

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

Dear Sir/Madam,

Subject: Intimation under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations – Acquisition

Ref: ISIN: INE837H01020

Further to the outcome of Board Meeting dated November 11, 2022 submitted earlier today, we hereby inform that the Board of Directors of the Company at its said meeting held on November 11, 2022 *inter alia*, approved the following:

- A) Acquisition of 50% stake of SAIGANESH ENZYTECH SOLUTIONS PRIVATE LIMITED (CIN: U01100MP2022PTC063261) ["SESPL"] by way of subscription to the issue of upto 19,991,663 Equity Shares as may be offered on private placement/preferential issue basis by SESPL at a total consideration not exceeding Rs. 60 million, and authority for signing of Share Purchase Agreement in this regard. Ref. Annexure I for details.
- B) Acquisition of an additional stake of upto 4.83% of JC Biotech Private Limited (existing 85% subsidiary) ["JC Biotech"] by way of purchase of upto 1,000,000 Equity Shares from one of the existing shareholder of JC Biotech at a total consideration not exceeding Rs. 68 million. Ref. Annexure II for details.
- C) Conversion of loan including interest, as was earlier granted by the Company to Advanced Enzymes Europe B.V., Netherlands, an existing wholly owned subsidiary of the Company ["AEE"] into Equity Shares of AEE (further acquisition of equity shares in AEE). Ref. Annexure III for details.

Ref. Annexure I to IIII (for point (A) to (C) above): Details as required under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI circular No. CIR/CFD/CMD/4/2015 dated 9th September, 2015 are provided as an Annexure I to IIII (for point (A) to (C) above).

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

This intimation is also being uploaded on the website of the Company i.e.
www.advancedenzymes.com

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

Annexure I:

(For point A as mentioned in the covering letter):

Acquisition of 50% stake of SAIGANESH ENZYTECH SOLUTIONS PRIVATE LIMITED (CIN: U01100MP2022PTC063261) ["SESPL"] by way of subscription to the issue of upto 19,991,663 Equity Shares as may be offered on private placement/preferential issue basis by SESPL at a total consideration not exceeding Rs. 60 million:

Sr. No.	Particulars	Status / Remarks
a)	Name of the target entity, details in brief such as size, turnover etc.	SAIGANESH ENZYTECH SOLUTIONS PRIVATE LIMITED ("SESPL") [Company Identification Number (CIN): U01100MP2022PTC063261]. Incorporation date: 01 November, 2022 (by way of conversion from erstwhile partnership firm with the name M/s. Shree Sai Agros to the said private company) SESPL is primarily into extracting Latex from papaya, purifying and providing finish papain enzyme in liquid form (agriculture extraction of Papain enzyme) For background and financial performance in brief refer Sr. No. (j) below.
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	Enzyme as mentioned above
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)	The Company will have an uninterrupted supply of one of the important digestive enzyme with consistent quality, which will help the Company to provide better and regular offerings in relation to the formulated solutions for human health / nutrition and food industry.

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, 2023																									
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 investment as mentioned aforesaid, not exceeding Rs. 60 Million in aggregate.																									
i)	Percentage of shareholding / control acquired and / or number of shares acquired	To be subscribed / acquired: Fresh issue of 19,991,663 Equity Shares of face value of Re. 1 each on private placement/preferential basis. Post the said investment, total shareholding of the Company in SESPL will be 50% of its paid-up share capital.																									
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>SESP is primarily into extracting Latex from papaya, purifying and providing finish papain enzyme in liquid form (agriculture extraction of Papain enzyme)</p> <p>SESP has one manufacturing facility at Patonda Village, Burhanpur District on a NA plot of 10,000 Square feet with construction area of approximately 8,000 square feet.</p> <p>Financial highlights: Audited for FY20, 21 & 22 & provisional for 6 months ended on 30th Sept 2022: (Rs. in Million)</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>6M FY 2022</th> <th>FY 2022</th> <th>FY2021</th> <th>FY 2020</th> </tr> </thead> <tbody> <tr> <td>Sales</td> <td>53.49</td> <td>83.37</td> <td>94.50</td> <td>56.64</td> </tr> <tr> <td>EBITDA</td> <td>3.66</td> <td>7.35</td> <td>4.78</td> <td>3.12</td> </tr> <tr> <td>% of EBITDA to sales</td> <td>6.8%</td> <td>8.8%</td> <td>5.1%</td> <td>5.5%</td> </tr> <tr> <td>PAT</td> <td>2.18</td> <td>4.68</td> <td>2.66</td> <td>1.50</td> </tr> </tbody> </table> <p>Presence: India</p>	Particulars	6M FY 2022	FY 2022	FY2021	FY 2020	Sales	53.49	83.37	94.50	56.64	EBITDA	3.66	7.35	4.78	3.12	% of EBITDA to sales	6.8%	8.8%	5.1%	5.5%	PAT	2.18	4.68	2.66	1.50
Particulars	6M FY 2022	FY 2022	FY2021	FY 2020																							
Sales	53.49	83.37	94.50	56.64																							
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% of EBITDA to sales	6.8%	8.8%	5.1%	5.5%																							
PAT	2.18	4.68	2.66	1.50																							

Annexure II:

(For point B as mentioned in the covering letter):

Acquisition of additional stake of upto 4.83% in JC Biotech Private Limited (existing 85% subsidiary) ["JC Biotech"] by way of purchase of upto 1,000,000 Equity Shares from one of the existing shareholder of JC Biotech at a total consideration not exceeding Rs. 68 million:

Sr. No.	Particulars	Status / Remarks
a)	Name of the target entity, details in brief such as size, turnover etc.	JC Biotech Private Limited ("JCB") [Company Identification Number (CIN): U65993TG1991PTC013624] Date of Incorporation: December 31, 1991 For background and financial performance in brief refer Sr. No. (j) below.
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, as the additional stake of upto 4.83% will be acquired by the Company from an existing shareholder of JCB (existing 85% subsidiary of the Company). The promoter/promoter group/group companies have no additional interest, except as mentioned above.
c)	Industry to which the entity being acquired belongs	BioPharma
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)	The existing stake of the Company in JCB is 85%. Objects for acquiring additional 4.83%: use of available funds in more productive assets and to improve yield by increasing controlling stake.
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, 2023
g)	Nature of consideration – whether cash consideration or	Cash

	share swap and details of the same	
h)	Cost of acquisition or the price at which the shares will be acquired	Total investment not exceeding Rs. 68 Million in aggregate.
i)	Percentage of shareholding / control acquired and / or number of shares acquired	1,000,000 Equity Shares (4.83%) to be acquired by way of transfer from an existing shareholder of JCB. Post completion of transfer of said shares, the shareholding of the Company in JCB will increase to 89.83% of paid-up share capital JCB.
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);	JCB is engaged in the business of manufacturing and sales of Bio Pharmaceuticals through the process of aerobic fermentation. Date of Incorporation: December 31, 1991. Country in which JCB has presence: India Revenue from operations and Profit After Tax ("PAT") of JCB for last three Financial Years ("FY"): For FY2021-22: Turnover of Rs. 504 Million, and PAT of Rs. 73 Million For FY2020-21: Turnover of Rs. 504 Million, and PAT of Rs. 78 Million For FY2019-20: Turnover of Rs. 424 Million and PAT of Rs. 61 Million

Annexure III:

(For point C as mentioned in the covering letter):

Conversion of loan including interest, as was earlier granted by the Company to Advanced Enzymes Europe B.V., Netherlands, an existing wholly owned subsidiary of the Company ["AEE"] into Equity Shares of AEE (further acquisition of equity shares):

Sr. No.	Particulars	Status / Remarks
a)	Name of the target entity, details in brief such as size, turnover etc.	Advanced Enzymes Europe B.V. ("AEE"), Netherlands, direct wholly owned subsidiary of the Company. evoxx technologies GmbH, Germany ("evoxx") is a direct wholly owned subsidiary of AEE (i.e. step down wholly owned subsidiary of AETL). For background and other details in brief, refer Sr. No. (j) below.

b)	<p>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"</p>	<p>AEE is an existing direct wholly owned subsidiary of the Company, whose accounts (AEE and evoxx) are consolidated with the Company. Audit Committee and the Board of Directors has approved this transaction and will be done basis the valuation from the registered valuer as may be required under the applicable law.</p>
c)	<p>Industry to which the entity being acquired belongs</p>	<p>AEE is Special Purpose Vehicle and holding company of evoxx which is primarily into development and production of enzymes.</p>
d)	<p>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)</p>	<p>Conversion of the outstanding amount loan, in full / part or in one or more tranches) granted earlier to AEE, subject to the approval of the Reserve Bank of India (RBI)/other authorities as may be required and provisions of the applicable laws. AEE utilized the aforesaid loan for the purpose of acquiring evoxx technologies GmbH, Germany ("evoxx"), which has been wholly owned subsidiary of AEE (step-down wholly owned subsidiary of the Company since August 2017 and loan was also granted by AEE to evoxx for its operations / business purpose. evoxx is not generating adequate cash flow for managing its operations and to repay the loan to AEE, it is still passing through the challenges faced due to Covid-19 in FY21 & FY22 and currently the challenges faced in particular by the Germany due to Russia and Ukraine war and overall inflationary trend globally. Similarly, loan granted by AEE to evoxx to be converted into equity shares of evoxx, where in equity shares of evoxx be issued to AEE, subject to requisite approvals.</p>
e)	<p>Brief details of any governmental or regulatory approvals required for the acquisition</p>	<p>Subject to the approval of the Reserve Bank of India/Overseas Investment related compliances, as may be required</p>

f)	Indicative time period for completion of the acquisition	28 th February, 2023
g)	Nature of consideration – whether cash consideration or share swap and details of the same	As mentioned above, conversion of loan into equity shares
h)	Cost of acquisition or the price at which the shares will be acquired	Outstanding as on 30 th September 2022, full or part of which to be converted into Equity Shares: AETL loan to AEE (rounded-off): INR 314.68 million (i.e. Euro 3.93 million); and AEE loan to evovx: Euro 2.69 million (outstanding may change as on date of conversion date inter alia due to interest / Euro INR conversion rate)
i)	Percentage of shareholding / control acquired and / or number of shares acquired	AEE continues to be wholly owned subsidiary of the Company and evovx continues to be wholly owned subsidiary of AEE (i.e. evovx continues to be step-down wholly owned subsidiary of the Company)
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>Brief background: As mentioned above in clause (a) and (c). Date of registration of AEE: July 11, 2017 Evovx was acquired by AEE during August 2017. Country in which it has presence: AEE registered in Netherlands and holds 100% stake in evovx, Germany.</p> <p>Revenue and Profit After Tax (“PAT”) of AEE for last three Financial Years (“FY”), on consolidated basis (AEE including evovx): For FY2021-22: Turnover of Rs. 219.71 million, and PAT of Rs. (102.84) million For FY2020-21: Turnover of Rs. 281.79 million, and PAT of Rs. (4.44) million For FY2019-20: Turnover of Rs. 263.97 million and PAT of Rs. 31.19 million</p>
