



FOR IMMEDIATE RELEASE

QUARTERLY EARNINGS RELEASE

Mumbai, India: Saturday, February 05, 2022

Advanced Enzyme Technologies Limited announces Financial Results for Third Quarter and Nine Months ended December 2021

Advanced Enzyme Technologies Limited (Advanced Enzymes; NSE: ADVENZYMES; BSE: 540025), a leading specialty biotech company, with global leadership in the manufacturing of enzymes, today announced their unaudited financial results for third quarter and nine month ended December 2021.

CONSOLIDATED QUARTERLY FINANCIAL HIGHLIGHTS:

(Amount in INR Mn.)	Q3 FY22	Q2 FY22	Q3 FY21	Change (Y-o-Y %)	Change (Q-o-Q %)	9M FY22	9M FY21	Change (Y-o-Y%)
Revenue	1,336	1,271	1,377	-3	5	3,976	3,686	8
EBITDA	491	493	664	-26	0	1,612	1,766	-9
EBITDA Margin (%)	37	39	48			41	48	
PAT	286	303	443	-35	-6	985	1,177	-16
PAT Margin (%)	21	24	32			25	32	
EPS	2.46	2.66	3.86			8.51	10.25	

CONSOLIDATED QUARTERLY FINANCIAL REVIEW (Y-o-Y basis):

Revenue from Operations:

Revenue from operations on consolidated basis decreased to ₹ 1,336 million in the Q3 FY22 from ₹ 1,377 million in the Q3 FY21, showcasing a slight decline of 3%.

Profit:

Consolidated EBITDA during Q3 FY22 stands at ₹ 491 million as compared to ₹ 664 million during Q3 FY21, decrease of 26%.

Profit before tax stands at ₹ 412 million during Q3 FY22 as against ₹ 609 million in Q3 FY21, decline of 32%.

Profit after tax de-grew by 35% and stands at ₹ 286 million during Q3 FY22 as compared to ₹ 443 million during the Q3 FY21.

Margin:

EBITDA margin stands at 37%, PBT margin stands at 31% and PAT margin stands at 21% during the quarter.

Financial Costs:

Financial costs stood at ₹ 3 million, remain unchanged during the during Q3 FY22 on y-o-y basis

Depreciation and Amortization:

Depreciation and Amortization charge for the Q3 FY22 is ₹ 88 million as compared to ₹ 65 million in the same quarter previous year.

Earnings Per Share:

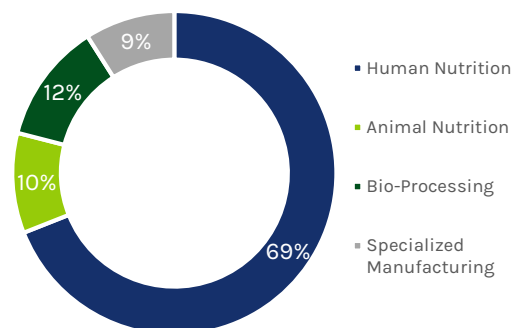
Earnings Per Share during Q3 FY22 stands at ₹ 2.46 as compared to ₹ 3.86 in Q3 FY21.



OPERATIONAL PERFORMANCE REVIEW:

Segmental Revenue:

(Amount in INR Mn.)	Q3 FY22	Q3 FY21	Change (%)
Human Nutrition	918	1,089	-16
Animal Nutrition	132	105	26
Bio-Processing	160	183	-13
Specialized Manufacturing	125	-	100



The total revenue from operations marginally de-grew by 3% on y-o-y basis while it grew 5% on q-o-q basis.

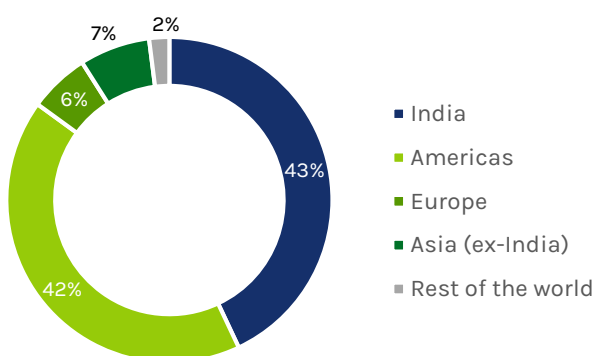
The human nutrition segment de-grew by 16% to ₹ 918 million in Q3 FY22 as compared to ₹ 1,089 million in Q3 FY21.

The Animal nutrition delivered a strong growth of 26 % to ₹ 132 million in Q3 FY22 as against ₹ 105 million in Q3 FY21.

The Bio-Processing segment underperformed by 13% during the quarter, it accounted ₹ 160 million in Q3 FY22 as compared to ₹ 183 million in Q3 FY21. In this segment, food business contributed 9% and stood at ₹ 115 million, a decline of 5% while the Non-Food business contributed 3% and stood at ₹ 44 million a decline of 27% on y-o-y basis, during the quarter.

The Specialized manufacturing segment contributed 9% in the pie which ₹ 125 million to the revenue during the quarter.

Geographical Revenue:



The total revenue comprises of International sales amounting to ₹ 764 million in Q3 FY22 as compared to ₹ 660 million in Q3 FY21, a jump of 16%. The revenue grew by 4% in Americas, while it grew by 2% in Europe and strong 264% in Asia (ex-India). The rest of the world registered a growth of 88%.

Domestic sales accounted for ₹ 571 million in Q3 FY22 as compared to ₹ 717 million in Q3 FY21, it underperformed by 20%.

The domestic sales constituted about 43% of revenue from operations during Q3 FY22 as compared to 52% during Q3 FY21. International sales were 57% of revenue from operations during Q3 FY22 as compared to 48% during Q3 FY21.



CONSOLIDATED QUARTERLY FINANCIAL REVIEW (Q-o-Q basis):

Revenue from Operations:

Revenue from operations on consolidated basis increased to ₹ 1,336 million in the Q3 FY22 from ₹ 1,271 million in the Q2 FY22, showcasing a growth of 5%.

Profit:

Consolidated EBITDA during Q3 FY22 stands at ₹ 491 million as compared to ₹ 493 million during Q2 FY22.

Profit before tax stands at ₹ 412 million during Q3 FY22 as against ₹ 413 million in Q2 FY22.

Profit after tax de-grew by 6% and stands at ₹ 286 million during Q3 FY22 as compared to ₹ 303 million during the Q2 FY22.

Financial Costs:

Financial costs stood at ₹ 3 million, remained flat during the during Q3 FY22

Depreciation and Amortization:

Depreciation and Amortization charge for the Q3 FY22 is ₹ 88 million as compared to ₹ 86 million in last quarter.

Earnings Per Share:

Earnings Per Share during Q3 FY22 stands at ₹ 2.46 as compared to ₹ 2.66 in Q2 FY22.

OPERATIONAL PERFORMANCE REVIEW:

Segmental Revenue:

(Amount in INR Mn.)	Q3 FY22	Q2 FY22	Change (%)
Human Nutrition	918	920	0
Animal Nutrition	132	136	-3
Bio-Processing	160	118	35
Specialized Manufacturing	125	97	30

The human nutrition segment remained flat at ₹ 918 million in Q3 FY22 as compared to ₹ 920 million in Q2 FY22.

The Animal nutrition de- grew by 3 % to ₹ 132 million in Q3 FY22 as against ₹ 136 million in Q2 FY22.

The Bio-Processing segment outperformed by 35% during the quarter, it accounted ₹ 160 million in Q3 FY22 as compared to ₹ 118 million

in Q2 FY22. In this segment, food business stood at ₹ 115 million, an increase of 35% while the Non-Food business stood at ₹ 44 million, during the quarter and grew by 36% in comparison to Q2 FY22

The Specialized manufacturing segment registered a growth of 30% to ₹ 125 million in Q3 FY22 from ₹ 97 million in Q2 FY22

Geographical Revenue:

The total revenue comprises of International sales amounting to ₹ 764 million in Q3 FY22 as compared to ₹ 676 million in Q2 FY22, an uptick of 13%. The revenue grew by 10% in Americas, 49% in Europe and strong 934% in rest of the world. The Asia (ex-India) declined by 17% on Q-o-Q basis.

Domestic sales accounted for ₹ 571 million in Q3 FY22 as compared to ₹ 594 million in Q2 FY22, slight decline of 4%.

The domestic sales constituted about 43% of revenue from operations during Q3 FY22 as compared to 47% during Q2 FY22. International sales were 57% of revenue from operations during Q3 FY22 as compared to 53% during Q2 FY22.



CONSOLIDATED NINE MONTH FINANCIAL REVIEW (Y-o-Y basis):

Revenue from Operations:

Revenue from operations on consolidated basis increased to ₹ 3,976 million in the 9M FY22 from ₹ 3,686 million in the 9M FY21, showcasing a growth of 8%.

Profit:

Consolidated EBITDA during 9M FY22 stands at ₹ 1,612 million as compared to ₹ 1,766 million during 9M FY21, decline of 9%.

Profit before tax de-grew by 16% and stands at ₹ 1,371 million during 9M FY22 as against ₹ 1,626 million in 9M FY21.

Profit after tax underperformed by 16% and stands at ₹ 985 million during 9M FY22 as compared to ₹ 1,177 million during the 9M FY21.

Margin:

EBITDA margin stands at 41%, PBT margin stands at 34% and PAT margin stands at 25% during the 9M FY22.

Financial Costs:

Financial costs remained flat and stood at ₹ 11 million during 9M FY22 as compared to ₹ 12 million during same period previous year.

Depreciation and Amortization:

Depreciation and Amortization charge for the 9M FY22 is ₹ 259 million as compared to ₹ 200 million in 9M FY21. The increase is on the account of SciTech Specialties Pvt. Ltd. (SSPL) consolidation in 9M FY22 (SSPL was acquired on Jan 11, 2021).

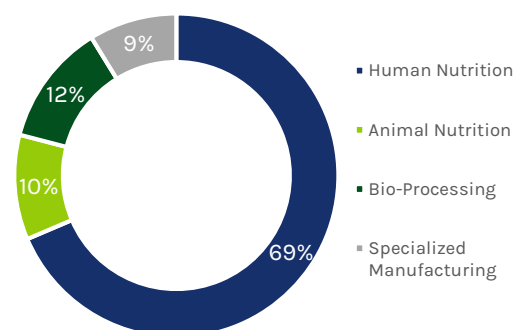
Earnings Per Share:

Earnings Per Share during 9M FY22 stands at ₹ 8.51 as compared to ₹ 10.25 in 9M FY21.

OPERATIONAL PERFORMANCE REVIEW:

Segmental Revenue:

(Amount in INR Mn.)	9M FY22	9M FY21	Change (%)
Human Nutrition	2,730	2,861	-5
Animal Nutrition	408	344	19
Bio-Processing	481	481	0
Specialized Manufacturing	357	-	100



The total revenue from operations grew by 8% on y-o-y basis.

The human nutrition segment underperformed by 5% to ₹ 2,730 million in 9M FY22 as compared to ₹ 2,861 million in 9M FY21.

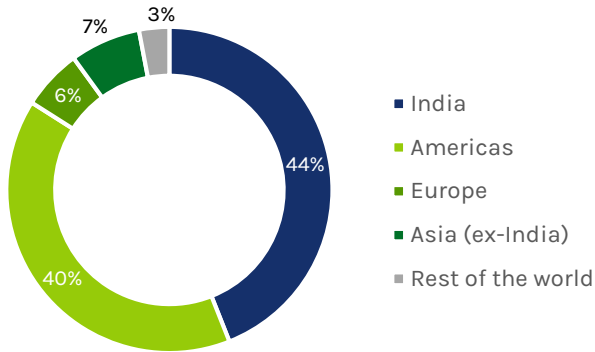
The Animal nutrition had shown a significant improvement and delivered a growth of 19% to ₹ 408 million in 9M FY22 as against ₹ 344 million in 9M FY21.

The Bio-Processing segment remain unchanged during the nine months, it accounted ₹ 481 million in 9M FY22. In this segment, food business contributed 9% and stood at ₹ 371 million, while the Non-Food business contributed 3% and stood at ₹ 110 million during 9M FY22.

The Specialized manufacturing segment is a very young contributor to the revenue stream, the segment contributed ₹ 357 million to the revenue during 9M FY22.



Geographical Revenue:



The total revenue comprises of International sales amounting to ₹ 2,229 million in 9M FY22 as compared to ₹ 1,944 million in 9M FY21, growth of 15%. The revenue grew by 4% in Americas, while Europe, Asia (ex-India) and rest of the world registered a strong growth of 28%, 87% and 61% respectively.

Domestic sales accounted for ₹ 1,747 million in 9M FY22 as compared to ₹ 1,742 million in 9M FY21.

The domestic sales constituted about 44% of revenue from operations during 9M FY22 as compared to 47% during 9M FY21. International

sales were 56% of revenue from operations in 9M FY22 as compared to 53% in 9M FY21.



OUTLOOK 2021-22

Advanced Enzymes is constantly working towards improving and strengthening its business model, and will continue to focus on all three divisions - Human Nutrition, Animal Nutrition and Bio-Processing including developing, adding and launching more products in the target market of probiotics. The Company is confident that its existing capacities and capital investments would serve well to expand its enzymes and probiotics business.

Human Nutrition:

The Company already have B2C business in USA, which is performing well. The same business model is being replicated by the Company in India to explore avenues and accelerate growth. It will continue its focus and thrust on expanding B2C business in Human Nutrition business, and has recently introduced the immunity building products like ImmunoSeb and Biome Ultra, which are very effective in curing post COVID symptoms of fatigueness.

The Company is in the advanced stage to launch its own B2C nutraceutical online platform targeting Indian customers; this segment should be the next interesting growth driver for the Company. It is also exploring other online avenues for selling the products through parallel online sales channels.

Animal Nutrition:

In the Animal Nutrition, the Company is continuously conducting trials and studies to bring newer and effective nutritional products, which may improve the efficacy of animal feeds. It is working on registering and introducing more products in the domestic as well as in the international markets.

The Company is also looking to expand its sales and marketing team in USA, MENA and Asian market. At the same time, it is targeting to strengthen the geographical reach and distribution network by appointing more distributors in the overseas markets.

Probiotics:

The Company is in the process to introduce more probiotics products in Human Nutrition for the immunity development, active health food, gut health and various nutraceutical applications. In the Animal Nutrition, the

Company is determined to launch more products on immunity development, digestion improvement, and increase nutritional level of feed.

Bio Catalysis:

The Company has made significant progress on developing bio catalases 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 it will continue its efforts and focus.

Baking:

The Company has several enzymes for the food processing segment, have filed 12 dossiers with European Food Safety Authority (EFSA) and got positive news for 4 of the product dossiers. The product line is equally good in terms of efficacy and performance as compared to existing market players. The Company has seen some uptick but in the last 15 months due to the pandemic, no further progress could be made. It is 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.

R&D:

The Company is making significant investments in developing state-of-the-art R&D facilities and intends to set trends in the R&D areas mainly for the formulation of new applications and shall continue to significantly invest to build its portfolio with focus on applications and industries. It is also looking to expand and strengthen the R&D team.

Inorganic expansion:

The Company has a robust record of accomplishment of growing inorganically. In the past 5 years, the Company has made 3 successful acquisitions through internal accruals maintaining its record of being zero debt company. It may keep looking for strategical acquisitions that may further strengthen its front-end marketing capabilities, geographical reach, product portfolio and B2C business.



RESULTS CONFERENCE CALL DETAILS

Advanced Enzymes will hold an earnings conference call on 08th February 2022, Tuesday at 16:00 Hours IST to discuss quarterly and nine months performance. The transcript of the call will be available later in the Investor Relations section on the Company's website, www.advancedenzymes.com

Please dial the numbers at least 5-10 minutes prior to the conference schedule to ensure that you are connected on time.

Conference Call Primary Number: +91 22 6280 1403 / +91 22 7115 8304

[Pre-registration link](#)

For further information, please contact:

Ronak Saraf

Investor Relations

✉ ir@advancedenzymes.com

☎ +91 86578 64146

CORPORATE INFORMATION:

Advanced Enzyme Technologies Limited
Regd. Office: 5th Floor, 'A' Wing, Sun Magnetica,
Louiswadi, Thane (W), Mumbai -400 604,
Maharashtra, India
Tel.: +91 22 41703200
Fax: +91-22 25835159
Website: www.advancedenzymes.com
CIN No: L24200MH1989PLC051018



ABOUT ADVANCED ENZYME TECHNOLOGIES LIMITED

Advanced Enzyme Technologies Limited, incorporated in 1989, 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, specialty applications, textile processing and others. Our aim is to replace traditionally used chemicals with eco-friendly enzymatic solutions.

Equipped with state-of-the-art 9 manufacturing facilities and 7 research & development locations across India, Germany and US, Advanced Enzymes exports to 45+ countries across 6 continents, and provides customized & effective enzyme solutions coupled with the best in technical advice & superior service.

Advanced Enzymes has received the Bio-Excellence award for being the Best Industrial Biotech Company at Bangalore India Bio in 2010 as well as 2014. In 2013, Advanced Enzymes has also been recognised by Inc. India, as one of the top 500 fastest-growing mid-sized companies in India, Excellence in R&D at UBM India Pharma Awards 2018. Advanced Enzymes has also been recipient of the Emerging India Award in 2010, in the Life Sciences category, by CNBC TV18 and ICICI Bank. Advanced Enzymes has also been awarded for Best IPO at IR Society Awards 2017, by Investor Relation Society of India in association with BSE, KPMG India and Bloomberg.

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements with respect to Advanced Enzyme Technologies' future (financial) performance and position. Such statements are based on current expectations, estimates and information currently available to the company.

Advanced Enzyme Technologies Limited cautions readers that such statements involve certain risks and uncertainties that are difficult to predict and therefore it should be understood that many factors can cause actual performance and position to differ materially from these statements. The company has no obligation to update the statements contained in this press release, unless required by law.