



Advanced Enzyme Technologies Ltd.

CIN: L24200MH1989PLC051018

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Email: info@advancedenzymes.com, www.advancedenzymes.com

August 12, 2023

BSE Limited

P. J. Towers,
Dalal Street,
Mumbai- 400 001

National Stock Exchange of India Limited

Exchange Plaza, Plot No. C/1,
G Block, Bandra-Kurla Complex,
Bandra (E) Mumbai- 400 051

Scrip Code-540025

Trading Symbol-ADVENZYMES

Subject: Earnings Presentation

Ref: ISIN: INE837H01020

Dear Sir/Madam,

Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed is Earnings Presentation for the quarter ended June 30, 2023.

This is for your information and for public at large.

Thanking you,

Yours faithfully,

For Advanced Enzyme Technologies Limited

Sanjay Basantani

Company Secretary and Head – Legal

Encl.: As above

Advanced Enzyme Technologies Limited



Earnings Presentation | August 2023

Safe Harbour Statement

This presentation contains forward-looking statements that reflect management's current views with respect to certain future events and potential financial performance. Forward-looking statements are other than statements of historical facts. The words "believe," "expect," "anticipate," "intend," "estimate," "outlook," "will," "may," "continue," "should" and similar expressions identify forward-looking statements.

Forward-looking statements include statements regarding objectives, goals, strategies, outlook and growth prospects; future plans, events or performance and potential for future growth; liquidity, capital resources and capital expenditures; economic outlook and industry trends; developments of the Company's markets; the impact of regulatory initiatives; and the strength of competitors. The forward-looking statements in this presentation are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management's examination of historical operating trends, data contained in records and other data available from third parties.

Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and maybe beyond our control. Such risks, uncertainties, contingencies and other important factors could cause the actual results of the Company or the industry to differ materially from those results expressed or implied in this presentation by such forward-looking statements.

The information, opinions and forward-looking statements contained in this presentation speak only as at the date of this presentation and are subject to change without notice. The Company and its respective agents, employees or advisors do not intend to, and expressly disclaim any duty, undertaking or obligation to, make or disseminate any supplement, amendment, update or revision to any of the information, opinions or forward-looking statements contained in this presentation to reflect any change in events, conditions or circumstances beyond what is required by applicable law or applicable stock exchange rules and regulations.

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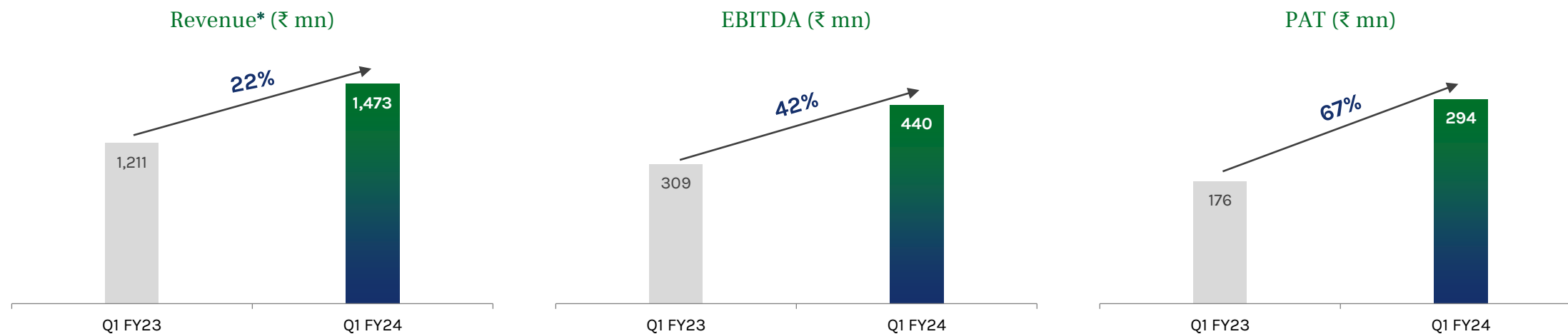
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Results Summary – Q1 FY24 (Consolidated) Y-o-Y

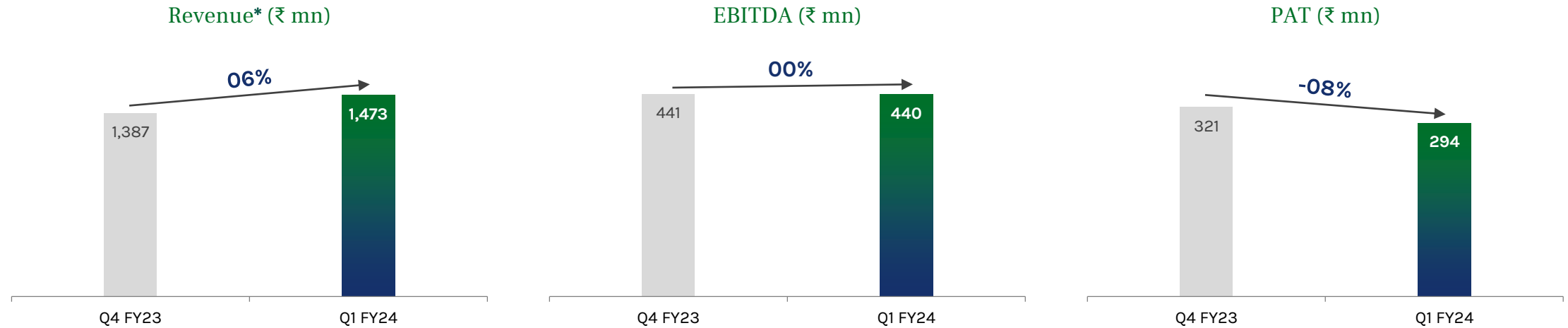


- Revenue grew by 22% on y-o-y basis to ₹ 1,473 million in the Q1 FY24 from ₹ 1,211 million in the Q1 FY23
- EBITDA grew by 42% to ₹ 440 million in the Q1 FY24 as against ₹ 309 million in Q1 FY23 on y-o-y basis
- PAT increased to ₹ 294 million in the Q1 FY24 from ₹ 176 million in the Q1 FY23, a growth of 67% on y-o-y basis
- EBITDA margin and PAT margin during Q1 FY24 stands at 30% and 20% respectively

Notes:

1. On Consolidated Basis
2. PAT is before minority
3. Ind AS adjustments are carried out on account of commission, discount. And provision for sales return

Results Summary – Q1 FY24 (Consolidated) Q-o-Q



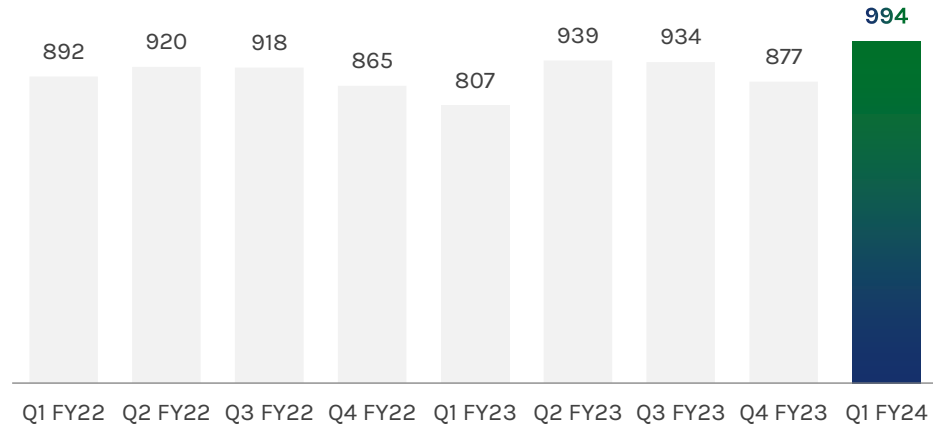
- Revenue grew by 6% on q-o-q basis to ₹ 1,473 million in the Q1 FY24 from ₹ 1,387 million in the Q4 FY23
- EBITDA remained flat at ₹ 440 million in the Q1 FY24 as against ₹ 441 million in Q4 FY23 on sequential basis
- PAT decreased to ₹ 294 million in the Q1 FY24 from ₹ 321 million in the Q4 FY23, a de growth of 8% on q-o-q basis

Notes:

1. On Consolidated Basis
2. PAT is before minority
3. Ind AS adjustments are carried out on account of commission, discount. And provision for sales return

Human Nutrition

(₹ in Million)



Commentary:

- The human nutrition segment contributed around 67% during the quarter in the total revenue from operations
- This segment grew by 23% during the quarter from ₹ 807 million in Q1 FY23 to ₹ 994 million in Q1 FY24

+23%

Q1 FY24	Q1 FY23
994	807

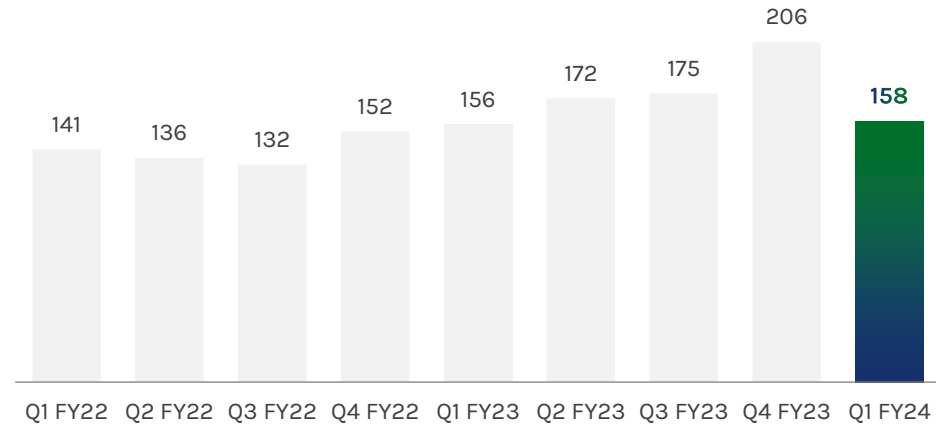
Notes:

1. All the decimals are rounded off to their relevant nearest number

Animal Nutrition

(₹ in Million)

11%
of Sales



Commentary:

- The Animal nutrition segment contributed about 11% during the quarter in the total revenue from operations
- This segment grew by 1% on y-o-y basis to ₹ 158 million in Q1 FY24 as against ₹ 156 million in Q1 FY23, and it de-grew by 23% on q-o-q basis

+01%

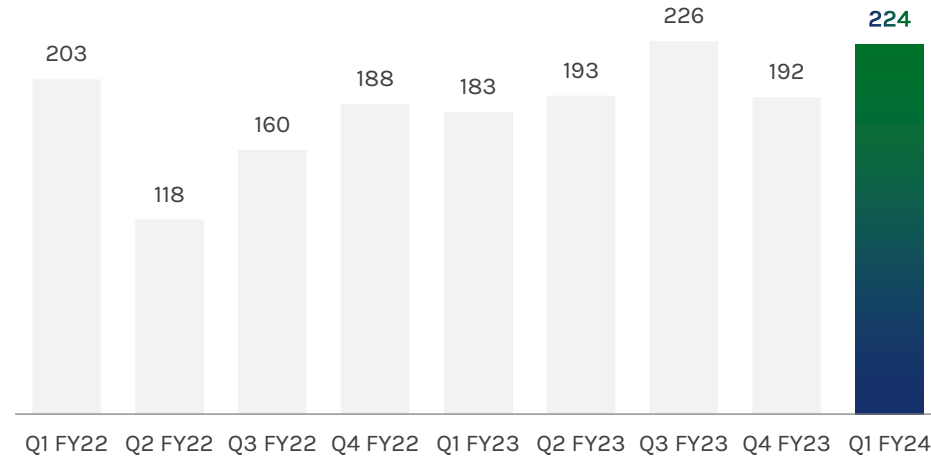
Q1 FY24	Q1 FY23
158	156

Notes:

1. All the decimals are rounded off to their relevant nearest number

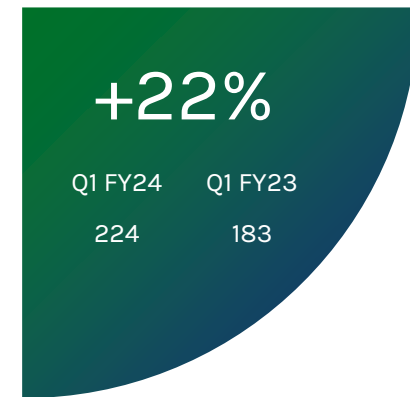
Industrial Bio-processing

(₹ in Million)



Commentary:

- The Industrial Bio-Processing segment contribution remain unchanged at 15% during the quarter in the total revenue from operations as compared to the same quarter last year
- This segment outperformed by 22% on y-o-y basis to ₹ 224 million in Q1 FY24 from ₹ 183 million in Q1 FY23, and on q-o-q basis it grew by 17%
- In this segment, food business grew by 26% to ₹ 185 million on y-o-y basis during Q1 FY24 while it grew 24% on sequential basis. The Non-Food business stood at ₹ 39 million during the quarter and it grew by 6% on y-o-y basis while it de-grew by 9% on sequential basis

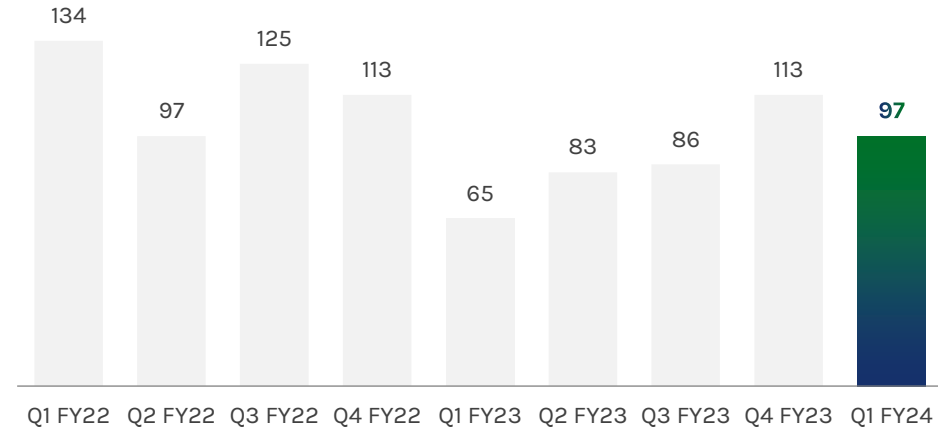


Notes:
1. All the decimals are rounded off to their relevant nearest number

Specialized Manufacturing

(₹ in Million)

07%
of Sales



Commentary:

- This segment contributed about 07% during the quarter to the total revenue from operations which was 05% during the same quarter last year
- This segment outperformed by 50% on y-o-y basis at ₹ 97 million in Q1 FY24, and on q-o-q basis it de-grew by 14%

+50%





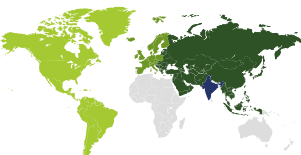
Q1 FY24	Q1 FY23
97	65

Notes:

1. All the decimals are rounded off to their relevant nearest number

Geographical performance

(₹ in Million)

	India	—	50%	+34%	Q1 FY24	737
					Q1 FY23	550
	Americas	—	32%	+02%	Q1 FY24	467
					Q1 FY23	456
	Europe	—	04%	-09%	Q1 FY24	66
					Q1 FY23	73
	Asia*	—	08%	-05%	Q1 FY24	119
					Q1 FY23	126
	Rest of the World	—	06%	+1065%	Q1 FY24	84
					Q1 FY23	07

Notes:

1. All the decimals are rounded off to their relevant nearest number | 2. *Asia is excluding India

Profit & Loss (Consolidated) – Q1 FY24

(₹ in Million)

Particulars	Q1 FY24 Un-Audited	Q4 FY23 Audited	Q1 FY23 Un-Audited	Y-o-Y (%)	Q-o-Q (%)	FY23 Audited	FY22 Audited	Y-o-Y (%)
Income from Operations	1,473	1,387	1,211	22%	6%	5,406	5,294	2%
Expenses	1,119	1,030	988	13%	9%	4,192	3,629	16%
Profit from Operations before Other Income, Finance Costs and Exceptional Item	354	357	223	59%	-1%	1,214	1,665	-27%
Other Income	67	111	20	235%	-40%	255	64	298%
Profit from ordinary activities before Finance Costs and Exceptional Item	421	468	243	73%	-10%	1,469	1,729	-15%
Finance costs	7	6	6	17%	17%	24	18	33%
Profit from ordinary activities before exceptional item and tax	414	462	237	75%	-10%	1,445	1,711	-16%
Exceptional Item	-	41	-	-	-100%	41	-	100%
Profit from ordinary activities before tax	414	421	237	75%	-2%	1,404	1,404	-18%
Tax	120	100	61	97%	20%	365	473	-23%
Net Profit for the period	294	321	176	67%	-8%	1,039	1,238	-16%
Earnings Per Share	2.58	2.87	1.60	61%	-10%	9.45	10.70	

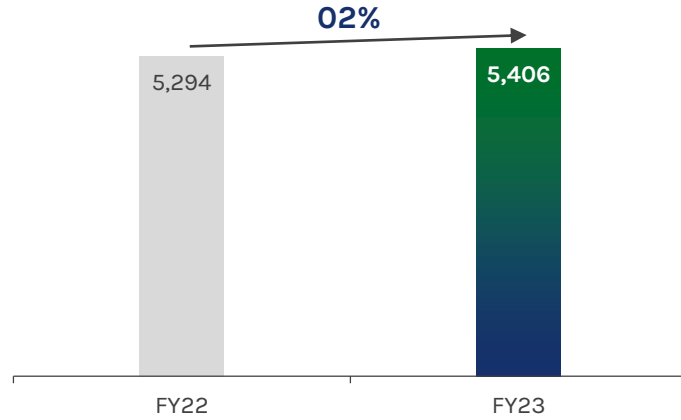
*Notes:

1. On Consolidated Basis
2. PAT is before minority
3. Ind AS adjustments are carried out on account of commission, discount, and provision for sales return
4. All the decimals are rounded off to their relevant nearest number

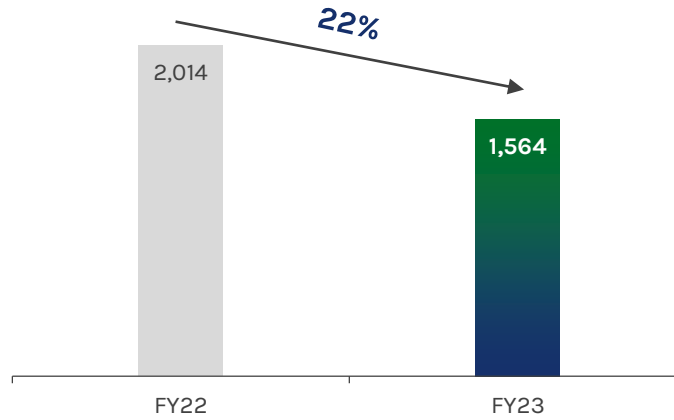
Result summary-FY23 (Consolidated) Y-o-Y

(₹ in Million)

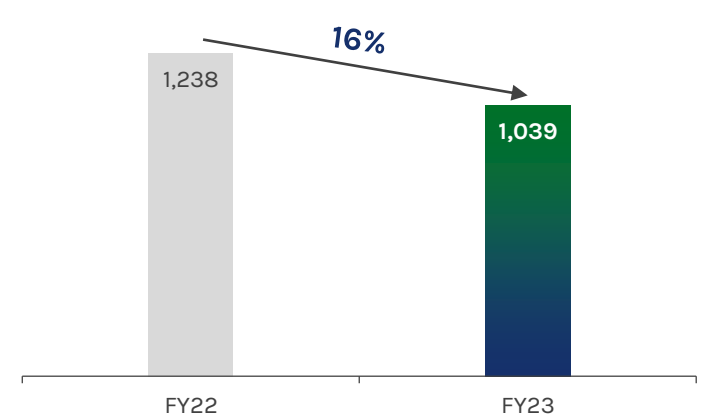
Revenue* (₹ mn)



EBITDA (₹ mn)



PAT (₹ mn)

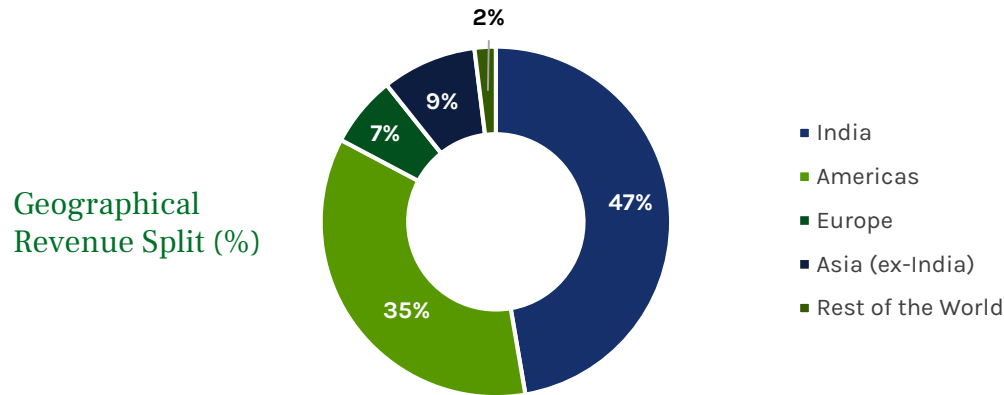
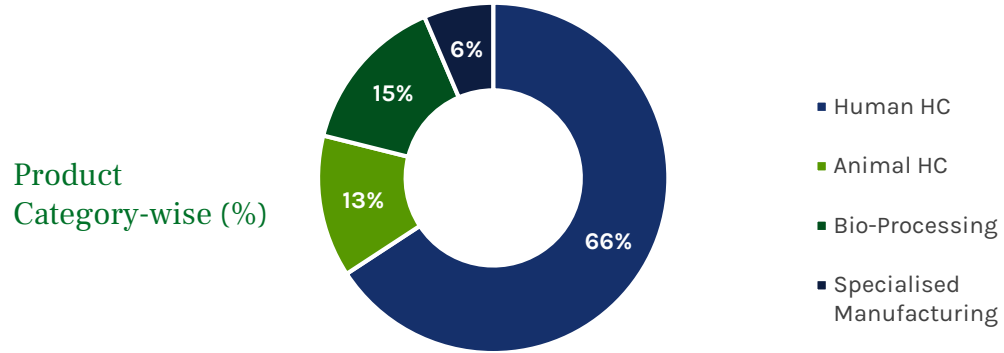


*Notes:

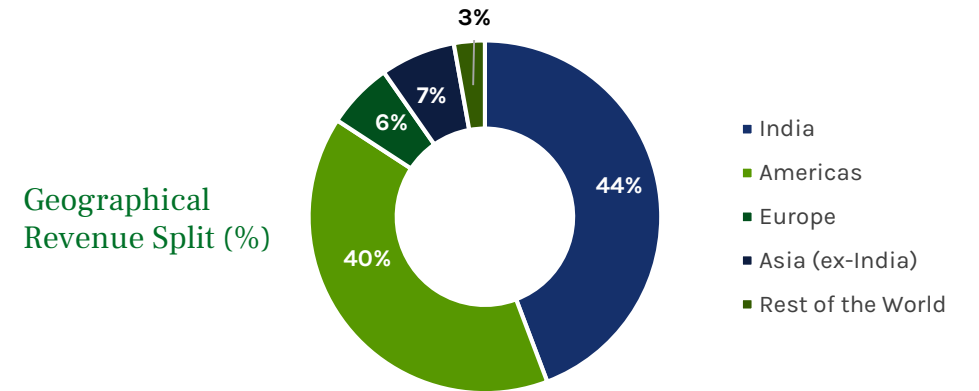
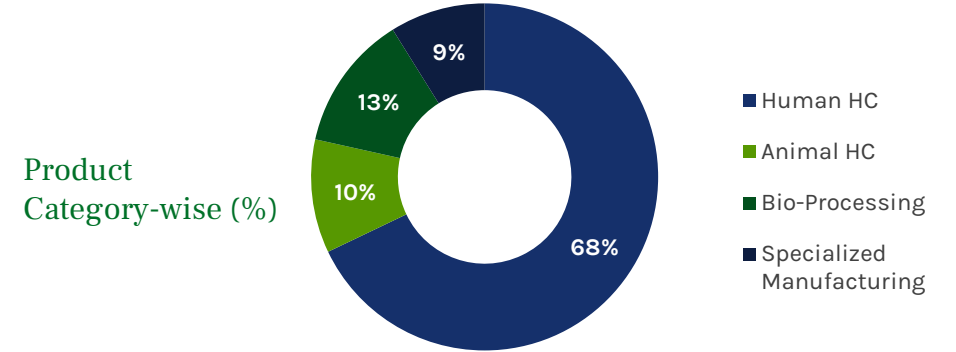
1. On Consolidated Basis
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Revenue Split – FY23 vs. FY22

FY23



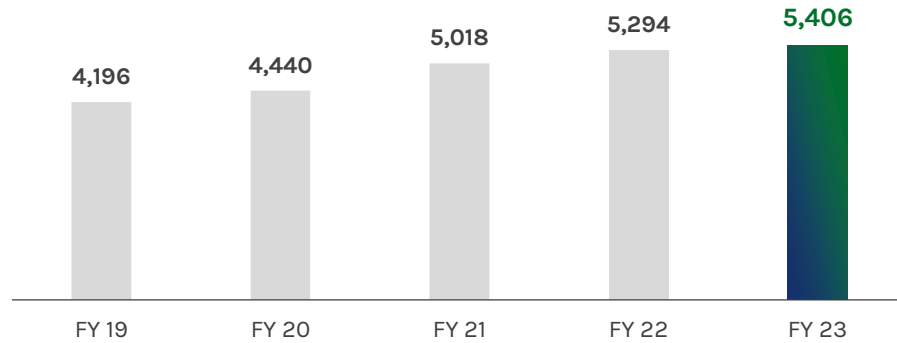
FY22



Strong Financial Performance – FY23

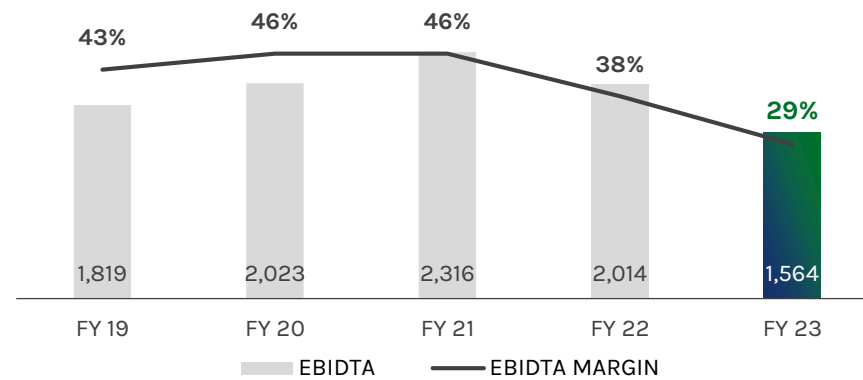
(₹ in Million)

Revenue from Operations



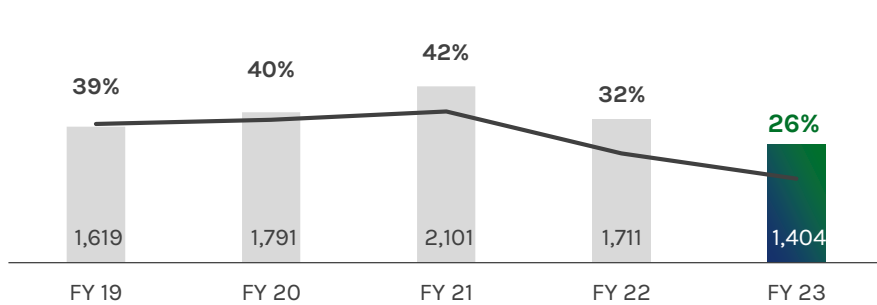
**CAGR
6.54%**

EBIDTA & EBIDTA Margin (%)



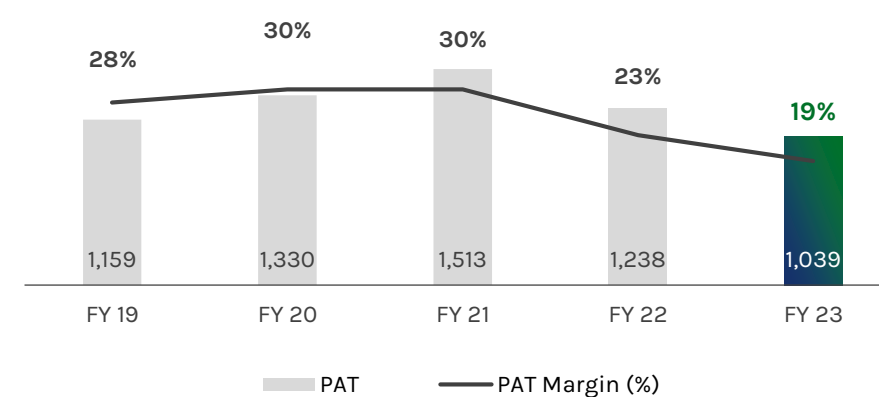
**CAGR
-3.71%**

PBT & PBT Margin (%)



**CAGR
-3.50%**

PAT & PAT Margin (%)



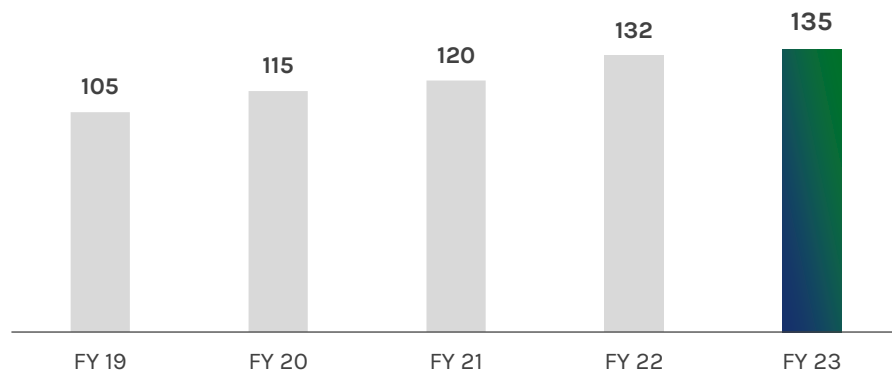
**CAGR
2.70%**

*Notes:

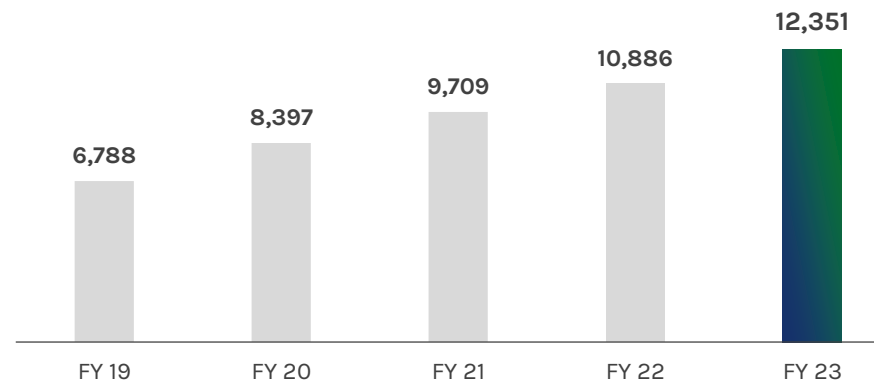
1. On Consolidated Basis
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Strong Financial Performance - FY23

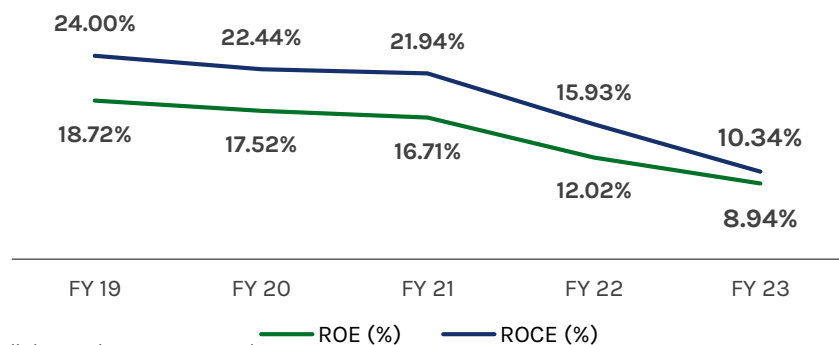
Net Working Capital (Days)



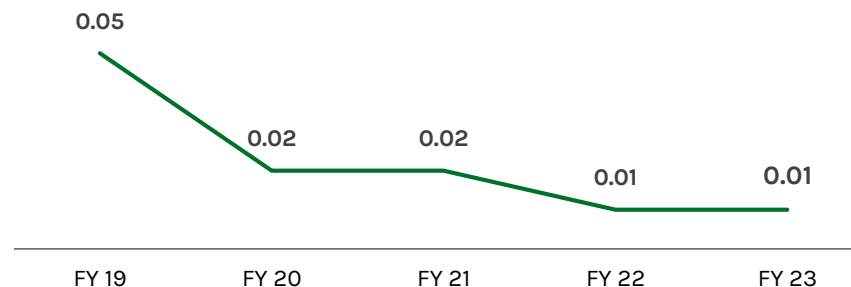
Net Worth (₹ mn)



ROE (%) & ROCE (%)



Net Debt to Equity (x)



Note: All the numbers are as per IndAs
 All numbers are on Consolidated basis
 Net working capital days = ((Trade receivables + inventories - Trade payables) / Revenue from operations) * 365
 Net Debt = Long term debt + short term debt + current maturities of long term debt - Cash & Cash Equivalent
 ROE = Profit after tax / Average shareholder equity; ROCE = (Net Profit before Tax, Exceptional and extraordinary items + Finance cost) / Average (Net debt + Networkth)

Balance Sheet (Consolidated)

(₹ in Million)

Particulars	FY23 Audited	FY22 Audited	FY21 Audited
Assets			
Property, plant and equipment	2,732	2,622	2,462
Capital work-in-progress	215	151	102
Intangible assets	550	609	693
Goodwill	3,209	2,961	2,887
Other non-current assets	291	289	258
Current assets	7,221	6,044	5,160
Total Assets	14,218	12,676	11,562
Equity And Liabilities			
Equity share capital	224	224	223
Other equity	12,127	10,662	9,486
Non-controlling interest	491	518	617
Non-current liabilities	601	668	560
Current liabilities	775	604	676
Total – Equity and Liabilities	14,218	12,676	11,562

*Notes:

1. On Consolidated Basis
2. All the decimals are rounded off to their relevant nearest number

Annexure



Company Overview

Advanced Enzymes is a research driven company with global leadership in the manufacturing of enzymes and probiotics. We are committed to providing eco-safe solutions to a wide variety of industries like human health care and nutrition, animal nutrition, baking, fruit & vegetable processing, brewing & malting, grain processing, protein modification, dairy processing, speciality applications, textile processing and others. Our aim is to replace traditionally used chemicals with eco-friendly enzymatic solutions.



Mission

It is our mission to see that every human being is able to take advantage of the power of enzymes and probiotics for well-being and leading a healthy life!



Vision

Our vision at Advanced Enzymes is to become the largest, enzyme and probiotic -based, value provider to consumers and processors globally!



What are Probiotics?

Probiotics are live microorganisms, when administered in sufficient amount, confer health benefits to human and animals. Probiotics have now become an integral part of several therapies for the digestive disorders and newer applications for treatment of several other diseases are being developed. Probiotics act by fighting with the disease causing microorganisms and by secreting beneficial metabolites in the human/animal system.

Advanced Enzymes has developed and upscaled technologies for the production and application of several important probiotics.

What are enzymes?

Enzymes are natural protein molecules that act as catalysts within living cells, produced by all living organisms. Function as specialized catalysts and accelerate the pace of biochemical reactions.

Advanced uses enzymes to replace chemicals in, and improve efficiency of, a wide variety of industrial processes for its customers.



Advanced Enzyme Technologies Limited – A Rising Global Star

9 

Manufacturing Units
India - 7 USA - 2

7 

R&D Units
India - 5 | USA - 1 |
Germany -1

1st 

Indian enzyme
company

2nd 

Highest market share
in India

2nd 

Listed integrated
enzyme player globally

68+

Enzymes
& Probiotics



400+

Proprietary
Products



700+

Customers
Worldwide



45+

Countries
Worldwide Presence



750+

Employees



13*

Patents



13#

Food Enzyme
Dossiers
filed with EFSA



7**

GRAS Dossier
evaluated by US FDA



500

m³ Fermentation
Capacity



25+

Years of
Fermentation
Experience



1##

Novel Food Dossier
filed with EFSA



Note: Facts & Figures as on 31st March, 2023

* Patents includes the filed applications

#Food Dossier filed with EFSA, out of which positive R&D opinion is received for 7 Dossiers & 6 are under evaluation

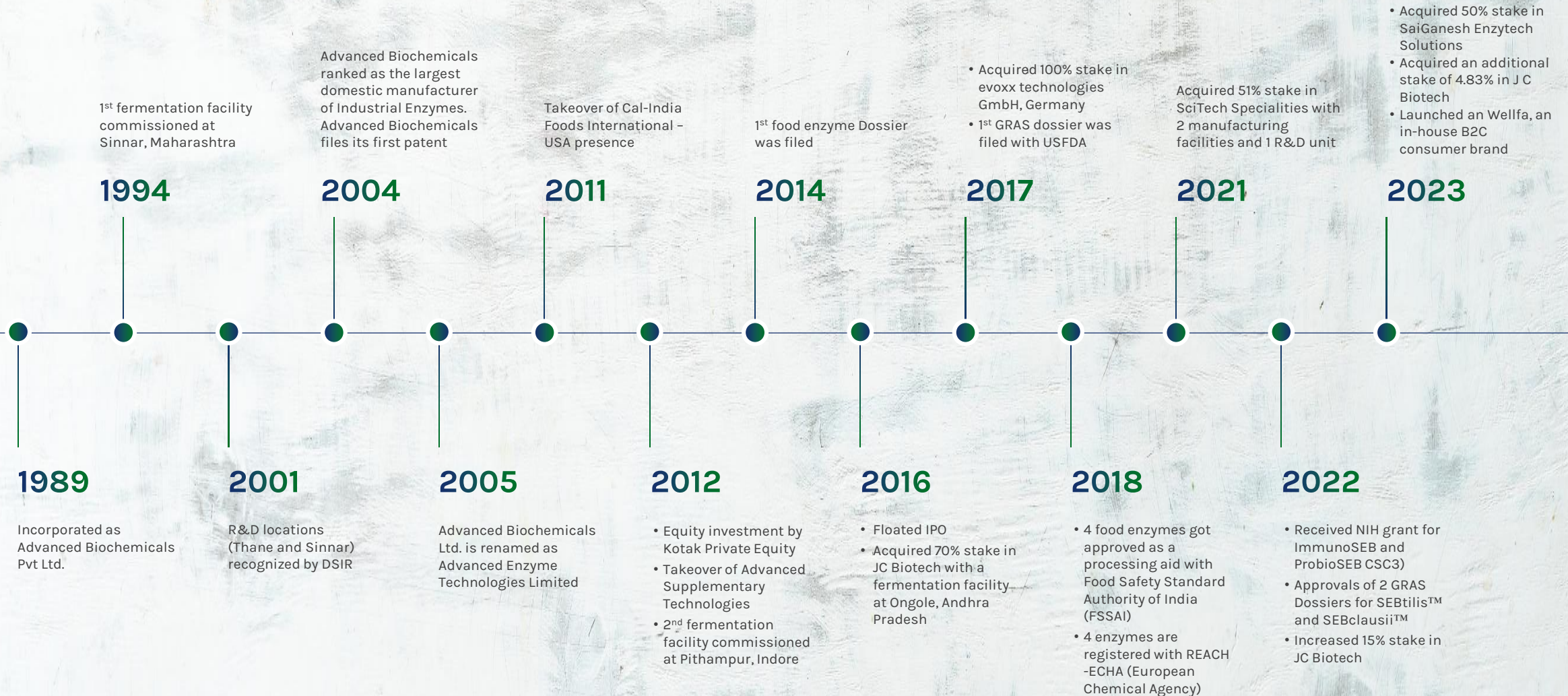
**No question letter received for 5 Dossier, another 2 are under evaluation

Novel food dossier has been filed with EFSA is under evaluation

All the numbers are as per IndAs

Source: Freedonia

Brief History and Evolution



Board of Directors



Mr. Vasant Rathi
Promoter Chairman and Non-Executive Director



Mr. Mukund M. Kabra
Whole-time Director



Mr. Kedar Desai
Independent Director



Mr. Rajesh Sharma*
Independent Director



Mr. Pramod Kasat
Independent Director



Ms. Rasika Rathi
Non-Executive Director



Mr. Vinod Jajoo
Independent Director



Mr. Sunny Sharma
Non-Executive Director



Ms. Rajshree Patel
Independent Director



Mr. Nitin Deshmukh
Independent Director



Ms. Vandana Tilak**
Addl. Director (Independent)

*upto August 10, 2023
**w.e.f July 01, 2023

Management Team



Mr. Beni Prasad Rauka
Chief Financial Officer



Mr. Dipak Roda
Vice President / Market & Business
Development



Mr. Harshad Doshi
CFO & COO - Advanced Enzymes, USA



Ms. Martina Doering
Managing Director /Head Of Business
Development - evoxx Technologies,
Germany



Ms. Rasika Rathi
General Counsel / Vice President
And Secretary - Advanced Enzymes, USA



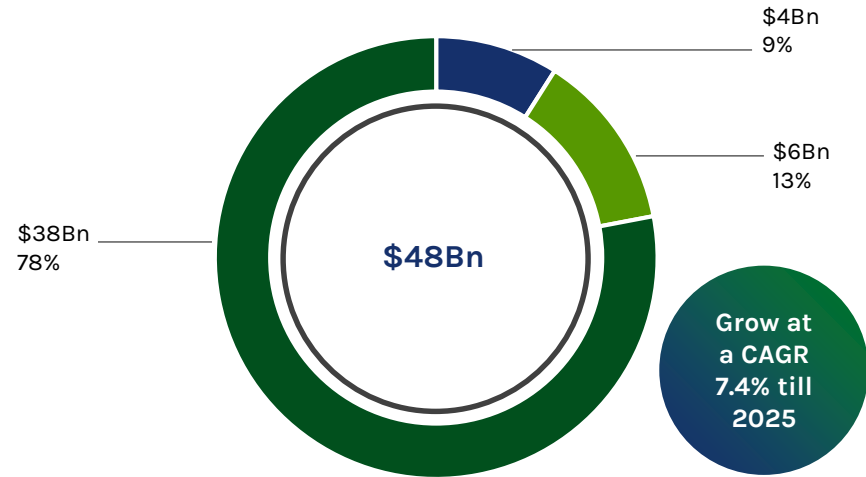
Dr. Michael Puls
Managing Director /Head Of Research and
Development - evoxx Technologies,
Germany



Mr. Sanjay Basantani
Company Secretary & Head Legal

How Big is the Opportunity?

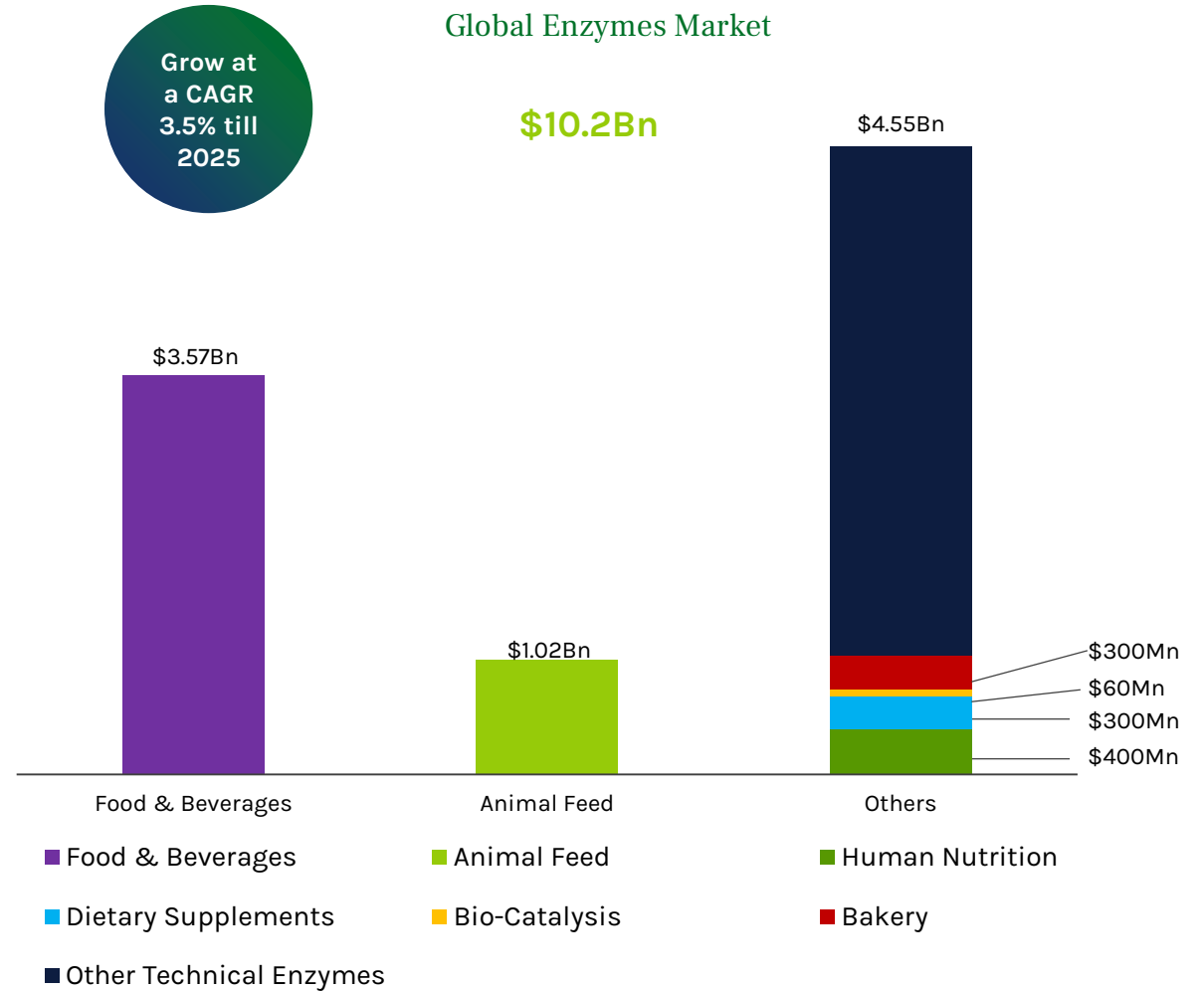
Global Probiotics Market



■ Animal Feed ■ Dietary Supplements ■ Functional Food & Beverages

Competitive Scenario in the Global Enzymes and Probiotics Markets	
Nutraceutical	DSM, Deerland
Probiotics	Chr. Hansen, Sabinsa, Kerry, Unique Biotech
Bio-Catalysis	Codexis, Cambrex
Animal Nutrition	Novozymes, DSM, Kemin, Novus, and other regional players
Bio-Processing	Food: AB Enzymes, DSM, Novozymes Non-Food: Novozymes, DuPont

Global Enzymes Market



What Makes AETL a Unique Investment Case?



Specialized Business with High Entry Barriers



Strong Research & Development Capabilities



Integrated Player with Presence Across the Enzyme Value Chain



Inherent Diversification in the Business Model



Significant Focus on International Markets & Brand Building

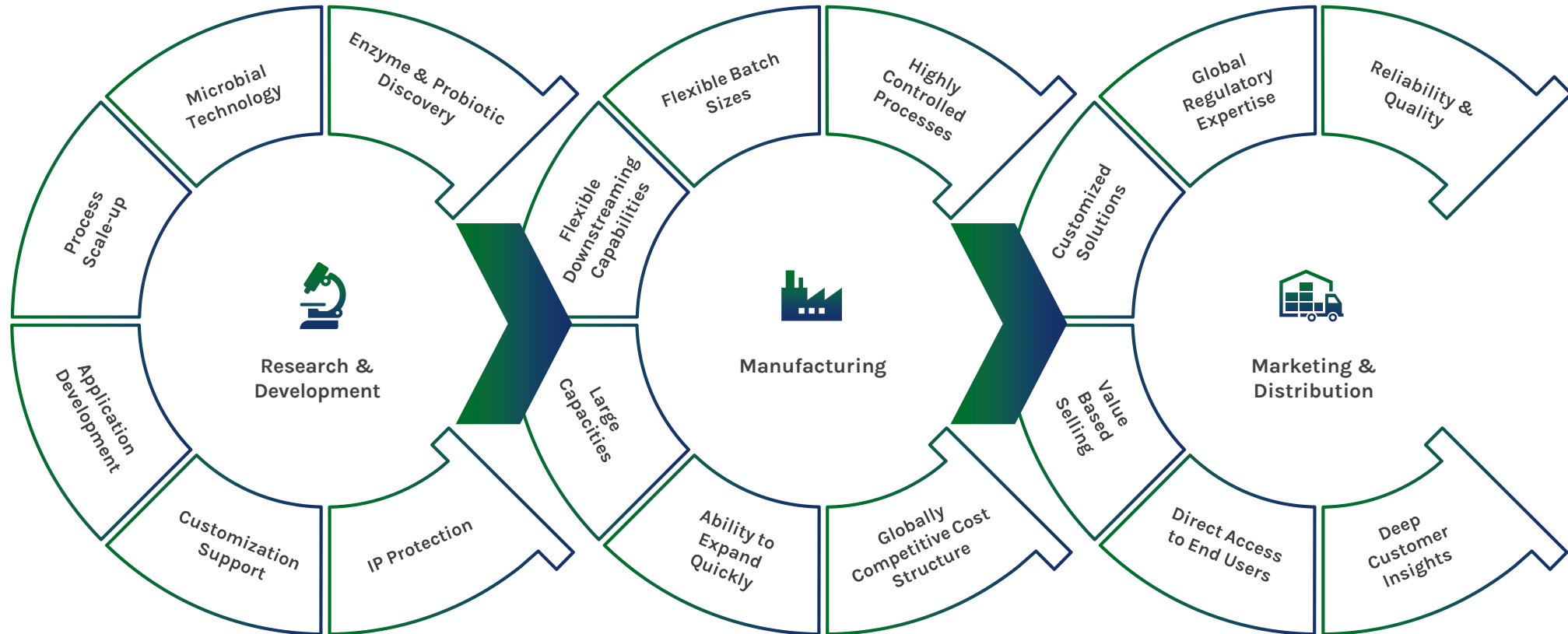


Strong Financial Performance



UNIQUE INVESTMENT CASE

Integrated Player with Presence Across the Enzyme Value Chain



Specialized Business With High Entry Barriers

Technocrat Promoters



Cumulative experience of 7+ decades in the global enzyme industry

Global Competitiveness



Amongst the Lowest Cost Manufacturers in the World (Benchmarked both in terms of Capex & Opex)

Sustained Research & Development



Consistent Investment into R&D over the past 15+ years

Diverse Product Range & Customer Base



400+ Products, 700+ Customers Worldwide

Manufacturing Expertise



Specialized technical expertise in microbial fermentation developed over the last 25+ years

Credible Market Presence



Presence of more than 3 decades in the industry with prolonged & dedicated "enzyme" focus

Proven Enzyme Development Capabilities



Proven Expertise in Successfully Developing Enzymes; Journey from only 7 in 1994 to 68+ today

Invaluable Experience & Customer Insights



Decades of Experience in Solving Customer Problems, and Invaluable Product & Process Insights

Future Growth Drivers



Continued Investment in R&D

- Identify Product gaps and Develop new Enzymes, Probiotics & Solutions thereof
- Expand Competencies in Enzymes & Probiotics, Discovery and Genetic Engineering



Broaden & Deepen Geographical Presence

- Increased focus on high return applications where AETL has strategic advantages
- Build Strategic Partnerships in Key Markets for Focus Segments



Inorganic Expansion

- Acquisition of Key Technologies, Competencies & Skill-sets which Enable Consolidation and/or Entry into New Market Segments
- Acquisition of Client Relationships & Businesses in Key Focus Markets



Focus Areas Going Ahead

Animal Nutrition



- Continuing conduct trials and studies to bring newer and effective nutritional products, which may improve the efficacy of animal feeds
- Registering and introducing more products in the domestic as well as in the international markets.
- Expand its sales and marketing team in USA, MENA and Asian market
- Targeting to strengthen the geographical reach and distribution network by appointing more distributors in the overseas markets

Probiotics



- To introduce more probiotics products in Human Nutrition for the immunity development, active health food, gut health and various nutraceutical applications
- To launch more products on immunity development, digestion improvement, and increase nutritional level of feed in the Animal Nutrition

Bio-Catalysis



- Developing bio catalysis for API manufacturers, providing enzymatic based solutions that are target specific, helping them to save cost of energy, time and use of chemicals
- Couple of products are under the advanced stage of trials at plant level by the API manufacturers
- This is one of the opportunities, where your Company will continue its efforts and focus





Baking



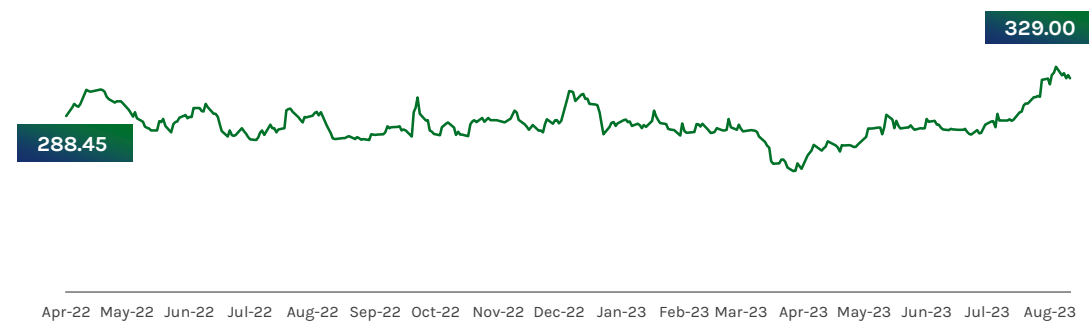
- In Bio-processing division, our focus is on Baking Solutions
- We have got positive response for the products in terms of efficacy and performance
- Confident to expand in Europe, Americas and Rest of World to tap the available opportunities by offering a value based approach in the Baking Industry

Shareholders Information

Stock Data (As on 11th Aug 2023)

	Market Capitalization (₹)	36,734 mn
	Shares Outstanding	111.72 mn
	Free Float	39.48%
	Symbol (NSE/ BSE)	ADVENZYMES / 540025

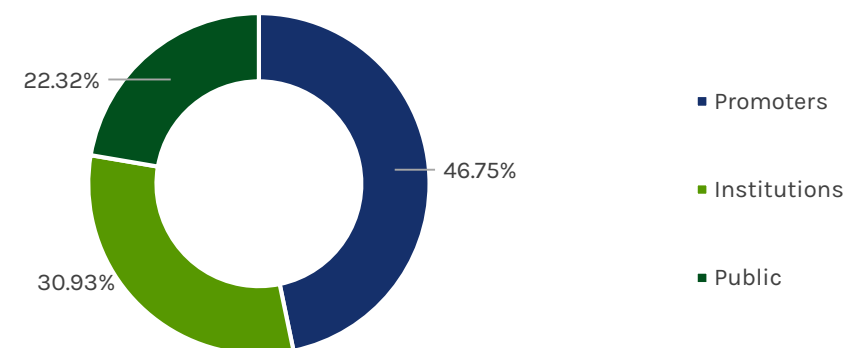
Stock Chart (As on 11th Aug 2023)

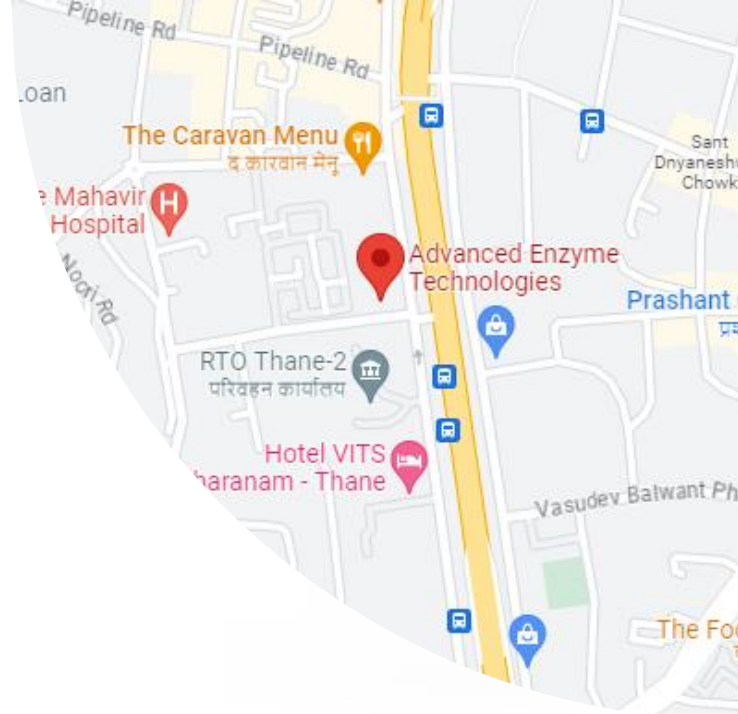


Top 5 Institutional Holders (As on 30th Jul 2021)

Institutions	OS (%)
ORBIMED ASIA III MAURITIUS	12.09
NALANDA INDIA EQUITY FUND	8.91
HDFC AMC	4.01
ICICI PRUDENTIAL MF	2.79
DIMENSIONAL FUND	0.70

Shareholding Pattern (%)





Advanced Enzyme Technologies Limited

Address: 5th Floor, 'A' wing,
Sun Magnetica LIC Service Road,
Louiswadi, Thane (W) 400 604, India
Tel: +91-22-4170 3200
Fax: + 91-22-25835159
Web: www.advancedenzymes.com
CIN No: L24200MH1989PLC051018

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Thank you