



FOR IMMEDIATE RELEASE

QUARTERLY EARNINGS RELEASE

Mumbai, India: Friday, May 20, 2022

Advanced Enzyme Technologies Limited announces Financial Results for the Fourth Quarter and Year ended March 2022

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 fourth quarter and year ended March 2022.

CONSOLIDATED QUARTERLY FINANCIAL HIGHLIGHTS:

(Amount in INR Mn.)	Q4 FY22	Q3 FY22	Q4 FY21	Change (Y-o-Y %)	Change (Q-o-Q %)	FY22	FY21	Change (Y-o-Y%)
Revenue	1,317	1,336	1,332	-1	-1	5,294	5,018	6
EBITDA	403	491	550	-27	-18	2,014	2,316	-13
EBITDA Margin (%)	31	37	41			38	46	
PAT	253	286	336	-25	-12	1,238	1,513	-18
PAT Margin (%)	19	21	25			23	30	
EPS	2.19	2.46	2.81			10.70	13.06	

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

Revenue from Operations:

Revenue from operations on consolidated basis decreased to ₹ 1,317 million in the Q4 FY22 from ₹ 1,332 million in the Q4 FY21, showcasing a slight decline of 01%.

Profit:

Consolidated EBITDA during Q4 FY22 stands at ₹ 403 million as compared to ₹ 550 million during Q4 FY21, decrease of 27%.

Profit before tax stands at ₹ 340 million during Q4 FY22 as against ₹ 475 million in Q4 FY21, decline of 29%.

Profit after tax de-grew by 25% and stands at ₹ 253 million during Q4 FY22 as compared to ₹ 336 million during the Q4 FY21.

Margin:

EBITDA margin stands at 31%, PBT margin stands at 26% and PAT margin stands at 19% during the quarter.

Financial Costs:

Financial costs stood at ₹ 7 million during Q4 FY22 as against ₹ 4 million in Q4 FY21

Depreciation and Amortization:

Depreciation and Amortization charge for the Q4 FY22 is ₹ 91 million as compared to ₹ 87 million in the same quarter previous year.

Earnings Per Share:

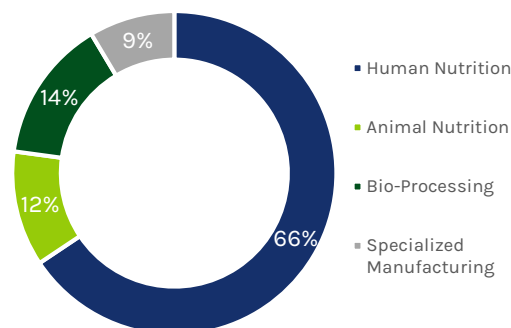
Earnings Per Share during Q4 FY22 stands at ₹ 2.19 as compared to ₹ 2.81 in Q4 FY21.



OPERATIONAL PERFORMANCE REVIEW:

Segmental Revenue:

(Amount in INR Mn.)	Q4 FY22	Q4 FY21	Change (%)
Human Nutrition	865	925	-7
Animal Nutrition	152	131	16
Bio-Processing	188	197	-4
Specialized Manufacturing	113	79	42



The total revenue from operations marginally de-grew by 01% on y-o-y as well as on q-o-q basis.

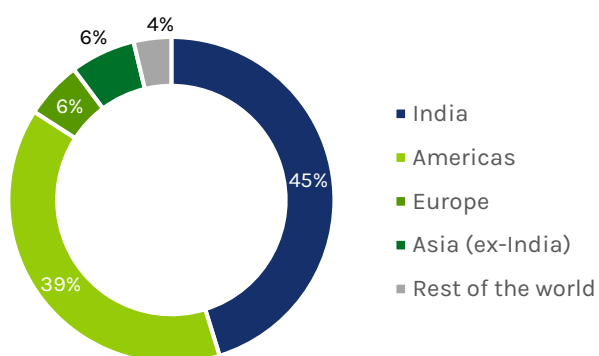
The human nutrition segment de-grew by 07% to ₹ 865 million in Q4 FY22 as compared to ₹ 925 million in Q4 FY21.

The Animal nutrition delivered a strong growth of 16 % to ₹ 152 million in Q4 FY22 as against ₹ 131 million in Q4 FY21.

The Bio-Processing segment de-grew by 04% during the quarter, it accounted ₹ 188 million in Q4 FY22 as compared to ₹ 197 million in Q4 FY21. In this segment, food business contributed 11% and stood at ₹ 146 million, a growth of 14% while the Non-Food business contributed 3% and stood at ₹ 42 million a decline of 39% on y-o-y basis, during the quarter.

The Specialized manufacturing segment contributed 9% in the pie which is ₹ 113 million to the revenue during the quarter , a growth of 42% on y-o-y basis.

Geographical Revenue:



The total revenue comprises of International sales amounting to ₹ 722 million in Q4 FY22 as compared to ₹ 747 million in Q4 FY21, a slight decline of 03%. The revenue declined by 07% in Americas, 43% in Europe while it registered a strong growth of 66% in Asia (ex-India) and 252% in rest of the world.

Domestic sales accounted for ₹ 596 million in Q4 FY22 as compared to ₹ 585 million in Q4 FY21, it grew by 02%.

The domestic sales constituted about 45% of revenue from operations during Q4 FY22 as compared to 44% during Q4 FY21.

International sales were 55% of revenue from operations during Q4 FY22 as compared to 56% during Q4 FY21.



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

Revenue from Operations:

Revenue from operations on consolidated basis decreased to ₹ 1,317 million in the Q4 FY22 from ₹ 1,336 million in the Q3 FY22, a slight de-growth of 01%.

Profit:

Consolidated EBITDA during Q4 FY22 stands at ₹ 403 million as compared to ₹ 491 million during Q3 FY22, decrease of 18%.

Profit before tax stands at ₹ 340 million during Q4FY22 as against ₹ 412 million in Q3 FY22, decline of 18%

Profit after tax de-grew by 12% and stands at

₹ 253 million during Q4 FY22 as compared to ₹ 286 million during the Q3 FY22.

Financial Costs:

Financial costs stood at ₹ 7 million during Q4 FY22 as against ₹ 3 million during the Q3 FY22

Depreciation and Amortization:

Depreciation and Amortization charge for the Q4 FY22 is ₹ 91 million as compared to ₹ 88 million in last quarter.

Earnings Per Share:

Earnings Per Share during Q4 FY22 stands at ₹ 2.19 as compared to ₹ 2.46 in Q3 FY22.

OPERATIONAL PERFORMANCE REVIEW:

Segmental Revenue:

(Amount in INR Mn.)	Q4 FY22	Q3 FY22	Change (%)
Human Nutrition	865	918	-6
Animal Nutrition	152	132	15
Bio-Processing	188	160	18
Specialized Manufacturing	113	125	-10

The human nutrition segment declined by 6% to ₹ 865 million in Q4 FY22 as compared to ₹ 918 million in Q3 FY22.

The Animal nutrition grew by 15 % to ₹ 152 million in Q4 FY22 as against ₹ 132 million in Q3 FY22.

The Bio-Processing segment outperformed by 18% during the quarter, it accounted ₹ 188 million in Q4 FY22 as compared to ₹ 160 million

in Q3 FY22. In this segment, food business stood at ₹ 146 million, outperformed by 26% while the Non-Food business stood at ₹ 42 million, during the quarter and de-grew by 05% in comparison to Q3 FY22

The Specialized manufacturing segment de-grew of 10% to ₹ 113 million in Q4 FY22 from ₹ 125 million in Q3 FY22

Geographical Revenue:

The total revenue comprises of International sales amounting to ₹ 722 million in Q4 FY22 as compared to ₹ 764 million in Q3 FY22, a decline of 06%. The revenue de-grew by 09% in Americas, 05% in Europe, 06% in Asia while it grew by 55% in rest of the world.

Domestic sales accounted for ₹ 596 million in

Q4 FY22 as compared to ₹ 571 million in Q3 FY22, a growth of 04%.

The domestic sales constituted about 45% of revenue from operations during Q4 FY22 as compared to 43% during Q3 FY22. International sales were 55% of revenue from operations during Q4 FY22 as compared to 57% during Q3 FY22.



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

Revenue from Operations:

Revenue from operations on consolidated basis increased to ₹ 5,294 million in the FY22 from ₹ 5,018 million in the FY21, showcasing a growth of 06%.

Profit:

Consolidated EBITDA during FY22 stands at ₹ 2,014 million as compared to ₹ 2,316 million during FY21, decline of 13%.

Profit before tax de-grew by 19% and stands at ₹ 1,711 million during FY22 as against ₹ 2,101 million in FY21.

Profit after tax declined by 18% and stands at ₹ 1,238 million during FY22 as compared to ₹ 1,513 million during the FY21.

Margin:

EBITDA margin stands at 38%, PBT margin stands at 32% and PAT margin stands at 23% during the FY22.

Financial Costs:

Financial costs remained flat and stood at ₹ 18 million during FY22 as compared to ₹ 16 million during same period previous year.

Depreciation and Amortization:

Depreciation and Amortization charge for the FY22 is ₹ 350 million as compared to ₹ 287 million in FY21. The increase is on the account of SciTech Specialties Pvt. Ltd. (SSPL) consolidation in FY22 (SSPL was acquired on Jan 11, 2021).

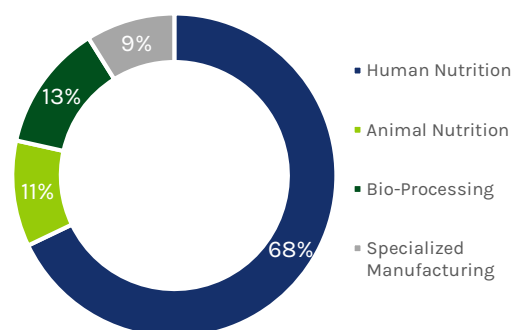
Earnings Per Share:

Earnings Per Share during FY22 stands at ₹ 10.70 as compared to ₹ 13.06 in FY21.

OPERATIONAL PERFORMANCE REVIEW:

Segmental Revenue:

(Amount in INR Mn.)	FY22	FY21	Change (%)
Human Nutrition	3,594	3,786	-5
Animal Nutrition	560	475	18
Bio-Processing	669	678	-1
Specialized Manufacturing	470	79	492



The total revenue from operations grew by 06% on y-o-y basis.

The human nutrition segment underperformed by 5% to ₹ 3,594 million in FY22 as compared to ₹ 3,786 million in FY21.

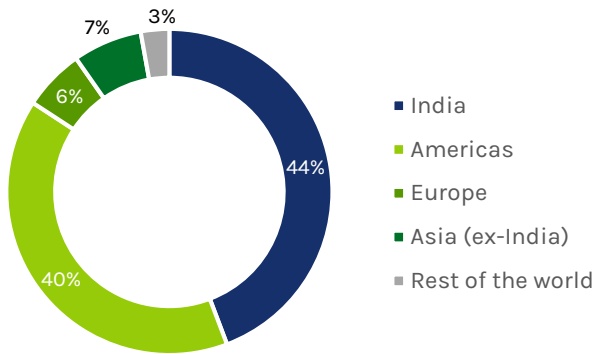
The Animal nutrition had shown a significant improvement and delivered a growth of 18% to ₹ 560 million in FY22 as against ₹ 475 million in FY21.

The Bio-Processing segment declined by 01% during the year, it accounted ₹ 669 million in FY22. In this segment, food business contributed 10% and stood at ₹ 517 million, while the Non-Food business contributed 03% and stood at ₹ 152 million during FY22.

The Specialized manufacturing segment is a very young contributor to the revenue stream, the segment contributed ₹ 470 million to the revenue during FY22.



Geographical Revenue:



compared to 46% during FY21. International sales were 56% of revenue from operations in FY22 as compared to 54% in FY21.

The total revenue comprises of International sales amounting to ₹ 2,951 million in FY22 as compared to ₹ 2,694 million in FY21, growth of 10%. The revenue grew by 01% in Americas while Asia (ex-India), rest of the world registered a strong growth of 82% and 97% respectively, while Europe declined by 01%.

The Domestic sales accounted for ₹ 2,342 million in FY22 as compared to ₹ 2,324 million in FY21.

The domestic sales constituted about 44% of revenue from operations during FY22 as



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 23rd May 2022, Monday at 16:00 Hours IST to discuss quarterly and annual 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](#)

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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.