



**Advanced Enzyme Technologies Ltd.**

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Email: info@advancedenzymes.com, www.advancedenzymes.com

February 11, 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 February 11, 2023, titled "Quarterly Earnings Release dated February 11, 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, February 11, 2023

### Advanced Enzyme Technologies Limited announces Financial Results for Third Quarter and Nine months ended December 2022

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 unaudited financial results for third quarter and nine months ended December 2022.

#### CONSOLIDATED QUARTERLY FINANCIAL HIGHLIGHTS:

(Amount in INR Mn.)	Q3 FY23	Q2 FY23	Q3 FY22	Change (Q-o-Q %)	Change (Y-o-Y %)	9M FY23	9M FY22	Change (%)
Revenue	1,421	1,387	1,336	2	6	4,019	3,976	1
EBITDA	417	397	491	5	-15	1,123	1,611	-30
EBITDA Margin (%)	29	29	37			28	41	
PAT	279	263	286	6	-2	718	985	-27
PAT Margin (%)	20	19	21			18	25	
EPS	2.63	2.34	2.46			6.57	8.51	

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

##### Revenue from Operations:

Revenue from operations on consolidated basis climbed to ₹ 1,421 million in Q3 FY23 from ₹ 1,387 million in Q2 FY23, a growth of 02%.

##### Profit:

Consolidated EBITDA during Q3 FY23 stands at ₹ 417 million as compared to ₹ 397 million during Q2 FY23, increase of 05%.

Profit before tax stands at ₹ 404 million during Q3 FY23 as against ₹ 342 million in Q2 FY23, growth of 18%

Profit after tax grew by 06% and stands at

₹ 279 million during Q3 FY23 as compared to ₹ 263 million during Q2 FY23.

##### Financial Costs:

Financial costs remained flat to stand at ₹ 06 million during Q3 FY23

##### Depreciation and Amortization:

Depreciation and Amortization charge for Q3 FY23 is ₹ 91 million as compared to ₹ 88 million in the last quarter.

##### Earnings Per Share:

Earnings Per Share during Q3 FY23 stands at ₹ 2.63 as compared to ₹ 2.34 in Q2 FY23.



## OPERATIONAL PERFORMANCE REVIEW:

### Segmental Revenue:

(Amount in INR Mn.)	Q3 FY23	Q2 FY23	Change (%)
Human Nutrition	934	939	-1
Animal Nutrition	175	172	2
Bio-Processing	226	193	17
Specialized Manufacturing	86	83	4

The human nutrition segment recorded a de-growth of 01% to ₹ 934 million in Q3 FY23 as compared to ₹ 939 million in Q2 FY23.

The Animal nutrition grew by 02% to ₹ 175 million in Q3 FY23 as against ₹ 172 million in Q2 FY23.

The Bio-Processing segment grew by 17% during the quarter, it accounted ₹ 226 million in Q3

FY23 as compared to ₹ 193 million in Q2 FY23. In this segment, the food business grew by 14% at ₹ 160 million, while the Non-Food business stood at ₹ 66 million, during the quarter, growing significantly by 26% in comparison to Q2 FY23.

The Specialized manufacturing segment grew by 04% to ₹ 86 million in Q3 FY23 from ₹ 83 million in Q2 FY23.

### Geographical Revenue

The total revenue comprises of International sales amounting to ₹ 828 million in Q3 FY23 as compared to ₹ 725 million in Q2 FY23, a growth of 14%. The revenue grew by 05% in Americas, 19% in Europe, 55% in Asia (ex-India) and 31% in rest of the world.

Domestic sales accounted for ₹ 593 million in

Q3 FY23 as compared to ₹ 662 million in Q2 FY23, it decline by 10%.

The domestic sales constituted about 42% of revenue from operations during Q3 FY23 as compared to 48% during Q2 FY23. International sales were 58% of revenue from operations during Q3 FY23 as compared to 52% during Q2 FY23.

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

### Revenue from Operations:

Revenue from operations on consolidated basis increased to ₹ 1,421 million in Q3 FY23 from ₹ 1,336 million in Q3 FY22, recording a growth of 06%.

### Profit:

Consolidated EBITDA during Q3 FY23 stands at ₹ 417 million as compared to ₹ 491 million during Q3 FY22, decrease of 15%.

Profit before tax stands at ₹ 404 million during Q3 FY23 as against ₹ 412 million in Q3 FY22, decline of 02%.

Profit after tax de-grew by 02% and stands at ₹ 279 million during Q3 FY23 as compared to ₹ 286 million during Q3 FY22.

### Margin:

EBITDA margin stands at 29%, PBT margin stands at 28% and PAT margin stands at 20% during the quarter.

### Financial Costs:

Financial costs stood at ₹ 06 million during Q3 FY23 as against ₹ 03 million in Q3 FY22

### Depreciation and Amortization:

Depreciation and Amortization charge for Q3 FY23 is ₹ 91 million as compared to ₹ 88 million in the same quarter previous year.

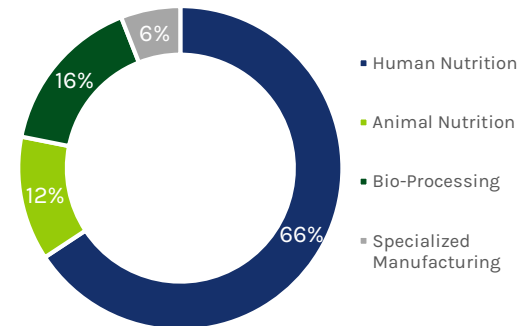
### Earnings Per Share:

Earnings Per Share during Q3 FY23 stands at ₹ 2.63 as compared to ₹ 2.46 in Q3 FY22.

## OPERATIONAL PERFORMANCE REVIEW:

### Segmental Revenue:

(Amount in INR Mn.)	Q3 FY23	Q3 FY22	Change (%)
Human Nutrition	934	918	2
Animal Nutrition	175	132	33
Bio-Processing	226	160	41
Specialized Manufacturing	86	125	-31



The total revenue from operations grew by 06% on y-o-y basis and 02% on q-o-q basis.

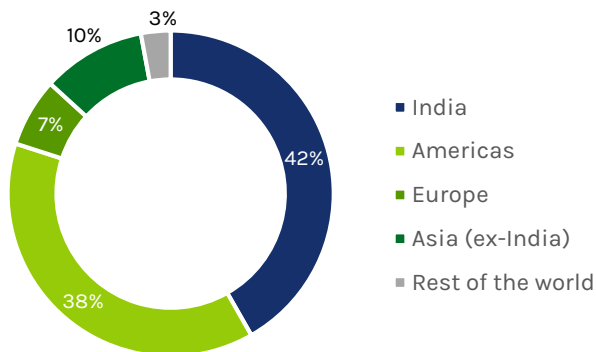
The revenue from human nutrition segment grew by 02% to ₹ 934 million in Q3 FY23 as compared to ₹ 918 million in Q3 FY22. This growth is essentially driven by Bio-catalysis and Pharma API.

The Animal nutrition segment performed well and surged by 33% to ₹ 175 million in Q3 FY23 as against ₹ 132 million in Q3 FY22.

The Bio-Processing segment outperformed by 41% during the quarter, it accounted for ₹ 226 million in Q3 FY23 as compared to ₹ 160 million in Q3 FY22. In this segment, food business grew by 38% to ₹ 160 million whereas the Non-Food business grew by 49% to stood at ₹ 66 million on y-o-y basis during Q3 FY23.

The Specialized manufacturing segment contributed 06% which is ₹ 86 million to the revenue during the quarter, registering a decline of 31% on y-o-y basis.

### Geographical Revenue:



The total revenue comprises of International sales amounting to ₹ 828 million in Q3 FY23 as compared to ₹ 764 million in Q3 FY22, recording growth of 08%. The revenue de-grew by 04% in Americas, strong growth of 23% in Europe, 61% in Asia (ex-India) and 32% in rest of the world.

Domestic sales accounted for ₹ 593 million in Q3 FY23 as compared to ₹ 571 million in Q3 FY22, it grew by 04%.

The domestic sales constituted about 42% of revenue from operations during Q3 FY23 as compared to 43% during Q3 FY22. International sales were 58% of revenue from operations during Q3 FY23 as compared to 57% during Q3 FY22.

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

### Revenue from Operations:

Revenue from operations on consolidated basis increased to ₹ 4,019 million in the 9M FY23 from ₹ 3,976 million in the 9M FY22, reported a growth of 01%.

### Profit:

Consolidated EBITDA during 9M FY23 stands at ₹ 1,123 million as compared to ₹ 1,611 million during 9M FY22, decline of 30%.

Profit before tax stands at ₹ 983 million during 9M FY23 as against ₹ 1,371 million in 9M FY22.

Profit after tax stands at ₹ 718 million during 9M FY23 as compared to ₹ 985 million during the 9M FY22.

### Margin:

EBITDA margin stands at 28%, PBT margin stands at 24% and PAT margin stands at 18% during the 9M FY23.

### Financial Costs:

Financial costs stood at ₹ 18 million during 9M FY23 as against ₹ 11 million in 9M FY22.

### Depreciation and Amortization:

Depreciation and Amortization charge for the 9M FY23 is ₹ 266 million as compared to ₹ 259 million in 9M FY22.

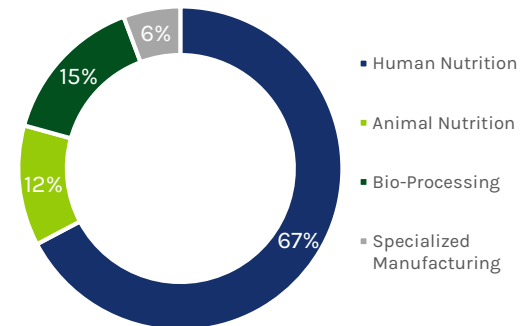
### Earnings Per Share:

Earnings Per Share during 9M FY23 stands at ₹ 6.57 as compared to ₹ 8.51 in 9M FY22.

## OPERATIONAL PERFORMANCE REVIEW:

### Segmental Revenue:

(Amount in INR Mn.)	9M FY23	9M FY22	Change (%)
Human Nutrition	2,679	2,730	-2
Animal Nutrition	504	408	23
Bio-Processing	602	481	25
Specialized Manufacturing	234	357	-34



The total revenue from operations grew by 01% on y-o-y basis.

The human nutrition segment declined by 02% to ₹ 2,679 million in 9M FY23 as compared to ₹ 2,730 million in 9M FY22.

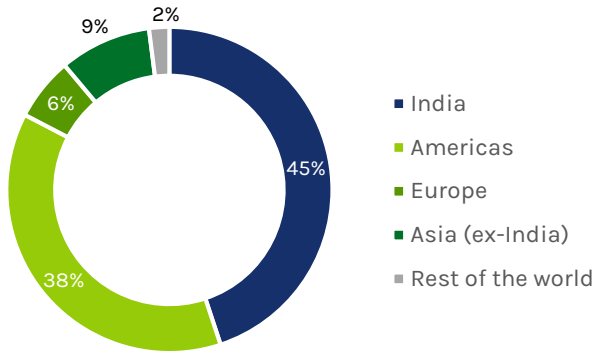
The Animal nutrition segment delivered a significant growth of 23% to ₹ 504 million in 9M FY23 as against ₹ 408 million in 9M FY22.

The Bio-Processing segment grew by 25% during the nine months, it accounted for ₹ 602

million in 9M FY23 as compared to ₹ 481 million in 9M FY22. In this segment, food business contributed 11% and stood at ₹ 447 million while the Non-Food business contributed 04% and stood at ₹ 156 million delivering a growth of 20% & 42% respectively, during 9M FY23.

The Specialized manufacturing segment contributed 06% to the revenue stream. This segment de-grew by 34% to stood at ₹ 234 million to the revenue during 9M FY23.

**Geographical Revenue:**



The total revenue comprises of International sales amounting to ₹ 2,214 million in 9M FY23 as compared to ₹ 2,229 million in 9M FY22, de-growth of 01%. The revenue declined by 05% in Americas and 19% in rest of the world, while it grew by 02% in Europe and Asia (ex-India) registered a growth of 31%.

Domestic sales accounted for ₹ 1,805 million in 9M FY23 as compared to ₹ 1,747 million in 9M FY22, increase of 03%.

The domestic sales constituted about 45% of the revenue from operations during 9M FY23

as compared to 44% during 9M FY22. International sales were 55% of revenue from operations as compared to 56% during 9M FY22.

## 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, and has recently introduced the immunity building products like ImmunoSeb and Biome Ultra, which are very effective in curing post COVID symptoms of fatigueness.

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

### Animal Nutrition:

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

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

### Probiotics:

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

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

### Bio Catalysis:

The Company has made significant progress on developing bio catalases for API manufacturers, providing enzymatic based solutions that are target specific, helping them to save cost of energy, time and use of chemicals. Couple of products are under the advanced stage of trials at plant level by the API manufacturers. This is one of the opportunities, where it will continue its efforts and focus.

### Baking:

The Company has several enzymes for the food processing segment, have filed 12 dossiers with European Food Safety Authority (EFSA) and got positive news for 4 of the product dossiers. The product line is equally good in terms of efficacy and performance as compared to existing market players. The Company has seen some uptick but in the last 15 months due to the pandemic, no further progress could be made. It is confident to expand in Europe, Americas and Rest of World to tap the available opportunities by offering a value based approach in the Baking Industry.

### R&D:

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

### Inorganic expansion:

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

## RESULTS CONFERENCE CALL DETAILS

Advanced Enzymes will hold an earnings conference call on 14<sup>th</sup> February 2023, Tuesday 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](http://www.advancedenzymes.com)

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

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

[Pre-registration link](#)

### For further information, please contact:

**Ronak Saraf**

Investor Relations

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### CORPORATE INFORMATION:

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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.*