



SCIENCE + SOFTWARE = SUCCESS

17th Annual Craig-Hallum Institutional Investor Conference

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Nasdaq: SLP



Safe Harbor Statement

With the exception of historical information, the matters discussed in this presentation are forward-looking statements that involve a number of risks and uncertainties. The actual results of the Company could differ significantly from those statements. Factors that could cause or contribute to such differences include but are not limited to: continuing demand for the Company's products, competitive factors, the Company's ability to finance future growth, the Company's ability to produce and market new products in a timely fashion, the Company's ability to continue to attract and retain skilled personnel, and the Company's ability to sustain or improve current levels of productivity. Further information on the Company's risk factors is contained in the Company's quarterly and annual reports and filed with the Securities and Exchange Commission.

Simulations Plus

Our mission is to improve the productivity of science-based research & development enterprises by delivering innovative modeling and simulation software and insightful consulting services

Products & Services

Software Portfolio

- Modeling & simulation platform for drug R&D
- Predictive software for >140 properties of chemical formulations
- Analytical software for certain biological or disease states
- Cloud-based web app for drug development lifecycle management

Consulting Services

- Provide multi-disciplinary modeling and simulation support

Customers and Market

Pharmaceutical and biotech companies ranging from the largest in the world to a number of medium-sized and smaller companies in the U.S., Europe and Japan

Operating Divisions

- Simulations Plus, Inc.
- Cognigen
- DILIsym
- Lixoft

Corporate Information

- The company was founded in 1996 and now has 119 employees* worldwide.
- Primary offices located in Lancaster, CA; Buffalo, NY; Raleigh, NC; and Paris, France.

* As of 2/29/2020

Consistent Financial Results

- > 10 years of consistent revenue growth
- > 10 years of profitability
- Cash generated from operations during six months ended 2/29/20 of \$3.8 million with cash on hand of \$8.0 Million at 4/6/2020
- Dividend payout ratio of 49%¹
- Quarterly dividend of \$0.06 per share¹

¹ Dividend ratio for FY2019; No assurances of future cash dividends can be made as the BOD makes its decision on a quarterly basis based on current financial condition and strategic plans.

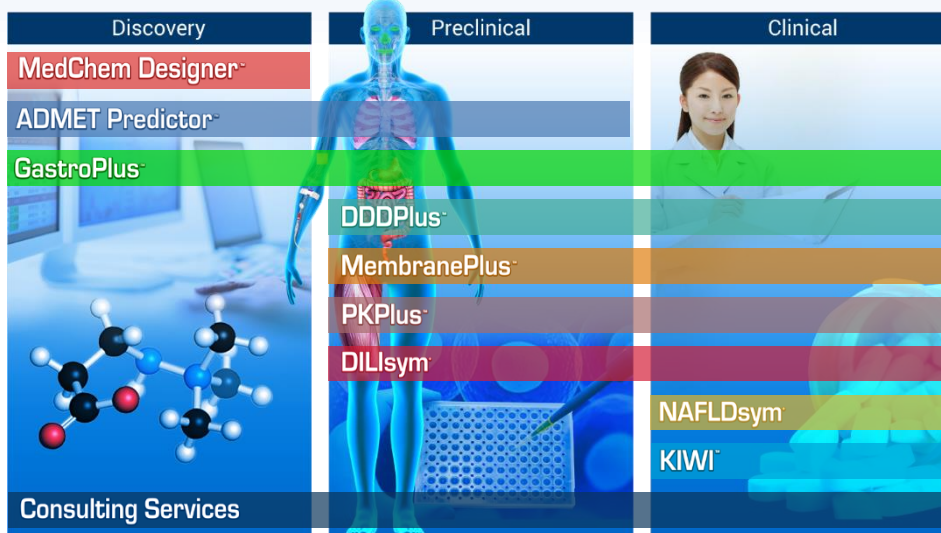
Serving All Stages of the Development Process

Our products and services span the entire drug development process from discovery to approval



SimulationsPlus | **Cognigen** | **DILIsym Services**

SCIENCE+SOFTWARE=SUCCESS



Software Product Portfolio

- Physiologically-based pharmacokinetic (PBPK) modeling platform simulates a number of responses in humans and animals
- Predicts over 140 properties of chemical formulations quickly and accurately
- Quantitative Systems Toxicology (QST) and Quantitative Systems Pharmacology (QSP) for analyzing certain biological or disease states
- Cloud-based web application to organize, process, maintain and communicate data and results generated by pharmacologists and scientists over the duration of a drug development program

Consulting Services

- Support clients through the entire drug development process from sketching chemicals to regulatory filings
- Provide multi-disciplinary modeling and simulation support:
 - PBPK modeling and simulation
 - Pharmacokinetic/Pharmacodynamic analysis
 - Population/PK modeling and NONMEM analysis
 - Quantitative systems pharmacology and toxicology
 - Quantitative structure-activity relationship modeling
 - Data assembly and preparation of regulatory reports

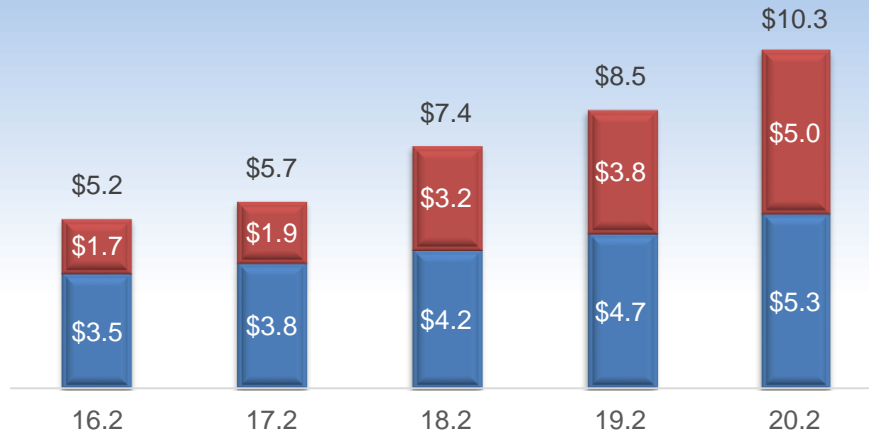
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Steady and Consistent Revenue Growth

Organic Revenue Growth accelerating to new 15-20% range

Second Quarter Revenue
\$ in millions

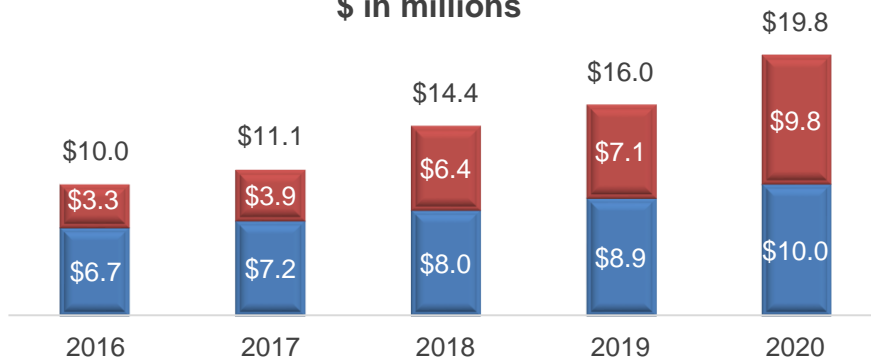


Key Highlights

• Q2 FY2020 Financial Highlights

- Revenue up 22.2% for Q2FY20 vs Q2FY19
- Gross profit 74.2% for Q2FY20 vs 73.9% Q2FY19
- Net income before taxes 27.4% Q2FY20 vs 31.8% Q2FY19
- EPS \$0.12 Q2FY20 vs \$0.12 Q2FY19
- Cash generated from operations during the quarter of \$1.2M with cash on hand at end of quarter of \$12.2M

6 Months Revenue
\$ in millions



■ Software ■ Consulting

• Operational Highlights

- Software revenue: 52% of total revenue, 12% y/y growth
- Service revenue: 48% of total revenue, 35% y/y growth
- 119 Employees (including 82 with advanced degrees) up 19% y/y (73% of that growth is billable consulting staff)

Lixoft

Acquired April 1st, 2020

- **Founded in 2011 with headquarters in Paris, France**
- **Monolix Suite: PKPD Modeling functionality**
 - **Datxplore:** Exploration and visualization of data
 - **PKanalix:** Non-compartmental and compartmental analysis
 - **Mlxplore:** Exploration and visualization of complex models
 - **Monolix:** Non-linear mixed effects modeling (NLME) engine
 - **Simulx:** Clinical trial pharmacometrics simulations
- **Company Profile**
 - Founded in 2011 and headquartered in Paris, France
 - 12 employees
 - 2019 calendar year revenues of approximately \$3.4 million and \$1.7 million in net earnings
- **Acquisition benefits**
 - ✓ Immediately accretive
 - ✓ Product/Culture fit
 - ✓ Good valuation
 - ✓ Adds fast growing high margin software revenue stream
 - ✓ Provides greater presence in EU geography
 - ✓ Consulting service upside
 - ✓ Adds experienced executive leadership

COVID-19 Impact

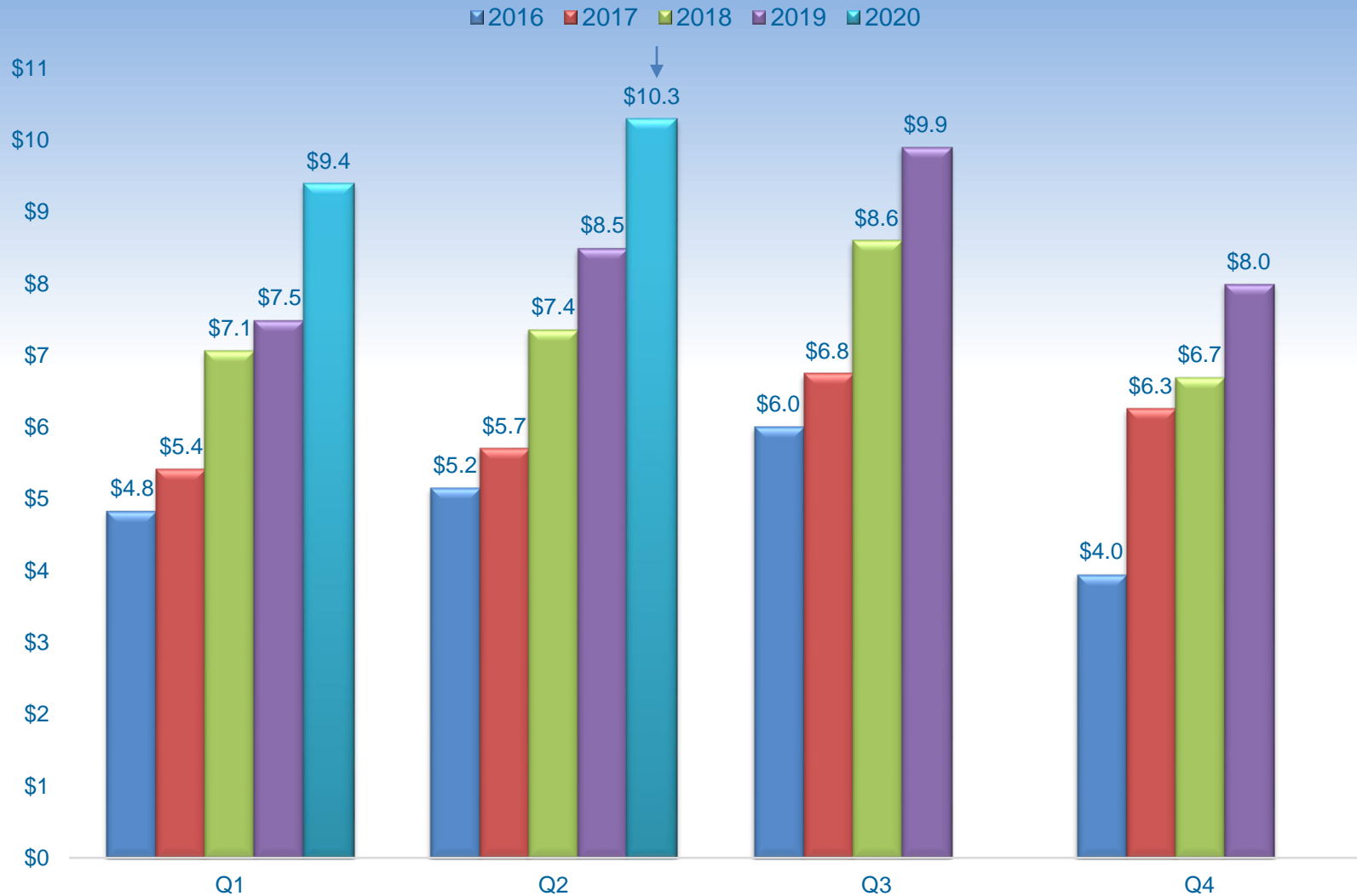
- **Financial Stability**

- Operational transition has been effected smoothly; workforce is engaged in support of our clients productively and efficiently.
- Strong balance sheet with ample cash
- High percentage of revenues based upon software renewals for which we have seen no impact to date; Lixoft adds to this profile
- Service business operates off large backlog which has been reviewed in detail with anticipated Covid impact of less than 10%

- **New business impact**

- Slowdown in new business closures both in terms of new software licenses and new service business
- Software delays especially in our Asian market
- New service contracts, often tied to clinical trial preparation or post trial analysis, have slowed somewhat
- However, both software and service sales cycles continue in regard to lead generation, virtual meetings and presentations and our pipeline of business is growing
- Recently introduced service offerings in regulatory guidance and Covid rapid response have generated new opportunities

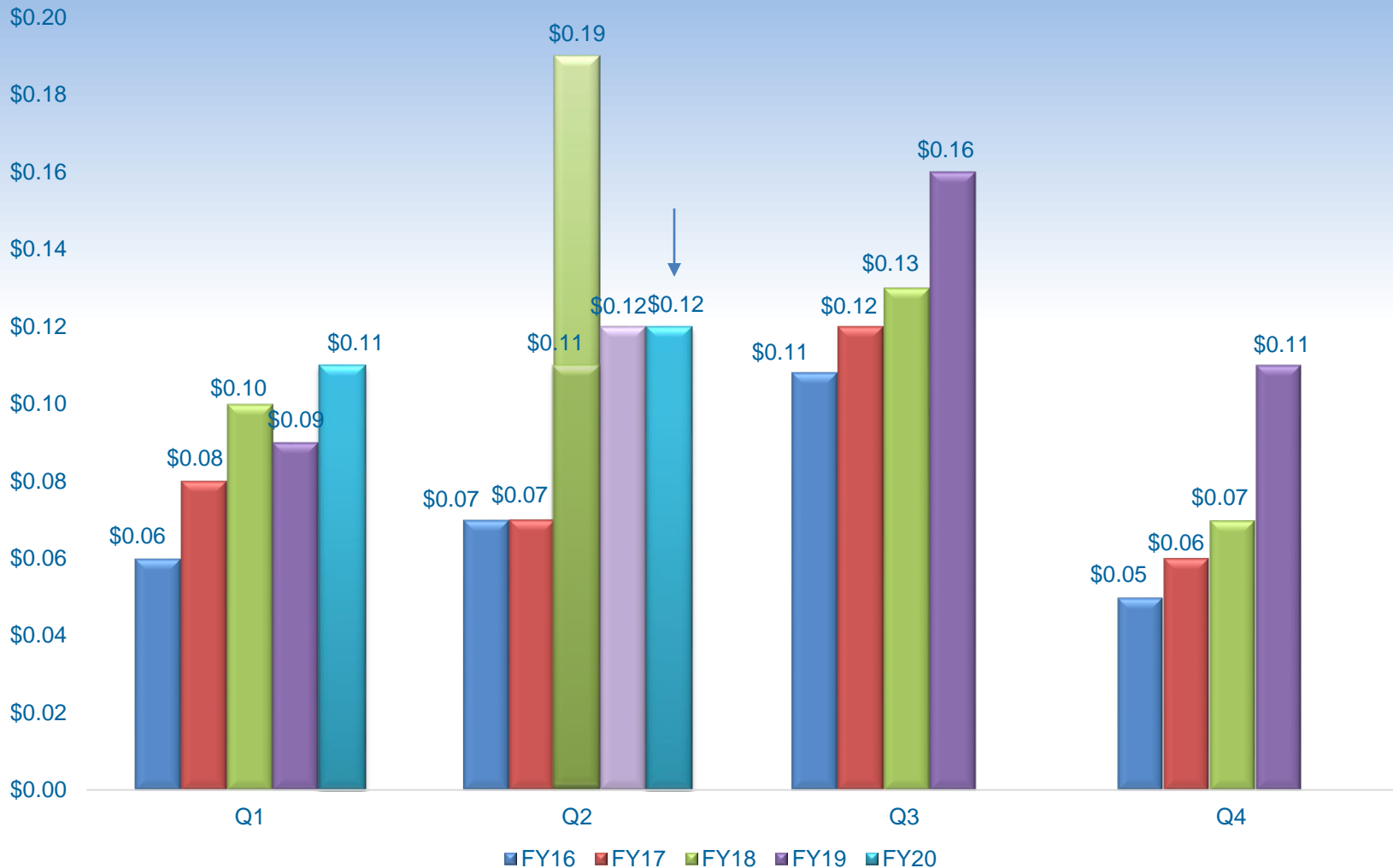
Consolidated Revenues: Fiscal Quarter (in millions)



Consolidated Income from Operations: Fiscal Quarter (in millions)



Consolidated Diluted Earnings Per Share: Fiscal Quarter



Consolidated EBITDA: Fiscal Quarter

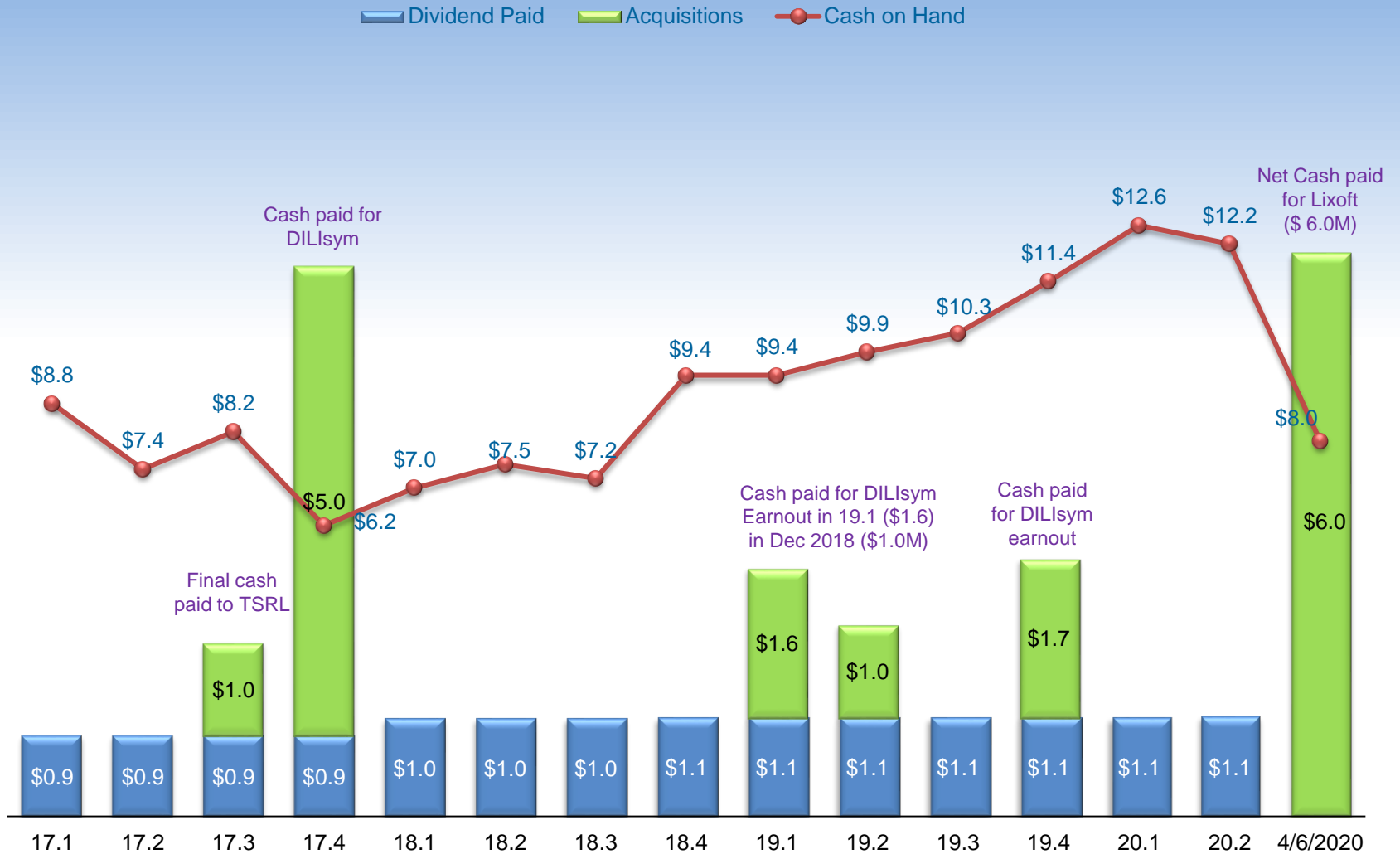
(in millions)



Cash Position Excellent

(in millions)

Accumulating Cash while funding Acquisitions and Dividends



Thank you!

<https://www.linkedin.com/company/simulations-plus>

<https://www.linkedin.com/company/cognigen>

<https://www.linkedin.com/company/dilisym>

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