

May 13, 2023

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: Press Release

Ref: ISIN: INE837H01020

Dear Sir/Madam,

Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed is Press Release dated May 13, 2023, titled "Quarterly Earnings Release Thane, India: Saturday, May 13, 2023".

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

FOR IMMEDIATE RELEASE

QUARTERLY EARNINGS RELEASE

Thane, India: Saturday, May 13, 2023

Advanced Enzyme Technologies Limited announces Financial Results for the Fourth Quarter and the Year ended March 2023

Advanced Enzyme Technologies Limited (Advanced Enzymes; NSE: ADVENZYMES; BSE: 540025), a leading specialty biotech company, with global leadership in the manufacturing of enzymes & Probiotics, today announced their audited financial results for fourth quarter and year ended March 2023.

CONSOLIDATED QUARTERLY FINANCIAL HIGHLIGHTS:

(Amount in INR Mn.)	Q4 FY23	Q3 FY23	Q4 FY22	Change (Q-o-Q %)	Change (Y-o-Y %)	FY23	FY22	Change (%)
Revenue	1,387	1,421	1,317	-2	5	5,406	5,294	2
EBITDA	441	417	403	6	9	1,564	2,014	-22
EBITDA Margin (%)	32	29	31			29	38	
PAT	321	279	253	15	27	1,039	1,238	-16
PAT Margin (%)	23	20	19			19	23	
EPS	2.87	2.63	2.19			9.45	10.70	

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

Revenue from Operations:

Revenue from operations on consolidated basis increased to ₹ 1,387 million in Q4 FY23 from ₹ 1,317 million in Q4 FY22, recording a growth of 05%.

Profit:

Consolidated EBITDA during Q4 FY23 stands at ₹ 441 million as compared to ₹ 403 million during Q4 FY22, increase of 06%.

Profit before tax stands at ₹ 421 million during Q4 FY23 as against ₹ 340 million in Q4 FY22, increase of 24%.

Profit after tax grew by 27% and stands at ₹ 321 million during Q4 FY23 as compared to ₹ 253 million during Q4 FY22.

Margin:

EBITDA margin stands at 32%, PBT margin stands at 30% and PAT margin stands at 23% during the quarter.

Financial Costs:

Financial costs stood at ₹ 06 million during Q4 FY23 as against ₹ 07 million in Q4 FY22

Depreciation and Amortization:

Depreciation and Amortization charge for Q4 FY23 is ₹ 84 million as compared to ₹ 91 million in the same quarter previous year.

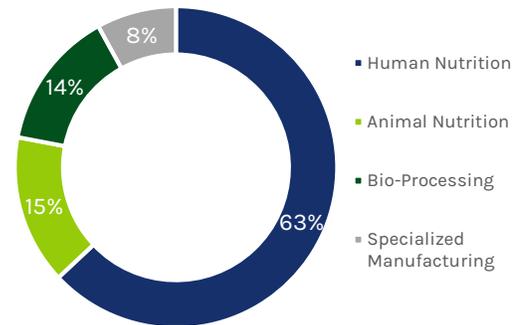
Earnings Per Share:

Earnings Per Share during Q4 FY23 stands at ₹ 2.87 as compared to ₹ 2.19 in Q4 FY22.

OPERATIONAL PERFORMANCE REVIEW:

Segmental Revenue:

(Amount in INR Mn.)	Q4 FY23	Q4 FY22	Change (%)
Human Nutrition	877	865	01
Animal Nutrition	206	152	36
Bio-Processing	192	188	02
Specialized Manufacturing	113	113	00



The total revenue from operations grew by 05% on y-o-y basis and de-grew by 02% on q-o-q basis.

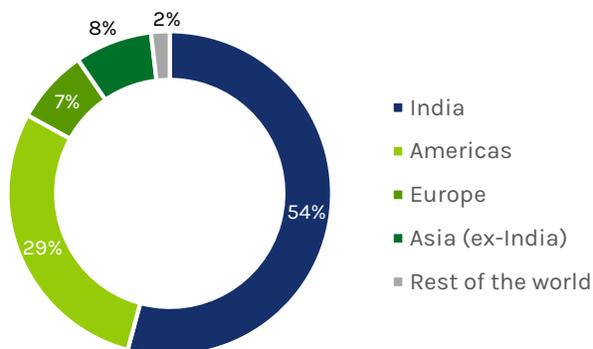
The revenue from human nutrition segment grew by 01% to ₹ 877 million in Q4 FY23 as compared to ₹ 865 million in Q4 FY22. This growth is essentially driven by Pharma API.

The Animal nutrition segment outperformed by 36% to ₹ 206 million in Q4 FY23 as against ₹ 152 million in Q4 FY22.

The Bio-Processing segment grew by 02% during the quarter, it accounted for ₹ 192 million in Q4 FY23 as compared to ₹ 188 million in Q4 FY22. In this segment, food business grew by 02% to ₹ 149 million whereas the Non-Food business grew by 01% and stood at ₹ 43 million on y-o-y basis during Q4 FY23.

The Specialized manufacturing segment contributed 08% which is ₹ 113 million to the revenue during the quarter, and remained flat on y-o-y basis.

Geographical Revenue:



The total revenue comprises of International sales amounting to ₹ 636 million in Q4 FY23 as compared to ₹ 722 million in Q4 FY22, recording de-growth of 12%. The revenue de-grew by 22% in Americas and 48% in rest of the world, strong growth of 37% in Europe, 25% in Asia (ex-India).

Domestic sales accounted for ₹ 752 million in Q4 FY23 as compared to ₹ 596 million in Q4 FY22, it grew by 26%.

The domestic sales constituted about 54% of revenue from operations during Q4 FY23 as compared to 45% during Q4 FY22. International sales were 46% of revenue from operations during Q4 FY23 as compared to 55% during Q4 FY22.

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

Revenue from Operations:

Revenue from operations on consolidated basis declined to ₹ 1,387 million in Q4 FY23 from ₹ 1,421 million in Q3 FY23, a de-growth of 02%.

Profit:

Consolidated EBITDA during Q4 FY23 stands at ₹ 441 million as compared to ₹ 417 million during Q3 FY23, growth of 06%.

Profit before tax stands at ₹ 421 million during Q4 FY23 as against ₹ 404 million in Q3 FY23, growth of 04%

Profit after tax grew by 15% and stands at

₹ 321 million during Q4 FY23 as compared to ₹ 279 million during Q3 FY23.

Financial Costs:

Financial costs remained flat to stand at ₹ 06 million during Q4 FY23

Depreciation and Amortization:

Depreciation and Amortization charge for Q4 FY23 is ₹ 84 million as compared to ₹ 91 million in the last quarter.

Earnings Per Share:

Earnings Per Share during Q4 FY23 stands at ₹ 2.87 as compared to ₹ 2.63 in Q3 FY23.

OPERATIONAL PERFORMANCE REVIEW:

Segmental Revenue:

(Amount in INR Mn.)	Q4 FY23	Q3 FY23	Change (%)
Human Nutrition	877	934	-06
Animal Nutrition	206	175	17
Bio-Processing	192	226	-15
Specialized Manufacturing	113	86	31

The human nutrition segment recorded a de-growth of 06% to ₹ 877 million in Q4 FY23 as compared to ₹ 934 million in Q3 FY23.

The Animal nutrition grew by 17% to ₹ 206 million in Q4 FY23 as against ₹ 175 million in Q3 FY23.

The Bio-Processing segment de-grew by 15% during the quarter, it accounted ₹ 192 million in

Q4 FY23 as compared to ₹ 226 million in Q3 FY23. In this segment, the food business de-grew by 07% at ₹ 149 million, while the Non-Food business de-grew by 36% at ₹ 43 million, during the quarter.

The Specialized manufacturing segment grew by 31% to ₹ 113 million in Q4 FY23 from ₹ 86 million in Q3 FY23.

Geographical Revenue

The total revenue comprises of International sales amounting to ₹ 636 million in Q4 FY23 as compared to ₹ 828 million in Q3 FY23, a de-growth of 23%. The revenue declined by 26% in Americas, 27% in Asia (ex-India) and 38% in rest of the world while it grew by 06% in Europe,

Domestic sales accounted for ₹ 752 million in

Q4 FY23 as compared to ₹ 593 million in Q3 FY23, it grew by 27.

The domestic sales constituted about 54% of revenue from operations during Q4 FY23 as compared to 42% during Q3 FY23. International sales were 46% of revenue from operations during Q4 FY23 as compared to 58% during Q3 FY23.

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

Revenue from Operations:

Revenue from operations on consolidated basis increased to ₹ 5,406 million in the FY23 from ₹ 5,294 million in the FY22, reported a growth of 02%.

Profit:

Consolidated EBITDA during FY23 stands at ₹ 1,546 million as compared to ₹ 2,014 million during FY22, decline of 22%.

Profit before tax stands at ₹ 1,404 million during FY23 as against ₹ 1,711 million in FY22.

Profit after tax stands at ₹ 1,039 million during FY23 as compared to ₹ 1,238 million during the FY22.

Margin:

EBITDA margin stands at 29%, PBT margin stands at 26% and PAT margin stands at 19% during the FY23.

Financial Costs:

Financial costs stood at ₹ 24 million during FY23 as against ₹ 18 million in FY22.

Depreciation and Amortization:

Depreciation and Amortization charge for the FY23 remained flat at ₹ 350 million.

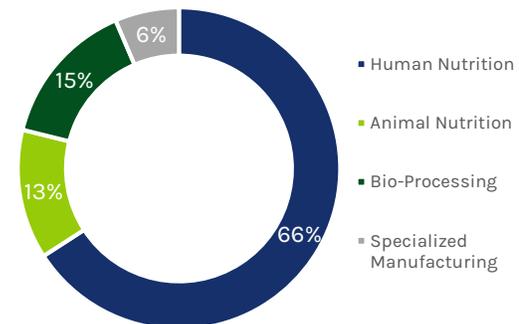
Earnings Per Share:

Earnings Per Share during FY23 stands at ₹ 9.45 as compared to ₹ 10.70 in FY22.

OPERATIONAL PERFORMANCE REVIEW:

Segmental Revenue:

(Amount in INR Mn.)	FY23	FY22	Change (%)
Human Nutrition	3,556	3,594	-01
Animal Nutrition	709	560	27
Bio-Processing	794	669	19
Specialized Manufacturing	347	470	-26



The total revenue from operations grew by 02% on y-o-y basis.

The human nutrition segment declined by 01% to ₹ 3,556 million in FY23 as compared to ₹ 3,594 million in FY22.

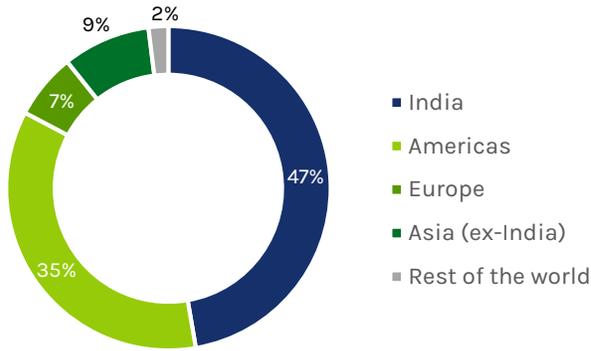
The Animal nutrition segment delivered a significant growth of 27% to ₹ 709 million in FY23 as against ₹ 560 million in FY22.

The Bio-Processing segment grew by 19% during the year, it accounted for ₹ 794 million in FY23

as compared to ₹ 669 million in FY22. In this segment, food business contributed 11% and stood at ₹ 595 million while the Non-Food business contributed 04% and stood at ₹ 198 million delivering a growth of 15% & 31% respectively, during FY23.

The Specialized manufacturing segment contributed 06% to the revenue stream. This segment de-grew by 26% to stood at ₹ 347 million to the revenue during FY23.

Geographical Revenue:



compared to 44% during FY22. International sales were 53% of revenue from operations as compared to 56% during FY22.

The total revenue comprises of International sales amounting to ₹ 2,850 million in FY23 as compared to ₹ 2,951 million in FY22, de-growth of 03%. The revenue declined by 09% in Americas and 29% in rest of the world, while it grew by 10% in Europe and Asia (ex-India) registered a growth of 30%.

Domestic sales accounted for ₹ 2,557 million in FY23 as compared to ₹ 2,342 million in FY22, increase of 09%.

The domestic sales constituted about 47% of the revenue from operations during FY23 as

OUTLOOK 2022-23

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. The Company launched Wellfa, its own B2C nutraceutical brand targeting Indian customers, it offers immune support, skin care, gut health, metabolism boosters, detox solutions, weight management aids, stress relief and respiratory health products and much more.

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 positive response post pandemic. 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 4 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 15th May 2023, Monday at 16:00 Hours IST to discuss quarterly 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:

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Investor Relations

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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.