

December 27, 2020

BSE Limited
P. J. Towers, Dalal Street,
Mumbai-400 001
Scrip ID-540025

National Stock Exchange of India Ltd.
Exchange Plaza, Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai-400 051
Scrip Code-ADVENZYMES

Dear Sir/Madam,

Sub: Intimation of investment proposal approved by the Board in its meeting held on December 26, 2020 – Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements), 2015

The Board of Directors in its meeting held on December 26, 2020 has approved the (a) investment of an amount not exceeding Rs. 316.26 Million by way of subscription to the issue of 492,630 equity shares of SciTech Specialties Private Limited (CIN: U85190MH2007PTC175484) ["SSPL"], as may be offered on preferential issue / private placement basis by SSPL and purchase of 27,778 from selling shareholders of SSPL, aggregating to 520,408 equity shares i.e. 51% of equity share capital of SSPL, and (b) authorization for signing of Share Subscription and Shareholders' Agreement in this regard.

On completion of the aforesaid investment, SSPL will become subsidiary of Advanced Enzyme Technologies Limited ("Company" / "AETL").

Further, as intimated earlier vide the Company's letter dated December 24, 2020, the Trading Window shall continue to remain closed till December 29, 2020 (Tuesday)

Details as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular No. CIR/CFD/CMD/4/2015 dated 9th September, 2015 are as follows:

Sr. No.	Particulars	Status / Remarks
a)	Name of the target entity, details in brief such as size, turnover etc.	<p>SciTech Specialties Private Limited ("SSPL") [Company Identification Number (CIN): U85190MH2007PTC175484]</p> <p>A contract manufacturing company with niche technology specializing in effervescent granules and tablets. Formed in 2007, SSPL is focused in animal health, pharma and nutraceutical.</p> <p>SSPL manufactures effervescent products with aqueous granulation technology.</p> <p>For background and financial performance in brief refer Sr. No. (j) below.</p>

b)	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arm's length"	No
c)	Industry to which the entity being acquired belongs	Healthcare (Pharma & Nutraceuticals)
d)	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	<ul style="list-style-type: none"> - Controlling stake (51%) in SSPL specializing in effervescent granules and tablets. - Synergizes and fits with AETL's move to expand its B2C business. - Has important applications in three of AETL's existing verticals (human health, animal nutrition, and food), providing new delivery systems for existing products and opening avenues for additional sales to AETL's existing customer base. - Strong management expertise with a depth of experience in pharmaceutical manufacturing and the global regulatory landscape. - Proceeds to be used for expansion of capacity, manufacturing improvements, QC & R&D Labs, Repayment of Debts etc. - Operational synergies including location near AETL's manufacturing facilities.
e)	Brief details of any governmental or regulatory approvals required for the acquisition	No such governmental or regulatory approval is required by the Company for the acquisition
f)	Indicative time period for completion of the acquisition	31 st January 2021
g)	Nature of consideration – whether cash consideration or share swap and details of the same	Cash
h)	Cost of acquisition or the price at which the shares will be acquired	Total acquisition price not exceeding Rs. 316.26 Million in aggregate.

i)	Percentage of shareholding / control acquired and / or number of shares acquired	To be subscribed / acquired: Fresh issue of 492,630 Equity Shares on private placement/preferential basis and purchase of 27,778 Equity Shares of SSPL from transferor(s). Post the said investment, total shareholding of the Company in SSPL will be 520,408 Equity Shares i.e. 51% of the paid-up share capital of SSPL.																									
j)	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);	<p>A technology-based contract manufacturing company specializing in effervescent granules and tablets. SSPL manufactures effervescent products with aqueous granulation technology for all product groups.</p> <p>SSPL has two manufacturing facilities for nutraceuticals and pharmaceuticals. Regulatory approvals include approvals from FSSAI, WHO cGMP and other accreditation from International agencies like Codex, FSMP, GSFS.</p> <p>Financial Highlights: Audited for FY18, 19 & 20 & provisional for 6 months ended on 30th Sept 2020: (Rs. in Million)</p> <table><tr><th>Particulars</th><th>6M FY 2021</th><th>FY 2020</th><th>FY2019</th><th>FY 2018</th></tr><tr><td>Sales</td><td>190.4</td><td>266.8</td><td>215.6</td><td>186.6</td></tr><tr><td>EBITDA</td><td>40.0</td><td>43.4</td><td>47.2</td><td>46.1</td></tr><tr><td>% of EBITDA to sales</td><td>21%</td><td>16.3%</td><td>21.9%</td><td>24.7%</td></tr><tr><td>PAT</td><td>16.2</td><td>10.7</td><td>7.6</td><td>10.8</td></tr></table> <p>Presence: India, SSPL has been exporting to France, Peru, Ecuador , Honduras, Vietnam, Thailand, Cambodia, Laos, , Iraq, Oman, Turkey, Egypt, etc.</p>	Particulars	6M FY 2021	FY 2020	FY2019	FY 2018	Sales	190.4	266.8	215.6	186.6	EBITDA	40.0	43.4	47.2	46.1	% of EBITDA to sales	21%	16.3%	21.9%	24.7%	PAT	16.2	10.7	7.6	10.8
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Thanking you,

Yours faithfully,

For Advanced Enzyme Technologies Limited

Sanjay Basantani

Company Secretary and Head – Legal