

August 12, 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 August 12, 2023, titled "Quarterly Earnings Release" dated August 12, 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, August 12, 2023

Advanced Enzyme Technologies Limited announces Financial Results for First Quarter ended June 2023

Advanced Enzyme Technologies Limited (Advanced Enzymes; NSE: ADVENZYMES; BSE: 540025), a leading specialty biotech company, with global leadership in the manufacturing of enzymes, today announced their unaudited financial results for first quarter ended June 2023.

CONSOLIDATED QUARTERLY FINANCIAL HIGHLIGHTS:

(Amount in INR Mn.)	Q1 FY24	Q4 FY23	Q1 FY23	Change (Y-o-Y %)	Change (Q-o-Q %)	FY23	FY22	Change (%)
Revenue	1,473	1,387	1,211	22	6	5,406	5,294	2
EBITDA	440	441	309	42	0	1,564	2,014	-22
EBITDA Margin (%)	30	32	26			29	38	
PAT	294	321	176	67	-8	1,039	1,238	-16
PAT Margin (%)	20	23	15			19	23	
EPS	2.58	2.87	1.60			9.45	10.70	

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

Revenue from Operations:

Revenue from operations on consolidated basis increased to ₹ 1,473 million in the Q1 FY24 from ₹ 1,211 million in the Q1 FY23, a growth of 22%.

Profit:

Consolidated EBITDA during Q1 FY24 stands at ₹ 440 million as compared to ₹ 309 million during Q1 FY23, an increase of 42%.

Profit before tax stands at ₹ 414 million during Q1 FY24 as against ₹ 237 million in Q1 FY23, an increase of 75%.

Profit after tax grew by 67% and stands at ₹ 294 million during Q1 FY24 as compared to ₹ 176 million during the Q1 FY23.

Margin:

EBITDA margin stands at 30%, PBT margin stands at 28% and PAT margin stands at 20% during the quarter.

Financial Costs:

Financial costs stood at ₹ 7 million during Q1 FY24 as against ₹ 6 million in Q1 FY23.

Depreciation and Amortization:

Depreciation and Amortization charge for the Q1 FY24 remain unchanged at ₹ 86 million as compared to the same quarter previous year.

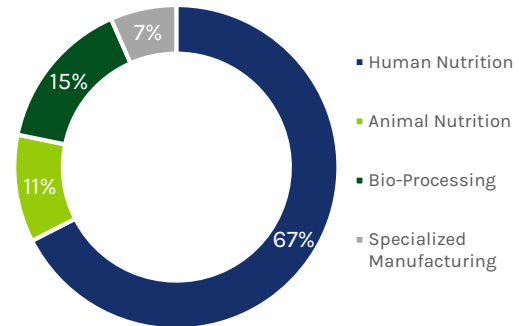
Earnings Per Share:

Earnings Per Share during Q1 FY24 stands at ₹ 2.58 as compared to ₹ 1.60 in Q1 FY23.

OPERATIONAL PERFORMANCE REVIEW:

Segmental Revenue:

(Amount in INR Mn.)	Q1 FY24	Q1 FY23	Change (%)
Human Nutrition	994	807	23
Animal Nutrition	158	156	1
Bio-Processing	224	183	22
Specialized Manufacturing	97	65	50



The total revenue from operations grew by 22% on y-o-y basis and 6% on q-o-q basis.

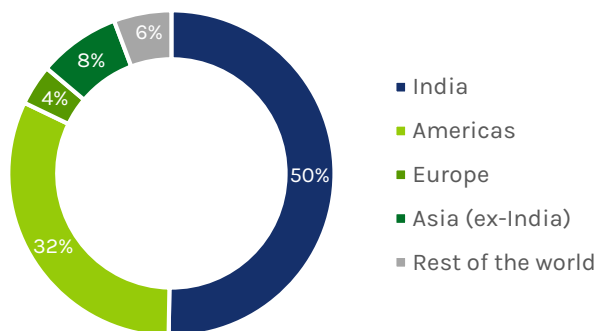
The revenue from human nutrition segment increased by 23% to ₹ 807 million in Q1 FY24 as compared to ₹ 994 million in Q1 FY23. This growth is on account of API and Bio-catalysis division.

The Animal nutrition remained muted by delivering a growth of mere 1% to ₹ 158 million in Q1 FY24 as against ₹ 156 million in Q1 FY23.

The Bio-Processing segment outperformed by 22% during the quarter, it accounted for ₹ 224 million in Q1 FY24 as compared to ₹ 183 million in Q1 FY23. In this segment, food business grew by 26% to ₹ 185 million on y-o-y basis during Q1 FY23. The Non-Food business grew by 6% to stood at ₹ 39 million during the quarter.

The Specialized manufacturing segment contributed 7% in the pie which is ₹ 97 million to the revenue during the quarter, an increase of 50% on y-o-y basis.

Geographical Revenue:



The total revenue comprises of International sales amounting to ₹ 736 million in Q1 FY24 as compared to ₹ 662 million in Q1 FY23, an increase of 11%. The revenue increased by 2% in Americas and registered a strong growth of 1065% in rest of the world while it registered a decline of 9% in Europe and 5% in Asia (ex-India).

Domestic sales accounted for ₹ 737 million in Q1 FY24 as compared to ₹ 550 million in Q1 FY23, a robust growth of 34%.

The domestic sales constituted about 50% of revenue from operations during Q1 FY24 as compared to 45% during Q1 FY23. International sales were 50% of revenue from operations during Q1 FY24 as compared to 55% during Q1 FY23.

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

Revenue from Operations:

Revenue from operations on consolidated basis increased to ₹ 1,473 million in the Q1 FY24 from ₹ 1,387 million in the Q4 FY23, a growth of 6%.

Profit:

Consolidated EBITDA during Q1 FY24 remained flat and stands at ₹ 440 million as compared to ₹ 441 million during Q4 FY23.

Profit before tax stands at ₹ 414 million during Q1 FY24 as against ₹ 421 million in Q4 FY23, slight decline of 2%

Profit after tax de-grew by 8% and stands at

₹ 294 million during Q1 FY24 as compared to ₹ 321 million during the Q4 FY23.

Financial Costs:

Financial costs stood at ₹ 7 million during Q1 FY24 as against ₹ 6 million during the Q4 FY23.

Depreciation and Amortization:

Depreciation and Amortization charge for the Q1 FY24 is ₹ 86 million as compared to ₹ 84 million in the last quarter.

Earnings Per Share:

Earnings Per Share during Q1 FY24 stands at ₹ 2.58 as compared to ₹ 2.87 in Q4 FY23.

OPERATIONAL PERFORMANCE REVIEW:

Segmental Revenue:

(Amount in INR Mn.)	Q1 FY24	Q4 FY23	Change (%)
Human Nutrition	994	877	13
Animal Nutrition	158	206	-23
Bio-Processing	224	192	17
Specialized Manufacturing	97	113	-14

The human nutrition segment increased by 13% to ₹ 994 million in Q1 FY24 as compared to ₹ 877 million in Q4 FY23.

The Animal nutrition de-grew by 23 % to ₹ 158 million in Q1 FY24 as against ₹ 206 million in Q4 FY23.

The Bio-Processing segment outperformed by 17% during the quarter, it accounted ₹ 224

million in Q1 FY24 as compared to ₹ 192 million in Q4 FY23. In this segment, the food business grew by 24% to ₹ 185 million, while the Non-Food business de-grew by 9% to ₹ 39 million, during the quarter in comparison to Q4 FY23

The Specialized manufacturing segment de-grew by 14% to ₹ 97 million in Q1 FY24 from ₹ 113 million in Q4 FY23

Geographical Revenue:

The total revenue comprises of International sales amounting to ₹ 736 million in Q1 FY24 as compared to ₹ 636 million in Q4 FY23, an increase of 16%. The revenue grew by 17% in Americas, 11% in Asia (ex-India), 225% in rest of the world while it de-grew by 36% in Europe.

Domestic sales accounted for ₹ 737 million in

Q1 FY24 as compared to ₹ 752 million in Q4 FY23, a slight decline of 2%.

The domestic sales constituted about 50% of revenue from operations during Q1 FY24 as compared to 54% during Q4 FY23. International sales were 50% of revenue from operations during Q1 FY24 as compared to 46% during Q4 FY23.

OUTLOOK 2023-24

Advanced Enzymes is constantly working towards improving and strengthening its business model, and will continue to focus on all three divisions - Human Nutrition, Animal Nutrition and Bio-Processing including developing, adding and launching more products in the target market of probiotics. The Company is confident that its existing capacities and capital investments would serve well to expand its enzymes and probiotics business.

Human Nutrition:

The Company already have B2C business in USA, which is performing well. The same business model is being replicated by the Company in India to explore avenues and accelerate growth. It will continue its focus and thrust on expanding B2C business in Human Nutrition business. The Company launched Wellfa, its own B2C nutraceutical brand targeting Indian customers, it offers immune support, skin care, gut health, metabolism boosters, detox solutions, weight management aids, stress relief and respiratory health products and much more.

This segment should be the next interesting growth driver for the Company. It is also exploring other online avenues for selling the products through parallel online sales channels.

Animal Nutrition:

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

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

Probiotics:

The Company is in the process to introduce more probiotics products in Human Nutrition for the immunity development, active health

food, gut health and various nutraceutical applications. In the Animal Nutrition, the Company is determined to launch more products on immunity development, digestion improvement, and increase nutritional level of feed.

Bio Catalysis:

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

Baking:

The Company has several enzymes for the food processing segment, have filed 12 dossiers with European Food Safety Authority (EFSA) and got positive news for 4 of the product dossiers. The product line is equally good in terms of efficacy and performance as compared to existing market players. The Company has seen positive response post pandemic. It is confident to expand in Europe, Americas and Rest of World to tap the available opportunities by offering a value based approach in the Baking Industry.

R&D:

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

Inorganic expansion:

The Company has a robust record of accomplishment of growing inorganically. In the past 5 years, the Company has made 4 successful acquisitions through internal accruals maintaining its record of being zero debt company. It may keep looking for strategical acquisitions that may further strengthen its front-end marketing capabilities, geographical reach, product portfolio and B2C business.

RESULTS CONFERENCE CALL DETAILS

Advanced Enzymes will hold an earnings conference call on 16th August 2023, Wednesday at 16:00 Hours IST to discuss quarterly performance. The transcript of the call will be available later in the Investor Relations section on the Company's website, www.advancedenzymes.com

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

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

[Pre-registration link](#)

For further information, please contact:

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Investor Relations

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ABOUT ADVANCED ENZYME TECHNOLOGIES LIMITED

Advanced Enzyme Technologies Limited, incorporated in 1989, is a research driven company with global leadership in the manufacturing of enzymes and probiotics. We are committed to providing eco-safe solutions to a wide variety of industries like human health care and nutrition, animal nutrition, baking, fruit & vegetable processing, brewing & malting, grain processing, protein modification, dairy processing, specialty applications, textile processing and others. Our aim is to replace traditionally used chemicals with eco-friendly enzymatic solutions.

Equipped with state-of-the-art 9 manufacturing facilities and 7 research & development locations across India, Germany and US, Advanced Enzymes exports to 45+ countries across 6 continents, and provides customized & effective enzyme solutions coupled with the best in technical advice & superior service.

Advanced Enzymes has received the Bio-Excellence award for being the Best Industrial Biotech Company at Bangalore India Bio in 2010 as well as 2014. In 2013, Advanced Enzymes has also been recognised by Inc. India, as one of the top 500 fastest-growing mid-sized companies in India, Excellence in R&D at UBM India Pharma Awards 2018. Advanced Enzymes has also been recipient of the Emerging India Award in 2010, in the Life Sciences category, by CNBC TV18 and ICICI Bank. Advanced Enzymes has also been awarded for Best IPO at IR Society Awards 2017, by Investor Relation Society of India in association with BSE, KPMG India and Bloomberg.

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements with respect to Advanced Enzyme Technologies' future (financial) performance and position. Such statements are based on current expectations, estimates and information currently available to the company.

Advanced Enzyme Technologies Limited cautions readers that such statements involve certain risks and uncertainties that are difficult to predict and therefore it should be understood that many factors can cause actual performance and position to differ materially from these statements. The company has no obligation to update the statements contained in this press release, unless required by law.