



Advanced Enzyme Technologies Ltd.

CIN: L24200MH1989PLC051018

Sun Magnetica, 'A' wing, 5th Floor, LIC Service Road, Louiswadi, Thane (W)-400 604, India

Tel: +91-22-4170 3200, Fax: +91-22-2583 5159

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

Date: November 11, 2022

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 and half year ended September 30, 2022.

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
November 2022**



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.

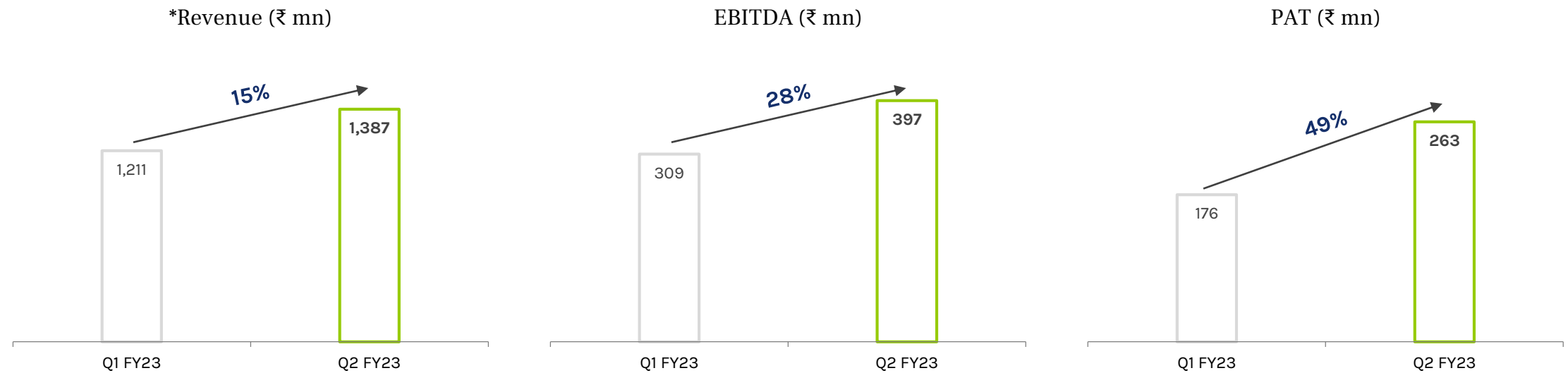
By viewing this presentation, you acknowledge and agree to be bound by the foregoing limitations and restrictions.



Table of Content

Result Summary Q2 FY23	04
Segmental Performance	07
Geographical Performance	11
Result Summary FY22	14
Unique Investment Case	26
Focus Area Going Ahead	31
Shareholders' Information	32

Results Summary – Q2 FY23 (Consolidated) Q-o-Q

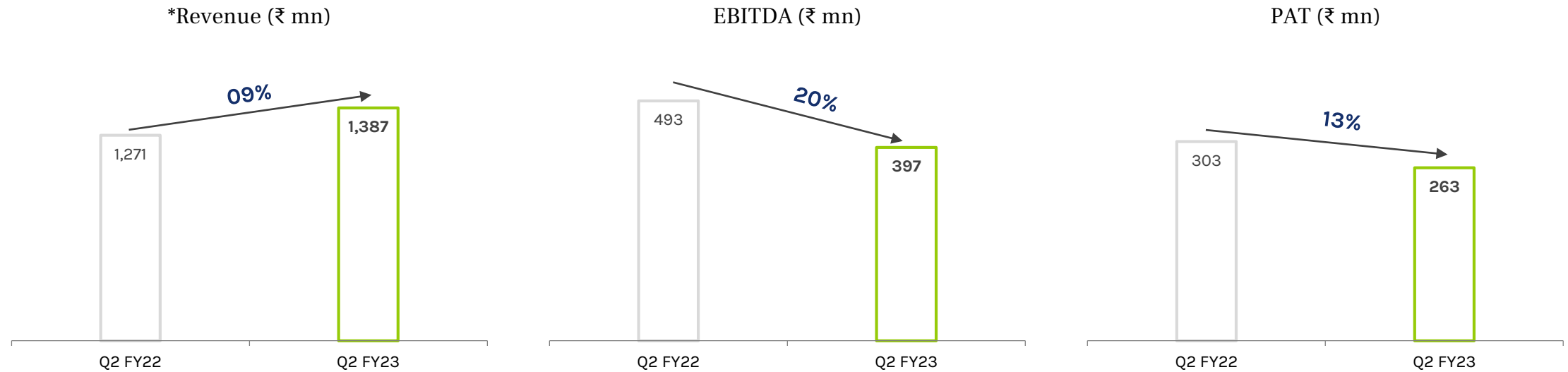


- Revenue grew by 15% on Q-o-Q basis to ₹ 1,387 million in the Q2 FY23 from ₹ 1,211 million in the Q1 FY23
- EBITDA grew by 28% to ₹ 397 million in the Q2 FY23 as against ₹ 309 million in Q1 FY23 on Q-o-Q basis
- PAT increased to ₹ 263 million in the Q2 FY23 from ₹ 176 million in the Q1 FY23, a growth of 49% 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

Results Summary – Q2 FY23 (Consolidated) Y-o-Y

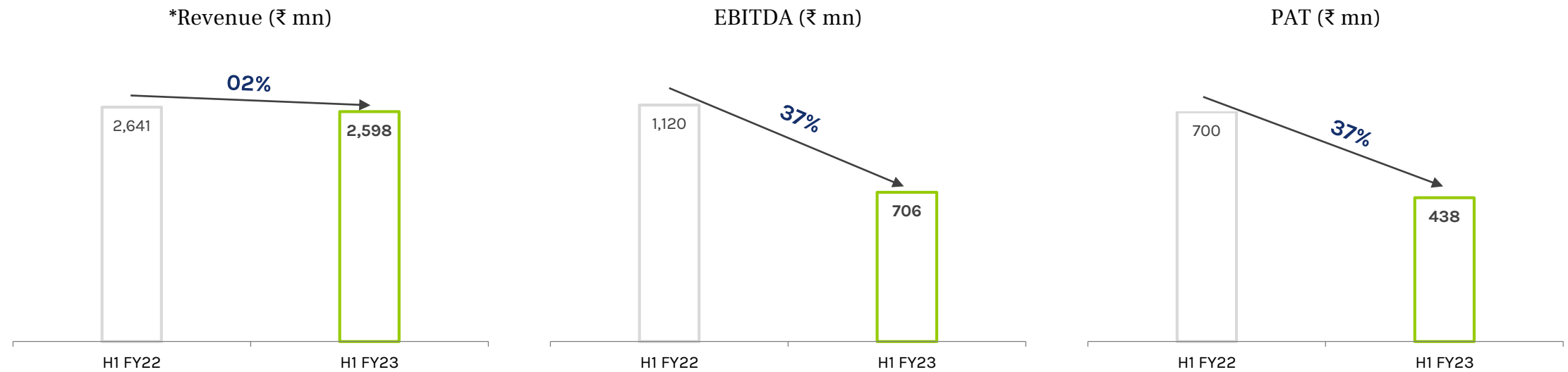


- Revenue grew by 09% on y-o-y basis to ₹ 1,387 million in the Q2 FY23 from ₹ 1,271 million in the Q2 FY22
- EBITDA de-grew by 20% to ₹ 397 million in the Q2 FY23 as against ₹ 493 million in Q2 FY22 on y-o-y basis
- PAT decreased to ₹ 263 million in the Q2 FY23 from ₹ 303 million in the Q2 FY22, a de-growth of 13% on y-o-y basis
- EBITDA margin and PAT margin during Q2 FY23 stands at 29% and 19% 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 – H1 FY23 (Consolidated) Y-o-Y



- Revenue de-grew by 02% on y-o-y basis to ₹ 2,598 million in the H1 FY23 from ₹ 2,641 million in the H1 FY22
- EBITDA de-grew by 37% to ₹ 706 million in the H1 FY23 as against ₹ 1,120 million in H1 FY22 on y-o-y basis
- PAT decreased to ₹ 438 million in the H1 FY23 from ₹ 700 million in the H1 FY22, a decline of 37% on y-o-y basis
- EBITDA margin and PAT margin during H1 FY23 stands at 27% and 17% 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

Human Nutrition

(₹ in Million)

Q2 FY23

Q2 FY23	939	+02%
Q2 FY22	920	

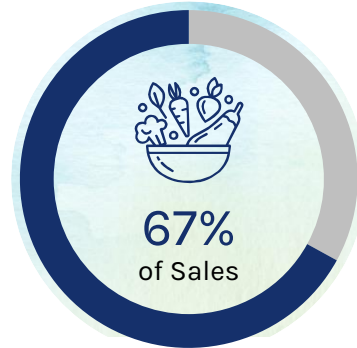


Commentary:

- The human nutrition segment contributed around 68% during the quarter in the total revenue from operations
- This segment grew by 02% during the quarter from ₹ 920 million in Q2 FY22 to ₹ 939 million in Q2 FY23 whereas it improved by 16% on sequential basis

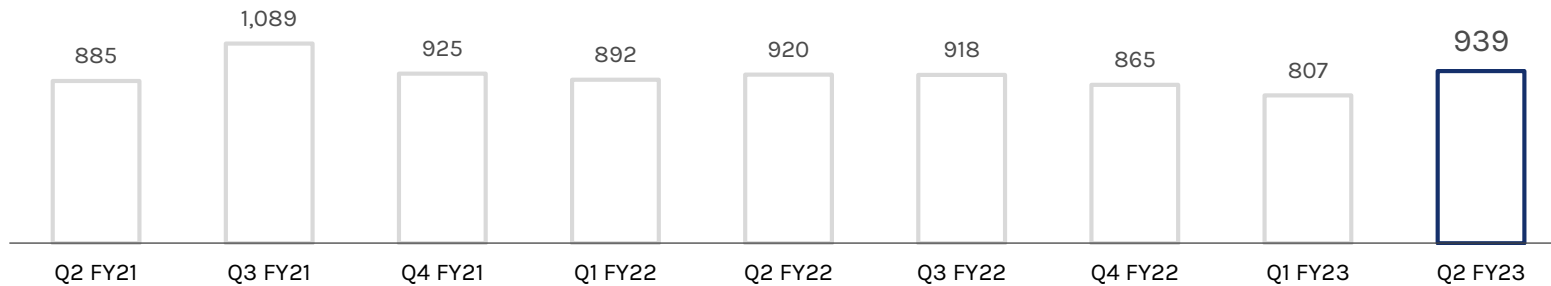
H1 FY23

H1 FY23	1,745	-04%
H1 FY22	1,812	



Commentary:

- The human nutrition segment contributed around 67% during the first half in the total revenue from operations
- This segment de-grew by 04% during the first half from ₹ 1,812 million in H1 FY22 to ₹ 1,745 million in H1 FY23



Animal Nutrition

(₹ in Million)

Q2 FY23

Q2 FY23	172	+27%
Q2 FY22	136	

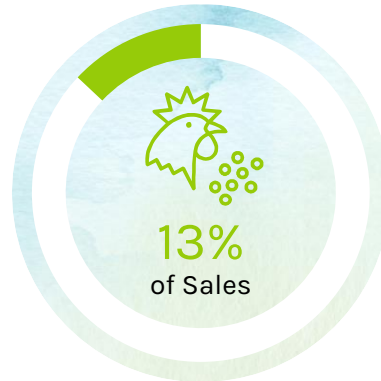


Commentary:

- The Animal nutrition segment contributed about 12% during the quarter in the total revenue from operations
- This segment grew by 27% on y-o-y basis to ₹ 172 million in Q2 FY23 as against ₹ 136 million in Q2 FY22, and it grew by 10% on q-o-q basis

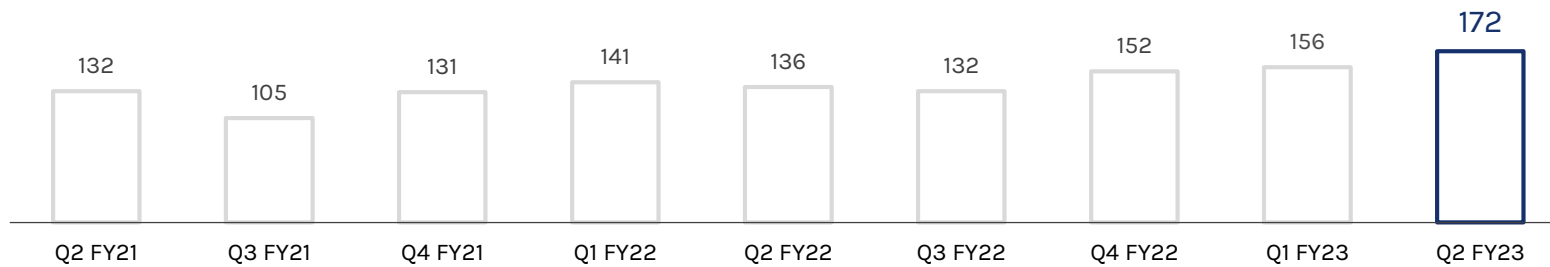
H1 FY23

H1 FY23	329	+19%
H1 FY22	276	



Commentary:

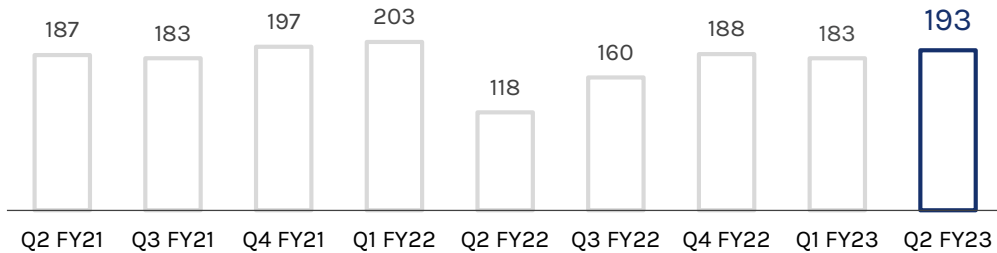
- The Animal nutrition segment contributed about 13% during the first half in the total revenue from operations
- This segment grew by 19% on y-o-y basis to ₹ 329 million in H1 FY23 as against ₹ 276 million in H1 FY22



Industrial Bio-Processing

Q2 FY23	193	+63%	H1 FY23	376	+17%
Q2 FY22	118		H1 FY22	321	

(₹ in Million)

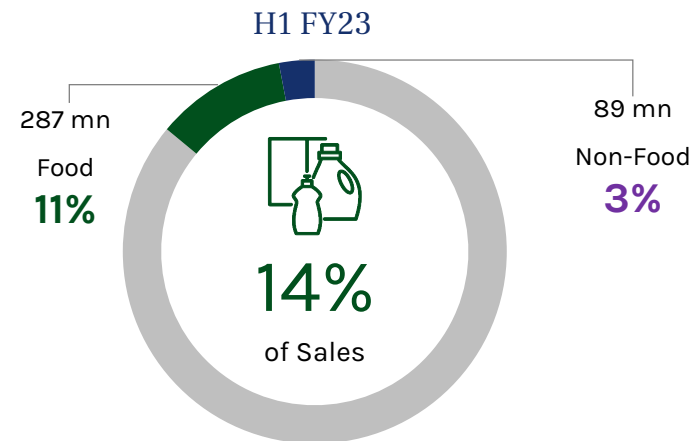
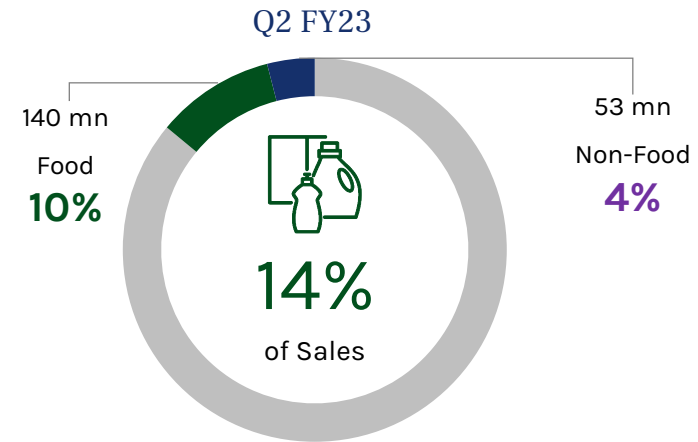


Commentary:

- The Industrial Bio-Processing segment contributed about 14% during the quarter in the total revenue from operations
- This segment outperformed by 63% on y-o-y basis to ₹ 193 million in Q2 FY23 from ₹ 118 million in Q2 FY22 while it grew by 05% on q-o-q basis
- In this segment, food business contributed 10% in the overall revenue and stood at ₹ 140 million while the Non-Food business contributed 04% and stood at ₹ 53 million during the quarter. The food business inclined by 64% and Non-food business registered a growth of 61% on y-o-y basis

Commentary:

- The Industrial Bio Processing segment contributed about 14% during the first half in the total revenue from operations which was 12% during the same period last year
- This segment grew by 17% on y o y basis to ₹ 376 million in H1 FY23 from ₹ 321 million in H1 FY22
- In this segment, food business contributed 11% in the overall revenue and stood at ₹ 287 million while the Non Food business contributed 03% and stood at ₹ 89 million during the first half. The food business grew by 12% while the Non-food business registered a growth of 40% on y-o-y basis



Specialized Manufacturing

Q2 FY23

Q2 FY23	83	-14%
Q2 FY22	97	



Commentary:

- This segment contributed about 06% during the quarter in the total revenue from operations which was 08% during the same quarter last year
- This segment underperformed by 14% on y-o-y basis to ₹ 83 million in Q2 FY23 from ₹ 97 million in Q2 FY22, and on q-o-q basis it grew by 28%

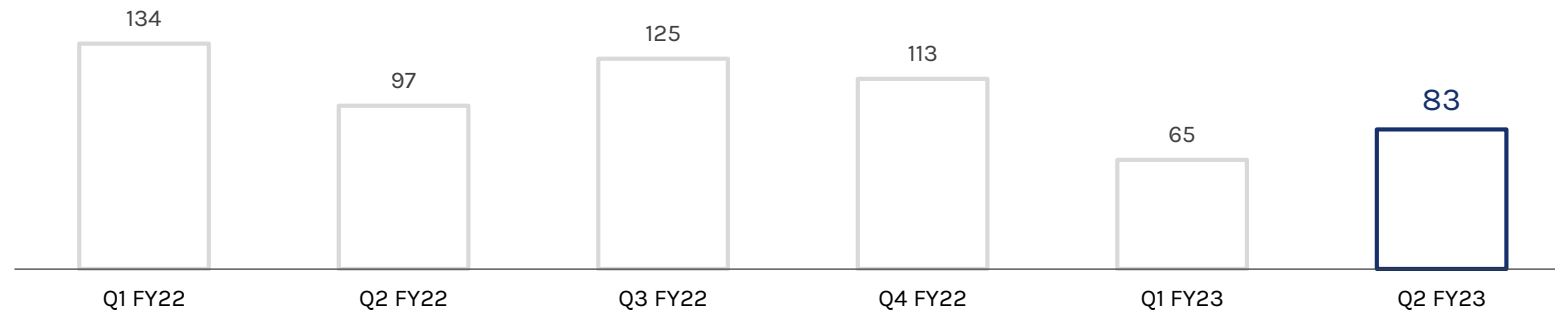
H1 FY23

H1 FY23	148	-36%
H1 FY22	232	



Commentary:

- This segment contributed about 06% during the first half in the total revenue from operations which was 09% during the same period last year
- This segment underperformed by 36% on y-o-y basis to ₹ 148 million in H1 FY23 from ₹ 232 million in H1 FY22

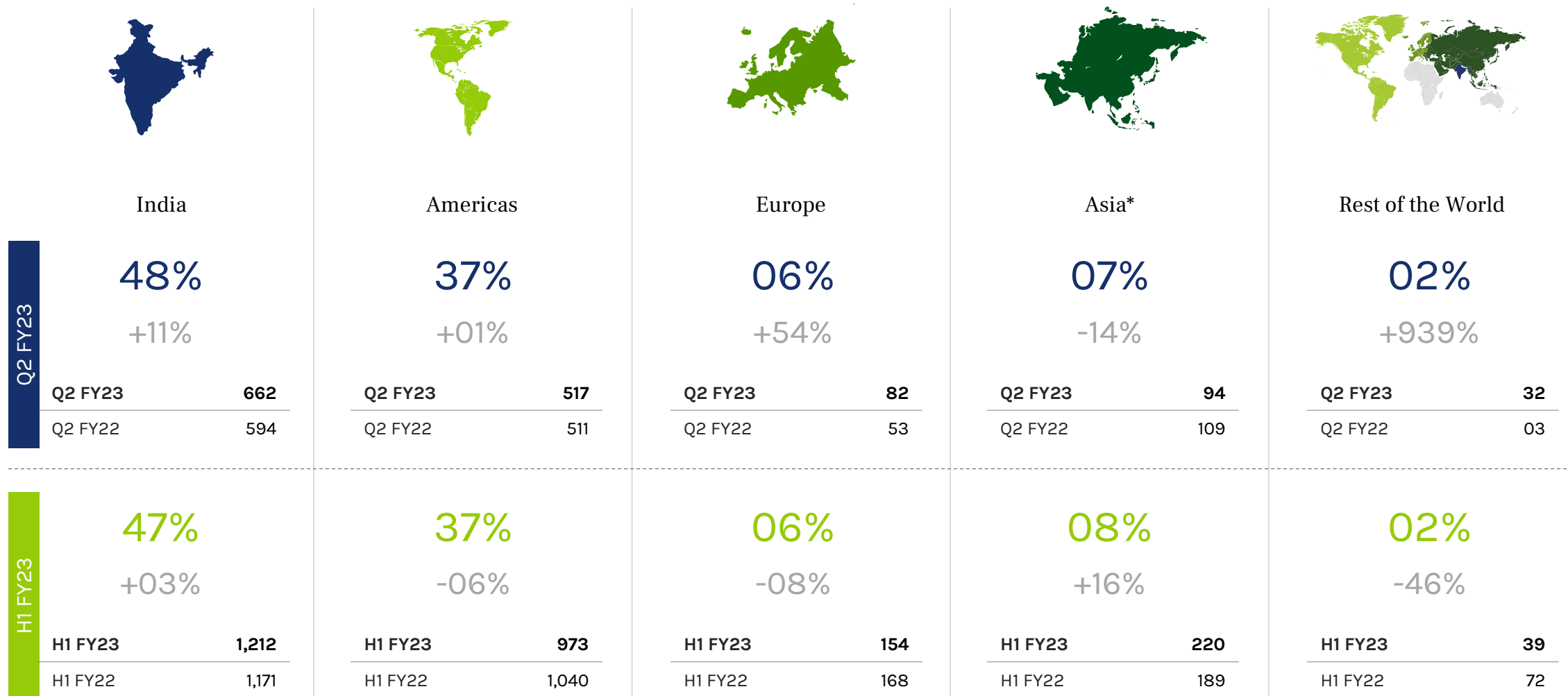


(₹ in Million)



Geographical Performance

(₹ in Million)



*Asia is excluding India

Profit & Loss (Consolidated) – Q2 FY23

(₹ in Million)

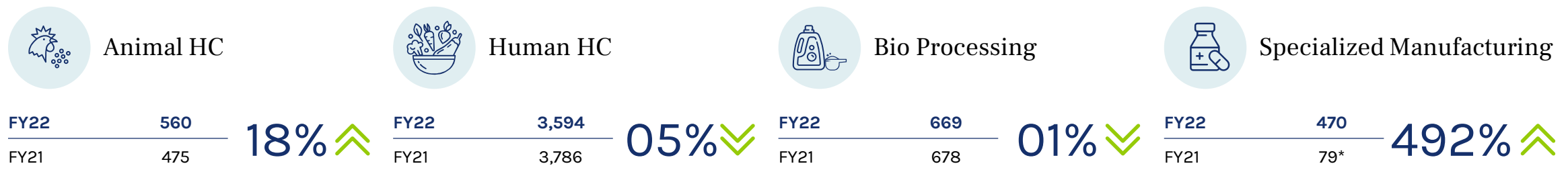
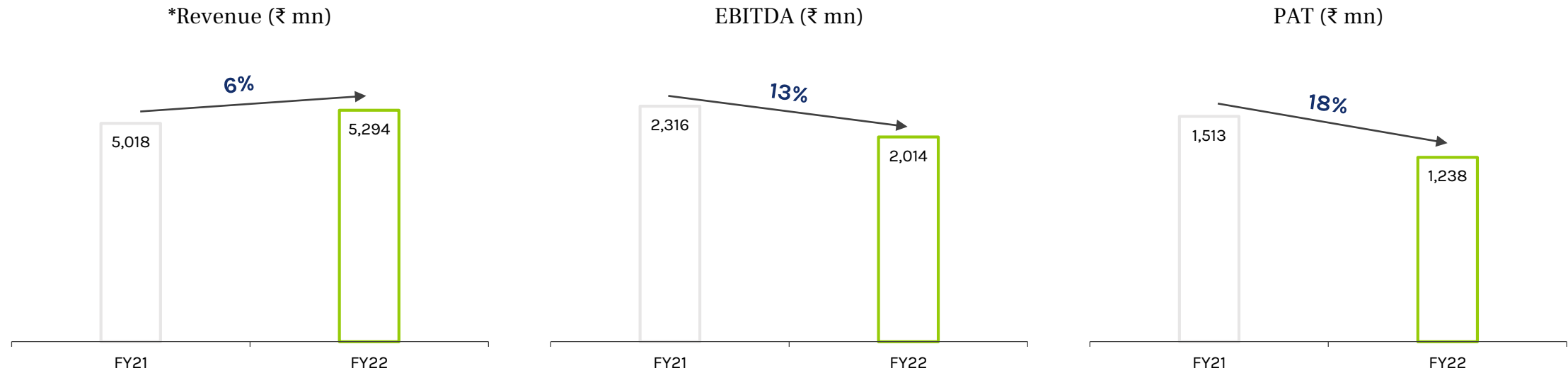
Particulars	Q2 FY23 Un-Audited	Q1 FY23 Un-Audited	Q2 FY22 Un-Audited	Y-o-Y (%)	H1 FY23 Un-Audited	H1 FY22 Un-Audited	Y-o-Y (%)
Income from Operations	1,387	1,211	1,271	09%	2,598	2,641	-2%
Expenses	1,078	988	864	25%	2,067	1,691	22%
Profit from Operations before Other Income, Finance Costs and Exceptional Item	309	223	407	-24%	531	950	-44%
Other Income	39	20	9	333%	59	18	222%
Profit from ordinary activities before Finance Costs and Exceptional Item	348	243	416	-16%	590	968	-39%
Finance costs	6	6	3	100%	12	8	51%
Profit from ordinary activities before tax	342	237	413	-17%	578	960	-40%
Tax	79	61	110	-28%	140	260	-46%
Net Profit for the period	263	176	303	-13%	438	700	-37%
Earnings Per Share	2.34	1.60	2.66		3.94	6.05	

Balance Sheet (Consolidated) - H1 FY23

(₹ in Million)

Particulars	H1 FY23 Un-Audited	H1 FY22 Un-Audited	H1 FY21 Un-Audited
Assets			
Property, plant and equipment	2,623	2,407	2,017
Capital work-in-progress	213	101	138
Intangible assets	559	653	577
Goodwill	3,141	2,913	2,899
Other non-current assets	325	299	170
Current assets	6,671	5,445	4,452
Assets held for sale	-	-	48
Total Assets	13,532	11,818	10,301
Equity And Liabilities			
Equity share capital	224	224	223
Other equity	11,418	10,028	8,743
Non-controlling interest	516	510	291
Non-current liabilities	649	520	432
Current liabilities	725	536	557
Liabilities classified as held for sale	-	-	55
Total – Equity and Liabilities	13,532	11,818	10,301

Results Summary – FY22 (Consolidated) Y-o-Y

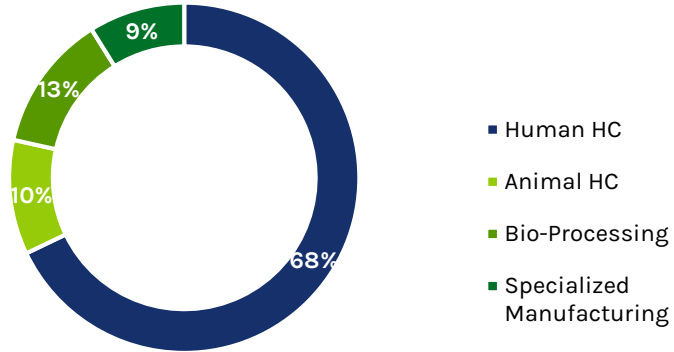


1. On Consolidated Basis
 2. PAT is before minority
 3. Product categorywise revenue does not include other operating income and Ind AS adjustments
 4. Ind AS adjustments are carried out on account of commission and discount.
 *Specialized Manufacturing - FY21 Revenue numbers are from 11 Jan'21 to 31 Mar'21

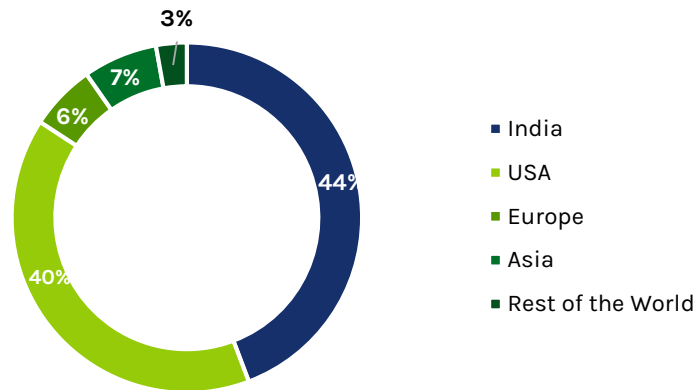
Revenue Split – FY22 vs. FY21

FY22

Product Category-wise (%)

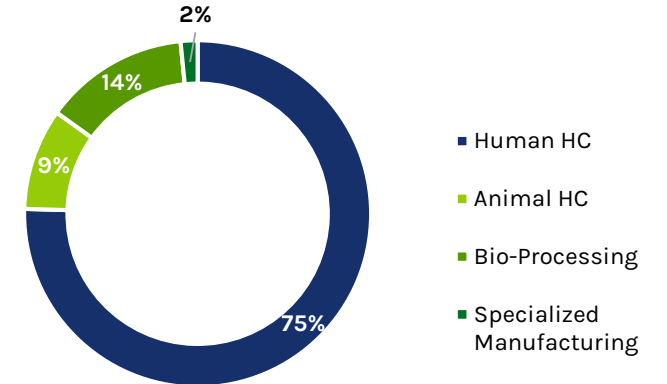


Geographical Revenue Split (%)

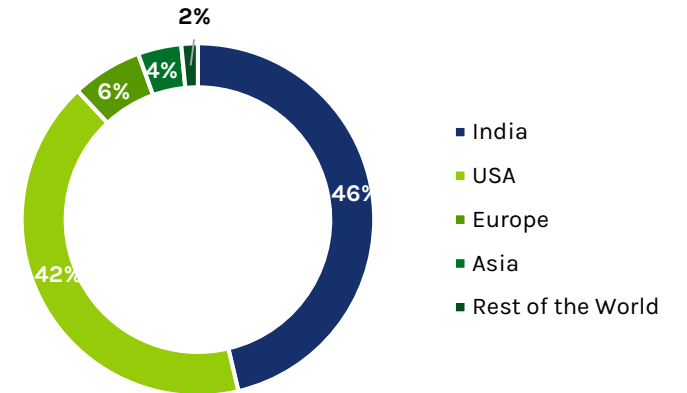


FY21*

Product Category-wise (%)



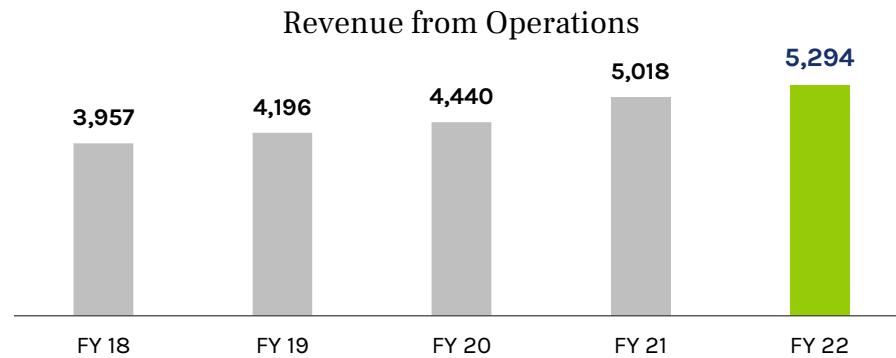
Geographical Revenue Split (%)



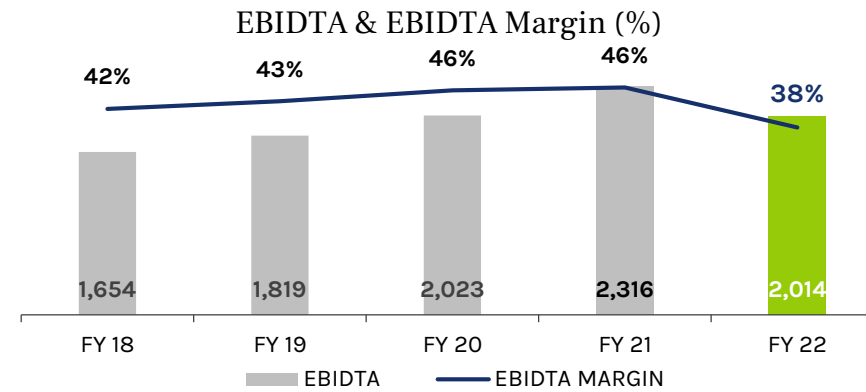
1. On Consolidated Basis
 2. EBIDTA is excluding other income
 3. Segment-wise revenue does not include other operating income
 4. Ind AS adjustments are carried out on account of commission and discount.
 5. *Specialized Manufacturing - FY21 Revenue numbers are from 11 Jan'21 to 31 Mar'21

Strong Financial Performance – FY22

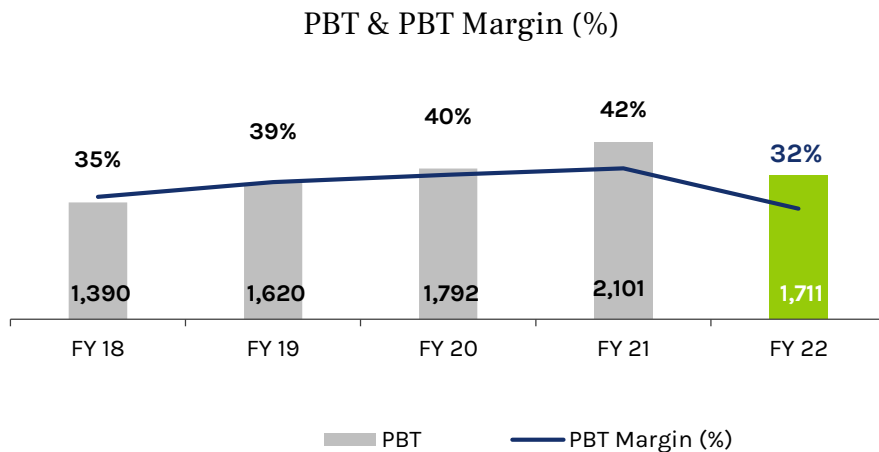
(₹ in Million)



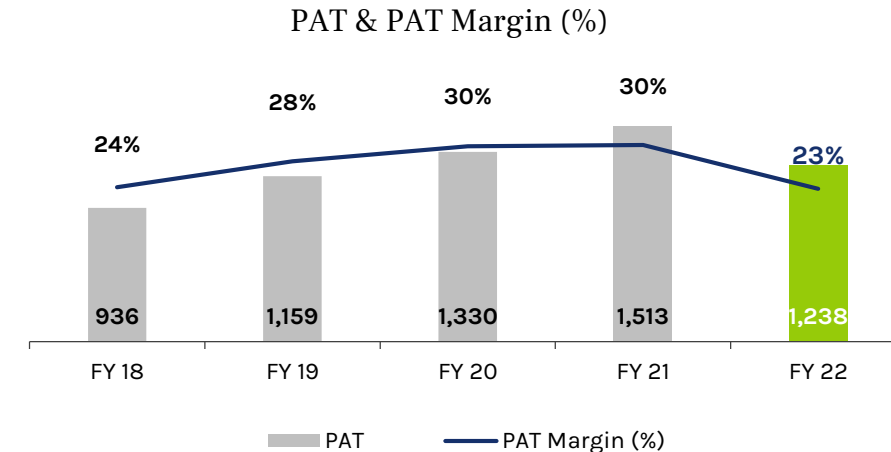
CAGR
7.55%



CAGR
5.05%



CAGR
5.33%

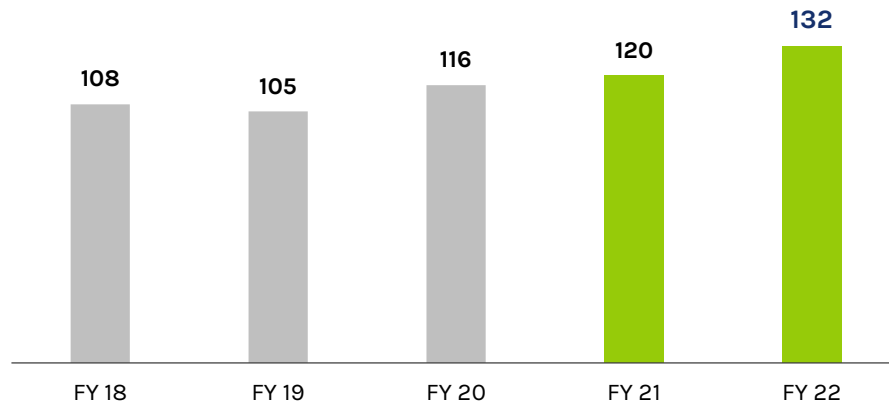


CAGR
7.24%

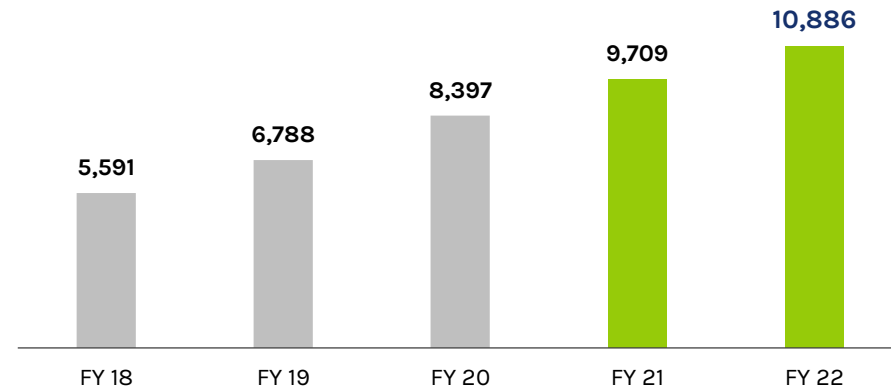
Note: All the numbers are as per IndAs
 All numbers are on Consolidated basis
 ROE = Profit after tax / Average shareholder equity; RoCE = (Net Profit before Tax, Exceptional and extraordinary items + Finance cost) / Average (Net debt + Networkth)

Strong Financial Performance – FY22

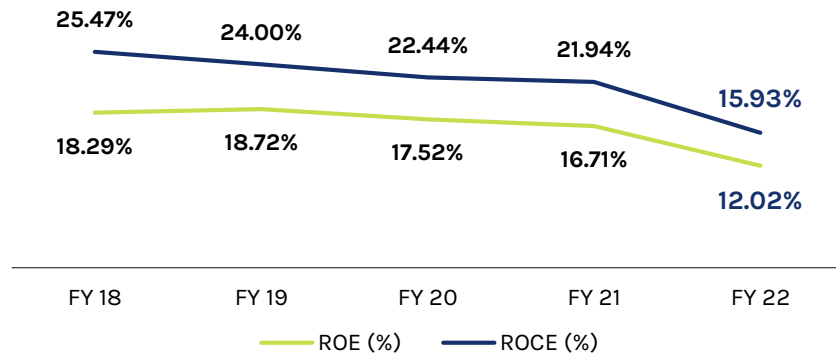
Net Working Capital (Days)



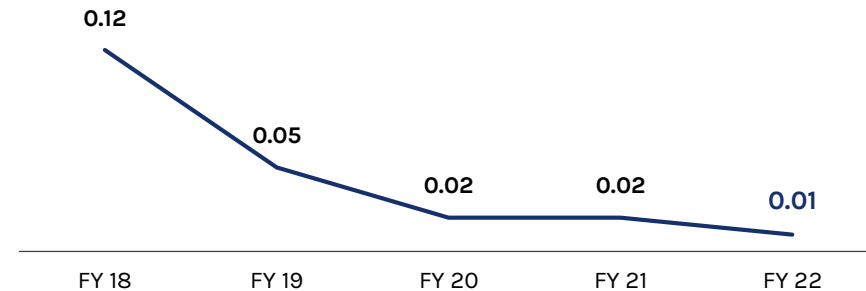
Net Worth (₹ mn)



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

Balance Sheet (Consolidated)

(₹ in Million)

Particulars	FY22 Audited	FY21 Audited	FY20 Audited
Assets			
Property, plant and equipment	2,622	2,462	2,096
Capital work-in-progress	151	102	101
Intangible assets	609	693	592
Goodwill	2,961	2,887	2,941
Other non-current assets	289	258	251
Current assets	6,044	5,160	3,757
Assets held for sale	-	-	48
Total Assets	12,676	11,562	9,786
Equity And Liabilities			
Equity share capital	224	223	223
Other equity	10,662	9,486	8,173
Non-controlling interest	518	617	278
Non-current liabilities	668	560	461
Current liabilities	604	676	596
Liabilities classified as held for sale	-	-	55
Total – Equity and Liabilities	12,676	11,562	9,786

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.



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.

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.



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!

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



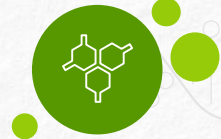
1st
 Indian enzyme company



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



12#
 Food Enzyme Dossiers
 filed with EFSA



5**
 GRAS Dossier
 evaluated by US FDA



500
 m³ Fermentation
 Capacity



25+
 Years of Fermentation
 Experience

Note: Facts & Figures as on 31st March, 2021

* Patents includes the filed applications

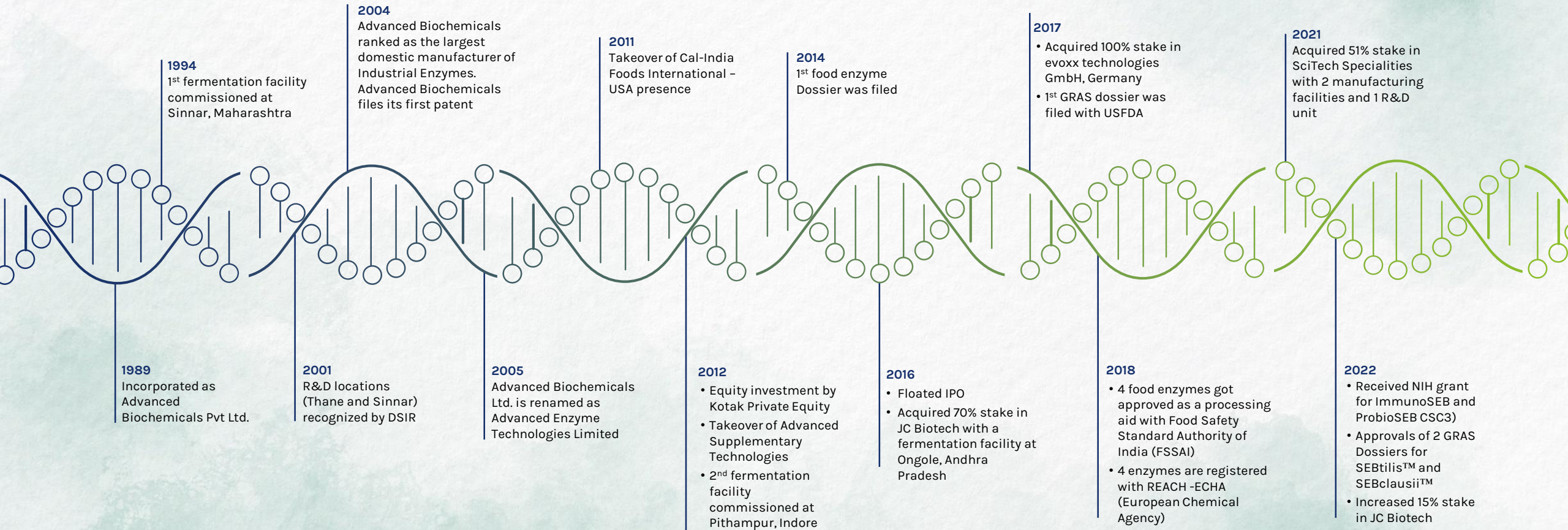
#Food Dossier filed with EFSA, out of which positive R&D Units opinion is received for 4 Dossiers & 8 are under evaluation

**No question letter received for 2 Dossier, another 3 are 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



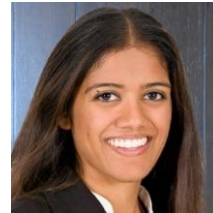
Mr. Kedar Desai
Independent Director



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

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

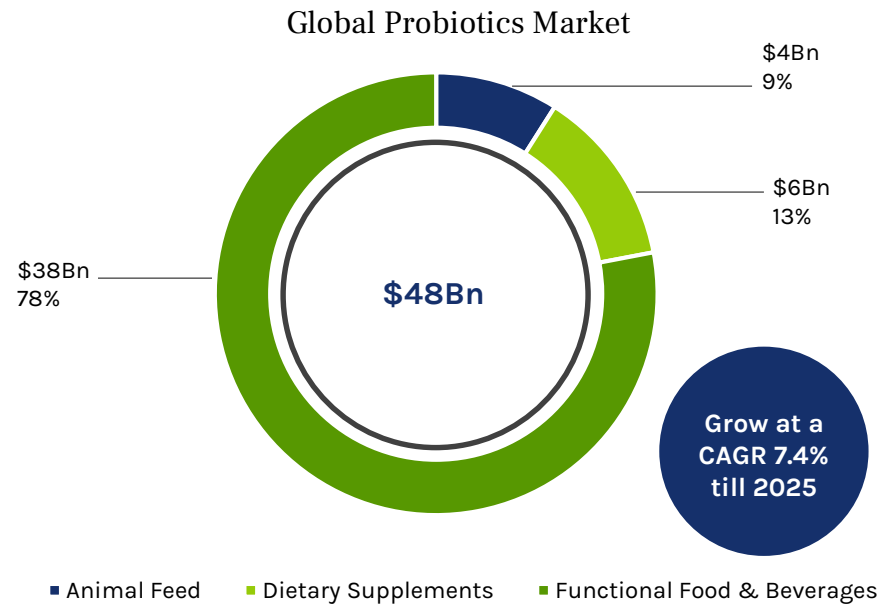


Dr. Michael Puls
Managing Director /Head Of Research and
Development - evoxx Technologies,
Germany

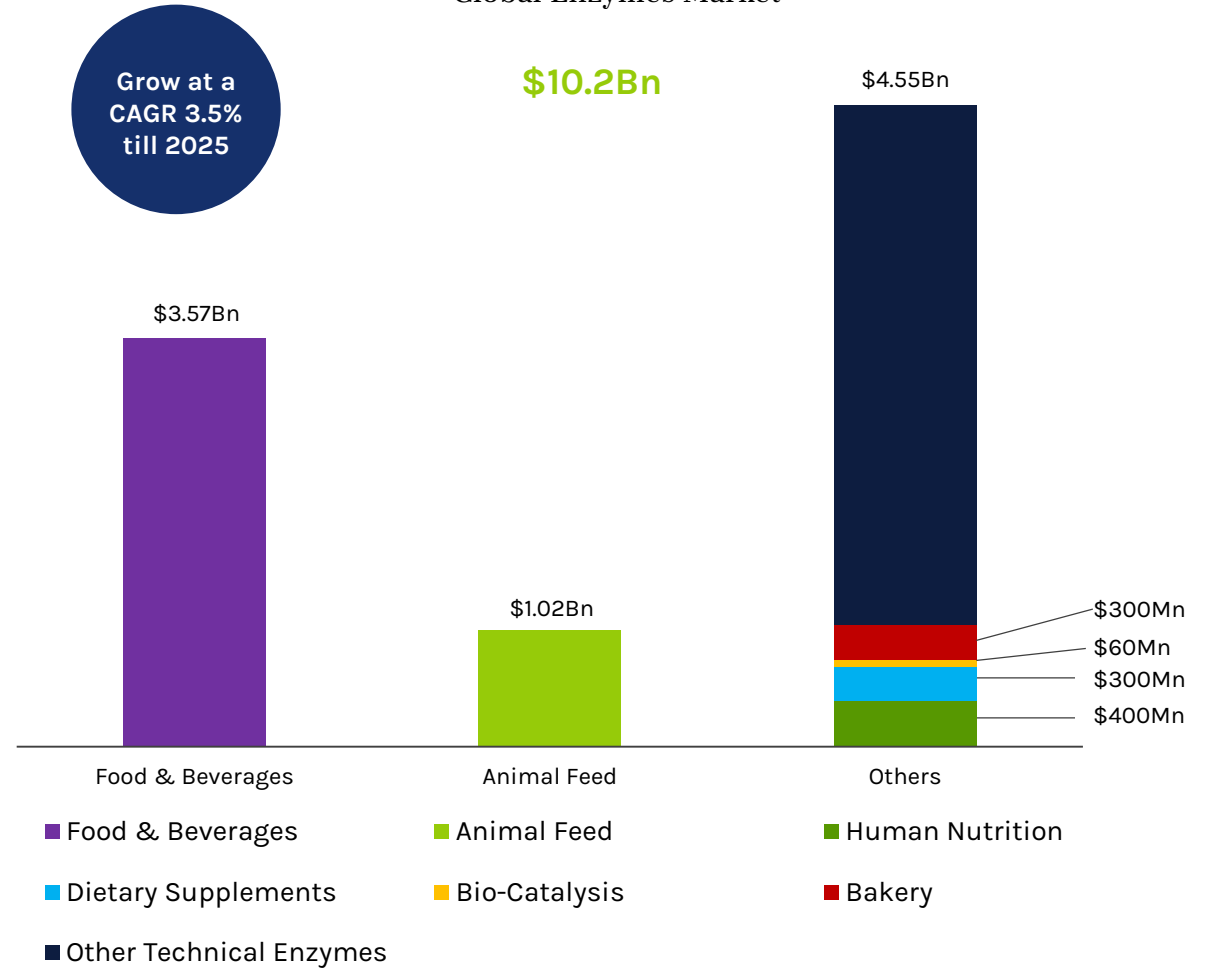


Mr. Sanjay Basantani
Company Secretary & Head Legal

How Big is the Opportunity?



Global Enzymes Market



Competitive Scenario in the Global Enzymes and Probiotics Markets

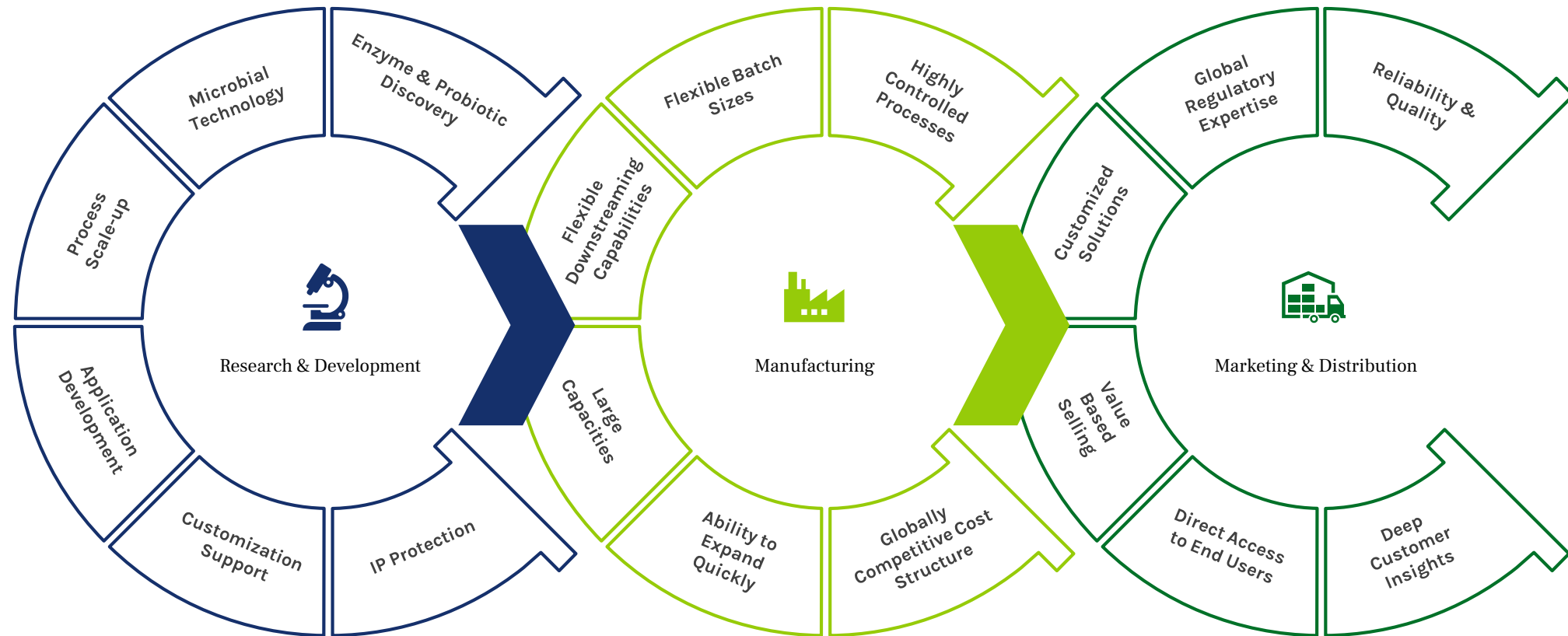
Nutraceutical	DSM, Deerland
Probiotics	Chr. Hansen, Sabinsa, Kerry, Unique Biotech
Bio-Catalysis	Codexis, Cambrex
Animal Nutrition	Novozymes, DSM, Kemin, Novus, and other regional players
Bio-Processing	Food: AB Enzymes, DSM, Novozymes Non-Food: Novozymes, DuPont

Source: ResearchandMarkets Report, 2019-20

What Makes AETL a Unique Investment Case?



Integrated Player with Presence Across the Enzyme Value Chain



What we are Aiming in the Opportunity?

	Focus Area	Opportunity Size	Addressable market for AETL over next 5 years**	AETL's Current Share of Revenue	
				FY22	FY21
	Human Nutrition	\$ 400 mn	\$ 200 mn	\$ 41 mn, 58%	\$ 39 mn, 57%
	Bio-catalysis	\$ 60 mn	\$ 30 mn*	\$ 2.5 mn, 4%	\$ 2.2 mn, 3%
	Baking	\$ 300 mn	\$ 30 mn	\$ 7 mn [#] , 10%	\$ 6.3 mn [#] , 9%
	Animal Nutrition	\$ 1.02 bn	\$ 40 mn	\$ 7.5 mn, 11%	\$ 6.4 mn, 9%
	Probiotics	\$ 48 bn	Majority of the market is untapped, so this a huge opportunity	\$ 4.7 mn, 7%	\$ 9.8 mn, 14%

**Addressable market is as per Company's own estimates

*As of now we are considering the India only opportunity for Bio-catalysis

[#]Includes other food-processing enzymes

Source: ResearchandMarkets Report, 2019-20

Specialized Business With High Entry Barriers



Technocrat Promoters

Cumulative experience of 7+ decades in the global enzyme industry



Sustained Research & Development

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



Manufacturing Expertise

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



Proven Enzyme Development Capabilities

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



Global Competitiveness

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



Diverse Product Range & Customer Base

400+ Products, 700+ Customers Worldwide



Credible Market Presence

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

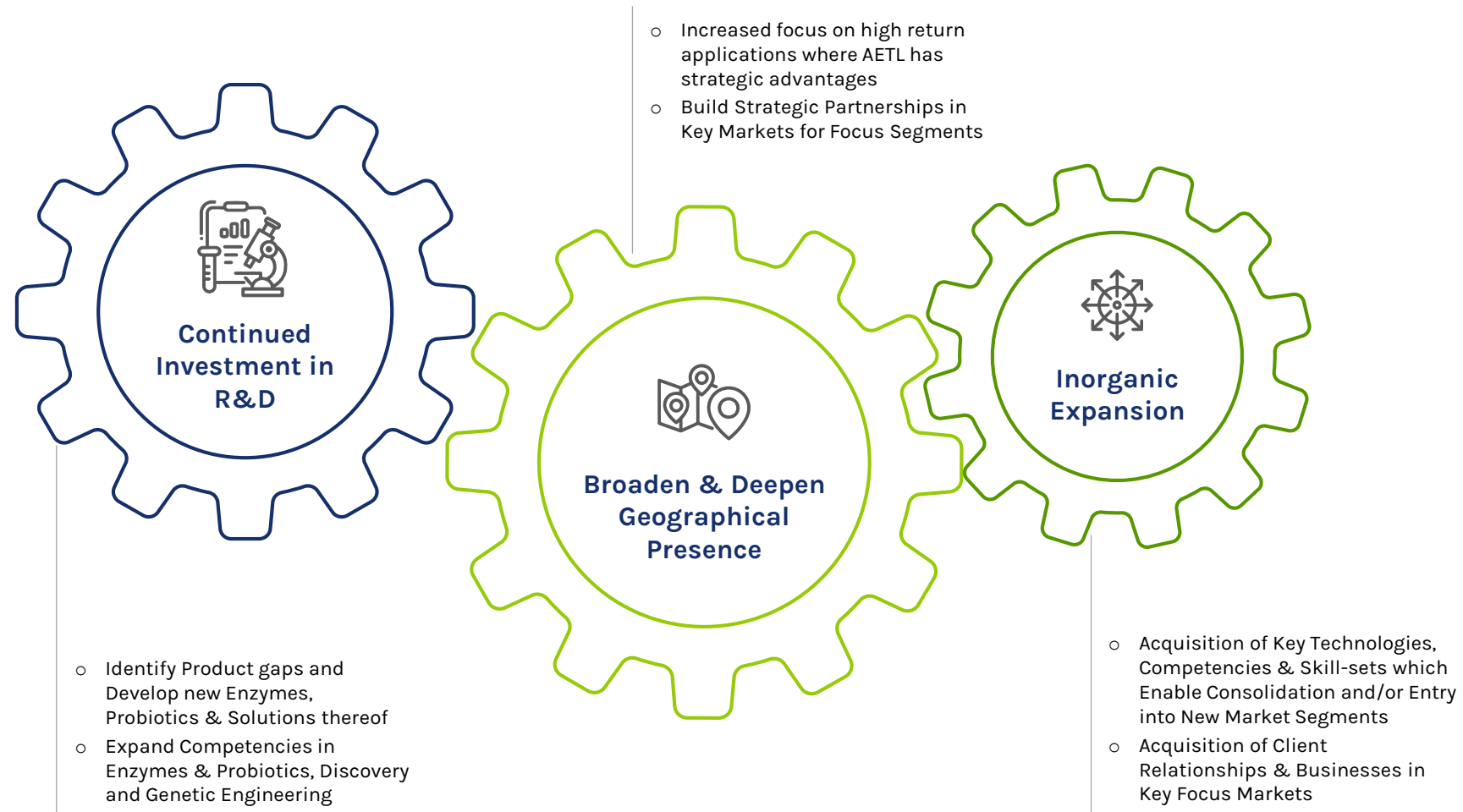


Invaluable Experience & Customer Insights

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

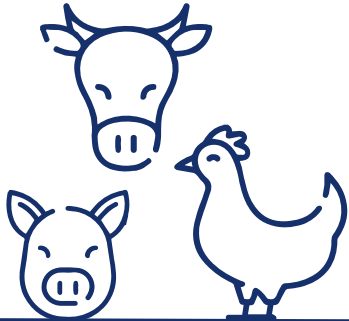


Future Growth Drivers



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 10th Nov 2022)

	Market Capitalization (₹)	32,647 mn
	Shares Outstanding	111.72 mn
	Free Float	11,115 mn
	Symbol (NSE/ BSE)	ADVENZYMES / 540025

Stock Chart (As on 10th Nov 2022)

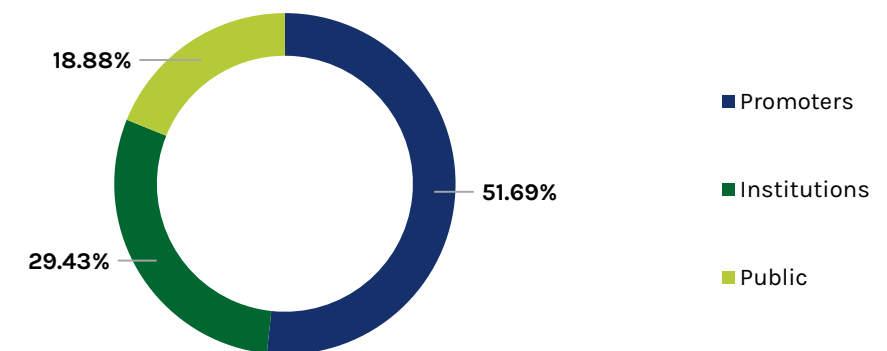


Source: NSE

Top 5 Institutional Holders (As on 04th Nov 2022)

Institutions	OS (%)
ORBIMED ASIA III MAURITIUS	12.09
NALANDA INDIA EQUITY FUND	8.91
HDFC AMC	4.21
ICICI PRUDENTIAL MF	1.02
DIMENSIONAL FUND	0.70

Shareholding Pattern (%)



Thank You

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

Investor Relations Contact:

Ronak Saraf

Manager - Investor Relations

✉ ir@advancedenzymes.com

☎ +91 86578 64146

