

CSD/BSE&NSE/CC/2024-25
August 14, 2024

To
The Manager
Department of Corporate Services
BSE Limited
25th Floor, P. J. Towers,
Dalal Street, Mumbai - 400 001

To
The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (E), Mumbai – 400 051

Scrip Code: 543064

Scrip Symbol: SUVENPHAR

Dear Sir/Madam,

Sub: Transcript of the earnings conference call for the quarter ended June 30, 2024

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Pursuant to Regulation 30 read with Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the earnings conference call for the quarter ended June 30, 2024 conducted after the meeting of Board of Directors held on August 09, 2024.

The above information has been uploaded on the Company's website at <https://suvenpharm.com/financial-info/>

This is for your information and record.

Thanking You,
Yours faithfully,
For **Suven Pharmaceuticals Limited**

Himanshu Agarwal
Chief Financial Officer

Suven Pharmaceuticals Limited

Registered Office: # 215 Atrium, C Wing, 8th Floor, 819-821, Andheri Kurla Road, Chakala, Andheri East, Chakala Midc, Mumbai- 400093, Maharashtra, India
Tel: 91 22 61539999

Corporate Office: # 202, A-Wing, Galaxy Towers, Plot No.1, Hyderabad Knowledge City, TSIC, Raidurg, Hyderabad - 500081 Telangana, India
Tel: 91 40 2354 9414 / 3311

Email: info@suvenpharm.com | Website: www.suvenpharm.com | CIN: L24299MH2018PLC422236



Suven Pharmaceuticals Limited

Q1 FY25 Earnings Conference Call Transcript

August 09, 2024

Moderator: Ladies and gentlemen, good day and welcome to the Suven Pharmaceuticals Limited Q1 FY25 Earnings Conference Call.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference, please signal an operator by pressing "*" and then "0" on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Cyndrella Carvalho from Suven Pharmaceuticals Limited. Thank you and over to you ma'am.

Cyndrella Carvalho: Thanks, Dorvin. Good evening, everyone. We welcome you all on our Q1 FY25 Earnings Conference Call.

Let me introduce you to our management team here. Mr. Annaswamy Vaidheesh – Executive Chairman, Dr. Prasada Raju – Managing Director, Dr. Sudhir Kumar Singh – CEO and Mr. Himanshu Agarwal – our CFO.

After our "Opening Remarks", we will open the floor for Q&A.

Now, I hand over the call to our Managing Director – Dr. Prasada for his "Opening Remarks". Over to you, sir.

Dr. Prasada Raju: Thank you, Cyndrella. A very good evening to everyone. We extend a warm welcome to all on our Q1 FY25 Earnings Conference Call.

In terms of the macro industry dynamics, we continue to witness deal wins in favor to CDMO industry. Customer sentiment remains positive towards India, driven by supply chain de-risking and industry macro. This continues to drive our confidence in medium-to-long-term growth.

To give you a few perspectives about Pharma CDMO:

Our strategic orientation towards deepening and widening our pipeline is yielding results. Healthy inflow of RFQs, we continue to see higher momentum of inflows of RFQs which is attributed to consistent efforts by the management, commercial team and R&D supported by a positive industry macro. We remain focused and work with



our customers to convert these RFQs meaningfully. RFQs received with a healthy mix of mid phase to lateral phase projects including commercials. Our BD team has also secured RFQs from a few new customers across US, Europe and Japan, covering both Pharma CDMO as well as AgChem, highlighting our strategic emphasis on broadening our customer reach.

We are also deepening our R&D engagement with our customers receiving RFQs for expanded product categories, effective of efforts in the right direction for Suven.

Our current Phase-3 pipeline includes seven molecules translating into 13 intermediates. We are geared up to meet customers increasing demand for backward integration by utilizing our existing capacities. In summary, we expect growth from the second half of FY25.

Moving on to Specialty Chemicals and AgChem:

As mentioned in our previous update, we are leveraging the AgChem downcycle to our advantage, converting our specialty chemical service line into a new dedicated strategic business unit. In line with this, we have started investing on onboarding domain experts and operating partners in this space who can bring expertise and experience.

Our Vizag plant is now dedicated to specialty and AgChem facility, investing in differentiated capabilities for specialty and AgChem business, focused on initiatives to drive continuous improvements including instrumentation, automation while implementing best practices of EHS.

Within the AgChem segment, demand recovery has been slower than expected, but we continue to expect growth based on the demand recovery during the second part of the current financial year and beyond. We will have to wait for another quarter to get complete clarity from our customers on the AgChem side of it.

Moving on to our strategic intent and the commitment what we have communicated to all of you in the past Earnings Calls on our acquisitions:

Sapala acquisition, we have also completed the first phase by acquiring 51% of the state on a fully diluted basis, which implies 67.5% on a current equity basis. We also started working very closely and number consolidation is expected from Q2 of this financial year. As we integrate, we have also started engaging with all the critical customers of Sapala and are also exploring cross-pollination opportunities.

What we realized, one of the important growth drivers for technology platform of Oligonucleotides and Sapala is to have a GMP facility which is contemporariness to unlock the future opportunities. Hence, we are also crafting a plan towards the GMP facility. In the coming quarters, we will come back with more details around it.

Now, I wish to give a brief business perspective on Cohance:

As stated in their Investor Presentation, Cohance is back on the growth. ADC segment, Cohance is receiving more enquiries on new adjacent platform payloads and the new orders are also on track. The CDMO segment is expected to grow YoY in FY25 with shipment schedules largely towards second-half of the year with insight purchase orders in hand.



Coming to API Plus:

Cohance is experiencing demand recovery. It is evident by the fact that it delivered 22% of YoY growth in Q1 and the order book remains healthy to deliver growth on a full year basis.

In Summary:

There is no change in the outlook as we have communicated in the past. Q1 has been in line with our expectation, while Q2 will see a muted growth. As we mentioned earlier, we will deliver growth on a full-year basis versus last year.

The key strategic initiatives are pretty much on track with the right inputs that what we have defined, and we wish to reiterate our aim to double the combined business organically over the next five years and M&A to act as a growth accelerator.

With this, now I would like to request Himanshu Agarwal – our CFO, to walk you through our financial performance and provide further updates to you. Thank you.

Himanshu Agarwal: Thank you, Dr. Prasada. Good evening, everyone. In Q1 FY25, Suven generated a free cash flow of Rs.33 crore with the cash and bank balance now at Rs. 64 crore at the end of '25.

Overall, the Company's revenue declined by 34% YoY. The Pharma CDMO segment is expected to deliver growth in FY25 shipment schedules largely towards the second-half of FY25. Gross margins improved by 157 bps YoY driven by the improved business mix. Adjusted EBITDA margins were at 38%, while adjusted PAT were at 28%, reflecting our current investments aimed at steering Suven for the next growth chapter. EBITDA also has a one-time cost of 35.7 million, which is largely the ESOP. Factoring for which the reported EBITDA margins for Q1 stood at 35.5%.

We have till date incurred Rs.22 crore on Phase-I for the R&D center at Genome Valley, which has been in operation since June '24. The roll CAPEX for the current quarter stands at Rs. 27.4 crore.

As informed earlier, our formulations plant, which is a Casper unit, which is a wholly-owned subsidiary of Suven was audited by the USFDA and we received two procedural observations.

We have also appointed new statutory auditors, Grant Thornton, as well as the internal auditors Ernst & Young, reflecting our commitment to strengthening governance and internal control.

Regarding the proposed merger with Cohance, we would be pleased to note that we have received approvals from the stock exchange and SEBI. We have submitted our petition to Hon'ble NCLT Mumbai bench, and we are awaiting the hearing date. Subject to regulatory approvals, we expect the completion of this activity in the next seven to 10 months.

According to Cohance, in its distinction we have achieved a revenue of Rs.252 crore growing at 10% YoY with adjusted EBITDA margins of 20%. The API-plus business reported a growth of 22% YoY.



On a pro forma basis, combined Suven and Cohance Q1 FY25 revenue was at Rs. 483 crore and gross margins being at 67.3%. The adjusted EBITDA stood at Rs. 136 crore with EBITDA margins at 28% and adjusted PAT being at Rs. 84 crore.

Cohance has also invested Rs. 41 crore in a new facility in Vizag bought from Avra Synthesis. This capacity will add to our basic and intermediate supplies, increasing our flexibility towards backward integration.

Overall, as mentioned by Dr. Prasada, Cohance is back on a growth path, and we expect the trend to continue for the remainder of the year. At a combined platform level, we anticipate growth in the second-half of FY25 with YoY growth in both revenue and EBITDA and further growth acceleration from FY26 onwards.

Thank you very much.

Moderator: We will now begin the question-and-answer session. The first question is from the line of Mira from Skylark Investments. Please go ahead.

Mira: What steps are we taking to convert the increased RFQs into confirmed orders? Are there any challenges you foresee in the process? What is the long-term vision for the new agrochemical SBU? And how does it fit into Suven's overall growth strategy?

Dr. Prasada Raju: Thank you, Mira, for asking this question. RFQ as you understand, there are three important elements. One is our abilities to respond on time and write cost and schedule in line with the customer expectation. As we discussed in our previous earning calls, we have also strengthened our back-end team on project proposal making and also created dedicated teams for us to be able to respond on time. We also have mutual conversations with our customers to get feedback before the decision is made. So, that is the extent of relationship is also being nurtured further. With all these things, we expect definitely a meaningful and healthy RFQ conversion; however, as all of us understand, based on the design of the business, some of the RFQs which are at mid-stage might take 2.5-3 months' time and something can take a little early. However, the majority of the RFQs have already been responded to and we only expect customer decisions to come in. Second question, what you were mentioning about specialty chemicals, how it will fit into your larger thinking of the growth and how it will strategically fit into. Enough deliberations that we have made. A few things that we wanted to accomplish. It's no more a separate service line of the business. We also had a candid conversation, thanks to our customer and a partner who has given feedback saying that the entire mindset is different, and the skill set needs for specialty and AgChem is different than pharma, while science remains same. We knew this, but we were only waiting for a right time to come in. We felt when the business is in the process of recovery, we have an option to clearly invest our time and effort to separate it out. With this, we can stay completely relevant to our customer, and we also can invest time and effort to have continuous improvement mindset and also highest level of efficiencies that is needed for us to be extremely relevant in the specialty chemical industry. With this, our opportunities of going further deeper with existing customers will be much better, hence it also secures our future growth as we have also decided that while the Pharma CDMO becomes one of the important growth drivers, specialty chemical business remains as one of the biggest priorities going forward. By earmarking this as an independent BU, which gives enough focus, that's the reason we have agreed to decide this step.

Moderator: The next question is from the line of Madhav from Fidelity International. Please go ahead.



Madhav: I have two questions. First one was on Cohance margins in Q1. Maybe I lack some basic understanding, is it that there is some seasonality in the business that Q1 is generally softer and then because of operating leverage towards stronger, is that it or there is margin pressure for Cohance?

Dr. Prasada Raju: If we understand correctly, Madhav, your question is primarily is the Q1 lower and the margin pressure is there on Cohance, is what your question, Madhav?

Madhav: Yes, exactly.

Dr. Prasada Raju: So, it's a design of the business and we don't expect any full year basis impact which can adversely create a trouble to us. It is slightly better than our plan and we don't expect any challenges both in terms of phasing as well as material margin. However, QoQ business mix changes, that's the reason you see it and it is not a right reference point to judge this business on a quarterly basis.

Madhav: Because now if I look at FY21 to '24 full year margins have been 29% to 32% and Q1 was 19.5%. So, I was just trying to understand that maybe this quarter is of the reflection we should look at for?

Dr. Prasada Raju: One more additional point, Madhav. In this quarter the mix of API plus is higher than the CDMO. CDMO mix is going to be improved towards the latter part of the year. That's way to look at it.

Madhav: So, Cohance full year margins will remain in that same 30% range what we have delivered last 4-5 years, so there's no change in that?

Dr. Prasada Raju: It will be same, or it will be slightly better.

Madhav: And also, the second question was on the ADC products that we are working on. Could you just help me understand is it the right understanding that we have two commercialized products in ADC which we are supplying right now? The pipeline we have one Phase-III product in ADC, is that right or something different?

Dr. Prasada Raju: Your first understanding is correct. We are supplying warheads to two commercially approved products and two projects are in the pipeline now.

Madhav: And these are in what phase are we in, like, is it Phase-III, Phase-II or where are they exactly?

Dr. Prasada Raju: One is at the advanced stage.

Moderator: The next question is from the line of Akanksha from RBC Capital. Please go ahead.

Akanksha: My question is what synergies do you surge from the Sapala Organics acquisition and how will it be integrated? You mentioned you have a higher momentum of RFQs with a 2X increase compared to the same period last year. What specific factors are driving this surge in the RFQ's?

Dr. Prasada Raju: Synergies on Sapala as we have alluded during our merger time, predominantly the cross-pollination of the customer is one important factor that we have considered and we also seem to have a similar kind of a reception, we have started meeting all the customers. And whatever assumption that we made pre-acquisition is still valid. Second, on the RFQ point, there are three things which are changing. As you

understand globally the clinical trial trend is substantially increasing and public domain information says coming closer to 22,900 is the closure number where clinical trials are happening, out of which 52% remains in the small molecules. That is definitely one important good news. And when we compare with '23 to '24 number, the number of small molecule in the pipeline has also increased by upwards of 15-plus percentage. This is one important factor which is definitely helping us to generate more RFQs. Second point, there is also a sentiment towards geopolitical issues and towards India. That is also favoring not just to us, to the entire Indian CDMO industry, which is also helping. Third, our internal actions of increasing our commercial effort and business development effort including the back end which we are trying to be much closer to the customer, is also helping us to have more number of RFQs coming to us.

Moderator: The next question is from the line of Varun Bang from Bandhan Live. Please go ahead.

Varun Bang: So, we have talked about continued momentum in RFQs. Can you share more perspective on kind of projects a qualitative perspective on RFQs that we are receiving versus kind of projects that we are having in existing Pharma CDMO business?

Dr. Prasada Raju: I would request our CEO, Dr. Sudhir to respond to your question.

Dr. Sudhir K Singh: I think in the previous commentary what you heard from Dr. Prasada that these are the combination and mix of both early phase development and late phase and commercial as well. What you are talking about momentum, see if you do not have an early phase, you don't develop the pipeline. So, basically what we're trying to do is develop a pipeline of more projects from the early phase. However, as he said that since we started our commercial engine a couple of months back and that has started seeing results in terms of RFQs. So, we have started seeing RFQs from the new customers as well.

Varun Bang: So, I actually wanted more qualitative perspective on the RFQ that are coming versus existing CDMO projects that we are working on?

Dr. Prasada Raju: So, it's a more or less similar in line, but there are also new avenues which are also what we are able to experience, but, Varun, you should allow us to come back to you once something becomes real. We see some change in the RFQs especially in line with the new therapy indications, which are growing substantially, we see some change in the mix; however, it's too early for us to comment.

Varun Bang: From a commercial standpoint, how do you see them versus existing pipeline that we have? Are they the same as existing pipeline or will they be more lucrative from a margin standpoint if they eventually scale in volumes?

Dr. Prasada Raju: Indeed, yes. But again, we go back to same thing, Varun, I think you should allow us for some more time.

Varun Bang: Can you share more perspective or let's say more color on the kind of projects that we are looking at which is going to drive growth in H2?

Dr. Prasada Raju: It's a combination of both the commercial as well as some of the reloads and the new RFQs. And for existing products we have purchase orders in hand. It's a question of our abilities to deliver. That gives us confidence that H2 will be much more assured



for getting the growth coming back to us. However, there are some projects where we have to win some of the RFQs. It's a combination of both.

Varun Bang: And any thoughts on dividend policy, isn't it more prudent to have a dividend payout policy, how is management and board looking at it?

Himanshu Agarwal: So, Varun, we articulated the dividend policy and it's kind of there on the investors section. Obviously as we all understand the dividend is a function of the cash, and cash is a function of how you deploy it, whether you deploy in new technologies and increase the business versus you give it out as a dividend. As you will have noticed, we have done a strategic investment of Sapala which right now there has been discussion about what are the synergies and what is the benefit that the business will get. So, we feel that there is a very clear direction from a long-term technology deployment, and we feel that is the right opportunity for us to use the cash that is there. However, having said that, there is a very clearly articulated dividend policy that's available on the website.

Moderator: The next question is from the line of Jatin Chawla from RTL Investments. Please go ahead.

Jatin Chawla: My first question is you spoken about RFQs last quarter and this quarter as well. I just wanted to understand broadly at an industry level what sort of timeline is there from this RFQ to getting firm orders?

Dr. Prasada Raju: We can actually give you a little broader perspective from an industry standpoint because RFQs can be from, let's say, early phase and to mid phase to late phase. Early phase can be a four to six weeks and mid phase can be six to eight weeks and eight to twelve weeks is the late phase. That's a normal industry trend. We also expect the same thing to happen to us as well.

Jatin Chawla: So, broadly then over a three-month period the outer limit for the commercials is eight to twelve weeks, so over a three-month period, there should be some decisions that you should see. So, when you talk to us next quarter, we would have some decisions on these RFQs that you have seen and some news on orders as well?

Dr. Prasada Raju: Your understanding is absolutely right. It is an ongoing process. Definitely wherever we see some improvements, whatever becomes real to us, certainly, we will bring this information back to all of you.

Jatin Chawla: My second question is on the ADC side. You said there are two projects in pipeline and one at an advanced stage, this is Cohance. Are both these projects in pipeline for the existing warhead for the existing ADC or Is there something for the new one?

Dr. Prasada Raju: So, it's a combination of customized payloads and also existent payloads. At this point in time, both the things are showing a lot of interest, and as we are speaking, we are on one of the adjacent payloads we are in advanced stage of discussion with one innovator Company. And certainly, once it becomes real, this information can be shared appropriately. But definitely, we see a lot of traction then what it was a quarter before.

Jatin Chawla: The next question is on the agri side. What gives you the confidence that things will really recover in the second-half? I can see for your pharma side that you have firm orders in hand, and you are seeing a very strong RFQ pipeline. On the agri side what is really driving this confidence that second-half onwards we should start seeing growth come back?



Dr. Prasada Raju: Jatin, I think it's a very valid question. So, before we sort out and we will solve for our growth, we have to solve for the macro changes, whether it is destocking, whether it is El Niño impact or whether it is drought in other part of the countries, coupled with our customer growth, then our growth can come into. What we learnt from our customers is one of the important projects we are able to see some level of openness where they wanted to look for volumes coming in this year to next year, where definitely the demand is coming back to us. That is one important factor that we are doing. And definitely with the easiness of destocking, which is coming almost to the closure stage, the demand will definitely improve. So, it's a function of market and customer which both we see a positive sign.

Jatin Chawla: And just one quick clarification. In your initial remarks you said you expect growth for the full year in the Pharma CDMO piece. In the combined pharma plus agri also, do you expect growth in the full year, this is excluding Cohance?

Dr. Prasada Raju: So, overall CDMO. Suven is going to grow by end of this full year.

Moderator: We have the next question from the line of Sangeeta Agarwal from Jain & Co. Please go ahead.

S Agarwal: My question is also on RFQ. So, in RFQs, what are the categories wherein we are seeing expansion to commercialization stage. Could you just explain that?

Dr. Prasada Raju: Ma'am, can you just elaborate what exactly do you mean by categories?

S Agarwal: Different illnesses basically that's what I am looking at.

Dr. Prasada Raju: So, predominantly again oncology is the key driving force and there are some products which are also coming as orphan drug products. Because of these two, there are some products which are already having a fast-track approval. Predominantly, these are all the few things as of today we have. Apart from that recently, we have also started getting RFQs other than this category as well, but it is too early to comment right now, but maybe a quarter and two quarters later, once we it becomes real, we can come back to you.

S Agarwal: So, any breakup you can give?

Dr. Prasada Raju: Not exactly at this stage, ma'am. It's too early to comment.

Moderator: The next question comes from the line of Ankit Shah from Canara Robeco Asset Management Company. Please go ahead.

Ankit Shah: So, firstly a clarification. So, can you elaborate whether this one product you are in talks with an innovator Company, is it in existing client and if you could share whether it's like a Phase-II, Phase-III or commercial product that you can give that?

Dr. Prasada Raju: In which segment, Ankit?

Ankit Shah: Under ADC, the one pipeline product you said you are in talk with an innovator Company.

Dr. Prasada Raju: So, it's a newly onboarded innovator Company.

Ankit Shah: And is it a Phase-III product or it's a commercialized product?

Dr. Prasada Raju: We will come back, but it is definitely at an advanced stage. As you understand, Ankit, just to let you know to the point what Sangeeta madam also has asked the same question, when we say some of the products which are in oncology segment, history says majority of the oncology segment products are either a fast-track approval or a breakthrough therapy. So, obviously the time to market is much faster than the usual traditional product. Hence, once we have a view, definitely we will come back to you saying that this is what the current status is, but definitely It is going in the right direction.

Ankit Shah: My second question relates to Suven's CDMO business. So, in the presentation you have mentioned there are seven molecules which are in Phase-III. Is there any visibility on commercialization on any of these in next one year, do you see anyone moving into commercialization?

Dr. Prasada Raju: Ankit, we have to follow the customers very closely. Again, we have to qualify our statement. What we heard from our customers at least two molecules readouts are expected in FY24. That's what we learned. If anything is better known to us, we will certainly inform you.

Ankit Shah: So, you mean FY25?

Dr. Prasada Raju: Yes.

Ankit Shah: And the next couple of clarifications. Firstly, the working capital days for Suven Pharma have increased to 127 days. So, any particular reason, sequentially, it has risen?

Dr. Prasada Raju: So, Ankit, as we speak, we had certain delays from a receipt of supplies with the customers given the situation in the Red Sea and the Gulf area, so the shipments got delayed, and as a result the customers who pay us on site, the recoveries happened in the month of July. So, almost Rs. 100 crore of debt has been received as of 31st July. So, that's been a bit of an aberration because of the way the quarter ended. Nothing else as a reason.

Ankit Shah: Essentially it is normalized as of July 31st.

Dr. Prasada Raju: Yes, it has.

Ankit Shah: One data point. In the last presentation for Cohance you had given the share of gross profit from the CDMO segment. Is it something that you can share this quarter as well?

Dr. Prasada Raju: So, on that, we will come back to you.

Ankit Shah: So, we had acquired Sapala, but any other acquisitions that you are looking for, any other white spaces that you feel you need more capabilities and anything in the pipeline that you have right now on acquisitions?

Dr. Prasada Raju: So, Ankit, if I may come in, definitely that's one of important strategic and lever to us to see to it that how Suven growth can be accelerated. Definitely, we have landed up in the Oligonucleotide space right now and we are also looking for other adjacencies and we have also strengthened our M&A team further. And when we come back with a specific instrument of investment, definitely we will come back to you. Our endeavor is to look at unique technology platforms which can accelerate

the combined organization growth and also help us to stay completely relevant to our customers.

Moderator: The next question comes from the line of Darshit Shah from Nirvana Capital. Please go ahead.

Darshit Shah: So, I heard that now in the Suven CDMO out of seven molecules, two molecules data is to be read out in FY25. Also, these are for the intermediate. So, earlier also we were in talks to kind of value migrate to API with our existing as well as new innovator companies. So, anything that is on our advanced stage for that?

Dr. Prasada Raju: We have actually provided all the insights, but as of today the majority of the opportunities are coming on the registered starting material to GMP intermediates and we don't seem to have so many API enquiries coming in. However, we have actually given our proposal, and our customer is evaluating potentially to consider appropriately. We do have the capability that has been explicitly understood by our customers, but a decision is awaited. However, all the RFQs what we are getting are not in API space.

Darshit Shah: Just if I look at your aspiration which we are highlighting to grow the combined business to double in next five years, so that works out to be around 15%, 16% CAGR. It seems to be pretty low like for both the companies if we look at historical for four, five years, both the companies have kind of grown at 20%, 25% CAGR. So, are we not seeing enough green shoots or are we being too conservative because we are the minority shareholders probably are a little far higher growth with Advent kind of coming and combining this business and all. So, where am I missing if you can kind of throw some light on that?

Dr. Prasada Raju: Internally, what we intend to communicate is our strategic direction. However, whenever we see improvements coming in, definitely, we will come back and communicate how we can further accelerate. And definitely our aspirations are higher and better, but we prefer to commit and deliver our promise to all of us.

Darshit Shah: And actually, the earlier Management anyway didn't guide anything, but they kind of delivered without any commitment or guidance. But happy to kind of have at least some guidance from the new management. But hope you kind of deliver far better than what you are aspiring.

Dr. Prasada Raju: You can be rest assured the Company has very strong fundamentals strategy and also we have rebooted whatever is important for the organization both on R&D side and commercial side. We are able to see how we are deepening our pipeline and bringing a very, very healthy pipeline not just for a few years to come in and decades to come in. As a management team, we feel extremely strong about delivering what we are committing. In mid-term to long-term.

Moderator: The next question is from the line of Dheeresh from WhiteOak. Please go ahead.

Dheeresh: Just to confirm my understanding, did you say that for full year you will grow in the pharma entity will have a growth on top line and EBITDA?

Dr. Prasada Raju: That's right. Absolutely.

Dheeresh: In Cohance, there is a growth in revenue, but you are saying API plus has grown 22%. That means Cohance CDMO has degrown in this quarter?



- Dr. Prasada Raju:** If I have to say that was set to have that record the same kind of growth and it was not a surprise, it's more of a cyclical nature of the business. They have secured the purchase orders, but deliveries are predominantly scheduled in H2. Hence, the overall combined platform level of Cohance on a full-year basis, it will be same or better than the last year from a CDMO mix standpoint.
- Moderator:** The next question is from the line of Karthi from Suyash Advisors. Please go ahead.
- Karthi:** Sorry to be asking the guidance question, but just to understand the Suven guidance better, so if you match or do better versus last year on a full year basis, that would largely be driven by CDMO business, is my understanding correct or do you believe that this specialty also can come back substantially to match at least last year's levels?
- Dr. Prasada Raju:** Currently, your understanding is correct. Currently, within the CDMO, Pharma CDMO is going to be the primary driver to deliver our promise in the current year.
- Moderator:** Ladies and gentlemen, we have no further questions. I would now like to hand the conference over to the management for closing comments. Over to you.
- Cyndrella Carvalho:** Thank you, Dorwin. Thank you, everyone for joining and we wish to talk to you in next quarter.
- Dr. Prasada Raju:** Thank you, everyone.
- Moderator:** On behalf of Suven Pharmaceuticals Limited, that concludes this conference. Thank you all for joining us. You may now disconnect your lines.