 41.4%
  - Free cash flow of Rs 3.07bn
- Our new Genome Valley R&D center has been inaugurated with the presence of senior executives from a leading global biopharmaceutical company. The new block in Suryapet is undergoing validations; on track for commissioning.
- We were honoured with an International Safety Award from the British Safety Council for our recently USFDA-cleared Pashamylaram unit-3.

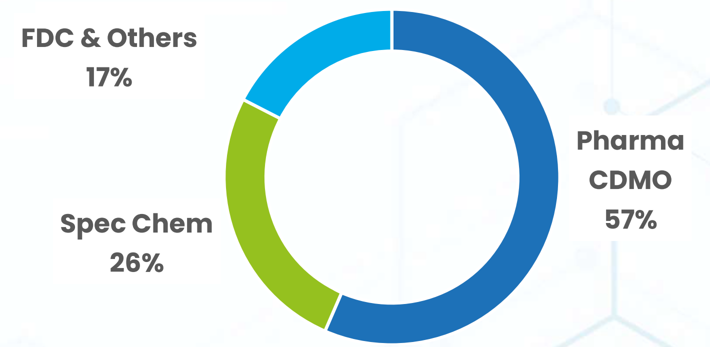
Outlook:

- We believe the recovery will happen in H2FY25, and full year basis, we will see growth in both revenue and EBITDA compared to FY24.

FY24 Consolidated Financial Highlights

(21.6%) Revenue from operations (YOY)	**16.2%** Excl. Spec Chem & Covid Molecule	**9.4%** Pharma CDMO excl Covid Molecule
INR 10.5 bn Total Revenue	**INR 4,350 Mn*** Adjusted EBITDA	**INR 3,194 Mn*** Adjusted Profit after Tax:
41.4% EBITDA% excl. one time	**30.4%** Adjusted PAT %	*Incl. one-time adjustments of INR 211Mn and Op. forex gain of INR 81 Mn.

Segmental Revenue FY24



Note: Adjusted EBITDA includes one-time adjustments of INR 211Mn which includes one time inventory provision of INR 134Mn (Q3FY24), ESOP charge of INR 20Mn and M&A & others of INR 57Mn (primarily relating to proposed merger with Cohance Lifesciences)

FY 24 Consolidated Financial results

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INR Million

Particulars	FY 23	FY 24	YoY change
Revenue from Operations	**13,403**	**10,514**	**-21.6%**
Material costs / COGS	(4,225)	(3,016)	
Material Margin	**9,178**	**7,497**	**-18.3%**
Material Margin %	*68.5%*	*71.3%*	
Manufacturing Expenses	(1,763)	(1,224)	
Employee Cost	(1,105)	(1,324)	
Other Expenses	(702)	(680)	
Adjusted EBITDA (pre Fx)	**5,608**	**4,269**	**-23.9%**
Operating Forex gain / (loss)	268	81	
Adjusted EBIDTA (Post Fx)	**5,876**	**4,350**	***-26.0%***
EBIDTA %	*43.8%*	*41.4%*	
Depreciation and Amortization	(480)	(502)	
Finance costs	(128)	(75)	
Other income	195	538	
Adjusted PBT	**5,463**	**4,312**	**-21.1%**
Tax	(1,451)	(1,118)	
Adjusted PAT	**4,013**	**3,194**	**-20.4%**
PAT %	*29.9%*	*30.4%*	

- *Revenue growth, excluding spec chem global destocking and covid supplies from base stood at 16.2%. Pharma CDMO excluding Covid supplies in the base grew by 9.4%.*
- *Adjusted EBITDA margins at 41.4%, reflect continued efforts and focus on operational efficiencies.*

INR Million

Balance Sheet Highlights	
As on 31st March 2024	
Shareholders' funds	**20,507**
Net Fixed assets	8,487
Other net assets [1]	4,161
Net cash/(debt) [2]	7,858
Total Use of Funds	**20,507**

1) Other assets calculated as Inventories + Trade receivables + Non-current investments + Current tax assets + Other assets less Trade payables + deferred tax liabilities + Other liabilities at the end of the year. 2) Net cash/(debt) calculated as the Cash & cash equivalents (Cash and bank balances + current Investments) less Total debt (Short-term and Long-term borrowings) at the end of the period.

Note: 1 Adjusted EBITDA includes one-time adjustments of INR 211Mn which includes one time inventory provision of INR 134Mn (Q3FY24), ESOP charge of INR 20Mn and M&A & others charge of INR 57Mn (primarily relating to proposed merger with Cohance Lifesciences), 2) FY23 numbers stand restated

Q4 FY24 Consolidated Financial results

INR Million

Particulars	Q4 FY23	Q4 FY24	YoY change
Revenue from Operations	**3,694**	**2,529**	**-32%**
Material costs / COGS	1, 164	837	-28%
Material Margin	**2,530**	**1,692**	**-33%**
Material Margin %	68.5%	66.9%	
Manufacturing Expenses	405	281	-31%
Employee Cost	256	422	65%
Other Expenses	101	154	52%
Adjusted EBITDA (pre Fx)	**1,767**	**834**	-53%
Operating Forex gain / (loss)	144	31	-78%
Adjusted EBIDTA	**1,911**	**866**	**-55%**
Adjusted EBIDTA %	**51.7%**	**34.2%**	
Depreciation and Finance Cost	219	175	-20%
Other income	30	139	
PBT	**1,662**	**830**	**-50%**
Tax	422	205	-51%
Adjusted PAT	**1240**	**624**	**-50%**
Adjusted PAT Margin %	**33.6%**	**24.7%**	

Note: FY23 numbers stand restated

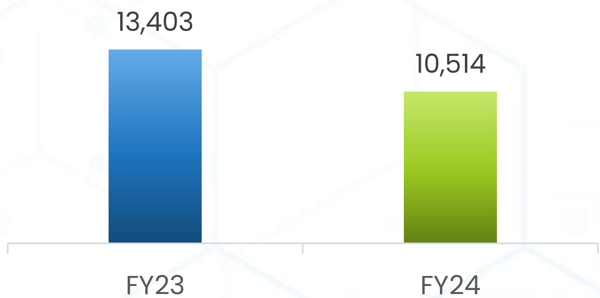
- *Revenue growth was impacted by shipment delays caused by client-specific inventory de-stocking, which we believe to be temporary in nature.*
- Adjusted EBITDA includes one-time adjustments of INR 77Mn, comprising an ESOP charge of INR 20Mn and M&A & others of INR 57Mn (primarily relating to proposed merger with Cohance Lifesciences).

FY24 Business performance overview

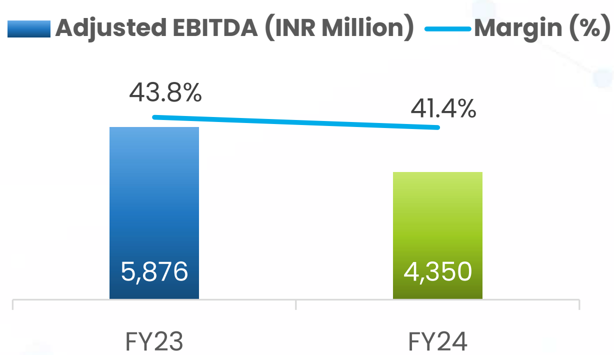
FY24

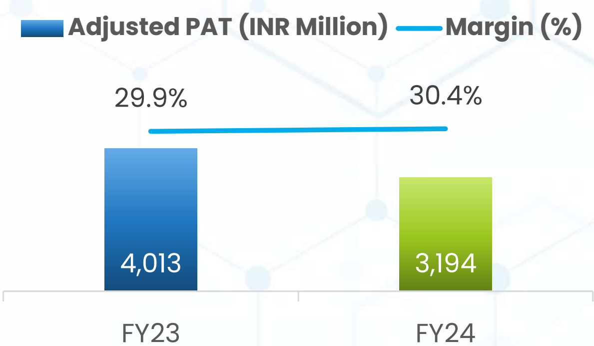
Consolidated Financials

Operational Revenue (INR Million)

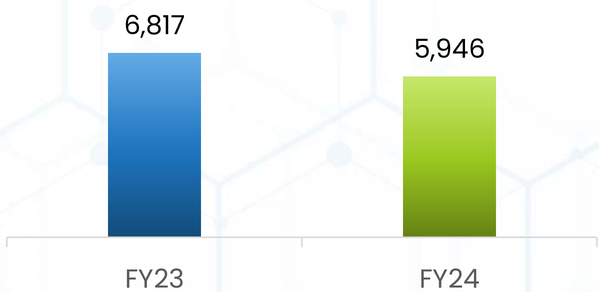


Grew 16.2% ex-covid base and ex-Spec Chem



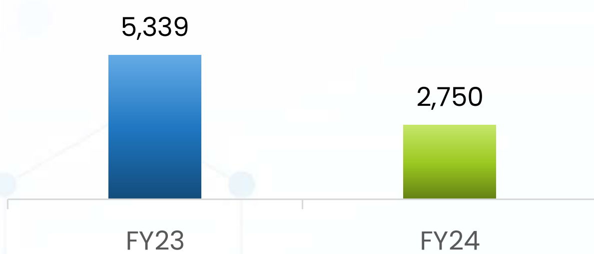


Pharma CRAMS (INR Million)



Ex Covid base growth was 9.4%

Spec Chem (INR Million)



Primarily impacted by Ag-Chem destocking cycle

Formulations & Other Services (INR Million)

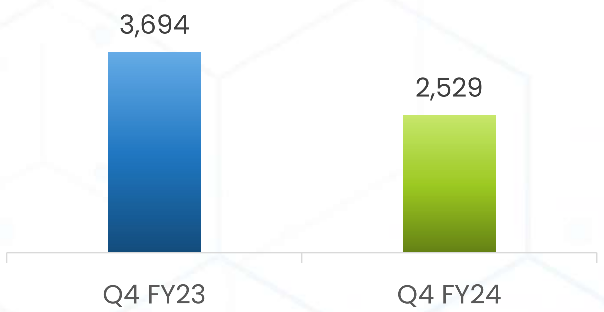
Note: 1) Adjusted EBITDA includes one-time adjustments of INR 211Mn which includes one time inventory provision of INR 134Mn (Q3FY24), ESOP charge of INR 20Mn and M&A & others of INR 57Mn (primarily relating to proposed merger with Cohance Lifesciences), 2) FY23 numbers stand restated

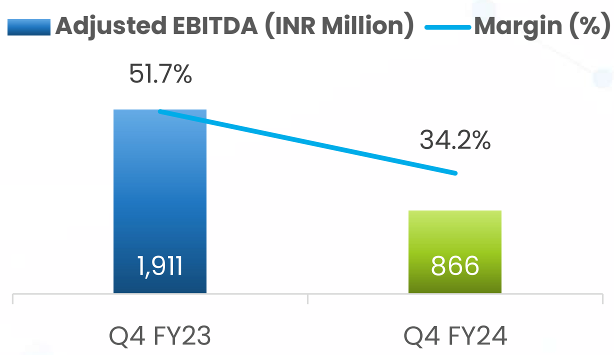
Q4 FY24 Business performance overview

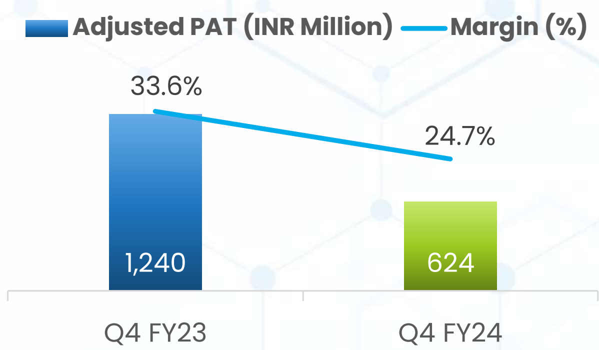
Q4

Consolidated Financials

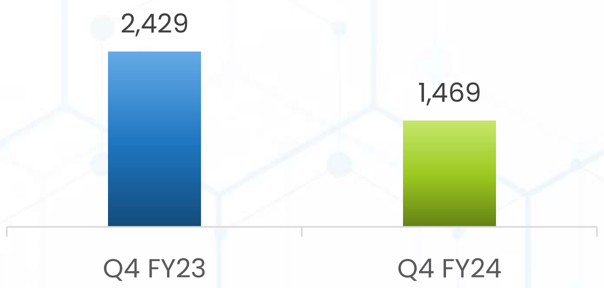
Operational Revenue (INR Million)







Pharma CDMO (INR Million)



Spec Chem (INR Million)

Formulations & Other Services (INR Million)

Due to the nature of the CDMO business, Quarterly comparisons are not ideal. COVID supplies impact remain in the baseline, and some customer shipments have been delayed this quarter.

Note: 1) Adjusted EBITDA includes one-time adjustments of INR 77Mn, comprising an ESOP charge of INR 20Mn and M&A & others of INR 57Mn (primarily relating to proposed merger with Cohance Lifesciences). 2) FY23 numbers stand restated

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Combined Business: Proforma Metrics

Proforma Merged Entity FY24 Performance

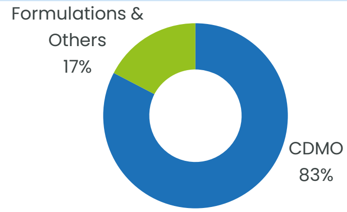
FY24 INR Mn	SUVEN PHARMA	cohance lifesciences	Merged Company
Revenue	10,514	13,408	23,922
Adjusted EBITDA	4,350	4,183	8,534
Adjusted EBITDA margin %	41.4%	31.2%	35.7%
Adjusted PAT	3,194	2,545	5,738
Adjusted PAT margin %	30.4%	19.0%	24.0%
RoCE	34.8%	27.4%	30.8%
RoE	18.7%	24.9%	21.0%
(Net Debt) / Net Cash to Adj. EBITDAx	1.8x	(0.9x)	0.5x

Note: In FY24- Cohance EBITDA includes adjustments for one-time costs of Rs 184mn and ESOPs costs of Rs 432mn; Suven EBITDA includes one-time adjustments of Rs 211mn
Source: Cohance LifeSciences Website published Investor Presentation

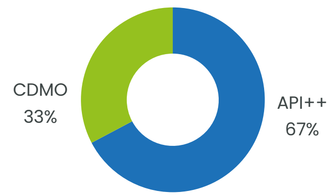
Proforma Merged Entity FY24 – Combined business mix

Sales Mix (FY24)

SUVEN PHARMA



cohance lifesciences



Merged Company

	SUVEN PHARMA	cohance lifesciences	Merged Company
Manufacturing Facilities (Regulatory approved)	5 (2)	7 (5)	12 (7)
R&D Centers	1	4	5
Capacity	~1,400 kL	~1,250 kL	~2,650 kL

Source: Cohance LifeSciences Website published Investor Presentation

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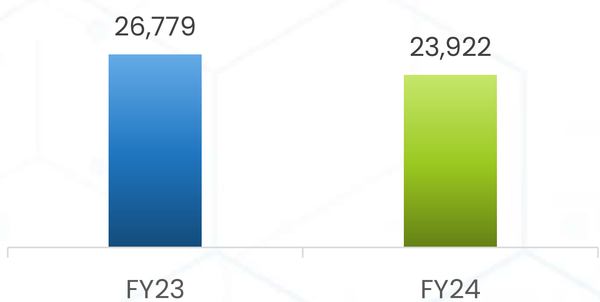
Combined Business: Segment-wise Performance

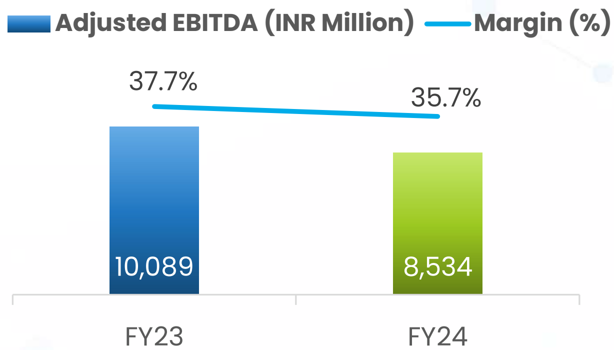
FY24 Business performance overview

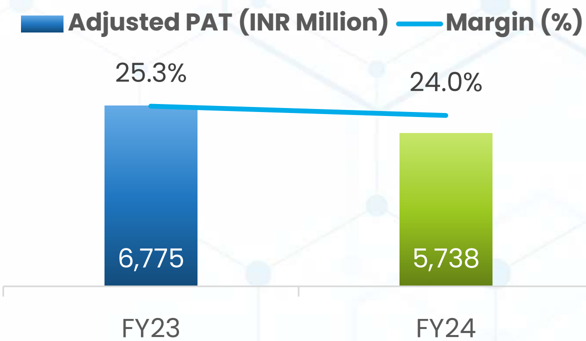
Consolidated Financials

FY24

Operational Revenue (INR Million)



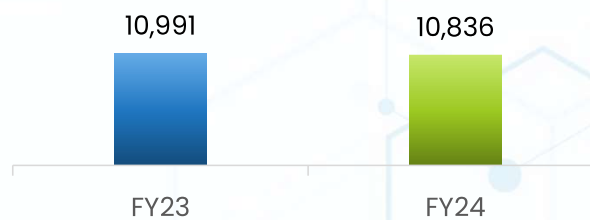




Pharma CRAMS +Cohance ADC & CRAMS (INR Million)

Suven Spec Chem + Cohance Spec Chem(INR Million)

Suven + Cohance API++ (incl Formulations & Others) (INR Million)



Note: Proforma Consolidated Financials of Suven and Cohance
Source: Cohance LifeSciences website Investor Presentation for Cohance numbers

Strategic Blueprint Key Pillars

Aspiration

Be Most admired CDMO, known for delivery, quality and innovation

Pharma CDMO

- Rising RFQs and lateral pipeline – both existing and new customers
- Moving up the value chain – increasing Phase III presence

ADC

- Partnering with large innovators
- Adding organically new ADC platform
- Increasing contribution from product expansion on the existing platform base

Spec Chem CDMO:

- Shaping strong Business development and Commercial capabilities
- Expanding number of RFQs – thrust on increasing contribution from Top 5 players

API++

- Unique portfolio focused on small and mid volume APIs
- Higher product validations, expanding market share

Governance

Organisation

Infrastructure

Capabilities: Supporting growth initiatives

Continuous improvement

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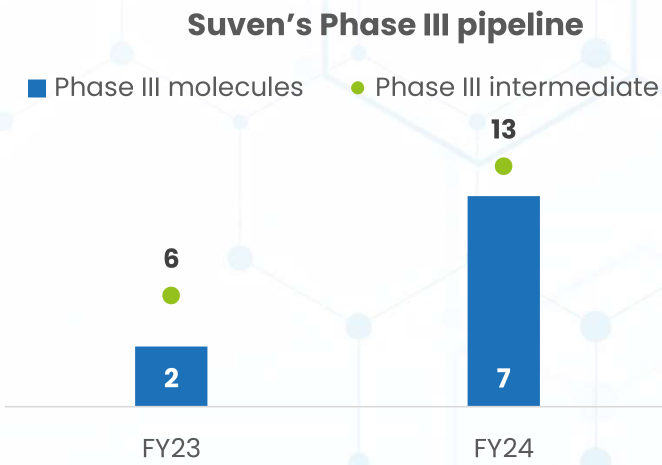
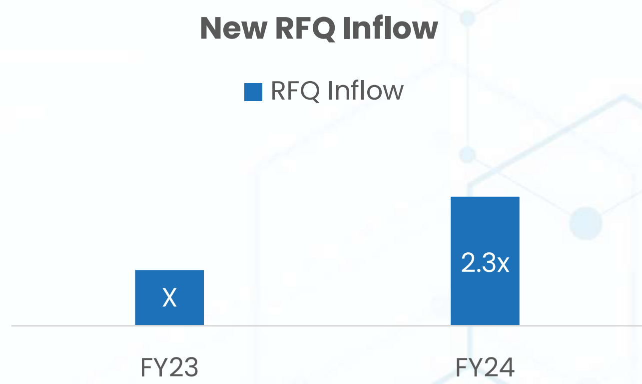
Combined Business: Key segment wise strategy

Suven: Pharma CDMO a strong growth engine

What makes us feel confident about the future growth

- **Conducive Industry tailwinds: China Plus one and EU plus one**
  - Customer are very open to engage and looking for strategic partnerships
    - Uptick in RFQs and lateral pipeline from existing & new customers
- **Good pipeline with improving Phase III**
  - Overall active pipeline of 100+ projects across Phase I – III
  - As per our last update we have shared **5 molecules** with **10 intermediates**: now, we have added **two new molecules** to the list taking it to **7 molecules** with **13 intermediates**. Significant increase in our Phase III pipeline.
- **Sustained momentum of Inflow of RFQ and improving conversion rate**
  - **Highest number of RFQs received in Q4**; several under discussion.
  - Significant Diversity of customers Vs concentrated in FY23
  - Strong enquiries for Phase III/commercial under-patent products from multiple customers and molecules.





Cohance: ADC Platform

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Two large innovators onboarded – on ADC platform

- Cohance has onboarded two large new innovator pharma customers for its proprietary ADC payload platform.

ADC pipeline – progressing well

- Two commercial product continue to grow strong with the therapy expansion and market registrations.
- One in early Phase III.

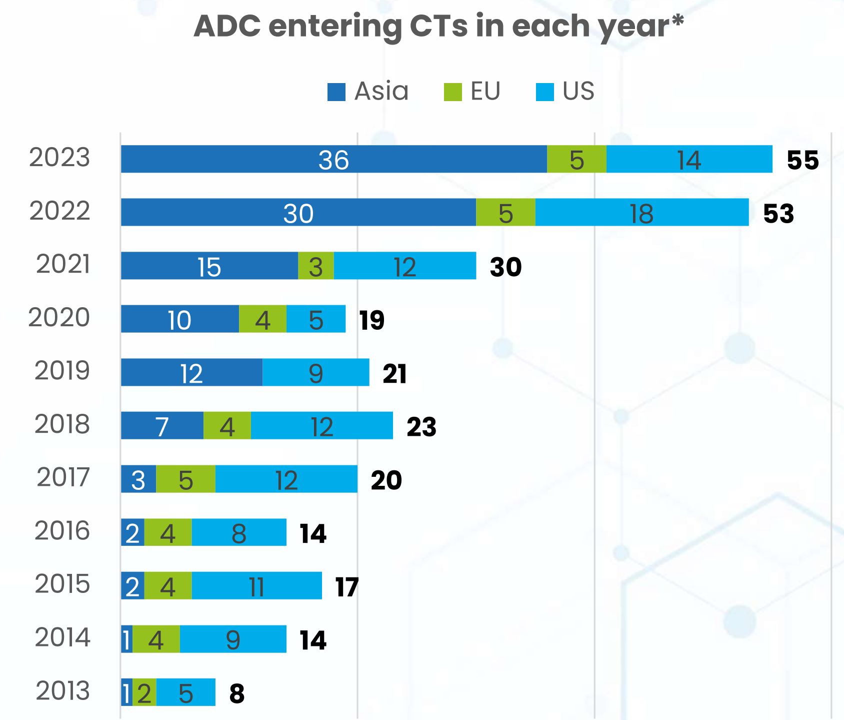
Several clinical developmental programs are ongoing

- New products are being developed on our existing platform in several developmental phases for our innovator pharma clients.
- Cohance is organically developing new ADC platform.
- Few Products under validation on the new platform.

ADC site successfully clears audit

- The ADC warhead site located at Nacharam has successfully cleared audit by EDQM with no major or critical observations.

Growing numbers of ADC candidates entering clinical trials



*Source: Industry/Market data

Suven: Spec Chem/ Agri Chem recovery from 2H

Agri Chem / Spec Chem– headwinds continue, expect to seeing recovery from H2'FY25

- Industry continues to work through residual inventory imbalances in key regions
- New product registration delayed given the industry macro

Focus on using downturn as an opportunity to build our team and capabilities to drive accelerated growth as outlook improves

- Investing in building Business Development and Commercial teams to support growth aspiration and expanding client relationships.
- Thrust on expanding number of RFQs from present client roster

Cohance: API ++ downcycle behind us

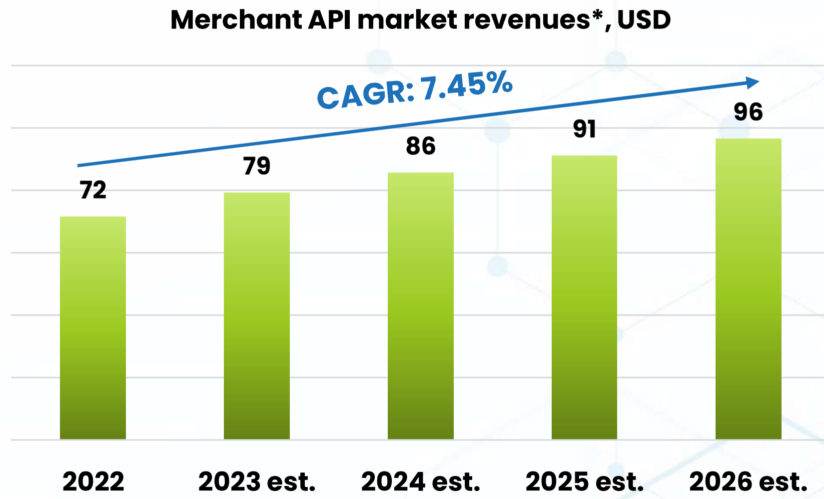
Downcycle in API++ is behind us – expect to get back to double digit growth

What will accelerate the base growth:

- Portfolio is unique and can drive sustained growth
  - Business model focus is on small-mid volume APIs. These products segments have less concentration risk and limited pricing pressure.
  - Focus on expanding market share on the back of deep cost position backed by backward integration
    - Continue to be amongst the Top 3 players for most top molecules
- Higher product validations over 18-24 months; well supported by our BD efforts

$86+ Bn Total Addressable Market

Sustained growth



Small molecules continue to be a significantly large proportion of Merchant API market revenues

*Source: Industry/Market data

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Merger of Suven Pharmaceuticals with Cohance Lifesciences

cohance lifesciences

Merger – Approval update

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cohance lifesciences

Merger Approvals status update

- We have received NSE and BSE approvals for the proposed merger
- Presently awaiting approval from SEBI
- Post SEBI approval, the Company will approach NCLT
- Pursuant to this NCLT to call for the shareholders voting
- Other regulatory approvals, if any to follow

Expected timelines for the completion of the merger process as indicated prior: 12-15 months (from 29th Feb 2024)

Financial Performance FY24

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cohance lifesciences

Suven P&L – EBITDA margins above 41%

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INR million

Consolidated P&L Snapshot	FY20	FY21	FY22	FY23	FY24	CAGR FY20-FY24	YoY
Revenue	**8,338**	**10,097**	**13,202**	**13,403**	**10,514**	***6.0%***	**-21.6%**
COGS	(2,292)	(3,019)	(3,991)	(4,225)	(3,016)		
Material Margin	**6,046**	**7,078**	**9,211**	**9,178**	**7,497**	**5.5%**	**-18.3%**
Material Margin%	*72.5%*	*70.1%*	*69.8%*	*68.5%*	*71.3%*		
Manufacturing Expenses	(1,038)	(1,338)	(1,732)	(1,763)	(1,224)		
Employee cost	(651)	(762)	(1,005)	(1,105)	(1,324)		
Other expenses	(540)	(573)	(680)	(702)	(680)		
Adjusted EBITDA (pre Fx)	**3,816**	**4,405**	**5,794**	**5,608**	**4,269**	***2.8%***	**-23.9%**
Operating Forex gain / (loss)	50	115	138	268	81		
Adjusted EBITDA (post Fx)	**3,866**	**4,520**	**5,932**	**5,876**	**4,350**	***3.0%***	**-26.0%**
EBITDA%	*46.4%*	*44.8%*	*44.9%*	*43.8%*	*41.4%*		
Depreciation & Amortization	(235)	(316)	(391)	(480)	(502)		
Finance costs	(199)	(91)	(62)	(128)	(75)		
Other income	131	27	123	195	538		
Adjusted PBT	**3,563**	**4,139**	**5,603**	**5,463**	**4,312**	***4.9%***	**-21.1%**
Tax	(875)	(1,053)	(2,138)	(1,451)	(1,118)		
Adjusted PAT	**2,688**	**3,086**	**3,465**	**4,013**	**3,194**	***4.4%***	**-20.4%**
PAT%	*32.2%*	*30.6%*	*26.2%*	*29.9%*	*30.4%*		

- FY24 was a perfect storm, and we believe most of the headwinds are now behind us fully, except for Ag Chem destocking.
- Despite these headwinds, the business has sustained gross margins higher than the past two years, at 71.3%.
- Our FY24 EBITDA margins reflect our investments in Suven, aimed at propelling company to the next orbit of growth.
- Our PAT margins remain above 30% despite a weak topline.

Note: 1) Adjusted EBITDA for FY24 includes one-time adjustments of INR 211Mn which include one time inventory provision of INR 134Mn (Q3FY24), ESOP charge of INR 20Mn and M&A exps & others of INR 57Mn (primarily relating to proposed merger with Cohance Lifesciences); 2) FY23 numbers stand restated

Suven Balance Sheet – Healthy cash rich B/S

INR million

Consolidated Balance Sheet Snapshot	FY20	FY21	FY22	FY23	FY24
Property, plant and equipment (PPE)	3,531	4,371	5,306	5,842	5,672
Right of use asset (RoU)	9	17	14	169	406
Capital work-in-progress	1,016	961	300	1,651	1,790
Intangible Assets	29	26	22	622	619
Fixed Assets	**4,584**	**5,375**	**5,642**	**8,284**	**8,487**
Inventories	1,749	2,011	2,834	3,128	2,312
Trade receivables	1,172	1,024	2,364	1,109	1,337
Trade payables	(711)	(829)	(1,059)	(701)	(424)
Core Net Working Capital (Core NWC)	**2,210**	**2,205**	**4,139**	**3,537**	**3,225**
Other net current assets	196	399	424	763	480
Other net non current assets	2,863	3,339	738	591	457
Borrowings	(1,853)	(1,412)	(956)	(692)	(386)
Cash and Cash equivalents (including liquid investments)	447	1,902	5,285	4,869	8,244
Net (debt) / cash	**(1,405)**	**490**	**4,330**	**4,178**	**7,858**
Net assets	**8,448**	**11,808**	**15,272**	**17,352**	**20,507**
Shareholder's funds	**8,448**	**11,808**	**15,272**	**17,352**	**20,507**

- Working capital under control despite Ag Chem destocking cycle.
- Free Cash generation in FY24 was Rs 3.07bn.

Suven – Key Ratios

Key Ratios	FY20	FY21	FY22	FY23	FY24	Basis
Net Working Capital (as days of sales)	97	80	114	96	112	Core NWC / Revenue * 365
PPE (as % of sales)	42.3%	43.3%	40.2%	43.6%	54.0%	Closing PPE / Revenue
Capex spend during the year (INR M)	1,029	1,108	752	2,857	518	
Capex spend (as % of sales)	12.3%	11.0%	5.7%	21.3%	4.9%	Capex spend / Revenue
(Net Debt)/ Net Cash to adjusted EBITDA (x times)	-0.4x	0.1x	0.7x	0.7x	1.8x	(Net Debt) or Net Cash/ Adjusted EBITDA
Adjusted EBIT (INR M)	3,631	4,203	5,541	5,396	3,848	Adjusted EBITDA - Depreciation and Amortization
Avg Capital employed (INR M)	6,655	7,242	8,739	10,586	11,070	Avg of Opening and Closing Capital employed (excluding Goodwill, Non-current investments and Cash & CE)
ROCE (%)	54.6%	58.0%	63.4%	51.0%	34.8%	Adjusted EBIT / Avg. Capital employed
Avg Shareholder's funds (INR M)	5,638	6,785	11,148	14,840	17,088	Avg of Opening and closing shareholder's funds (excluding Goodwill and Non-current investments)
ROE (%)	47.7%	45.5%	31.1%	27.0%	18.7%	Adjusted PAT / Avg Shareholder's funds

Cohance Proforma P&L – Snapshot

INR million

Proforma P&L Snapshot	FY19	FY20	FY21	FY22	FY23	FY24	CAGR FY19-FY24	YoY
Revenue	**7,272**	**8,631**	**10,043**	**12,802**	**13,375**	**13,408**	**13.0%**	**0.2%**
COGS	(2,900)	(3,705)	(4,004)	(5,300)	(5,058)	(4,862)		
Material Margin	**4,372**	**4,926**	**6,039**	**7,502**	**8,317**	**8,547**	**14.3%**	**2.8%**
Material Margin%	*60.1%*	*57.1%*	*60.1%*	*58.6%*	*62.2%*	*63.7%*		
Manufacturing Expenses	(1,058)	(955)	(1,123)	(1,277)	(1,480)	(1,416)		
Employee cost	(1,137)	(1,273)	(1,433)	(1,714)	(1,933)	(2,006)		
Other expenses	(584)	(657)	(693)	(879)	(839)	(962)		
Adjusted EBITDA (pre Fx)	**1,593**	**2,041**	**2,790**	**3,633**	**4,066**	**4,162**	**21.2%**	**2.4%**
Operating Forex gain / (loss)	19	174	146	69	147	21		
Adjusted EBITDA (post Fx)	**1,612**	**2,214**	**2,936**	**3,702**	**4,213**	**4,183**	**21.0%**	**-0.7%**
EBITDA%	*22.2%*	*25.7%*	*29.2%*	*28.9%*	*31.5%*	*31.2%*		
Depreciation & Amortization	(479)	(444)	(469)	(509)	(522)	(637)		
Finance costs	(169)	(197)	(45)	(110)	(154)	(332)		
Other income	157	204	189	186	154	193		
Adjusted PBT	**1,121**	**1,777**	**2,610**	**3,269**	**3,691**	**3,408**	**24.9%**	**-7.7%**
Tax	(282)	(447)	(657)	(823)	(929)	(863)		
Adjusted PAT	**839**	**1,330**	**1,953**	**2,446**	**2,762**	**2,545**	**24.9%**	**-7.9%**
PAT%	*11.5%*	*15.4%*	*19.4%*	*19.1%*	*20.6%*	*19.0%*		

Accounting entries relating to merger of AI Pharmed and RA Chem

	FY19	FY20	FY21	FY22	FY23	FY24
Depreciation and amortization				(185)	(75)	(102)
Tax impact of above				47	19	26
PAT (post consol adjustments)				**2,307**	**2,706**	**2,468**

- Cohance platform build-out started in Oct '20; Organic revenue CAGR at 13% (L2L organic growth for the entire platform, proforma for acquisitions across years); EBITDA growth at 21% CAGR
- FY24 saw EBITDA margins at 31% maintained, driven by better CDMO mix, despite some softness in revenue growth
- FY24 revenue impacted by to short-term macro headwinds (destocking), delay in vendor qualification for some products, and one COVID molecule in base
- PAT decline higher given coming out of capex cycle (D&A)

Note: 1) Till FY23, proforma and adjusted financials of Cohance entities (RAC, ZCL and Avra) have been extracted from report issued by Deloitte Touche Tohmatsu India LLP. Adjusted P&L numbers are reported numbers adjusted out for one-time expenses and income; FY24 numbers as per audited financials of the merged entity (Cohance) 2) Manufacturing expenses include power and fuel, consumption of stores & spares, repairs & maintenance, EHS expenditure, jobworks, etc. 3) Employee costs include on-payroll employee benefit expenses and contract employee expenses 4) Other expenses include Freight outward, Commission and brokerage, Legal and professional fees, Rates and taxes, Insurance, etc. 5) Adjusted EBITDA includes one-time adjustments of Rs184mn and ESOPs cost of Rs 432mn in FY24

Cohance Proforma Balance Sheet – Snapshot

INR million

Proforma Balance Sheet Snapshot [1]	FY19	FY20	FY21	FY22	FY23	FY24
Property, plant and equipment (PPE)	3,699	3,824	4,128	4,090	4,217	4,601
Right of use asset (RoU) [2]	0	13	89	179	202	356
Capital work-in-progress	45	99	155	458	1,167	2,292
Intangible Assets [2]	47	47	51	123	118	109
Fixed Assets	**3,790**	**3,982**	**4,422**	**4,850**	**5,704**	**7,358**
Inventories	1,674	1,894	2,551	3,266	3,641	3,674
Trade receivables	2,434	3,154	3,218	3,654	4,202	5,133
Trade payables	(852)	(1,305)	(1,716)	(1,670)	(2,141)	(1,994)
Core Net Working Capital (Core NWC)	**3,256**	**3,743**	**4,052**	**5,250**	**5,703**	**6,813**
Other net assets	(70)	(111)	(189)	(196)	218	65
Borrowings	(2,059)	(1,678)	(1,330)	(1,738)	(2,668)	(4,888)
Cash and Cash equivalents (including liquid investments)	3,323	3,470	3,918	4,111	974	1,197
Net (debt) / cash	**1,264**	**1,793**	**2,588**	**2,373**	**(1,694)**	**(3,692)**
Net assets	**8,239**	**9,406**	**10,874**	**12,277**	**9,931**	**10,545**
Shareholder's funds	**8,239**	**9,406**	**10,874**	**12,277**	**9,931**	**10,545**
Accounting entries relating to merger of AI Pharmed and RA Chem						
Goodwill			5,800	5,800	5,800	5,800
Tangible assets			397	389	382	376
Intangible assets			803	624	556	454
Tax impact			(297)	(137)	(99)	0
Other reconciling items			(21)	(20)	0	
Net assets (post consol adjustments)	**8,239**	**9,406**	**17,556**	**18,932**	**16,569**	**17,174**
Shareholder's funds	**8,239**	**9,406**	**17,556**	**18,932**	**16,569**	**17,174**

- Cohance business is completing a major capex cycle, this organic investment in last 4 years stood at Rs 4.57bn. FY24 we have invested Rs 2.09bn in capex.
- Working capital under control despite API++ segment softness. We anticipate recovery in WC days in FY25.
- Borrowings to reduce going forward.

Note:

1) Till FY23, proforma and adjusted financials of Cohance entities (RAC, ZCL and Avra) have been extracted from report issued by Deloitte Touche Tohmatsu India LLP. Adjusted P&L numbers are reported numbers adjusted out for one-time expenses and income; FY24 numbers as per audited financials of the merged entity (Cohance).
2) RoU and Intangible assets Includes RoU under development and intangibles under development respectively

Cohance Proforma – Key Ratios

Increased working capital due to stock buildup and increase in other current assets on account of increase input GST in FY24

Key Ratios	FY19	FY20	FY21	FY22	FY23	FY24	Basis
Net Working Capital (as days of sales)	163	158	147	150	156	185	NWC / Revenue * 365
PPE (as % of sales)	50.9%	44.3%	41.1%	31.9%	31.5%	34.3%	PPE / Revenue
Capex spend during the year (INR M)	313	498	810	911	1,346	2,089	As per proforma cashflows
Capex spend (as % of sales)	4.3%	5.8%	8.1%	7.1%	10.1%	15.6%	Capex spend / Revenue
(Net Debt)/ Net Cash to adjusted EBITDA (x times)	0.8x	0.8x	0.9x	0.6x	-0.4x	-0.9x	Net Debt / Adjusted EBITDA
Adjusted EBIT (INR M)	1,133	1,771	2,466	3,193	3,691	3,546	Adjusted EBITDA - Depreciation and Amortization
Avg Capital employed (INR M)		7,294	7,949	9,095	10,764	12,931	Avg of opening and closing Capital employed (Net fixed assets + NWC + other net assets)
ROCE (%)		24.3%	31.0%	35.1%	34.3%	27.4%	Adjusted EBIT / Avg. Capital employed
Avg Shareholder's funds (INR M)		8,822	10,140	11,576	11,104	10,238	Avg of Opening and closing shareholder's funds
ROE (%)		15.1%	19.3%	21.1%	24.9%	24.9%	Adjusted PAT / Avg Shareholder's funds

ROCE for FY24 reflects Group's higher growth capex yet to be optimally utilized

Note:
1) Till FY23, proforma and adjusted financials of Cohance entities (RAC, ZCL and Avra) have been extracted from report issued by Deloitte Touche Tohmatsu India LLP. Adjusted P&L numbers are reported numbers adjusted out for one-time expenses and income; FY24 numbers as per audited financials of the merged entity (Cohance).
2) RoU and Intangible assets Includes RoU under development and intangibles under development respectively

Proforma P&L Suven + Cohance Combined – Snapshot

INR million

Combined Proforma P&L Snapshot	FY20	FY21	FY22	FY23	FY24	CAGR FY20-FY24	YoY
Revenue	**16,969**	**20,140**	**26,004**	**26,779**	**23,922**	*9.0%*	*-10.7%*
COGS	(5,997)	(7,024)	(9,291)	(9,283)	(7,878)		
Material Margin	**10,972**	**13,117**	**16,714**	**17,495**	**16,044**	*10.0%*	*-8.3%*
Material Margin%	*64.7%*	*65.1%*	*64.3%*	*65.3%*	*67.1%*		
Manufacturing Expenses	(1,994)	(2,461)	(3,009)	(3,242)	(2,640)		
Employee cost	(1,924)	(2,195)	(2,719)	(3,038)	(3,330)		
Other expenses	(1,197)	(1,266)	(1,559)	(1,541)	(1,642)		
Adjusted EBITDA (pre Fx)	**5,857**	**7,195**	**9,427**	**9,673**	**8,432**	*9.5%*	*-12.8%*
Operating Forex gain / (loss)	224	261	208	415	102		
Adjusted EBITDA (post Fx)	**6,080**	**7,455**	**9,635**	**10,089**	**8,534**	*8.8%*	*-15.4%*
EBITDA%	*35.8%*	*37.0%*	*37.1%*	*37.7%*	*35.7%*		
Depreciation & Amortization	(679)	(786)	(900)	(1,002)	(1,139)		
Finance costs	(396)	(137)	(173)	(283)	(406)		
Other income	335	216	309	349	731		
Adjusted PBT	**5,340**	**6,749**	**8,871**	**9,154**	**7,719**	*9.6%*	*-15.7%*
Tax	(1,322)	(1,710)	(2,961)	(2,380)	(1,981)		
Adjusted PAT	**4,018**	**5,039**	**5,911**	**6,775**	**5,738**	*9.3%*	*-15.3%*
PAT%	*23.7%*	*25.0%*	*22.7%*	*25.3%*	*24.0%*		
Accounting entries relating to merger of AI Pharmed and RA Chem							
Depreciation and amortization			(185)	(75)	(102)		
Tax impact of above			47	19	26		
PAT (post consol adjustments)	**4,018**	**5,039**	**5,772**	**6,718**	**5,629**		

- Proforma numbers of the combined entity provides a head start for doubling the top-line.
- The business gross and EBITDA margins will be industry leading at 67% and 36%, respectively.
- The Proforma EPS in FY24 of the combined entity is reflecting double digit EPS accretive, already.
- PAT margins stood at 24%

Note:

1) Till FY23, proforma and adjusted financials of Cohance entities (RAC, ZCL and Avra) have been extracted from report issued by Deloitte Touche Tohmatsu India LLP. Adjusted P&L numbers are reported numbers adjusted out for one-time expenses and income; FY24 numbers as per audited financials of the merged entity (Cohance).
2) RoU and Intangible assets Includes RoU under development and intangibles under development respectively
3) Suven's adjusted EBITDA for FY24 includes one-time adjustments of INR 211Mn which include one time inventory provision of INR 134Mn (Q3FY24), ESOP charge of INR 20Mn and M&A exps & others of INR 57Mn (primarily relating to proposed merger with Cohance Lifesciences); Cohance's adjusted EBITDA for FY24 includes one-time adjustments of Rs 184mn and ESOPs cost of Rs 432mn

Proforma BS Suven + Cohance Combined– Snapshot

SUVEN PHARMA

INR million

Combined Balance Sheet Snapshot[1]	FY20	FY21	FY22	FY23	FY24
Property, plant and equipment (PPE)	7,354	8,499	9,396	10,059	10,273
Right of use asset (RoU) [2]	22	105	193	372	762
Capital work-in-progress	1,114	1,116	758	2,818	4,082
Intangible Assets [2]	76	77	146	740	728
Fixed Assets	**8,566**	**9,797**	**10,492**	**13,988**	**15,845**
Inventories	3,643	4,562	6,100	6,769	5,986
Trade receivables	4,326	4,241	6,018	5,356	6,469
Trade payables	(2,016)	(2,546)	(2,729)	(2,940)	(2,418)
Core Net Working Capital (Core NWC)	**5,953**	**6,257**	**9,389**	**9,185**	**10,038**
Other net assets	2,947	3,549	965	1,626	1,002
Borrowings	(3,531)	(2,742)	(2,693)	(3,359)	(5,274)
Cash and Cash equivalents (including liquid investments)	3,918	5,820	9,396	5,843	9,440
Net (debt) / cash	**387**	**3,078**	**6,703**	**2,484**	**4,167**
Net assets	**17,853**	**22,682**	**27,549**	**27,282**	**31,052**
Shareholder's funds	**17,853**	**22,682**	**27,549**	**27,282**	**31,052**

- Proforma B/S numbers of the combined entity provides a Heathy net cash balance sheet.
- Working capital with scope of improvement as we come out of downcycle of API++ and Ag Chem industry.
- The indicative ROCE and ROE of the business is healthy at 31% and 21%, respectively.

Note:

1) Till FY23, proforma and adjusted financials of Cohance entities (RAC, ZCL and Avra) have been extracted from report issued by Deloitte Touche Tohmatsu India LLP. Adjusted P&L numbers are reported numbers adjusted out for one-time expenses and income; FY24 numbers as per audited financials of the merged entity (Cohance).
2) RoU and Intangible assets Includes RoU under development and intangibles under development respectively

Suven + Cohance Combined Ratios – Snapshot

Key Ratios#	FY20	FY21	FY22	FY23	FY24	Basis
Net Working Capital (as days of sales)	128	113	132	125	153	NWC / Revenue * 365 days
PPE (as % of sales)	43.3%	42.2%	36.1%	37.6%	42.9%	PPE / Revenue
Capex spend during the year (INR M)	1,527	1,918	1,663	4,203	2,607	
Capex spend (as % of sales)	9.0%	9.5%	6.4%	15.7%	10.9%	Capex spend / Revenue
(Net Debt)/ Net Cash to adjusted EBITDA (x times)	0.1x	0.4x	0.7x	0.2x	0.5x	Net Debt / Adjusted EBITDA
Adjusted EBIT (INR M)	5,402	6,670	8,735	9,087	7,394	Adjusted EBITDA - Depreciation and Amortization
Avg Capital employed (INR M)	13,949	15,192	17,833	21,350	24,001	Avg of opening and closing Capital employed (Net fixed assets + NWC + other net assets)
ROCE (%)	38.7%	43.9%	49.0%	42.6%	30.8%	Adjusted EBIT / Avg. Capital employed
Avg Shareholder's funds (INR M)	14,460	16,924	22,724	25,944	27,326	Avg of Opening and closing shareholder's funds
ROE (%)	27.8%	29.8%	26.0%	26.1%	21.0%	Adjusted PAT / Avg Shareholder's funds

calculated based on Proforma P&L and Balance Sheet of Suven + Cohance combined

Note:
1) Till FY23, proforma and adjusted financials of Cohance entities (RAC, ZCL and Avra) have been extracted from report issued by Deloitte Touche Tohmatsu India LLP. Adjusted P&L numbers are reported numbers adjusted out for one-time expenses and income; FY24 numbers as per audited financials of the merged entity (Cohance).
2) RoU and Intangible assets Includes RoU under development and intangibles under development respectively

Contact Information

SUVEN PHARMA

Cyndrella Carvalho, Head - Investor Relations,
Suven Pharmaceutical Ltd

Tel: +91 9823615656

Email: cyndrella.carvalho@suvenpharm.com

Gavin Desa / Rishab Barar
CDR - India

Tel: +91 98206 37649/ +91 77770 35061
Email: gavin@cdr-india.com / rishab@cdr-india.com

Thank You