

# MANOJ KUMAR SHARMA & ASSOCIATES

Chartered Accountants

2B-304, Space Residence, Mira Bhayandar Road, Mira Road (E), 401107

Mob.: 8619245915, Mail: [manojrsr@gmail.com](mailto:manojrsr@gmail.com)

## INDEPENDENT AUDITORS' REPORT

To,  
The Board of Directors  
Advanced Enzymes Europe B.V., Netherlands

An audit report on Fit-for-Consolidation Consolidated Financial Statements of Advanced Enzymes Europe B.V., Netherlands and its subsidiary to MSKA & Associates, auditor of Advanced Enzymes Technologies Limited (Holding company of the group)

### Opinion

We have audited the accompanying Fit-for-Consolidation Consolidated Financial Statements of **Advanced Enzymes Europe B.V.** ('the Company' or 'AEE BV' or 'Holding Company') and its subsidiary **Evovx Technologies GmbH** ('Evovx'), which comprise the Consolidated Balance sheet as at 31 March 2026, Consolidated Statements of profit and loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of changes in equity for the year then ended (collectively referred to as the 'Fit-for-Consolidation Consolidated Financial Statements' or 'Consolidated Financial Statements' or 'consolidated Ind AS financial statements'). The Holding Company and its subsidiary company constitute the "Group".

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31 March 2026, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

### Basis for opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Indian Accounting Standards ('Ind AS'), as issued by the Institute of Chartered Accountants of India ('ICAI') and notified by Ministry of Corporate Affairs ('MCA'), India, under the Companies Act, 2013; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.



## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2026. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sl. No.	Key Audit Matters	How the Key Audit Matters were addressed in our audit
1	<p>AEEBV had acquired 100% stake in Evoxx in earlier years. The Group in the consolidated financial statements has recognised goodwill in relation to such acquisition.</p> <p>On 31 March 2026, the carrying amount of Goodwill reflected in AEEBV consolidated financial statements is INR 345.56 millions.</p> <p>The Management has performed an impairment assessment in relation to such Investment as per the requirements of Ind AS 36 "Impairment of Assets" and has determined that no impairment provision is to be considered in the current year.</p> <p>On the impairment testing on its investments, the determination of the fair value of subsidiary requires management to estimate significant assumptions including future revenue and terminal growth rates apart from margin assumptions and discount rates to estimate future cash flows. Given the extent of estimation uncertainty and the materiality of the carrying value of goodwill, we have identified the impairment assessment of the goodwill as a key audit matter.</p>	<p>Our audit procedures to address the impairment of Goodwill included and were not limited to the following:</p> <p>Obtained an understanding from the Management with respect to policies and procedures followed by the Management with respect to measurement and testing of impairment of Goodwill appearing in the books relating to Acquisition of Evoxx Technologies GmbH</p> <p>Reviewed valuation working provided by the management.</p> <p>Assessed the reasonableness of inputs used in valuation working provided by management for the future revenue and margin projections, the accuracy of the cash flow forecasts and analyzed the underlying key assumptions, including discounting rates and terminal growth rates.</p> <p>Assessed the consistency and reasonableness of valuation methodology and assumptions, applied, in order to assess related impairment on Goodwill.</p> <p>Assessed the adequacy and appropriateness of the disclosures made in the Consolidated Financial Statements in compliance with the requirements of applicable Indian Accounting Standards and applicable financial reporting framework.</p>



## Other information

The Company's Board of Directors is responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

## Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. We conducted our audit in accordance Standards of Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the significant accounting estimates made by the Company's management, as well as evaluating the overall presentation of the consolidated Ind AS financial statement.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditor in terms of their report referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

## Other Matters

- (a) We did not audit the financial statements of one subsidiary company, whose financial statements reflect total assets of Rs. 166.08 million and net assets of Rs. 141.40 million as at 31 March 2026 and total revenues of Rs. 319.21 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary company, and our report in terms of Section 143 (3) of the Companies



Act, 2013 in so far as it relates to the aforesaid subsidiary company, is based solely on the report of the other auditor.

One subsidiary is located in Germany whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in Germany and which have been audited by other auditor under German GAAP. The Company's management has converted the financial statement of this subsidiary from accounting principles generally accepted in Germany to accounting principles generally accepted in India (Ind AS). We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of subsidiary located in Germany is based on the report of other auditor and the conversion adjustments prepared by the management of the Company and audited by us.

In our opinion, the consolidated financial statement referred to above present fairly in all material respects, the consolidated financial position of the Company as of 31 March 2026 and the consolidated result of its operations and the consolidated cash flow and consolidated statement of changes in equity for the year ended 31 March 2026, in accordance with Indian Accounting Standards ("Ind AS").

The accompanying consolidated financial information has been prepared both in Indian rupees and Euro. The financial information in Euro is prepared solely for the purpose of filing Annual Performance Report with the Reserve Bank of India ("RBI") as per guidelines prescribed by RBI and is not a required part of the basic consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. We have verified the arithmetic accuracy of the presentation of the financial information. We did not audit and do not express an opinion on such information, and our opinion is not modified with respect to this matter.

For Manoj Kumar Sharma & Associates  
Chartered Accountants

*Manoj Sharma*

Manoj Kumar Sharma  
M. No.: 155859  
FRN: 137265W



Place: Thane  
Date: 07 May 2026

UDIN: 26155859KIBLAA6417

Advanced Enzymes Europe B.V.

Fit-for-Consolidation-Consolidated Balance Sheet

As at 31 March 2026

Notes	As at	As at	As at	As at
	31 March 2026 In EURO	31 March 2026 In INR	31 March 2025 In EURO	31 March 2025 In INR
<b>I. ASSETS</b>				
<b>(1) Non-current assets</b>				
(a) Property, Plant and Equipment	3	481,390	52,474,553	738,043
(b) Goodwill		3,170,110	345,562,328	3,170,110
(c) Other Intangible assets	3A	1,586,449	172,933,084	1,920,792
<b>Total non-current assets</b>		<b>5,237,949</b>	<b>570,969,965</b>	<b>5,828,945</b>
<b>(2) Current Assets</b>				
(a) Inventories	4	246,272	26,845,264	449,283
(b) Financial Assets				41,479,916
(i) Trade receivables	5	534,633	58,278,457	290,317
(ii) Cash and cash equivalents	6	846,579	92,282,596	562,516
(d) Other current assets	7	63,508	6,922,727	58,795
<b>Total current assets</b>		<b>1,690,992</b>	<b>184,329,044</b>	<b>1,360,911</b>
<b>Total assets</b>		<b>6,928,941</b>	<b>755,299,009</b>	<b>7,189,856</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>(1) Equity</b>				
(a) Equity share capital	8	7,900,000	674,791,086	7,900,000
(b) Other equity				674,791,086
1.1 Other Reserves	9	(2,086,862)	(41,121,753)	(2,301,584)
<b>Equity attributable to equity holders of the parent</b>		<b>5,813,138</b>	<b>633,669,333</b>	<b>5,598,416</b>
<b>Total equity</b>		<b>5,813,138</b>	<b>633,669,333</b>	<b>5,598,416</b>
<b>(2) Non current liabilities</b>				
(a) Financial liabilities				
(ii) Lease Liabilities	20	186,388	20,317,447	567,885
(c) Deferred tax liabilities (net)	22	480,895	52,420,649	579,199
<b>Total non current liabilities</b>		<b>667,283</b>	<b>72,738,096</b>	<b>1,147,084</b>
<b>(3) Current liabilities</b>				
(a) Financial liabilities				
(i) Lease Liabilities	20	227,163	24,762,239	48,963
(ii) Trade payables	10	40,416	4,405,581	135,646
(b) Other current liabilities	11	180,941	19,723,760	259,747
<b>Total Current liabilities</b>		<b>448,520</b>	<b>48,891,580</b>	<b>444,356</b>
<b>Total liabilities</b>		<b>6,928,941</b>	<b>755,299,009</b>	<b>7,189,856</b>

The accompanying notes form an integral part of the financial statements

In terms of our report attached of even date  
For Manoj Kumar Sharma & Associates  
Chartered Accountants  
Firm Registration no. 137265W

Manoj Kumar Sharma  
Proprietor  
M.No.: 155859  
Place : Thane  
Date: 07 May 2026



For and on behalf of Board of Directors of  
Advanced Enzymes Europe B.V.

M. W. Kabra  
Mukund Kabra  
Director

Rasika Rathi  
Director

Place : Chino, CA  
Date: 07 May 2026

Place : Chino, CA

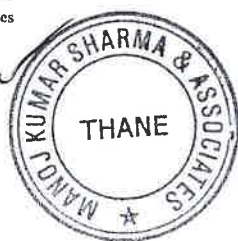
Advanced Enzymes Europe B.V.  
Fit-for-Consolidation-Consolidated Statement of Profit and Loss  
for the year ended 31 March 2026

	Note	Year ended	Year ended	Year ended	Year ended
		31 March 2026	31 March 2026	31 March 2025	31 March 2025
		In Euro	In INR	In Euro	In INR
<b>Revenue</b>					
Revenue from operations	12	3,115,354	319,207,026	2,353,120	213,572,258
Other income	13	85,978	8,809,507	1,360,040	123,438,975
<b>Total revenue</b>		<b>3,201,332</b>	<b>328,016,533</b>	<b>3,713,160</b>	<b>337,011,233</b>
<b>Expenses</b>					
Cost of materials consumed	14	337,264	34,125,558	510,695	46,294,613
Changes in inventories of finished goods and work-in-progress	15	200,481	14,806,823	106,890	8,753,389
Employee benefit expense	16	1,343,197	137,627,376	1,298,139	117,820,797
Finance costs	17	36,796	3,770,211	344,404	31,258,553
Depreciation and amortization expense	18	593,419	60,803,251	654,061	59,363,364
Other expenses	19	600,970	61,577,163	585,791	53,167,107
<b>Total expenses</b>		<b>3,112,127</b>	<b>312,710,382</b>	<b>3,499,980</b>	<b>316,657,823</b>
<b>Profit before tax</b>		<b>89,205</b>	<b>15,306,152</b>	<b>213,180</b>	<b>20,353,410</b>
<b>Tax expense</b>					
Current tax	22		2,209	210	19,100
Deferred tax (credit)/ charge		(98,304)	(10,072,466)	(103,723)	(9,414,007)
<b>Total tax expense</b>		<b>(98,282)</b>	<b>(10,070,257)</b>	<b>(103,513)</b>	<b>(9,394,907)</b>
<b>Profit/(Loss) for the period</b>		<b>187,487</b>	<b>25,376,409</b>	<b>316,693</b>	<b>29,748,317</b>
<b>Total comprehensive income for the period</b>		<b>187,487</b>	<b>25,376,409</b>	<b>316,693</b>	<b>29,748,317</b>
<b>Earnings per equity share</b>					
Basic	21	0.04	4.83	0.06	5.66
Diluted		0.04	4.83	0.06	5.66

The accompanying notes form an integral part of the financial statements.

In terms of our report attached of even date  
For Manoj Kumar Sharma & Associates  
Chartered Accountants  
Firm Registration no. 137265W

Manoj Kumar Sharma  
Proprietor  
M.No.: 155859  
Place: Thane  
Date: 07 May 2026



For and on behalf of Board of Directors of  
Advanced Enzymes Europe B.V.

Mukund Kabra Rasika Rathi  
Director Director

Place: Chino, CA Place: Chino, CA  
Date: 07 May 2026

Advanced Enzymes Europe B.V.

Fit-for-Consolidation-Consolidated Cash Flow Statement for the year ended 31 March 2026

	EURO For the year ended 31 March 2026	INR For the year ended 31 March 2026	EURO For the year ended 31 March 2025	INR For the year ended 31 March 2025
<b>Cash flows from operating activities</b>				
Profit before tax	89,205	15,306,152	213,180	20,353,410
Extraordinary items				
Exceptional items				
<b>Profit before exceptional items and tax</b>	<b>89,205</b>	<b>15,306,152</b>	<b>213,180</b>	<b>20,353,410</b>
<b>Adjustments for non-cash transactions</b>				
Depreciation and amortisation expense	593,419	60,803,251	654,061	59,363,364
Employee stock options amortisation expenses	27,235	2,790,615	25,693	2,331,954
Reversal of liabilities not required	-	-	(1,309,634)	(118,864,079)
Unrealised foreign exchange loss/ (gain)	-	-	186,343	16,912,720
	<b>709,859</b>	<b>78,900,018</b>	<b>(230,357)</b>	<b>(19,902,630)</b>
<b>Items considered separately</b>				
Interest income	-	-	-	-
Interest expenses	36,796	3,770,211	158,061	14,345,833
Dividend income	-	-	-	-
	<b>746,655</b>	<b>82,670,229</b>	<b>(72,296)</b>	<b>(5,556,798)</b>
<b>Operating profit before working capital changes</b>				
Increase / (decrease) in trade payables	(95,231)	(9,757,571)	(29,117)	(2,642,717)
(Increase) / decrease in inventories	203,011	20,801,027	107,223	9,731,679
(Increase) / decrease in trade receivables	(244,317)	(25,033,298)	136,331	12,373,553
Decrease in other current assets	(4,713)	(482,866)	9,464	858,975
(Decrease) in other current liabilities	(78,806)	(8,074,644)	58,509	5,310,894
<b>Cash generated from operating activities</b>	<b>526,600</b>	<b>60,122,878</b>	<b>210,113</b>	<b>20,075,587</b>
Income taxes paid	(22)	(2,209)	-	-
<b>Net cash generated from operating activities</b>	<b>526,578</b>	<b>60,120,669</b>	<b>210,113</b>	<b>20,075,587</b>
<b>Cash flows from investing activities</b>				
Purchase of tangible assets	(2,422)	(248,200)	(18,721)	(1,699,143)
Purchase of intangible assets	-	-	(5,586)	(506,993)
<b>Net cash used in investing activities</b>	<b>(2,422)</b>	<b>(248,200)</b>	<b>(24,307)</b>	<b>(2,206,136)</b>
<b>Cash flows from financing activities</b>				
Proceeds from issue of share capital	-	-	5,362,281	478,181,430
(Payment)/ Proceeds from non-current borrowings	-	-	(5,439,742)	(493,718,166)
Interest paid on lease liabilities	(36,796)	(3,770,211)	(50,201)	(4,556,299)
Lease liability paid	(203,297)	(20,830,308)	(181,342)	(16,458,850)
<b>Net cash used in financing activities</b>	<b>(240,093)</b>	<b>(24,600,519)</b>	<b>(309,003)</b>	<b>(36,551,886)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>284,063</b>	<b>35,271,950</b>	<b>(123,197)</b>	<b>(18,682,434)</b>
Cash and cash equivalents as at the beginning of the year	562,516	51,934,052	685,714	61,863,564
Effect of exchange rate changes on cash and cash equivalents held	-	5,076,593	-	8,752,922
<b>Cash and cash equivalents as at the end of the year</b>	<b>846,579</b>	<b>92,282,595</b>	<b>562,516</b>	<b>51,934,052</b>
<b>Reconciliation of cash and cash equivalents</b>				
Cash in hand #	58	6,364	258	23,838
Balance with banks :				
Current account	846,521	92,276,232	562,258	51,910,214
	<b>846,579</b>	<b>92,282,595</b>	<b>562,516</b>	<b>51,934,052</b>

\* Refer note no. 26

# Figures are below Euro 1.00, hence disclosed as Euro 0.

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (IND AS) 7 - "Cash Flow Statements".

As per our attached Report of even date

For Manoj Kumar Sharma & Associates

Chartered Accountants

Firm Registration no. 137265W

Manoj Kumar Sharma  
Proprietor  
M.No.: 155859  
Place : Thane  
Date: 07 May 2026



For and on behalf of Board of Directors of  
Advanced Enzymes Europe B.V.

Mukund Kabra  
Director  
Place : Chino, CA  
Date: 07 May 2026

Rasika Ruthi  
Director  
Place : Chino, CA

Advanced Enzymes Europe B.V.  
Statement of Changes in Equity (SOCIE)  
for the year ended 31 March 2026

(a) Equity share capital (refer note 8)

Balance at the beginning of the year  
Changes in equity share capital during the year  
Balance at the end of the year

	As at 31 March 2026		As at 31 March 2025	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	7,900,000	674,791,086	4,276,837	351,695,526
Changes in equity share capital during the year	-	-	3,623,163	323,095,560
Balance at the end of the year	7,900,000	674,791,086	7,900,000	674,791,086

(b) Other equity (refer note 9)

Particulars	Reserves & Surplus				Total Equity
	Securities Premium	Capital Contribution	Foreign currency translation reserve	Retained earnings	
Balance at 1 April 2024	127,159,600	2,367,614	17,202,555	(508,010,306)	(361,280,536)
Profit for the year	-	-	-	29,748,317	29,748,317
Other comprehensive income for the year	-	-	16,194,805	-	16,194,805
Total comprehensive income for the year	-	-	16,194,805	29,748,317	45,943,122
Add: Premium on issue of shares	155,085,869	-	-	-	155,085,869
Add: Addition for the year	-	2,331,954	-	-	2,331,954
Balance at 31 March 2025	282,245,469	4,699,567	33,397,360	(478,261,989)	(157,919,591)
Profit for the year	-	-	-	25,376,409	25,376,409
Other comprehensive income for the year	-	-	88,630,814	-	88,630,814
Total comprehensive income for the year	-	-	88,630,814	25,376,409	114,007,223
Add: Premium on issue of shares	-	-	-	-	-
Add: Addition for the year	-	2,790,615	-	-	2,790,615
Balance at 31 March 2026	282,245,469	7,490,182	122,028,174	(452,885,580)	(41,121,753)

The accompanying notes form an integral part of the financial statements.

As per our attached Report of even date  
For Manoj Kumar Sharma & Associates  
Chartered Accountants  
Firm Registration no. 137265W

Manoj Kumar Sharma  
Proprietor  
M.No.: 155859  
Place: Thane  
Date: 07 May 2026



For and on behalf of Board of Directors of  
Advanced Enzymes Europe B.V.

Mukund Kabra  
Director

Rasika Rathi  
Director

Place: Chino, CA Place: Chino, CA  
Date: 07 May 2026

## Advanced Enzymes Europe B.V.

### Notes to the Financial Statements for the year ended 31 March 2026

#### 1 Overview of the Company

Advanced Enzymes Europe B.V. ("the Company", "AEE BV") was incorporated on 11 July 2017. AEE BV is a wholly owned subsidiary of Advanced Enzymes Technologies Ltd. ("the Parent" or "AETL"), an India corporation. AEE BV was formed to serve as a holding company to allow the Parent to own interests in Europe corporations.

#### 2 Basis of preparation of consolidated financial statements

These *Inter-Consolidation Consolidated Financial Statements* (herein after referred to as "the consolidated financial statements") relate to Advanced Enzymes USA, Inc. and its Subsidiaries (the Company). The consolidated financial statements have been prepared in conformity with the group accounting policies of Advanced Enzyme Technologies Limited, which are in accordance with the recognition and measurement principles of Indian Accounting Standards notified under section 133 of the Companies Act 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015, including subsequent amendments] (Ind AS) and other accounting principles generally accepted in India. The consolidated financial statements have been prepared to facilitate AETL in preparation of its consolidated financial statements. The consolidated financial statements include the disclosures as required under Ind AS to the extent it facilitates and is applicable for preparation of AETL's consolidated financial statements.

The financial information is presented in both Euro and in Indian Rupees (INR), wherever applicable, for March 31, 2026 and March 31, 2025. Dollar amounts are translated into Indian Rupees using closing rate for consolidated balance sheets items, average rates for consolidated profit and loss statements items and historic rate for equity.

The consolidated financial statements were authorized for issue by the Company's Board of Directors on May 07, 2026.

#### Functional and presentation currency

These financial statements are presented in Indian rupees, which is also the Company's functional currency.

#### Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value; and
- net defined benefit (asset)/ liability that are measured at fair value of plan assets less present value of defined benefit obligations.

#### 2A Use of estimates

The preparation of the financial statements in accordance with Ind AS requires use of judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2026 are as follows:

##### a. Revenue from contracts with customers:

The Management applied judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers such as identifying performance obligations, estimating relative standalone selling price of items not sold separately, and determining timing of satisfaction of performance obligations for revenue from research and development contracts.

##### b. Property, plant and equipment

Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalised. Useful lives of tangible assets are based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

##### c. Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

##### d. Recognition of deferred tax assets

Deferred tax assets are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilised business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

#### Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values, which includes overseeing all significant fair value measurements, including Level 3 fair values by the management. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

#### 2B Material accounting policies:

The accounting policies set out below have been applied consistently to the periods presented in the consolidated financial statements.

##### a. Principles of consolidation

The consolidated financial statements relate to the Company and its subsidiary company (collectively called "the Company"). Subsidiary company has been consolidated as per Ind AS 103. The consolidated financial statements have been prepared on the following basis:

i) The consolidated financial statements of the Company ("Advanced Enzymes Europe, BV") and its subsidiary has been consolidated on a line by line basis by adding together the like items of assets, liabilities, income and expenses after eliminating intra-company balances, intra-company transactions and unrealised profits/ losses from the intra-company transactions.

ii) The excess/deficit (as on the date of acquisition) of the Company's investment cost over the subsidiaries net worth is recognised as goodwill on consolidation or capital reserve as the case may be and the impairment loss, if any is provided for.

iii) The consolidated financial statements of the Company and its subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances as mentioned in the policies.



## Advanced Enzymes Europe B.V.

### Notes to the Financial Statements for the year ended 31 March 2026

- (v) Subsidiary company is consolidated from the date on which effective control is transferred to the Company and are no longer consolidated from the date of disposal.  
(vi) The Subsidiary companies considered in the consolidated financial statements are as follows:

Name of the Company	Country of incorporation	% age voting power held as at 31 March 2026	% age voting power held as at 31 March 2025
1 Evonix Technologies GmbH (Wholly owned subsidiary of Advanced Enzymes Europe BV)	Germany	100%	100%

#### a. Revenue recognition

##### Revenue from sale of services:

The Company offers various services ranging from enzyme identification, enzyme optimisation, enzyme and process development, scale-up and production under fixed price contracts.

Revenue from providing services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on the actual labour hours spent relative to the total expected labour hours.

##### Revenue from sale of products:

The Company is engaged in selling proprietary enzymes.

Revenues related to sale of products is recognized at a point in time when control of the asset is transferred to the customer based on an overall assessment of the existence of a right to payment, the allocation of ownership rights, the transfer of physical possession, the transfer of risk and rewards, and acceptance by the customer. In case of product sales undertaken by the Company, sales are recognized when control of the products has transferred, being when the products are either delivered to pre-agreed location or shipped from the warehouse, as agreed in the contract, the risk and rewards has transferred, the entity has right to payment and has transferred legal title to a customer. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated trade discounts.

Interest income is recognized on a time proportionate basis, taking into account the amount outstanding and the rates applicable.

#### b. Property, plant and equipment and depreciation

- Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost includes taxes, duties, freight and other incidental expenses directly related to acquisition/construction and installation of the assets. Any trade discounts and rebates are deducted in arriving at the purchase price.
- Subsequent expenditure related to an item of tangible assets are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
- Capital work-in-progress includes fixed assets not ready for their intended use and related incidental expenses and attributable interest.
- The estimated useful life of assets are as follows:

Plant and equipment	10-25 years
Office equipment	5 years
Rights & Licences	10 years
Computer Software	3-5 years
Developed Technology	12 years
Trade Name	12 years
Customer relationship	10 year

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

- An item of property, plant and equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains / losses arising from disposal are recognised in the Statement of Profit and Loss.
- The Company has elected to continue with the carrying value of all its property, plant and equipment as recognized in the standalone financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101.

#### c. Impairment of Property, plant and equipments

The carrying values of assets at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognized.

#### d. Inventories

- Stock in trade is valued at lower of cost and net realisable value. Cost is determined on weighted average cost method, which is determined on their specific individual costs which includes only purchase cost.

#### e. Employee benefits

- Employee benefits payable wholly within twelve months of receiving employees services are classified as short-term employee benefits. The short term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees.

#### f. Income taxes

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax law), deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period) and Minimum Alternate Tax (MAT) credit entitlement.

#### Current tax

Current tax is computed and provided for in accordance with the applicable provisions of the Income Tax Act, 1961.



## Advanced Enzymes Europe B.V.

Notes to the Financial Statements for the year ended 31 March 2026

### g. Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation.

### h. Borrowing costs

Borrowing costs incurred on constructing or acquiring a qualifying asset are capitalized as cost of that asset until it is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue and recognized as an expense in the Statement of Profit and Loss.

### i. Provisions and contingencies

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

### j. Leases

The Company has adopted Ind AS 116 effective from April 1 2019 using modified retrospective approach.

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset
- the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- the Company has the right to direct the use of the asset.

As a lessee, the Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

Generally, the Company uses its incremental borrowing rate as the discount rate. Lease payments included in the measurement of the lease liability comprise the fixed payments, including in substance fixed payments:

The lease liability is measured at amortised cost using the effective interest method. The Company has used number of practical expedients when applying Ind AS 116: - Short-term leases, leases of low-value assets and single discount rate. The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The Company applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

The Company's leases mainly comprise office premises. The Company's leases land and buildings for warehouse facilities

### k. Cash and cash equivalents

Statement of cash flows is prepared in accordance with the indirect method prescribed in the relevant Accounting Standard. For the purpose of presentation in the Statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. However, Bank overdrafts are shown within borrowings in current liabilities in the balance sheet for the purpose of presentation.

### l. Operating cycle

All assets and liabilities have been classified as current or non-current as per criteria set out in the Schedule III to the Companies Act, 2013.

### m. Financial Instruments

#### a. Financial assets

##### i. Recognition and initial measurement

Trade receivables and debt instruments issued are initially recognised when they are originated. All other financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset is initially measured at fair value. In the case of financial assets which are recognised at fair value through profit and loss (FVTPL), the transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.



## Advanced Enzymes Europe B.V.

Notes to the Financial Statements for the year ended 31 March 2026

### ii. Classification

On initial recognition, a financial asset is classified as measured at amortised cost; or

- Fair value through profit or loss (FVTPL); or
- Fair value through other comprehensive income (FVOCI) - debt investment or equity investment

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

### iii Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

### iv. Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

### v. Impairment of financial assets

In accordance with Ind AS 109, the company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- Trade receivables.

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

### b. Financial liabilities

#### i. Recognition and initial measurement

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial liability is initially measured at fair value. In the case of financial liabilities which are recognised at fair value through profit and loss (FVTPL), the transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition or issue of financial liability.

#### ii Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are

subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

### iii. Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

### iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### n. Share capital and share premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction net of tax from the proceeds. Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as share premium.

### o. Dividend Distribution to equity shareholders

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in other equity along with any tax thereon.

### p. Foreign Currency Transactions

The Financial Statements of Company are presented in INR, which is also its functional currency. In preparing the Financial Statements, transactions in currencies other than the entity's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items denominated in foreign currency are reported at the exchange rate ruling on the date of transaction.

Exchange differences on monetary items are recognised in the Statement of Profit & Loss in the period in which they arise.



Advanced Enzymes Europe B.V.  
Notes to the Financial Statements for the year ended 31 March 2026

3 Property, Plant and Equipment

Gross block				(In INR)
	Plant and equipment	Office equipment	Right of use of assets	Total
<b>Balance as at 01 April 2024</b>	<b>105,641,307</b>	<b>75,802,189</b>	<b>163,137,893</b>	<b>344,581,389</b>
Additions	1,482,559	245,823	-	1,728,382
Disposals	-	808,540	-	808,540
Foreign exchange fluctuation	301,169	25,025	1,332,513	1,658,707
<b>Balance as at 31 March 2025</b>	<b>107,425,035</b>	<b>75,264,497</b>	<b>164,470,406</b>	<b>347,159,938</b>
Additions	135,900	128,151	-	264,052
Foreign exchange fluctuation	2,197,909	148,562	8,270,058	10,616,529
<b>Balance as at 31 March 2026</b>	<b>109,758,844</b>	<b>75,541,210</b>	<b>172,740,464</b>	<b>358,040,519</b>
<b>Accumulated depreciation and amortization</b>				
<b>Balance as at 01 April 2024</b>	<b>89,803,031</b>	<b>74,106,365</b>	<b>92,000,774</b>	<b>255,910,170</b>
Depreciation and amortization	3,988,154	846,312	19,084,184	23,918,650
Reversal on disposal of assets	-	808,448	-	808,448
<b>Balance as at 31 March 2025</b>	<b>93,791,185</b>	<b>74,144,230</b>	<b>111,084,958</b>	<b>279,020,372</b>
Depreciation and amortization	4,157,827	843,200	21,544,567	26,545,593
<b>Balance as at 31 March 2026</b>	<b>97,949,012</b>	<b>74,987,428</b>	<b>132,629,526</b>	<b>305,565,965</b>
<b>Net block</b>				
<b>Balance as at 31 March 2025</b>	<b>13,633,850</b>	<b>1,120,268</b>	<b>53,385,447</b>	<b>68,139,566</b>
<b>Balance as at 31 March 2026</b>	<b>11,809,832</b>	<b>553,782</b>	<b>40,110,938</b>	<b>52,474,553</b>



Advanced Enzymes Europe B.V.  
Notes to the Financial Statements for the year ended 31 March 2026

3A Intangible assets

Gross block						(In INR)
	Rights & licences	Computer software	Developed technology	Tradename	Customer relationship	Total
Balance as at 01 April 2024	233,495,606	4,216,693	296,326,756	28,592,293	89,626,979	652,258,327
Additions	610,635	-	-	-	-	610,635
Foreign exchange fluctuation	17,528	2,562	3,636,490	9,862	578,609	4,245,051
Balance as at 31 March 2025	234,123,769	4,219,255	299,963,246	28,602,155	90,205,589	657,114,013
Additions	-	-	-	-	-	-
Foreign exchange fluctuation	50,288	13,304	26,341,010	1	3,449,764	29,854,367
Balance as at 31 March 2026	234,174,058	4,232,557	326,304,255	28,602,155	93,655,352	686,968,380
<b>Accumulated depreciation and amortization</b>						
Balance as at 01 April 2024	229,984,632	4,063,865	125,466,242	26,949,002	57,869,184	444,332,924
Depreciation and amortization	3,742,544	58,450	20,524,161	1,653,153	9,466,406	35,444,714
Balance as at 31 March 2025	233,727,176	4,122,315	145,990,403	28,602,155	67,335,590	479,777,638
Depreciation and amortization	334,644	65,986	23,170,189	-	10,686,840	34,257,658
Balance as at 31 March 2026	234,061,820	4,188,301	169,160,592	28,602,155	78,022,430	514,035,296
<b>Net block</b>						
Balance as at 31 March 2025	396,593	96,940	153,972,843	-	22,869,998	177,336,375
Balance as at 31 March 2026	112,238	44,257	157,143,663	-	15,632,921	172,933,084



Advanced Enzymes Europe B.V.  
Notes to the Financial Statements for the year ended 31 March 2026

**4 Inventories**

(valued at lower of cost and net realizable value)

Raw materials and packing materials  
Finished goods

	As at 31 March 2026 In Euro	As at 31 March 2026 In INR	As at 31 March 2025 In Euro	As at 31 March 2025 In INR
	24,321	2,651,192	26,851	2,479,021
	221,951	24,194,072	422,432	39,000,895
	<b>246,272</b>	<b>26,845,264</b>	<b>449,283</b>	<b>41,479,916</b>

**5 Trade receivables**

**Unsecured**

- Considered good  
- Considered doubtful

Less: Provision for:

- Doubtful Trade Receivables

	534,633	58,278,457	290,317	26,803,373
	<b>534,633</b>	<b>58,278,457</b>	<b>290,317</b>	<b>26,803,373</b>
	<b>534,633</b>	<b>58,278,457</b>	<b>290,317</b>	<b>26,803,373</b>
	<b>534,633</b>	<b>58,278,457</b>	<b>290,317</b>	<b>26,803,373</b>

**Trade Receivables ageing schedule-**

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2026							
(i) Undisputed Trade receivables – considered good	300,495	234,138	-	-	-	-	534,633
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	300,495	234,138	-	-	-	-	534,633
As at March 31, 2025							
(i) Undisputed Trade receivables – considered good	281,422	8,895	-	-	-	-	290,317
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	281,422	8,895	-	-	-	-	290,317

**Trade Receivables ageing schedule-**

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2026							
(i) Undisputed Trade receivables – considered good	32,755,952	25,522,505	-	-	-	-	58,278,457
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	32,755,952	25,522,505	-	-	-	-	58,278,457
As at March 31, 2025							
(i) Undisputed Trade receivables – considered good	25,982,146	821,227	-	-	-	-	26,803,373
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	25,982,146	821,227	-	-	-	-	26,803,373



Advanced Enzymes Europe B.V.  
Notes to the Financial Statements for the year ended 31 March 2026

	As at 31 March 2026 In Euro	As at 31 March 2026 In INR	As at 31 March 2025 In Euro	As at 31 March 2025 In INR
<b>6 Cash and cash equivalents</b>				
Balances with banks				
- in current accounts	846,521	92,276,232	562,258	51,910,214
Cash on hand #	58	6,364	258.20	23,838
	<b>846,579</b>	<b>92,282,596</b>	<b>562,516</b>	<b>51,934,052</b>



Advanced Enzymes Europe B.V.  
Notes to the Financial Statements for the year ended 31 March 2026

	As at 31 March 2026 In Euro	As at 31 March 2026 In INR	As at 31 March 2025 In Euro	As at 31 March 2025 In INR
<b>7 Other current assets</b>				
Prepaid expenses	20,499	2,234,488	26,330	2,430,903
Others	43,009	4,688,239	32,465	2,997,315
	<b>63,508</b>	<b>6,922,727</b>	<b>58,795</b>	<b>5,428,218</b>



Advanced Enzymes Europe B.V.  
Notes to the Financial Statements for the year ended 31 March 2026

8 Share capital

	As at 31 March 2026		As at 31 March 2025	
	Number	In INR	Number	In INR
<b>Authorized</b>				
Equity shares of Euro 1 each	7,900,000	674,791,086	7,900,000	674,791,086
	<u>7,900,000</u>	<u>674,791,086</u>	<u>7,900,000</u>	<u>674,791,086</u>
<b>Issued, subscribed and fully paid up</b>				
Equity shares of Euro 1 each	7,900,000	674,791,086	7,900,000	674,791,086
<b>Total</b>	<u>7,900,000</u>	<u>674,791,086.46</u>	<u>7,900,000</u>	<u>674,791,086</u>

a) Reconciliation of Equity share capital

	As at 31 March 2026		As at 31 March 2025	
	Number	In INR	Number	In INR
Balance at the beginning of the year	7,900,000	674,791,086	4,276,837	351,695,526
Add Issued during the year (Refer note 25)	-	-	3,623,163	323,095,560
<b>Balance at the end of the year</b>	<u>7,900,000</u>	<u>674,791,086</u>	<u>7,900,000</u>	<u>674,791,086</u>

b) Shareholders holding more than 5% of the shares

	As at 31 March 2026		As at 31 March 2025	
	Number	% of holding	Number	% of holding
<u>Equity shares of Euro 1 each</u>				
Advanced Enzyme Technologies Limited	7,900,000	100%	7,900,000	100%
	<u>7,900,000</u>	<u>100%</u>	<u>7,900,000</u>	<u>100%</u>

c) Rights, preferences and restrictions attached to equity shares

The company has one class of equity shares having a par value of Euro 1 per share. Each shareholder is eligible for one vote per share held. Any dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, in proportion to their shareholding.

d) Shareholding of promoters:

As at 31 March 2026

Promoter's name	No. of shares	% of total shares	% Change during the year
1 Advanced Enzyme Technologies Limited	7,900,000	100%	0%

As at 31 March 2025

Promoter's name	No. of shares	% of total shares	% Change during the year
1 Advanced Enzyme Technologies Limited	7,900,000	100%	Nil

As at 31 March 2024

Promoter's name	No. of shares	% of total shares	% Change during the year
1 Advanced Enzyme Technologies Limited	2,000,000	100%	Nil



Advanced Enzymes Europe B.V.  
Notes to the Financial Statements for the year ended 31 March 2026

	As at 31 March 2026 In Euro	As at 31 March 2026 In INR	As at 31 March 2025 In Euro	As at 31 March 2025 In INR
<b>9 Other Equity</b>				
<b>Reserves and surplus</b>				
<b>Securities premium account</b>				
Balance at the beginning of the year	3,173,526	282,245,469	1,434,408	127,159,600
Add : Premium on issue of shares	-	-	1,739,118	155,085,869
Balance at the end of the year	<u>3,173,526</u>	<u>282,245,469</u>	<u>3,173,526</u>	<u>282,245,469</u>
<b>Capital Contribution</b>				
Balance at the beginning of the year	52,052	4,699,568	26,359	2,367,614
Add : Additions made during the year	27,235	2,790,615	25,693	2,331,954
Balance at the end of the year	<u>79,287</u>	<u>7,490,183</u>	<u>52,052</u>	<u>4,699,568</u>
<b>Retained earnings</b>				
Balance at the beginning of the year	(5,527,162)	(478,261,988)	(5,843,855)	(508,010,305)
Add : Transferred from Statement of Profit and Loss	187,487	25,376,409	316,693	29,748,317
Balance at the end of the year	<u>(5,339,675)</u>	<u>(452,885,579)</u>	<u>(5,527,162)</u>	<u>(478,261,988)</u>
<b>Other Comprehensive Income</b>				
<b>Foreign Currency Translation Reserve</b>				
Balance at the beginning of the year		33,397,360		17,202,555
Add : Additions made during the year		88,630,814		16,194,805
Balance at the end of the year	<u>-</u>	<u>122,028,174</u>	<u>-</u>	<u>33,397,360</u>
<b>Total</b>	<u>(2,086,862)</u>	<u>(41,121,753)</u>	<u>(2,301,584)</u>	<u>(157,919,591)</u>



Advanced Enzymes Europe B.V.  
Notes to the Financial Statements for the year ended 31 March 2026

	As at 31 March 2026 In Euro	As at 31 March 2026 In INR	As at 31 March 2025 In Euro	As at 31 March 2025 In INR
<b>10 Trade payables</b>				
Total outstanding dues to others	40,416	4,405,581	135,646	12,523,503
	<b>40,416</b>	<b>4,405,581</b>	<b>135,646</b>	<b>12,523,503</b>

Trade Payables ageing schedule-

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2026						
(i) MSME	-	-	-	-	-	-
(ii) Others	10,032	30,384	-	-	-	40,416
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	10,032	30,384	-	-	-	40,416
As at March 31, 2025						
(i) MSME	-	-	-	-	-	-
(ii) Others	3,421	48,226	84,000	-	-	135,646
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	3,421	48,226	84,000	-	-	135,646

Trade Payables ageing schedule-

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2026						
(i) MSME	-	-	-	-	-	-
(ii) Others	1,093,579	3,312,001	-	-	-	4,405,581
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	1,093,579	3,312,001	-	-	-	4,405,581
As at March 31, 2025						
(i) MSME	-	-	-	-	-	-
(ii) Others	315,823	4,452,414	7,755,266.40	-	-	12,523,503
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	315,823	4,452,414	7,755,266	-	-	12,523,503



Advanced Enzymes Europe B.V.  
Notes to the Financial Statements for the year ended 31 March 2026

	As at 31 March 2026 In Euro	As at 31 March 2026 In INR	As at 31 March 2025 In Euro	As at 31 March 2025 In INR
<b>11 Other current liabilities</b>				
Statutory dues				
Other dues payable	23,331	2,543,202	22,786	2,103,747
Provision for expenses	157,311	17,147,916	234,819	21,679,594
Other current liabilities	299	32,642	2,142	197,802
	<b>180,941</b>	<b>19,723,760</b>	<b>259,747</b>	<b>23,981,143</b>



Advanced Enzymes Europe B.V.  
Notes to the Financial Statements for the year ended 31 March 2026

	Year ended 31 March 2026 In Euro	Year ended 31 March 2026 In INR	Year ended 31 March 2025 In Euro	Year ended 31 March 2025 In INR
<b>12 Revenue from contracts with customers</b>				
<b>12.1 Disaggregated revenue information</b>				
Sale of goods	732,718	75,076,163	749,198	67,998,167
Sale of services	2,382,636	244,130,863	1,603,922	145,574,091
<b>Total revenue from contracts with customers</b>	<b>3,115,354</b>	<b>319,207,026</b>	<b>2,353,120</b>	<b>213,572,258</b>
<b>12.1 A Disaggregated revenue information based on segment</b>				
<b>Sale of goods</b>				
Human nutrition	204,906	16,187,116	213,573	16,187,116
Bio-processing	527,812	58,889,047	535,625	51,811,051
	<b>732,718</b>	<b>75,076,163</b>	<b>749,198</b>	<b>67,998,167</b>
<b>12.2 Timing of revenue recognition</b>				
Revenue recognized at a point in time	3,115,354	319,207,026	2,353,120	213,572,258
	<b>3,115,354</b>	<b>319,207,026</b>	<b>2,353,120</b>	<b>213,572,258</b>
<b>12.3 Contract balances</b>				
The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.				
Trade receivables (Refer Note 5)	534,633	58,278,457	290,317	26,803,373
Trade receivables are non-interest bearing and are generally on terms of 15 to 30 days. Decrease in overall trade receivables resulted from decrease in the revenue from operations.				
<b>13 Other income</b>				
Liabilities no longer required (Refer note 25)	-	-	1,309,634	118,864,079
Miscellaneous income	85,978	8,809,508	50,406	4,574,896
	<b>85,978</b>	<b>8,809,507</b>	<b>1,360,040</b>	<b>123,438,975</b>
<b>14 Cost of materials consumed</b>				
Opening stock				
Raw materials and packing material	26,851	2,479,021	27,184	2,452,482
	<b>26,851</b>	<b>2,479,021</b>	<b>27,184</b>	<b>2,452,482</b>
<b>Add : Purchases during the year</b>				
Raw materials and components	334,734	34,297,729	510,362	46,321,152
	<b>334,734</b>	<b>34,297,729</b>	<b>510,362</b>	<b>46,321,152</b>
<b>Less : Closing stock</b>				
Raw materials and packing material	24,321	2,651,192	26,851	2,479,021
	<b>24,321</b>	<b>2,651,192</b>	<b>26,851</b>	<b>2,479,021</b>
	<b>337,264</b>	<b>34,125,558</b>	<b>510,695</b>	<b>46,294,613</b>
<b>15 Changes in inventories of finished goods</b>				
Opening stock				
- Finished goods	422,432	39,000,895	529,322	47,754,284
Closing stock				
- Finished goods	221,951	24,194,072	422,432	39,000,895
	<b>200,481</b>	<b>14,806,823</b>	<b>106,890</b>	<b>8,753,389</b>



Advanced Enzymes Europe B.V.  
Notes to the Financial Statements for the year ended 31 March 2026

	Year ended 31 March 2026 In Euro	Year ended 31 March 2026 In INR	Year ended 31 March 2025 In Euro	Year ended 31 March 2025 In INR
<b>16 Employee benefit expenses</b>				
Salaries, wages and bonus	1,083,460	111,014,061	1,052,062	95,486,511
Contribution to provident and other defined contribution funds	232,502	23,822,700	220,384	20,002,332
Employee stock compensation expense	27,235	2,790,615	25,693	2,331,954
	<b>1,343,197</b>	<b>137,627,376</b>	<b>1,298,139</b>	<b>117,820,797</b>
<b>17 Finance costs</b>				
Interest expenses	36,796	3,770,211	158,061	14,345,833
Net (gain)/loss on foreign currency transactions and translations	-	-	186,343	16,912,720
	<b>36,796</b>	<b>3,770,211</b>	<b>344,404</b>	<b>31,258,553</b>
<b>18 Depreciation and amortization expense</b>				
Depreciation of tangible assets (refer to note 3)	48,808	5,001,026	53,266	4,834,466
Amortization of intangible assets (refer to note 3A)	334,343	34,257,658	390,527	35,444,714
Amortization of right-of-use assets (refer to note 3)	210,268	21,544,567	210,268	19,084,184
	<b>593,419</b>	<b>60,803,251</b>	<b>654,061</b>	<b>59,363,364</b>
<b>19 Other expenses</b>				
Travel, conveyance and car hire	40,417	4,141,242	41,710	3,785,661
Sales promotion and advertisement	1,117	114,489	1,804	163,726
Freight outward and forwarding	44,729	4,583,092	48,110	4,366,527
Other selling and distribution expenses	1,407	144,127	2,293	208,073
Rent (refer note 20)	41,496	4,251,830	65,271	5,924,038
Repairs and maintenance others	49,935	5,116,510	40,717	3,695,515
Insurance	50,288	5,152,623	48,781	4,427,398
Legal and professional charges	184,703	18,925,178	169,869	15,417,545
Advances/assets written off	108,588	11,126,200	103,713	9,413,152
Bank Charges	184	18,848	1,385	125,730
Commuting expenses	5,291	542,170	5,728	519,869
Miscellaneous expenses	72,815	7,460,854	56,410	5,119,873
	<b>600,970</b>	<b>61,577,163</b>	<b>585,791</b>	<b>53,167,107</b>



**Advanced Enzymes Europe B.V.**

**Notes to the Financial Statements for the year ended 31 March 2026**

*(All amounts are stated in Indian Rupees, unless otherwise stated)*

**20 Leases**

(a) Following are the carrying value of Right of Use Assets for the year ended March 31, 2026:

Please refer note no. 3 for detailed presentation of fair value of Right of Use of Assets.

(b) Maturity analysis of lease liabilities– contractual undiscounted cash flows:

Particulars	Year Ended	Year Ended
	31 March 2026	31 March 2025
Less than one year	27,139,977	22,166,398
One to five years	20,914,622	40,700,561
More than five years	-	-
<b>Total undiscounted lease liabilities at 31 March</b>	<b>48,054,599</b>	<b>62,866,959</b>
Discounted Lease liabilities included in the statement of financial position at 31 March		
Current lease liability	24,762,239	4,520,455
Non-Current lease liability	20,317,447	52,429,761

(c) The Weighted average incremental borrowing rate of 7% p.a. for local currency borrowings has been applied for measuring the lease liability at the date of initial application.

(d) The Company incurred Rs. 25,314,778 for the year ended 31 March 2026 (31 March 2025: Rs. 23,638,928) towards expenses relating to leases.

(e) Total cash outflow for leases for year ended 31 March 2026 is Rs 20,830,308 (31 March 2025: Rs 16,458,850).

(f) General Description of leasing agreements:

- Leased Assets: Leasehold office premises.
- Future Lease rentals are determined on the basis of agreed terms.
- At the expiry of lease terms, the Company has an option to return the assets or extend the term by giving notice in writing.
- Lease agreements are generally cancellable and are renewable by mutual consent on mutually agreed terms.



21 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

<b>i. Profit attributable to Equity holders</b>		(In INR)	
	31 March 2026	31 March 2025	
Profit attributable to equity holders	25,376,409	29,748,317	
<b>ii. Weighted average number of ordinary shares</b>			
	31 March 2026	31 March 2025	
Equity shares/Issued ordinary shares at April 1	5,255,718	4,233,291	
Effect of fresh issue of shares for cash or other than cash	-	1,022,427	
<b>Weighted average number of shares at 31 March for basic EPS</b>	<b>5,255,718</b>	<b>5,255,718</b>	
Effect of exercise of share options	-	-	
<b>Weighted average number of shares at 31 March for diluted EPS</b>	<b>5,255,718</b>	<b>5,255,718</b>	
<b>Basic and Diluted earnings per share</b>			
	31 March 2026	31 March 2025	
Basic earnings per share	4.83	5.66	
Diluted earnings per share	4.83	5.66	



Advanced Enzymes Europe B.V.  
Notes to the Financial Statements for the year ended 31 March 2026

22 Income taxes

Tax expense

(a) Amounts recognised in profit and loss

(In INR)

	Year ended 31 March 2026	Year ended 31 March 2025
Current income tax	2,209	19,100
Changes in estimates related to prior period	-	-
	<u>2,209</u>	<u>19,100</u>
<b>Deferred income tax liability / (asset), net</b>		
Change in recognised deductible temporary differences	(10,072,466)	(9,414,007)
Deferred tax expense	(10,072,466)	(9,414,007)
<b>Tax expense for the year</b>	<u>(10,070,257)</u>	<u>(9,394,907)</u>

(b) Reconciliation of effective tax rate

	Year ended 31 March 2026	Year ended 31 March 2025
<b>Profit before tax</b>	<u>25,376,409</u>	<u>29,748,317</u>
<b>Tax effect of:</b>		
Temporary differences	(10,072,466)	(9,414,007)
<b>Tax expense as per profit or loss</b>	<u>(10,072,466)</u>	<u>(9,414,007)</u>





Advanced Enzymes Europe B.V.  
Notes to the Financial Statements for the year ended 31 March 2026  
(All amounts are stated in Indian Rupees, unless otherwise stated)

#### 24. Financial instruments

##### 1 Financial instruments – Fair values and risk management

##### A Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if their carrying amount is a reasonable approximation of fair value.

31 March 2026	Note No.	Carrying amount				Fair value			Total
		FVTPL	FVTOCI	Amortised Cost	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
<b>Financial assets</b>									
Trade receivables	5	-	-	58,278,457	58,278,457	-	-	-	-
Cash and cash equivalents	6	-	-	92,282,596	92,282,596	-	-	-	-
		-	-	150,561,052	150,561,052	-	-	-	-
<b>Financial liabilities</b>									
Lease liability - Non current	20	-	-	20,317,447	20,317,447	-	-	-	-
Lease liability - Current	20	-	-	24,762,239	24,762,239	-	-	-	-
Trade payables	10	-	-	4,405,581	4,405,581	-	-	-	-
		-	-	49,485,268	49,485,268	-	-	-	-
<b>31 March 2024</b>									
31 March 2024	Note No.	Carrying amount				Fair value			Total
		FVTPL	FVTOCI	Amortised Cost	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
<b>Financial assets</b>									
Trade receivables	5	-	-	26,803,373	26,803,373	-	-	-	-
Cash and cash equivalents	6	-	-	51,934,052	51,934,052	-	-	-	-
		-	-	78,737,425	78,737,425	-	-	-	-
<b>Financial liabilities</b>									
Lease liability - Non current	20	-	-	52,429,761	52,429,761	-	-	-	-
Lease liability - Current	20	-	-	4,520,455	4,520,455	-	-	-	-
Trade payables	12	-	-	12,523,503	12,523,503	-	-	-	-
		-	-	69,473,719	69,473,719	-	-	-	-

##### B Measurement of fair values

##### Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used:

##### Financial instruments measured at fair value

Type	Valuation technique
Non current financial assets / liabilities measured at amortised cost	Discounted cash flow technique : The valuation model considers present value of expected payments discounted using an appropriate discounting rate.

##### C Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk, and
- Market risk

##### 1 Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.



**Advanced Enzymes Europe B.V.**

**Notes to the Financial Statements for the year ended 31 March 2026**

(All amounts are stated in Indian Rupees, unless otherwise stated)

**Financial instruments – Fair values and risk management**

**ii. Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

**Trade and other receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

There is no concentration of risk for trade receivables.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

	31 March 2026		
	Carrying Amount	Weighted Average Loss Rate	Loss Allowance
Not due	32,755,952	0.00%	-
0-90 days	24,030,207	0.00%	-
90-180 days	1,492,298	0.00%	-
180-270 days	-	0.00%	-
270-360 days	-	0.00%	-
More than 360 days	-	0.00%	-
	<b>58,278,457</b>		

	31 March 2025		
	Carrying Amount	Weighted Average Loss Rate	Loss Allowance
Not due	25,982,146	0.00%	-
0-90 days	821,227	0.00%	-
90-180 days	-	0.00%	-
180-270 days	-	0.00%	-
270-360 days	-	0.00%	-
More than 360 days	-	0.00%	-
	<b>26,803,373</b>		

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (e.g. timeliness of payments, available press information etc.) and applying experienced credit judgement.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

The Company's exposure to credit risk for trade receivables by geographic region is as follows:

Region	As at March 31	
	2026	2025
USA	39,229,488	18,415,776
Asia	4,600,170	2,703,726
Europe	12,644,742	3,656,977
Others	1,804,057	2,026,894
	<b>58,278,457</b>	<b>26,803,373</b>

**Cash and cash equivalents**

The Company held cash and cash equivalents of INR 92,282,595/- at March 31, 2026 (March 31, 2025: INR 51,934,052/-). The cash and cash equivalents are held with bank and financial institution counterparties with good credit ratings.

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired



**Advanced Enzymes Europe B.V.**

Notes to the Financial Statements for the year ended 31 March 2026

(All amounts are stated in Indian Rupees, unless otherwise stated)

**Financial instruments – Fair values and risk management**

**iii. Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk:

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments

(In INR)

31 March 2026	Carrying amount	Total	Contractual cash flows			
			Upto 1 year	1-3 years	3-5 years	More than 5 years
Lease liabilities - Non-current	20,317,447	20,317,447	-	20,317,447	-	-
Lease liabilities - Current	24,762,239	24,762,239	24,762,239	-	-	-
Trade payable	4,405,581	4,405,581	4,405,581	-	-	-

(In INR)

31 March 2025	Carrying amount	Total	Contractual cash flows			
			Upto 1 year	1-3 years	3-5 years	More than 5 years
Lease liabilities - Non-current	52,429,761	52,429,761	-	52,429,761	-	-
Lease liabilities - Current	4,520,455	4,520,455	4,520,455	-	-	-
Trade payable	12,523,503	12,523,503	12,523,503	-	-	-



**Advanced Enzymes Europe B.V.**

**Notes to the Financial Statements for the year ended 31 March 2026**

(All amounts are stated in Indian Rupees, unless otherwise stated)

**Financial instruments – Fair values and risk management (continued)**

**iv. Market risk**

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Company is exposed to market risk primarily related to foreign exchange rate risk. Thus, our exposure to market risk is a function of revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.



**Advanced Enzymes Europe B.V.**

**Notes to the Financial Statements for the year ended 31 March 2026**

(All amounts are stated in Indian Rupees, unless otherwise stated)

**25 Issue of equity share**

During the financial year 2024-25 the Company has issued 3,623,163 Fully paid up equity shares to Advanced Enzyme Technologies Limited ("AETL" or "the Parent Company"). The value per equity share is EUR 1.48 and the face value of EUR 1 per share. Pursuant to this conversion, the Parent Company now holds 7,900,000 equity share of the Company and the Parent Company continues to be 100% shareholder of the Company.

During the financial year 2024-25 the Company made a proposal regarding repayment of its loan and interest payable thereon to Advanced Enzymes USA, Inc ("AEU"). As per the terms the Company had proposed to pay Euro 89,985 (INR 8,082,697) as one-time settlement for interest payable as on 31 August 2024 and repay loan of Euro 5,349,757 (INR 485,551,008) in full.

AEU accepted the proposal and accordingly, the Company has paid interest of Euro 89,985 (INR 8,082,697) and loan of Euro 5,349,757 (INR 485,551,008) to AEU. The Company has recognised income of Euro 1,309,634 (INR 118,864,079) as the liability no longer required.



**Advanced Enzymes Europe B.V.**

**Notes to the Financial Statements for the year ended 31 March 2026**

(All amounts are stated in Indian Rupees, unless otherwise stated)

**27 Related Party Disclosures, as required by Indian Accounting Standard 24 (Ind AS 24) are given below:**

**A. Relationships:**

**I. Holding Company**

Advanced Enzyme Technologies Limited

**II. Subsidiaries:**

Evovx Technologies GMBH, Germany (Wholly owned subsidiary of Advanced Enzymes Europe B. V.)

**III. Fellow Subsidiaries**

Advanced Bio- Agro Tech Limited

Advanced Enzytech Solutions Limited

JC Biotech Private Limited

Advanced Enzymes, USA Inc.

Advanced Enzymes (Malaysia) Sdn. Bhd. (Voluntary strike off with effect from 8 November 2023)

Cal India Food International, USA (subsidiary of Advanced Enzymes USA, Inc.)

Advanced Supplementary Technologies Corporation, USA (Wholly owned subsidiary of Advanced Enzymes USA, Inc.)

Enzyme Innovation Inc., USA (Wholly owned subsidiary of Cal India Foods International)

Starya Labs Inc. (Wholly owned subsidiary of Advanced Enzymes USA, Inc.) (incorporated on 9 December 2024)

Scitech Specialities Private Limited

Saiganesh Enzytech Solutions Private Limited

**III. Key Management Personnel**

Mr. Mukund Madhusudan Kabra

Ms. Rasika Rathi

**B. Nature of transactions:**

The following transactions were carried out with the related parties mentioned in A above, in the ordinary course of business.

	31 March 2026 (in INR)	31 March 2025 (in INR)
i. Interest on loan taken from Advanced Enzymes, USA Inc.	-	9,789,534
ii. Sale of services to Advanced Enzyme Technologies Limited	123,159,582	89,474,377
iii. Sale of goods to Advanced Enzyme Technologies Limited	879,812	603,922
iv. Purchase of goods from Advanced Enzyme Technologies Limited	14,908,296	21,714,647
v. Reimbursement of expenses- for Employee stock compensation expense	2,790,615	2,331,954
vi. Liabilities no longer required - Interest payable	-	118,864,079
vii. Repayment of loan and interest to Advanced Enzymes, USA Inc.	-	493,718,166

**C. Balances due from/to the related parties:**

	As at 31 March 2026 (in INR)	As at 31 March 2025 (in INR)
i. Trade receivable- Advanced Enzyme Technologies Limited	14,156,381	1,960,975
ii. Trade payable- Advanced Enzyme Technologies Limited	-	12,186,847

**28 Previous year amounts have been regrouped/ reclassified wherever necessary.**

This is the balance sheet referred to in our report of even date

For Manoj Kumar Sharma & Associates  
Chartered Accountants  
Firm Registration no. 137265W

Manoj Kumar Sharma  
Proprietor  
M.No.: 155859  
Place : Thane  
Date: 07 May 2026



For and on behalf of Board of Directors of  
Advanced Enzymes Europe B.V.

M. W. Kabra

Mukund Kabra  
Director

Place : Chino, CA  
Date: 07 May 2026

Rasika Rathi

Rasika Rathi  
Director

Place : Chino, CA