

February 10, 2024

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 10, 2024, titled "Quarterly Earnings Release dated February 10, 2024"

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 10, 2024

Advanced Enzyme Technologies Limited announces Financial Results for Third Quarter and Nine months ended December 2023

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

CONSOLIDATED QUARTERLY FINANCIAL HIGHLIGHTS:

(Amount in INR Mn.)	Q3 FY24	Q2 FY24	Q3 FY23	Change (Y-o-Y %)	Change (Q-o-Q %)	9M FY24	9M FY23	Change (%)
Revenue	1,609	1,578	1,421	13	2	4,661	4,019	16
EBITDA	538	513	417	29	5	1,491	1,123	33
EBITDA Margin (%)	33	33	29			32	28	
PAT	425	352	279	52	21	1,071	718	49
PAT Margin (%)	26	22	20			23	18	
EPS	3.74	3.08	2.63	42	21	9.39	6.57	43

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

Revenue from Operations:

Revenue from operations on consolidated basis increased to ₹ 1,609 million in the Q3 FY24 from ₹ 1,421 million in the Q3 FY23, a growth of 13%.

Profit:

Consolidated EBITDA during Q3 FY24 stands at ₹ 538 million as compared to ₹ 417 million during Q3 FY23, an increase of 29%.

Profit before tax stands at ₹ 589 million during Q3 FY24 as against ₹ 404 million in Q3 FY23, an increase of 46%.

Profit after tax grew by 52% and stands at ₹ 425 million during Q3 FY24 as compared to ₹ 279 million during the Q3 FY23, an increase of 52%.

Margin:

EBITDA margin stands at 33%, PBT margin stands at 37% and PAT margin stands at 26% during the quarter.

Financial Costs:

Financial costs stood at ₹ 7 million during Q3 FY24 as against ₹ 6 million in Q3 FY23.

Depreciation and Amortization:

Depreciation and Amortization charge for the Q3 FY24 stood at ₹ 86 million as compared to ₹ 91 million, the same quarter previous year.

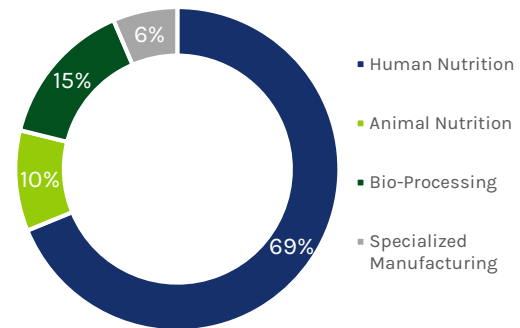
Earnings Per Share:

Earnings Per Share during Q3 FY24 stands at ₹ 3.74 as compared to ₹ 2.63 in Q3 FY23.

OPERATIONAL PERFORMANCE REVIEW:

Segmental Revenue:

(Amount in INR Mn.)	Q3 FY24	Q3 FY23	Change (%)
Human Nutrition	1,107	934	19
Animal Nutrition	162	175	-8
Bio-Processing	236	226	5
Specialized Manufacturing	104	86	20



The total revenue from operations grew by 13% on y-o-y basis and 2% on q-o-q basis.

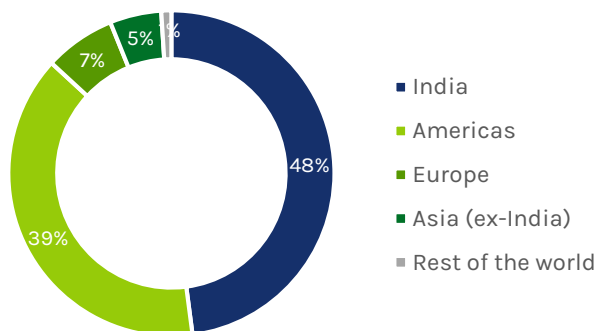
The revenue from human nutrition segment increased by 19% to ₹ 1,107 million in Q3 FY24 as compared to ₹ 934 million in Q3 FY23. This growth is on account of API, Probiotics and Nutrition.

The Animal nutrition segment declined by 8% to ₹ 162 million in Q3 FY24 as against ₹ 175 million in Q3 FY23.

The Bio-Processing segment grew by 5% during the quarter, it accounted for ₹ 236 million in Q3 FY24 as compared to ₹ 226 million in Q3 FY23. In this segment, food business performed well, it grew by 21% to ₹ 193 million on y-o-y basis during Q3 FY24. The Non-Food business de-grew by 36% to stand at ₹ 43 million during the quarter.

The Specialized manufacturing segment contributed 6% in the pie which is ₹ 104 million to the revenue during the quarter, an increase of 20% on y-o-y basis.

Geographical Revenue:



compared to 42% during Q3 FY23. International sales were 52% of revenue from operations during Q3 FY24 as compared to 58% during Q2 FY23.

The total revenue comprises of International sales amounting to ₹ 842 million in Q3 FY24 as compared to ₹ 828 million in Q3 FY23, an increase of 2%. The revenue increased by 15% in Americas and 16% in Europe. While it registered a de-growth of 44% & 42% in Asia (ex-India) and Rest of the world, respectively.

Domestic sales accounted for ₹ 767 million in Q3 FY24 as compared to ₹ 593 million in Q3 FY23, a robust growth of 29%.

The domestic sales constituted about 48% of revenue from operations during Q3 FY24 as

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

Revenue from Operations:

Revenue from operations on consolidated basis increased to ₹ 1,609 million in the Q3 FY24 from ₹ 1,578 million in the Q2 FY24, a growth of 2%.

Profit:

Consolidated EBITDA during Q3 FY24 stands at ₹ 538 million as compared to ₹ 513 million during Q2 FY24, an increase of 5%

Profit before tax stands at ₹ 589 million during Q3 FY24 as against ₹ 479 million in Q2 FY24, an increase of 23%

Profit after tax grew by 21% and stands at ₹ 425 million during Q3 FY24 as compared to

₹ 352 million during Q2 FY24, an increase of 21%

Financial Costs:

Financial costs remained unchanged at ₹ 7 million during Q3 FY24 as against previous quarter.

Depreciation and Amortization:

Depreciation and Amortization charge for the Q3 FY24 is ₹ 86 million as compared to ₹ 87 million in the last quarter.

Earnings Per Share:

Earnings Per Share during Q3 FY24 stands at ₹ 3.74 as compared to ₹ 3.08 in Q2 FY24.

OPERATIONAL PERFORMANCE REVIEW:

Segmental Revenue:

(Amount in INR Mn.)	Q3 FY24	Q2 FY24	Change (%)
Human Nutrition	1,107	1,059	5
Animal Nutrition	162	173	-6
Bio-Processing	236	243	-3
Specialized Manufacturing	104	103	1

The human nutrition segment increased by 5% to ₹ 1,107 million in Q3 FY24 as compared to ₹ 1,059 million in Q2 FY24.

The Animal nutrition de-grew by 6 % to ₹ 162 million in Q3 FY24 as against ₹ 173 million in Q2 FY24.

The Bio-Processing segment de-grew by 3% during the quarter, it accounted ₹ 236 million

in Q3 FY24 as compared to ₹ 243 million in Q2 FY24. In this segment, the food business de-grew by 4% to ₹ 193 million, while the Non-Food business grew by 2% to ₹ 43 million, during the quarter in comparison to Q2 FY24

The Specialized manufacturing segment grew by mere 1% to ₹ 104 million in Q3 FY24 from ₹ 103 million in Q2 FY24

Geographical Revenue:

The total revenue comprises of International sales amounting to ₹ 842 million in Q3 FY24 as compared to ₹ 750 million in Q2 FY24, an increase of 12%. The revenue grew by 32% in Americas, 35% in Europe, while it de-grew by 39% in Asia (ex-India) and 62% in rest of the world.

Domestic sales accounted for ₹ 767 million in

Q3 FY24 as compared to ₹ 828 million in Q2 FY24, a decline of 7%.

The domestic sales constituted about 48% of revenue from operations during Q3 FY24 as compared to 52% during Q2 FY24. International sales were 52% of revenue from operations during Q3 FY24 as compared to 48% during Q2 FY24.

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

Revenue from Operations:

Revenue from operations on consolidated basis increased to ₹ 4,661 million in the 9M FY24 from ₹ 4,019 million in the 9M FY23, reported an increase of 16%.

Profit:

Consolidated EBITDA during 9M FY24 stands at ₹ 1,491 million as compared to ₹ 1,123 million during 9M FY23, growth of 33%.

Profit before tax stands at ₹ 1,482 million during 9M FY24 as against ₹ 983 million in 9M FY23, an increase of 51%

Profit after tax stands at ₹ 1,071 million during 9M FY24 as compared to ₹ 718 million during the 9M FY23, an increase of 49%.

Margin:

EBITDA margin stands at 32%, PBT margin stands at 32% and PAT margin stands at 23% during the 9M FY24.

Financial Costs:

Financial costs stood at ₹ 7 million during 9M FY24 as against ₹ 18 million in 9M FY23

Depreciation and Amortization:

Depreciation and Amortization charge for the 9M FY24 is ₹ 260 million as compared to ₹ 266 million in 9M FY23.

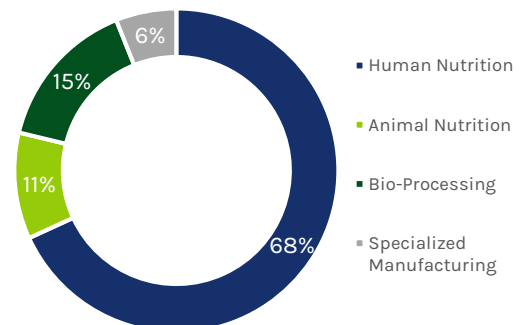
Earnings Per Share:

Earnings Per Share during 9M FY24 stands at ₹ 9.39 as compared to ₹ 6.57 in 9M FY23.

OPERATIONAL PERFORMANCE REVIEW:

Segmental Revenue:

(Amount in INR Mn.)	9M FY24	9M FY23	Change (%)
Human Nutrition	3,161	2,679	18
Animal Nutrition	492	504	-2
Bio-Processing	704	602	17
Specialized Manufacturing	304	234	30



The total revenue from operations grew by 16% on y-o-y basis.

The human nutrition segment outperformed by 18% to ₹ 3,161 million in 9M FY24 as compared to ₹ 2,679 million in 9M FY23.

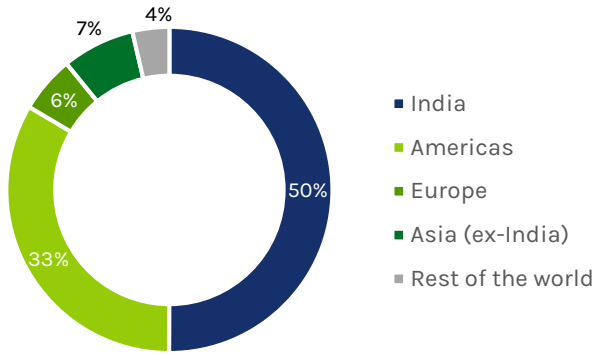
The Animal nutrition segment de-grew by 2% to ₹ 492 million in 9M FY24 as against ₹ 504 million in 9M FY23.

The Bio-Processing segment grew by 17% during the nine months, it accounted for ₹ 704 million

in 9M FY24 as compared to ₹ 602 million in 9M FY23. In this segment, food business contributed 12% and stood at ₹ 579 million while the Non-Food business contributed 3% and stood at ₹ 125 million delivering a growth of 30% & de-growth of 20% respectively, during 9M FY24.

The Specialized manufacturing segment contributed 6% to the revenue stream. This segment grew by 30% to stood at ₹ 304 million to the revenue during 9M FY24.

Geographical Revenue:



as compared to 45% during 9M FY23. International sales were 50% of revenue from operations as compared to 55% during 9M FY23.

The total revenue comprises of International sales amounting to ₹ 2,329 million in 9M FY24 as compared to ₹ 2,214 million in 9M FY23, growth of 5%. The revenue grew by 3% in Americas, 4% in Europe and rest of the world registered a growth of 114%, while de-grew by 8% in Asia (ex-India).

Domestic sales accounted for ₹ 2,332 million in 9M FY24 as compared to ₹ 1,805 million in 9M FY23, increase of 29%.

The domestic sales constituted about 50% of the revenue from operations during 9M FY24

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 February 2024, Friday 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.