



Investor Presentation

NASDAQ: SLP

February 2022

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, the following: 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 regarding the Company's risk factors is contained in the Company's quarterly and annual reports filed with the Securities and Exchange Commission.

About Us

1996

Founded

>145

Employees

>10 yrs

Profit/rev growth

>250

Clients

>90%

Client Retention

>70

Scientific PhDs

>1300

Publications

Leading provider of **modeling** and **simulation** software and services used by major pharmaceutical, biotech, and regulatory agencies worldwide to make better model-informed data-driven decisions (MIDD).

Investment Highlights

Leader in software and services for the drug discovery, development, and regulatory approval process

Low market penetration + share gain opportunity in large and growing market

Double-digit revenue growth with strong operating leverage

Accretive M&A Strategy

Our Markets

\$176B³

Annual Pharma
R&D Spend

+3%³

Annual Growth
(est.)

\$2B+⁴

Biosimulation TAM
(est.)

12-15%

Annual Growth
(est.)

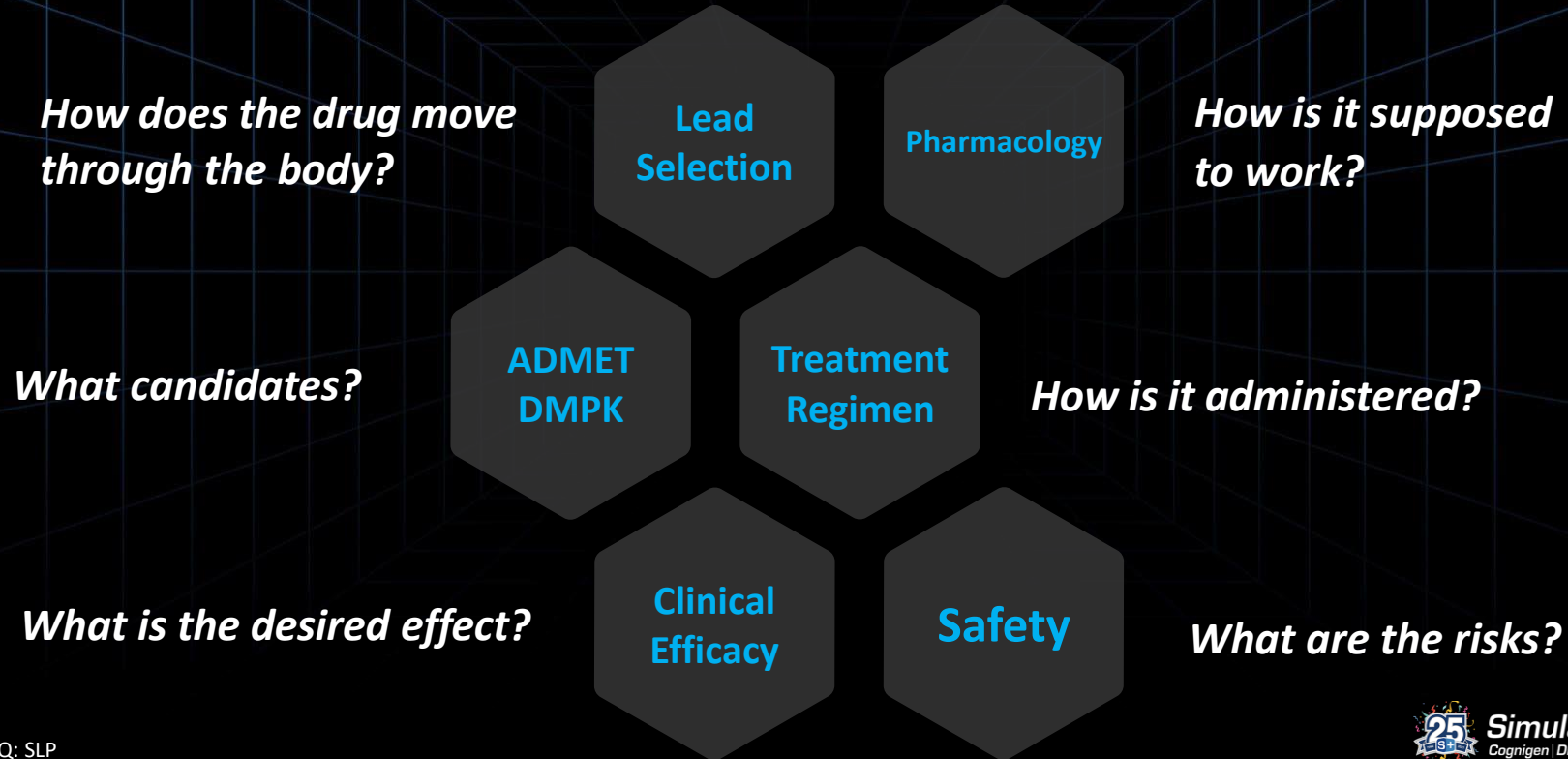
Key Drivers

1. Acceptance & increasing adoption of MIDD technology by industry & regulators
2. Pharma spend rates continue to grow with large allocation towards Biosimulation
3. Biosimulation growing at **4-5X** total R&D spend

SLP growing faster than Biosimulation TAM

Drug Development Challenges

Avg. cost of \$2B and 10+ years to bring a drug to market ¹



Our Value Proposition

*We **create value** for our customers by **accelerating** & **reducing** the cost of R&D through **innovative**, science-based software & consulting solutions that **optimize** treatment options and **improve** patient lives.*

Streamlines processes & **replaces** trial & error with **in silico** decision making

Provides **accurate** models, continuously improved with **ever-growing** data sets

Optimizes efficacy and **minimizes** toxicity by efficiently identifying dosing regimens

Improves new drug candidate selection with predictive AI & ML capabilities*

Better informs clinical trial design and results analysis

Identifies potential safety liabilities earlier to **avoid** costly clinical failures



Patient Efficacy

Patient Safety

Regulatory Approval

Commercial Success

AI = Artificial Intelligence; ML = Machine Learning

How We Help – Software and Services

Software

Most comprehensive & widely recognized tools for MIDD

Ongoing development & reinvestment incorporates latest science & ensures seamless UX

Services

Operational efficiencies that lead to accurate/timely decision making & regulatory reporting

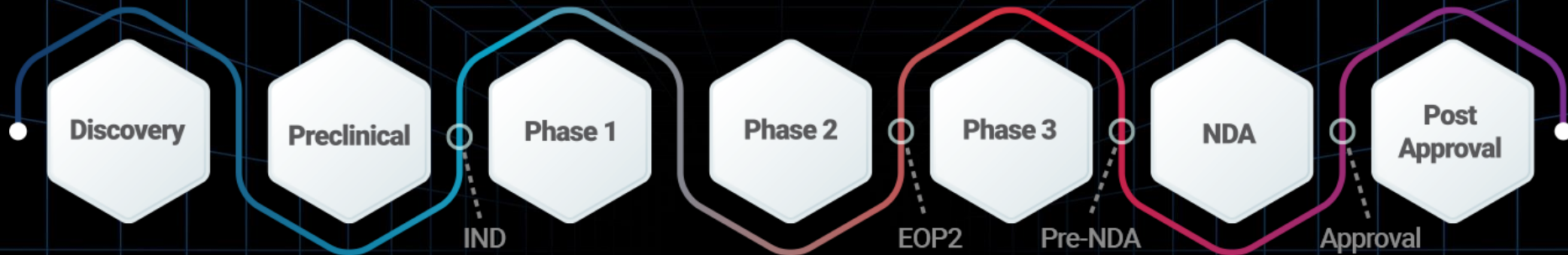
Therapeutic, modeling, & regulatory knowledge not always present in-house

Resource flexibility for clients with insufficient internal resources or capabilities



Solutions Span Drug Development Process

Guiding the path between M&S and pharma R&D



ADMET Predictor[®] Cheminformatics AI ML



GastroPlus[®]

PBPK/PBBM



MonolixSuite[®]

Pharmacometrics

Other Software

QSP/QST

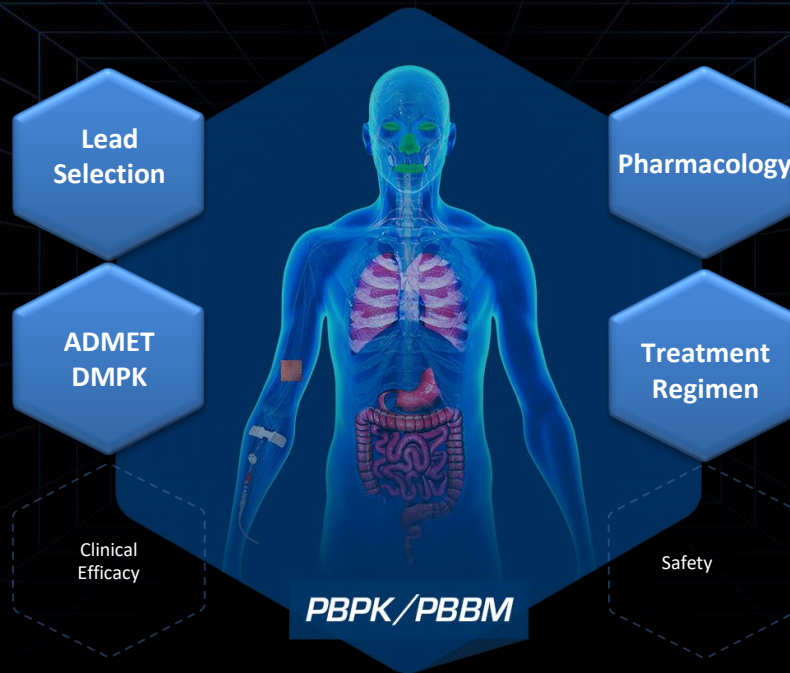


Consulting Services & Regulatory Interactions



PBPK Software Solutions and AI Data Mining

Software
GastroPlus™
MembranePlus™
DDDPlus™
ADMET Predictor™



Services
PBPK/PBBM
Preclinical Regulatory
Consulting

QSP/QST Solutions

Software

DILIsym[®]
RENAsym[®]
NAFLDsym[®]
IPFsym[™]
RADAsym[™]



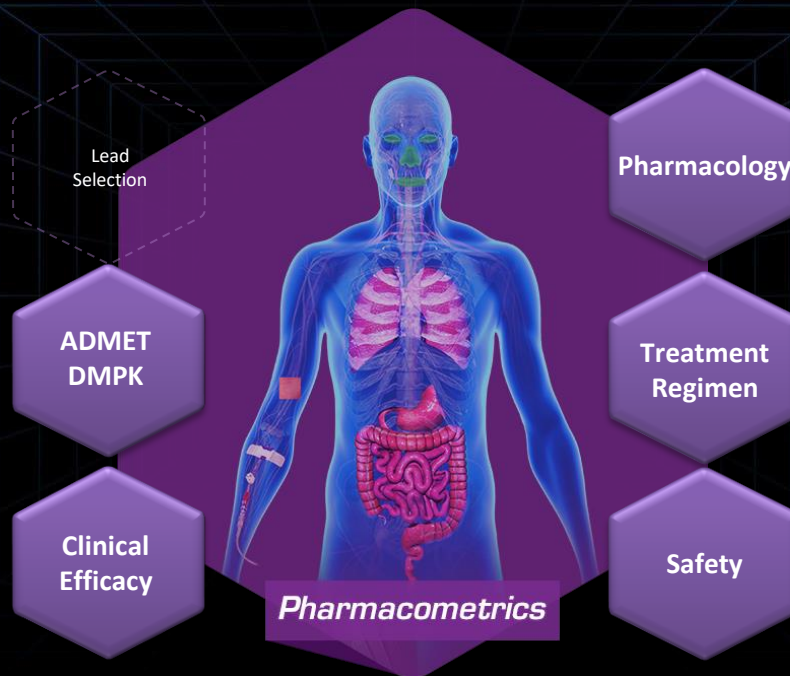
Services

QSP Consulting
QST Consulting

Pharmacometrics Solutions

Software

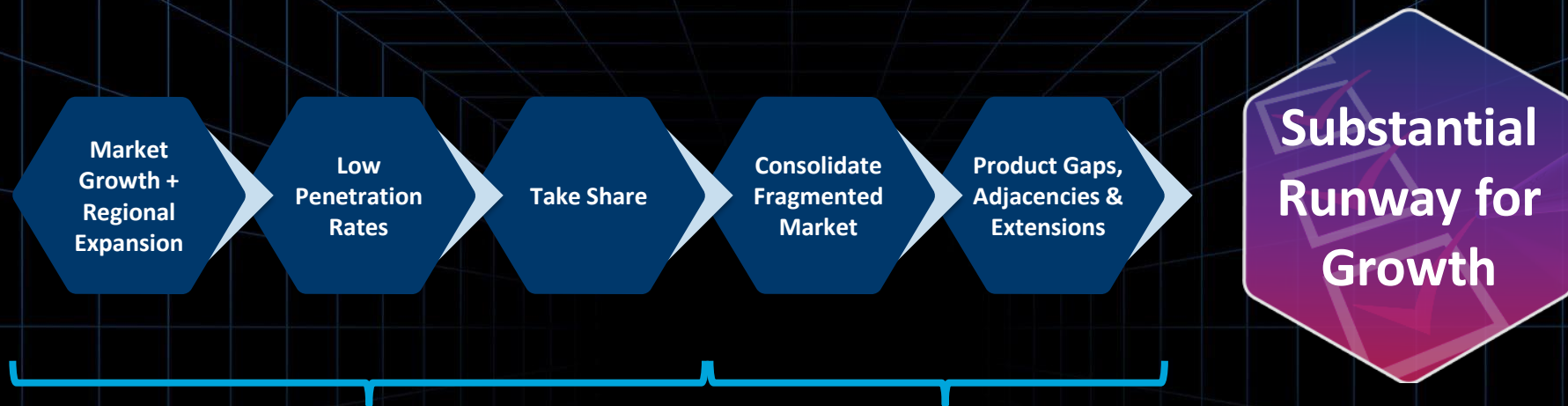
Monolix™
PKPlus™
PKanalix™
Simulx™



Services

Pharmacometrics
Clinical Pharmacology
Clinical Regulatory
Consulting

Growth Opportunities & Capital Allocation



- **Increasing acceptance by industry & FDA**
- **Sales and Distribution Investment**
 - Improve/expand sales infrastructure
 - New customer growth in U.S., Europe, Asia
 - Expand small/mid-sized biotech client base
 - Product and service cross-selling

- **Fill gaps in the current product offerings, expand TAM**
 - R&D - enhance models & develop new tools
 - M&A - consolidate market, expand into adjacent markets, market extensions



Environment



Social



Human Capital



Business Governance

COMMITTED TO RENEWABLE ENERGY with our Lancaster headquarters joining the Lancaster Choice Energy Smart Choice 100% renewable energy program

REDUCED EXPOSURE TO HUMANS AND ANIMALS by advancing *in silico* simulation analyses of complex compound behaviors for chemical safety assessment programs

EXPANDED OUR HR TEAM AND CAPABILITIES IN 2020 with special focus on training and development

ADVANCED GROWING ACCEPTANCE OF TECHNOLOGY by developing collaborations with universities, research organizations, distributors, and government agencies such as the U.S. Food and Drug Administration (FDA) and National Institutes of Health (NIH)

OPTIMIZED OUR DATA CENTERS by reducing the number of physical servers in our Buffalo, NY, data center from 140 units to just 60 units

SUPPORTED ACADEMIC RESEARCH by partnering with universities and donating free software licenses to support academic research and training

FOCUSED ON DIVERSITY AND INCLUSION with over 39% of our employees from minority backgrounds

CREATED A NEW CORPORATE DATA PROTECTION OFFICER to standardize and advance our company-wide Data Protection & Customer Privacy framework

IMPLEMENTED BUSINESS RECYCLING EFFORTS to reduce our environmental footprint and pursue responsible business practices

FUNDED AWARDS AND POST DOCTORAL RESEARCH to support education

IMPLEMENTED A NEW FLEXIBLE VACATION POLICY by augmenting the 11 paid holidays for our U.S. employees with no annual limit provided employee duties and obligations are met

STRENGTHENED OUR BUSINESS ETHICS PROGRAM by implementing a new unified Corporate Code of Business Conduct and Ethics, thereby replacing separate policies currently in effect at our divisions

Environmental, Social, and Governance (ESG)

Strategic priorities that form the foundation of our sustainability framework and highlights



Financials

Q1 FY22 Highlights

+16%

Revenue
Growth

+25%

Diluted EPS
Growth

42%

Adj. EBITDA
Margin*

96%

SW Renewal
Rates

+31%

Backlog Growth

➤ Strong momentum to begin year

- Continued Strong Software Performance
- Service Business Recovery

➤ Bus. Dev. efforts paying off

➤ Demonstrated Scientific leadership

- New software releases
- Service achievements

* See recon at end of presentation

First Quarter FY22 Revenue

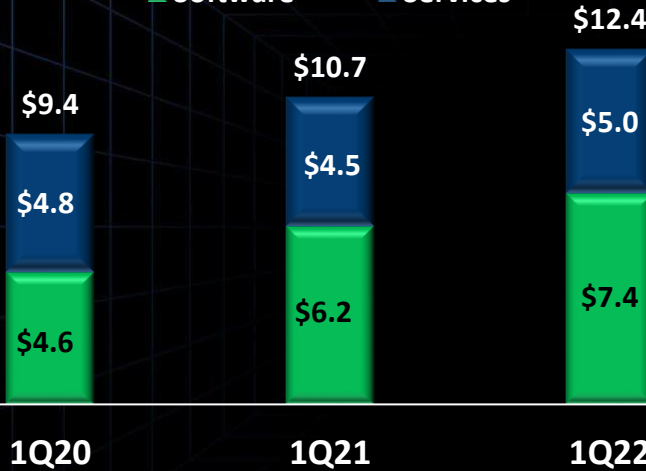
(in \$M)

+16%

Total Revenue
Growth

■ Software

■ Services



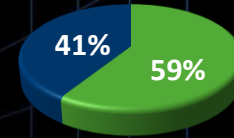
+19%

Software
Revenue Growth

+13%

Services
Revenue Growth

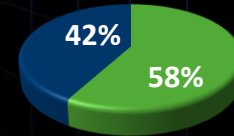
1Q22 Mix



■ Software

■ Services

1Q21 Mix



■ Software

■ Services

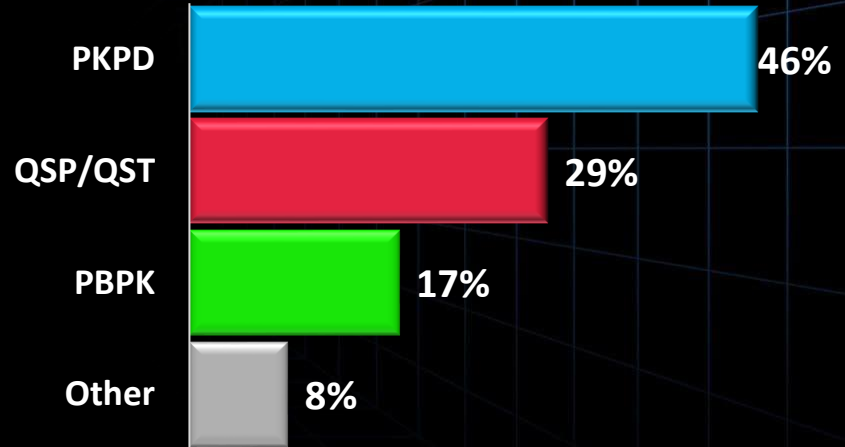
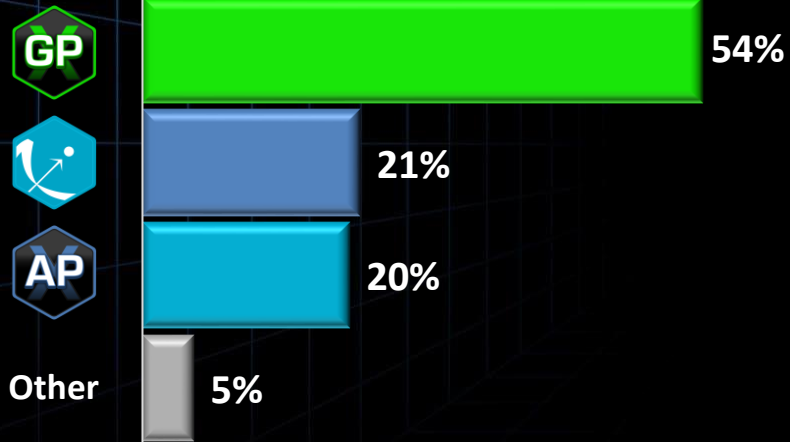


SimulationsPlus
Cognigen | DILIsym Services | Lixoft

Q1 FY22 Revenue Breakdown

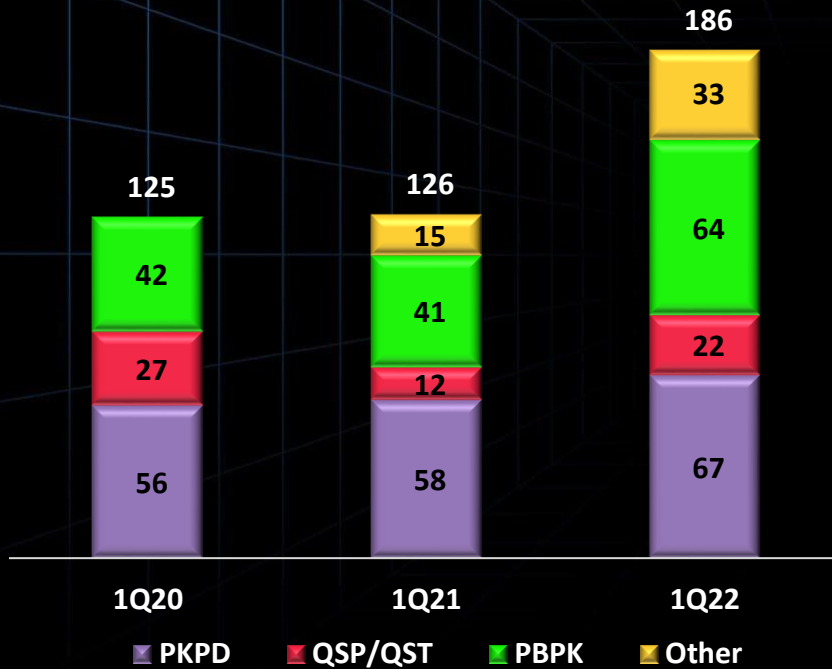
Software Mix

Services Mix

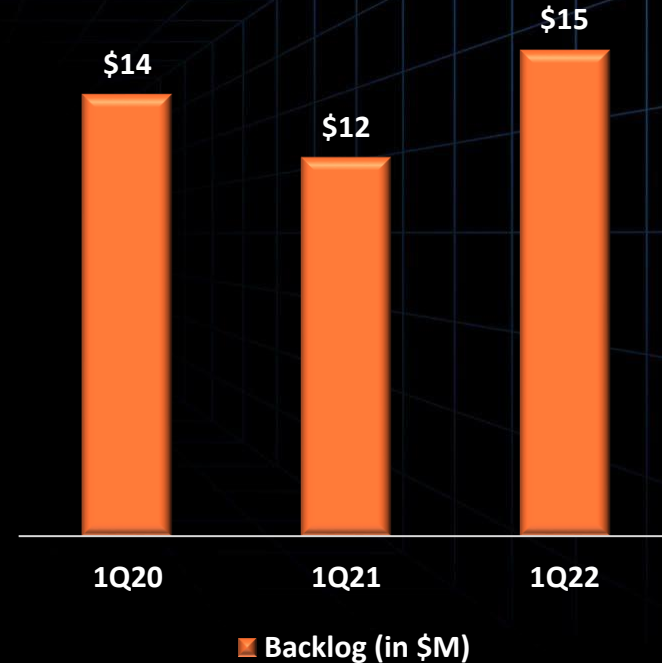


Q1 Services Performance Metrics

Total Projects



Backlog



Summary

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Accretive M&A Strategy

Thank you!

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Learn More! www.simulations-plus.com



References

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2. Brochure: [“Biopharmaceutical Research & Development: The Process Behind New Medicines”](#). PhRMA.
3. EvaluatePharma® World Preview 2017, Outlook to 2022, 10th Edition, June 2017, p. 19.
4. Biosimulation Market Size, Share & Trends Analysis Report By Product (Software, Services), By Application (Drug Development, Drug Discovery), By End Use, By Region, And Segment Forecasts, 2021 - 2028

Adjusted EBITDA

SIMULATIONS PLUS, INC.

Reconciliation of Adjusted EBITDA to Net Income

(Unaudited)

	2021				2022	2021	2022
(in millions)	Q1	Q2	Q3	Q4	Q1	Fiscal Year	Fiscal YTD
Net Income	\$ 2.5	\$ 3.2	\$ 3.8	\$ 0.3	\$ 3.0	\$ 9.8	\$ 3.0
Excluding:							
Interest income and expense, net	(0.1)	(0.0)	(0.0)	(0.0)	(0.1)	(0.2)	(0.1)
Provision for income taxes	0.5	0.2	0.7	(0.1)	0.8	1.3	0.8
Depreciation and amortization	0.9	0.9	0.9	1.0	0.8	3.6	0.8
Stock-based compensation	0.5	0.7	0.6	0.6	0.6	2.4	0.6
Adjusted EBITDA	\$ 4.3	\$ 5.0	\$ 5.9	\$ 1.7	\$ 5.3	\$ 16.9	\$ 5.3
Adjusted EBITDA Margin					42%		