



**Advanced Enzyme Technologies Ltd.**

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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: Earnings Presentation**

**Ref: ISIN: INE837H01020**

**Dear Sir/Madam,**

Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed is Earnings Presentation for the quarter and nine months ended December 31, 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



*advanced enzymes*  
Where ENZYME is Life

# Advanced Enzyme Technologies Limited

Earnings Presentation  
February 2024

## Safe Harbour Statement

This presentation contains forward-looking statements that reflect management's current views with respect to certain future events and potential financial performance. Forward-looking statements are other than statements of historical facts. The words "believe," "expect," "anticipate," "intend," "estimate," "outlook," "will," "may," "continue," "should" and similar expressions identify forward-looking statements.

Forward-looking statements include statements regarding objectives, goals, strategies, outlook and growth prospects; future plans, events or performance and potential for future growth; liquidity, capital resources and capital expenditures; economic outlook and industry trends; developments of the Company's markets; the impact of regulatory initiatives; and the strength of competitors. The forward-looking statements in this presentation are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management's examination of historical operating trends, data contained in records and other data available from third parties.

Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and maybe beyond our control. Such risks, uncertainties, contingencies and other important factors could cause the actual results of the Company or the industry to differ materially from those results expressed or implied in this presentation by such forward-looking statements.

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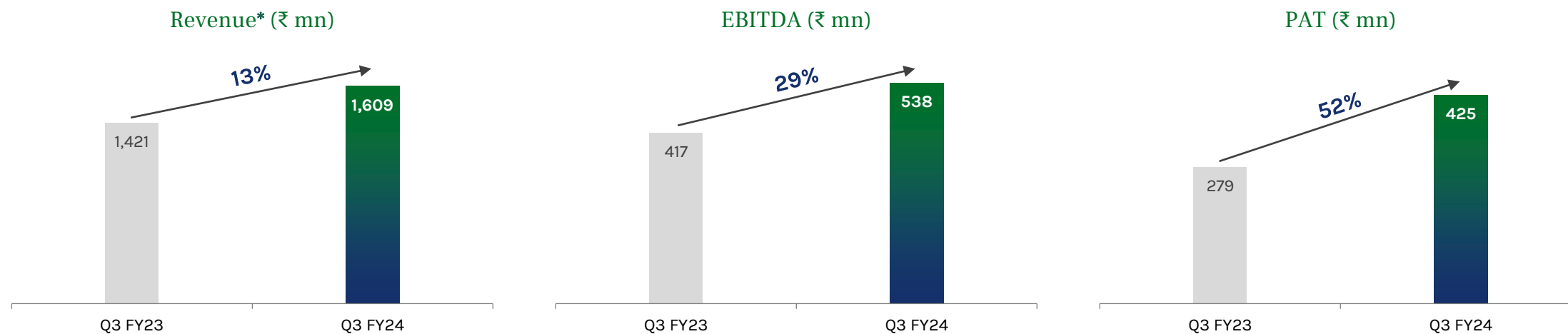
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## Results Summary – Q3 FY24 (Consolidated) Y-o-Y



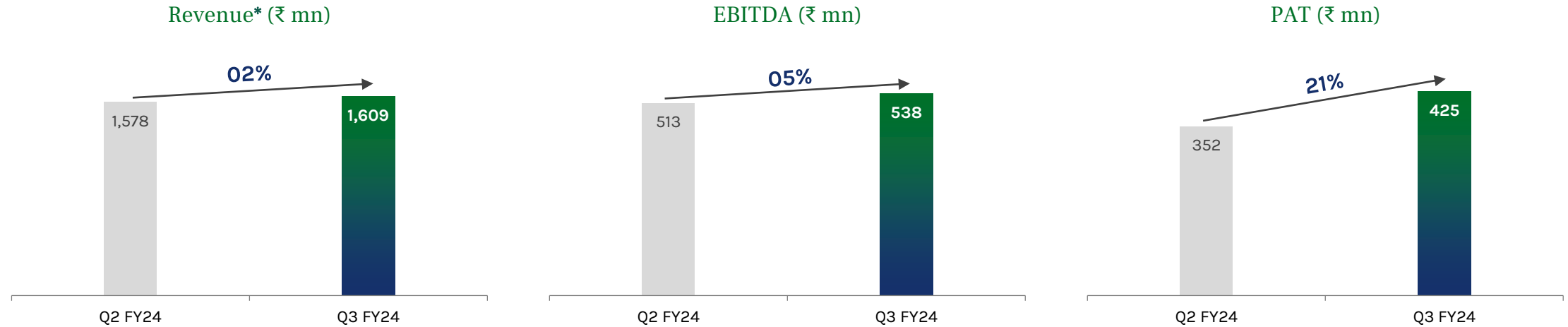
- Revenue grew by 13% on y-o-y basis to ₹ 1,609 million in the Q3 FY24 from ₹ 1,421 million in the Q3 FY23
- EBITDA grew by 29% to ₹ 538 million in the Q3 FY24 as against ₹ 417 million in Q3 FY23 on y-o-y basis
- PAT increased to ₹ 425 million in the Q3 FY24 from ₹ 279 million in the Q3 FY23, a growth of 52% on y-o-y basis
- EBITDA margin and PAT margin during Q3 FY24 stands at 33% and 26% respectively

Notes:

1. On Consolidated Basis
2. PAT is before minority
3. Ind AS adjustments are carried out on account of commission, discount. And provision for sales return



## Results Summary – Q3 FY24 (Consolidated) Q-o-Q

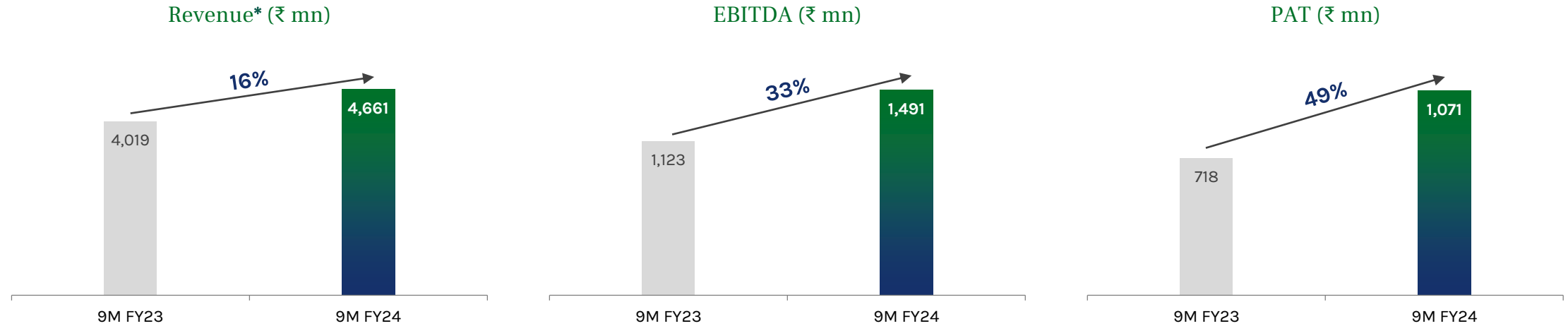


- Revenue grew by 02% on q-o-q basis to ₹ 1,609 million in the Q3 FY24 from ₹ 1,578 million in the Q2 FY24
- EBITDA grew by 05% to ₹ 538 million in the Q3 FY24 as against ₹ 513 million in Q2 FY24 on sequential basis
- PAT appreciated to ₹ 425 million in the Q3 FY24 from ₹ 352 million in the Q2 FY24, a growth of 21% on q-o-q basis

Notes:

1. On Consolidated Basis
2. PAT is before minority
3. Ind AS adjustments are carried out on account of commission, discount. And provision for sales return

# Results Summary – 9M FY24 (Consolidated) Y-o-Y

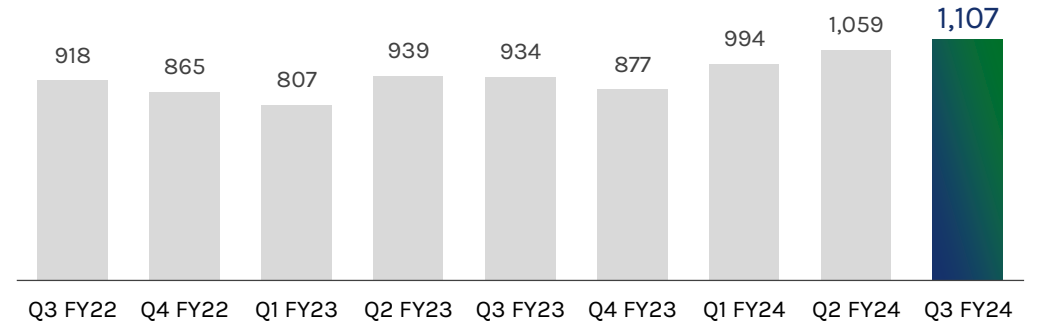
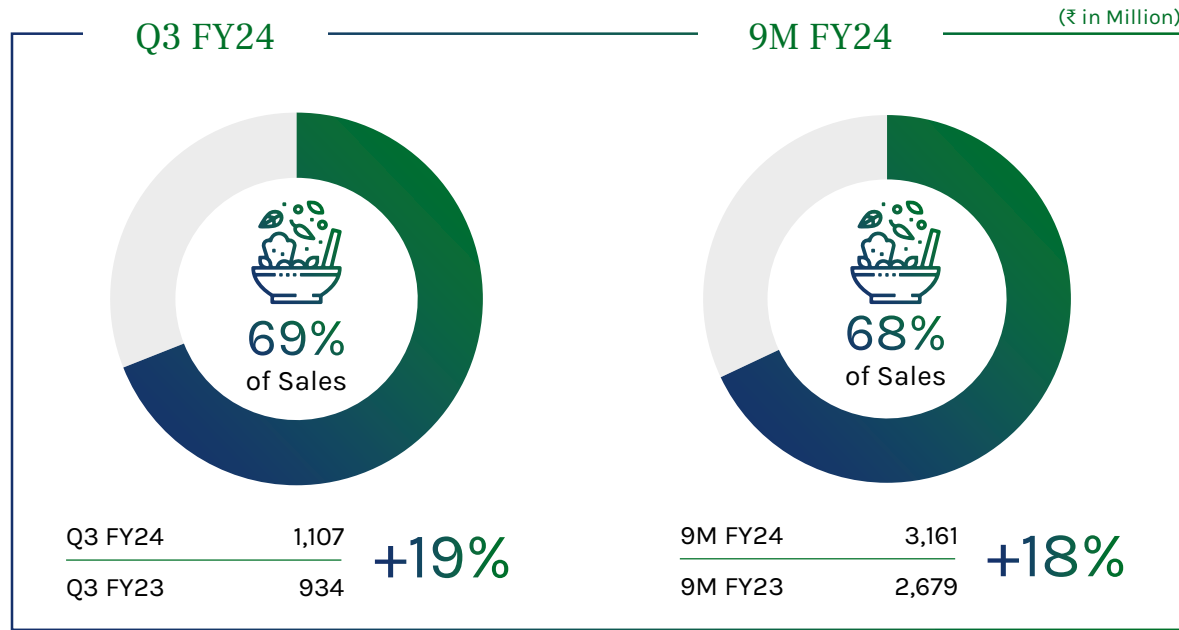


- Revenue grew by 16% on y-o-y basis to ₹ 4,661 million in the 9M FY24 from ₹ 4,019 million in the 9M FY23
- EBITDA grew by 33% to ₹ 1,491 million in the 9M FY24 as against ₹ 1,123 million in 9M FY23 on y-o-y basis
- PAT increased to ₹ 1,071 million in the 9M FY24 from ₹ 718 million in the 9M FY23, an uptick of 49% on y-o-y basis
- EBITDA margin and PAT margin during 9M FY24 stands at 32% and 23% respectively

Notes:

1. On Consolidated Basis
2. PAT is before minority
3. Ind AS adjustments are carried out on account of commission, discount. And provision for sales return

# Human Nutrition



**Commentary:**

- The human nutrition segment contributed around 69% during the quarter to the total revenue from operations
- This segment grew by 19% during the quarter from ₹ 934 million in Q3 FY23 to ₹ 1,107 million in Q3 FY24 whereas it grew by 5% on sequential basis

**Commentary:**

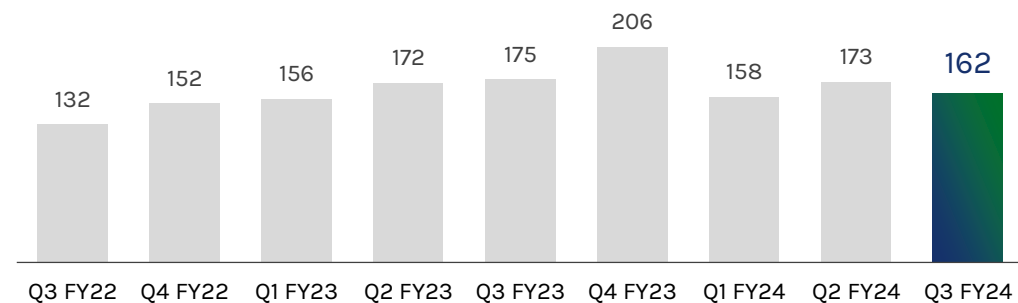
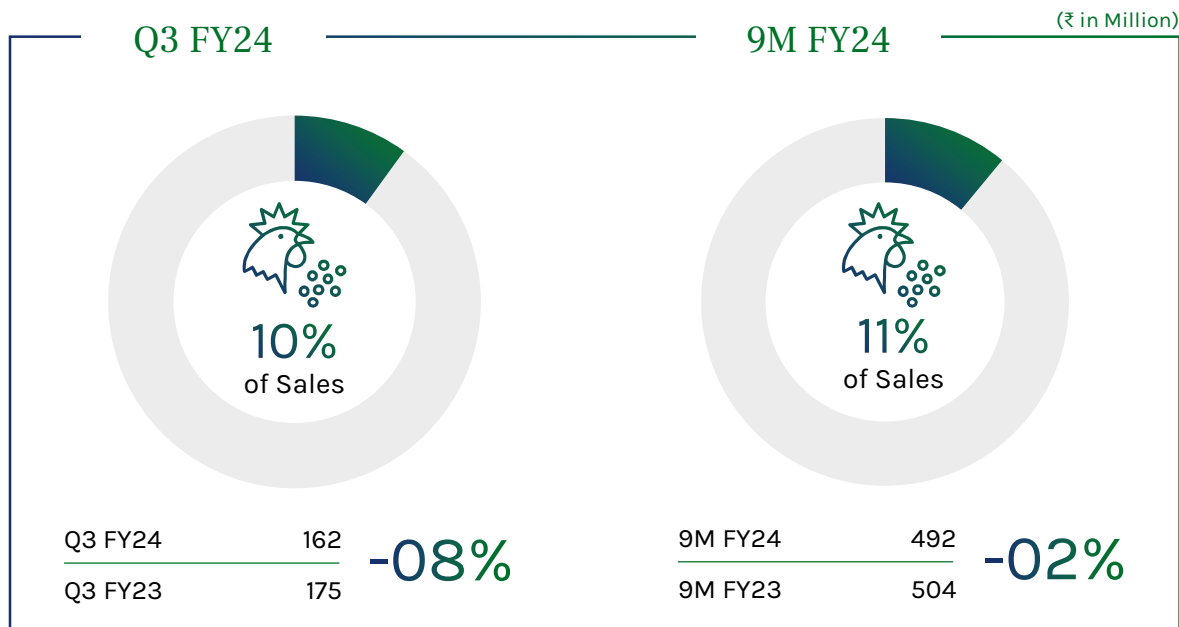
- The human nutrition segment contributed around 68% during the nine months (YTD) in the total revenue from operations
- This segment grew by 18% during the nine months (YTD) from ₹ 2,679 million in 9M FY23 to ₹ 3,161 million in 9M FY24

Notes:  
All the decimals are rounded off to their relevant nearest number





# Animal Nutrition



## Commentary:

- The animal nutrition segment contributed around 10% during the quarter to the total revenue from operations
- This segment de-grew by 8% during the quarter from ₹ 175 million in Q3 FY23 to ₹ 162 million in Q3 FY24 whereas it de-grew by 6% on sequential basis

## Commentary:

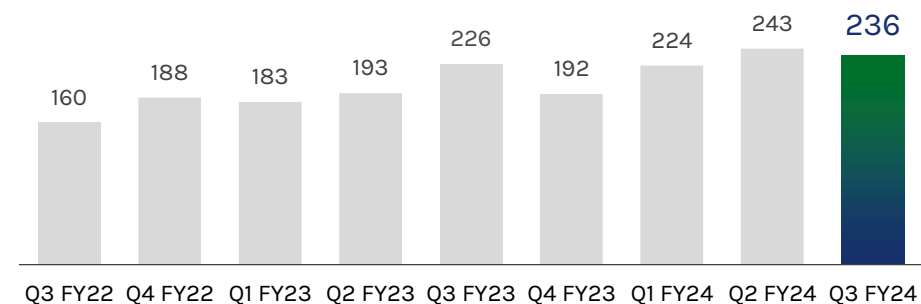
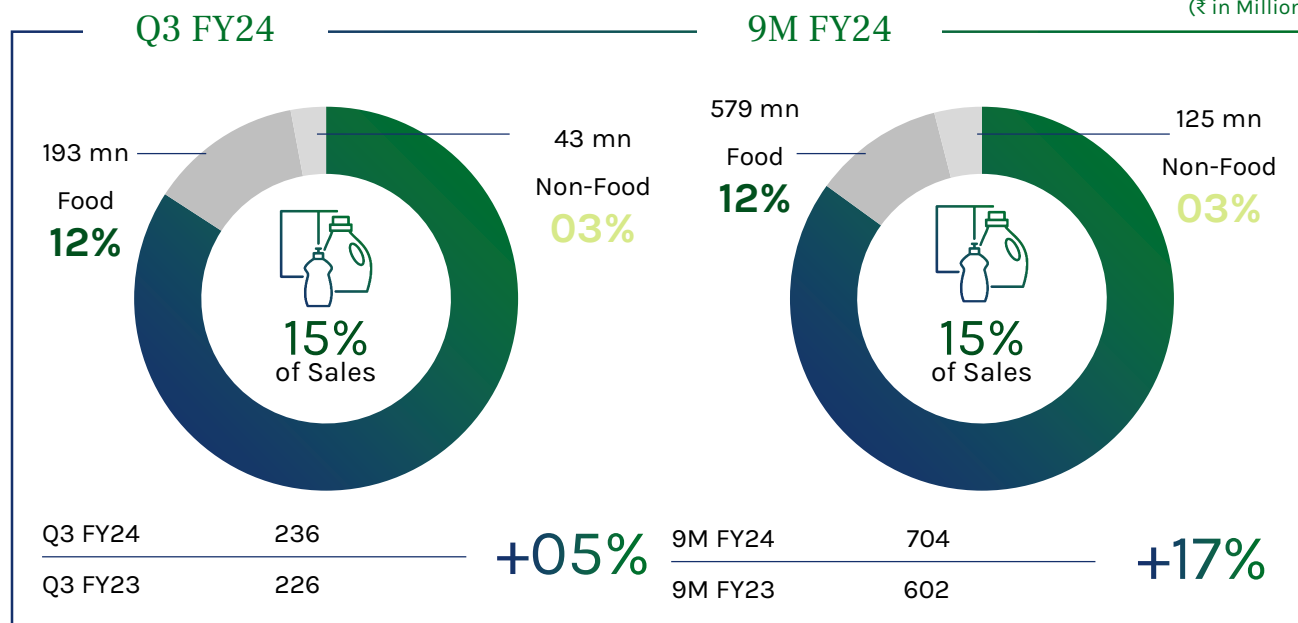
- The animal nutrition segment contributed around 11% during the nine months (YTD) in the total revenue from operations
- This segment de-grew by 2% on y-o-y basis to ₹ 504 million in 9M FY24 as against ₹ 492 million in 9M FY23

Notes:  
All the decimals are rounded off to their relevant nearest number



# Industrial Bio-Processing

(₹ in Million)



## Commentary:

- The Industrial Bio-Processing segment contributed about 15% during the quarter to the total revenue from operations
- This segment grew by 5% on y-o-y basis to ₹ 236 million in Q3 FY24 from ₹ 226 million in Q3 FY23 while it de-grew by 3% on q-o-q basis
- In this segment, food business contributed 12% to the overall revenue and stood at ₹ 193 million while the Non-Food business contributed 03% and stood at ₹ 43 million during the quarter. The food business increased by 21% and Non-food business registered a de-growth of 36% on y-o-y basis

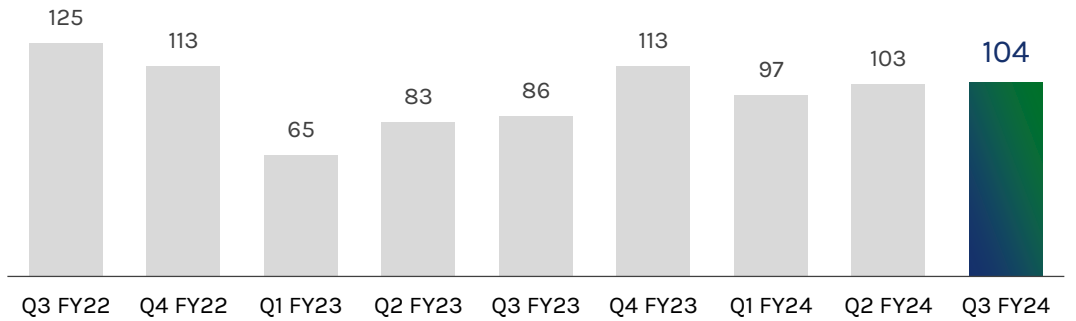
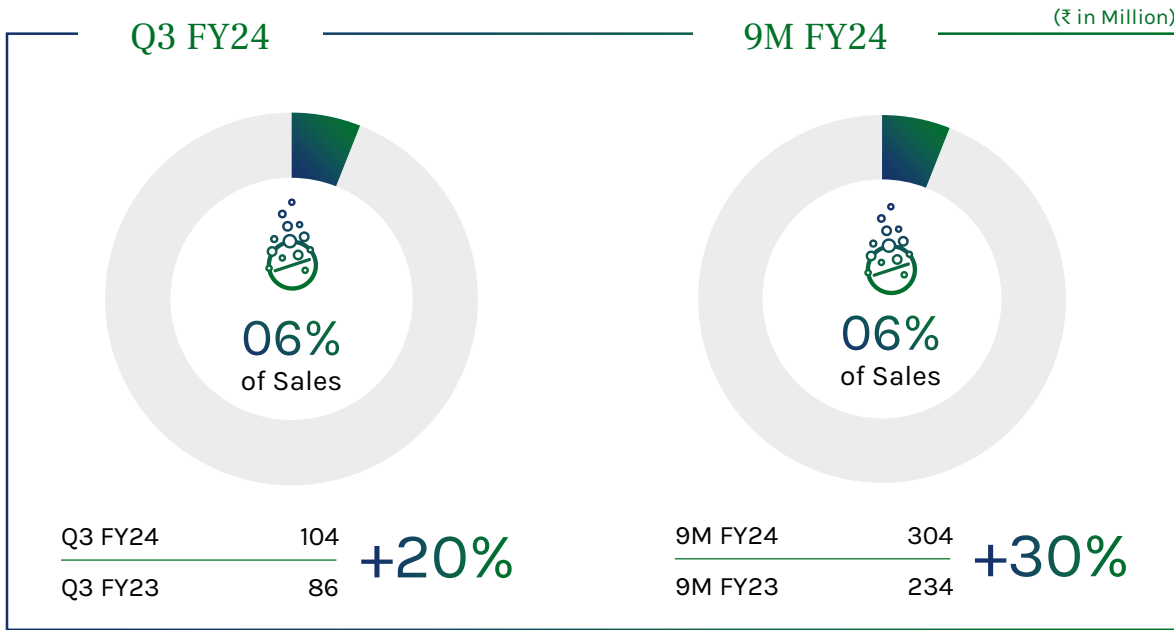
## Commentary:

- The Industrial Bio Processing segment contributed about 15% during the nine months (YTD) in the total revenue from operations
- This segment grew by 17% on y-o-y basis to ₹ 704 million in 9M FY24 from ₹ 602 million in 9M FY23
- In this segment, food business contributed 12% to the overall revenue and stood at ₹ 579 million while the Non-Food business contributed 3% and stood at ₹ 125 million during the year. The food business grew by 30% while the Non-food business registered a de-growth of 20% on y-o-y basis

Notes:  
All the decimals are rounded off to their relevant nearest number



# Specialized Manufacturing



**Commentary:**

- This segment contributed about 6% during the quarter to the total revenue from operations
- This segment grew by 20% on y-o-y basis to ₹ 104 million in Q3 FY24, and on q-o-q basis it grew by 1%

**Commentary:**






- This segment contributed about 6% during the nine months (YTD) in the total revenue from operations
- This segment outperformed by 30% on y-o-y basis to ₹ 304 million in 9M FY24 from ₹ 234 million in 9M FY23

Notes:  
All the decimals are rounded off to their relevant nearest number



# Geographical Performance

(₹ in Million)

		Q3 FY24			9M FY24				
	India	48%	+29%	Q3 FY24 767	Q3 FY23 593	50%	+29%	9M FY24 2,332	9M FY23 1,805
	Americas	39%	+15%	Q3 FY24 623	Q3 FY23 543	33%	+03%	9M FY24 1,560	9M FY23 1,516
	Europe	07%	+16%	Q3 FY24 113	Q3 FY23 97	06%	+04%	9M FY24 262	9M FY23 251
	Asia*	05%	-44%	Q3 FY24 82	Q3 FY23 146	07%	-08%	9M FY24 336	9M FY23 367
	Rest of the World	01%	-42%	Q3 FY24 24	Q3 FY23 42	04%	+114%	9M FY24 171	9M FY23 80

Notes:

1. All the decimals are rounded off to their relevant nearest number
2. \*Asia is excluding India

# Profit & Loss (Consolidated) – Q3 FY24 & 9M FY24

(₹ in Million)

Particulars	Q3 FY24 Un-Audited	Q2 FY24 Un-Audited	Q3 FY23 Un-Audited	Y-o-Y (%)	Q-o-Q (%)	9M FY24 Un-Audited	9M FY23 Un-Audited	Y-o-Y (%)
Income from Operations	1,609	1,578	1,421	13%	2%	4,661	4,019	16%
Expenses	1,157	1,153	1,096	6%	0%	3,430	3,162	8%
Profit from Operations before Other Income, Finance Costs and Exceptional Item	452	425	325	39%	6%	1,231	857	44%
Other Income	144	61	85	69%	136%	272	144	89%
Profit from ordinary activities before Finance Costs and Exceptional Item	596	486	410	45%	23%	1,503	1,001	50%
Finance costs	7	7	6	17%	0%	21	18	17%
Profit from ordinary activities before tax	589	479	404	46%	23%	1,482	983	51%
Tax	164	127	125	31%	29%	411	265	55%
Net Profit for the period	425	352	279	52%	21%	1,071	718	49%
Earnings Per Share	3.74	3.08	2.63	42%	21%	9.39	6.57	43%

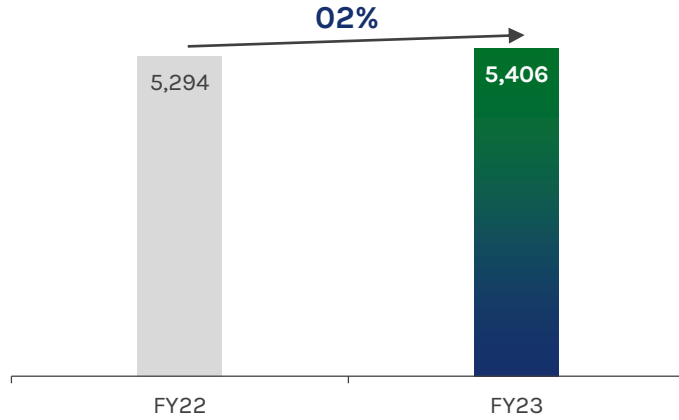
\*Notes:

1. On Consolidated Basis
2. PAT is before minority
3. Ind AS adjustments are carried out on account of commission, discount, and provision for sales return
4. All the decimals are rounded off to their relevant nearest number

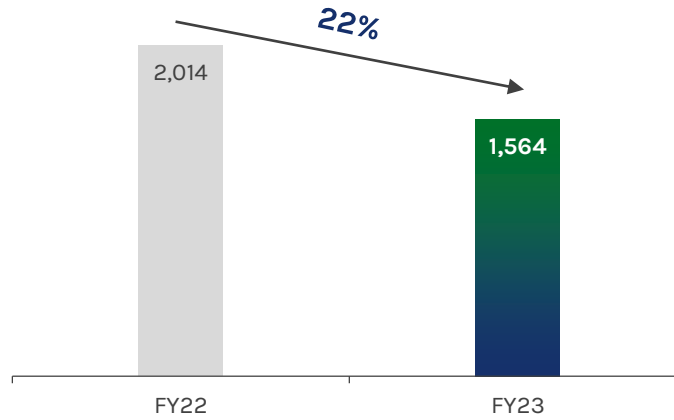
# Result summary-FY23 (Consolidated) Y-o-Y

(₹ in Million)

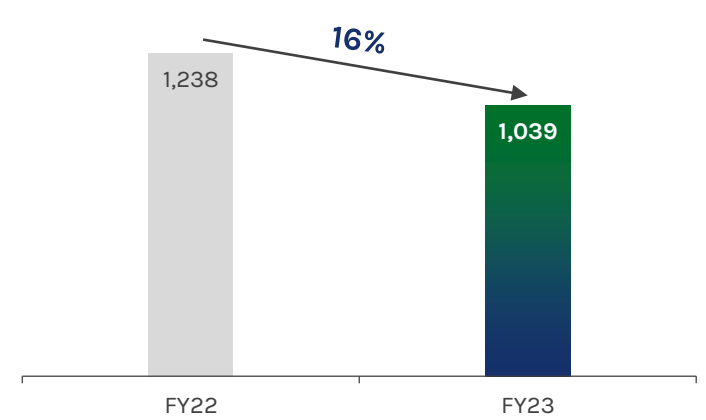
Revenue\* (₹ mn)



EBITDA (₹ mn)



PAT (₹ mn)



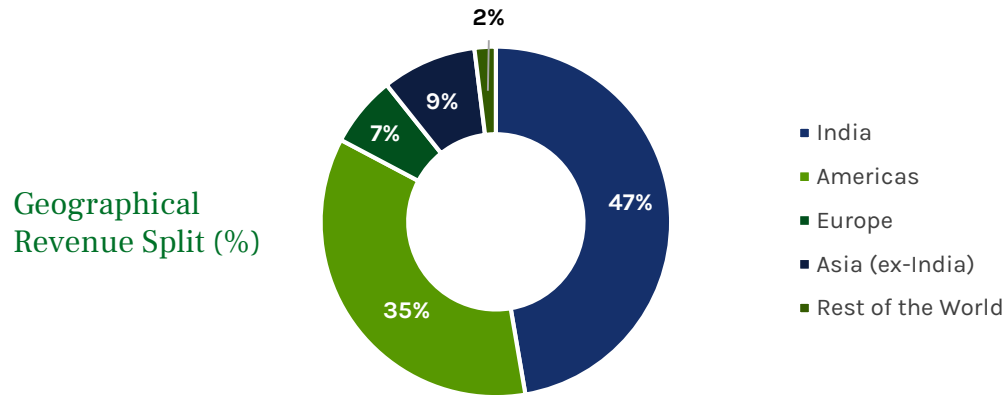
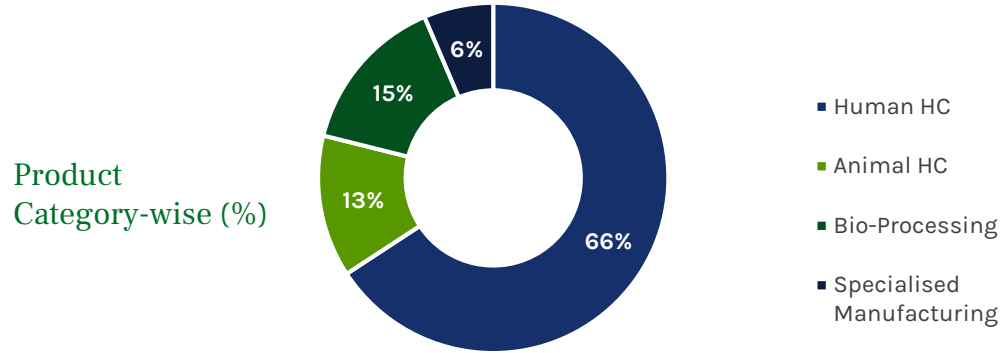
\*Notes:

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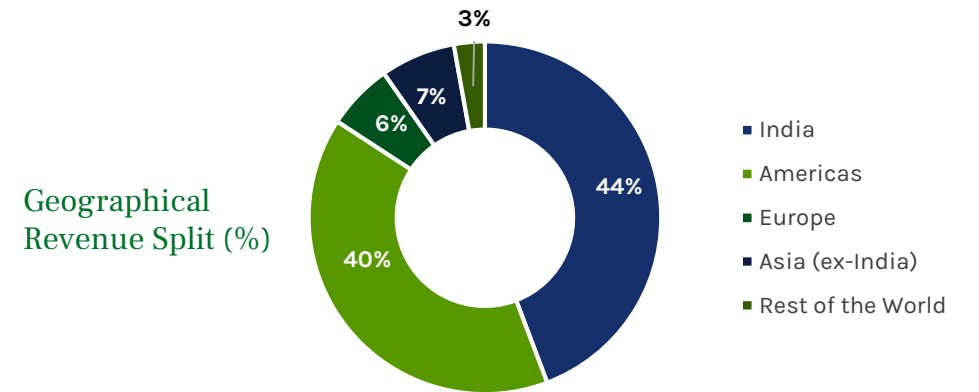
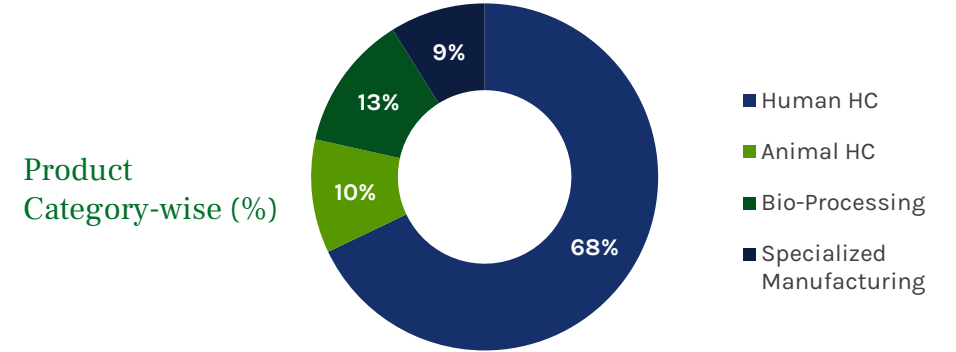


# Revenue Split – FY23 vs. FY22

FY23



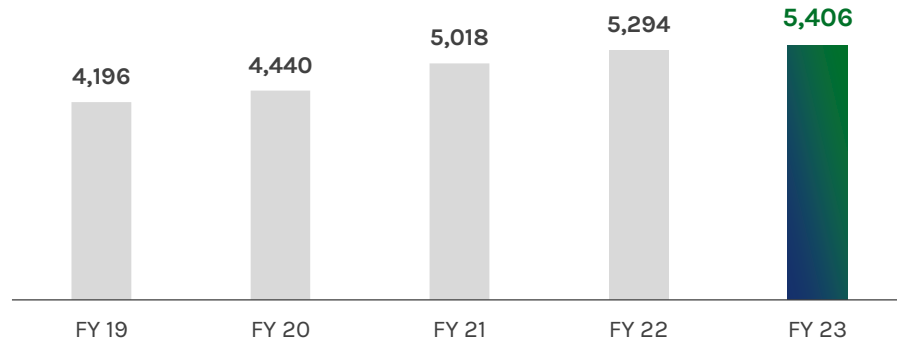
FY22



# Strong Financial Performance – FY23

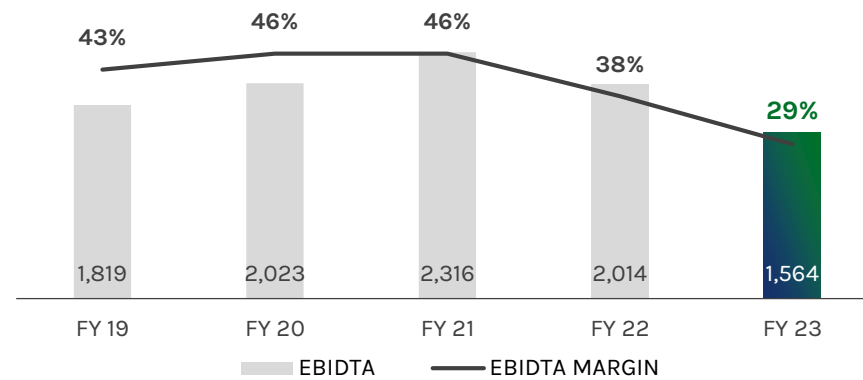
(₹ in Million)

### Revenue from Operations



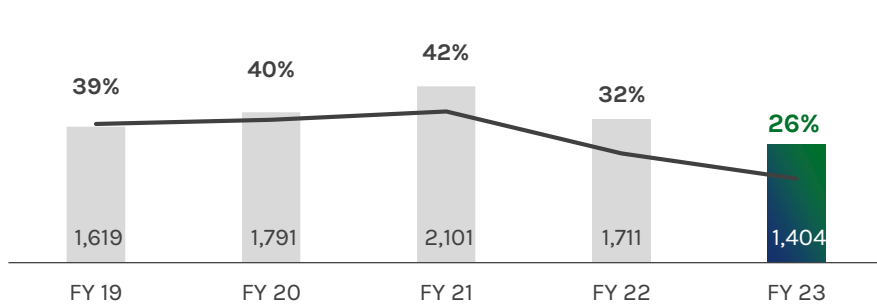
**CAGR  
6.54%**

### EBIDTA & EBIDTA Margin (%)



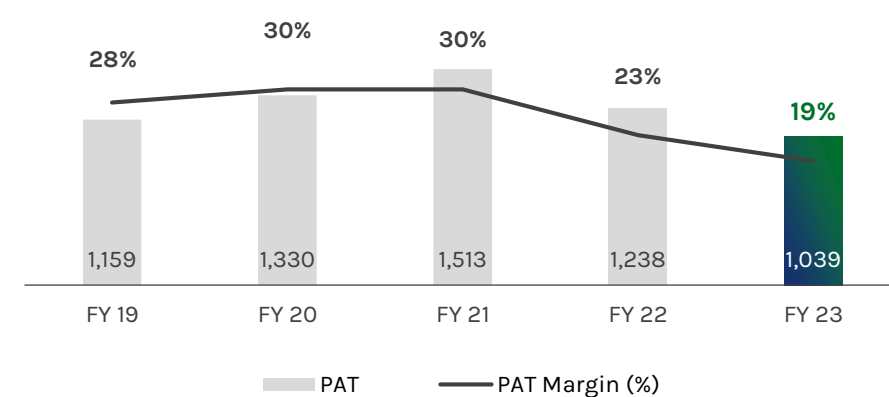
**CAGR  
-3.71%**

### PBT & PBT Margin (%)



**CAGR  
-3.50%**

### PAT & PAT Margin (%)



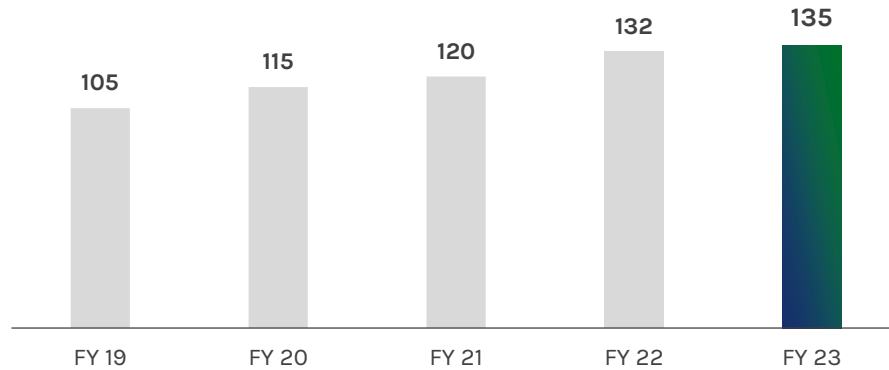
**CAGR  
2.70%**

\*Notes:

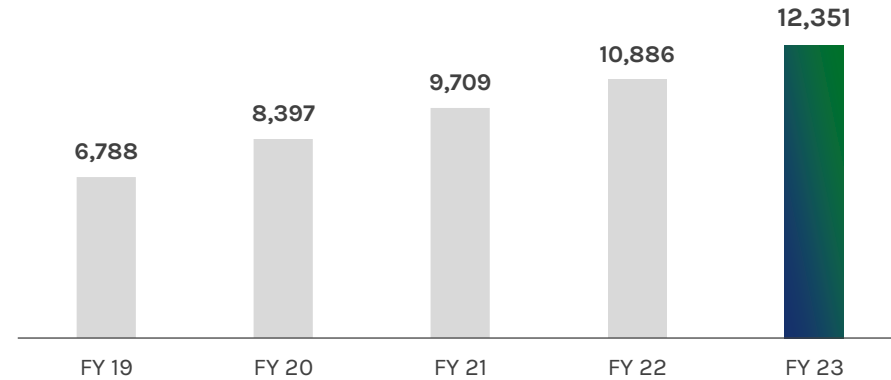
1. On Consolidated Basis
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# Strong Financial Performance - FY23

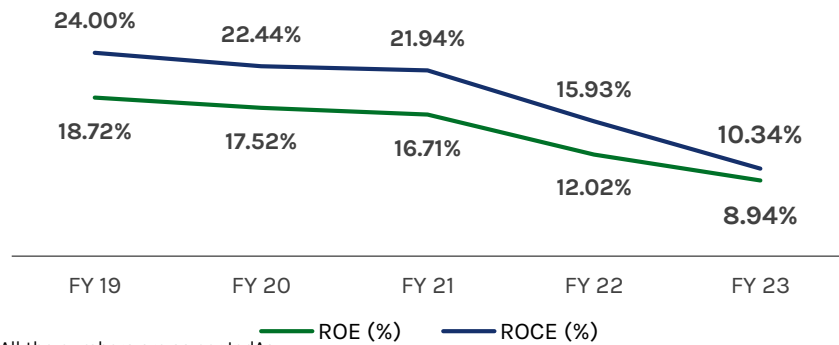
Net Working Capital (Days)



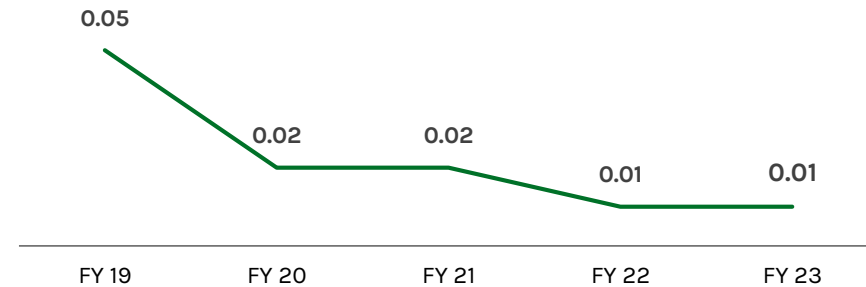
Net Worth (₹ mn)



ROE (%) & ROCE (%)



Net Debt to Equity (x)



**Note:** All the numbers are as per IndAs  
 All numbers are on Consolidated basis  
 Net working capital days = ((Trade receivables + inventories - Trade payables) / Revenue from operations) \* 365  
 Net Debt = Long term debt + short term debt + current maturities of long term debt - Cash & Cash Equivalent  
 ROE = Profit after tax / Average shareholder equity; ROCE = (Net Profit before Tax, Exceptional and extraordinary items + Finance cost) / Average (Net debt + Networkth)

# Balance Sheet (Consolidated)

(₹ in Million)

Particulars	FY23 Audited	FY22 Audited	FY21 Audited
<b>Assets</b>			
Property, plant and equipment	2,732	2,622	2,462
Capital work-in-progress	215	151	102
Intangible assets	550	609	693
Goodwill	3,209	2,961	2,887
Other non-current assets	291	289	258
Current assets	7,221	6,044	5,160
<b>Total Assets</b>	<b>14,218</b>	<b>12,676</b>	<b>11,562</b>
<b>Equity And Liabilities</b>			
Equity share capital	224	224	223
Other equity	12,127	10,662	9,486
Non-controlling interest	491	518	617
Non-current liabilities	601	668	560
Current liabilities	775	604	676
<b>Total – Equity and Liabilities</b>	<b>14,218</b>	<b>12,676</b>	<b>11,562</b>

\*Notes:

1. On Consolidated Basis
2. All the decimals are rounded off to their relevant nearest number

## Annexure



# Company Overview

Advanced Enzymes 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, speciality applications, textile processing and others. Our aim is to replace traditionally used chemicals with eco-friendly enzymatic solutions.



## Mission

It is our mission to see that every human being is able to take advantage of the power of enzymes and probiotics for well-being and leading a healthy life!



## Vision

Our vision at Advanced Enzymes is to become the largest, enzyme and probiotic -based, value provider to consumers and processors globally!



## What are Probiotics?

Probiotics are live microorganisms, when administered in sufficient amount, confer health benefits to human and animals. Probiotics have now become an integral part of several therapies for the digestive disorders and newer applications for treatment of several other diseases are being developed. Probiotics act by fighting with the disease causing microorganisms and by secreting beneficial metabolites in the human/animal system.

Advanced Enzymes has developed and upscaled technologies for the production and application of several important probiotics.

## What are enzymes?

Enzymes are natural protein molecules that act as catalysts within living cells, produced by all living organisms. Function as specialized catalysts and accelerate the pace of biochemical reactions.

Advanced uses enzymes to replace chemicals in, and improve efficiency of, a wide variety of industrial processes for its customers.





# Advanced Enzyme Technologies Limited – A Rising Global Star

9 

**Manufacturing Units**  
India - 7 USA - 2

7 

**R&D Units**  
India - 5 | USA - 1 |  
Germany -1

1<sup>st</sup> 

Indian enzyme  
company

2<sup>nd</sup> 

Highest market share  
in India

2<sup>nd</sup> 

Listed integrated  
enzyme player globally

68+

Enzymes  
& Probiotics



400+

Proprietary  
Products



700+

Customers  
Worldwide



45+

Countries  
Worldwide Presence



750+

Employees



13\*

Patents



13#

Food Enzyme  
Dossiers  
filed with EFSA



7\*\*

GRAS Dossier  
evaluated by US FDA



500

m<sup>3</sup> Fermentation  
Capacity



25+

Years of  
Fermentation  
Experience



1##

Novel Food Dossier  
filed with EFSA



Note: Facts & Figures as on November, 2023

\* Patents includes the filed applications

#Food Dossier filed with EFSA, out of which positive R&D opinion is received for 9 Dossiers & 4 are under evaluation

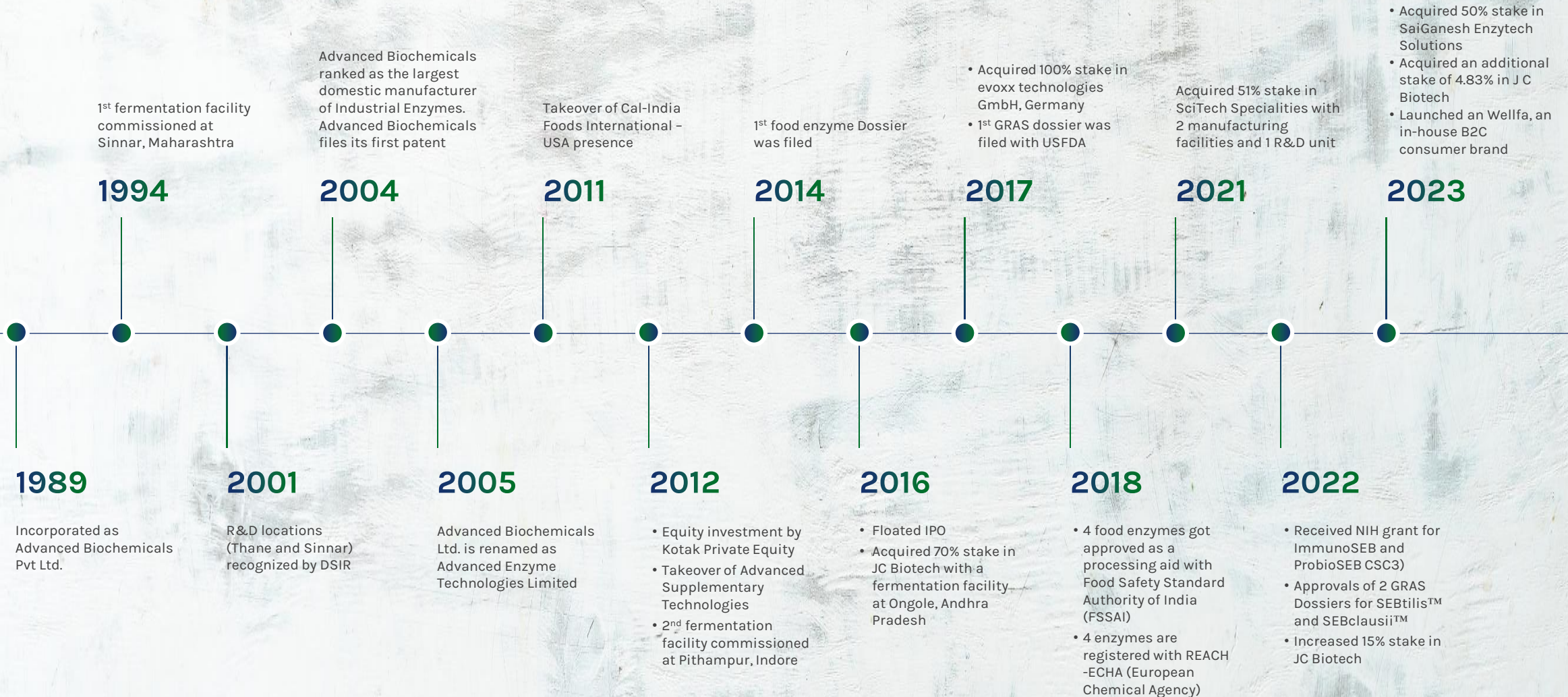
\*\*No question letter received for 5 Dossier, another 2 are under evaluation

## Novel food dossier has been filed with EFSA is under evaluation

All the numbers are as per IndAs

Source: Freedonia

# Brief History and Evolution



# Board of Directors



**Mr. Vasant Rathi**  
Promoter Chairman and Non-Executive Director



**Mr. Mukund M. Kabra**  
Whole-time Director



**Mr. Kedar Desai**  
Independent Director



**Mr. Pramod Kasat**  
Independent Director



**Ms. Rasika Rathi**  
Non-Executive Director



**Mr. Vinod Jajoo**  
Independent Director



**Mr. Sunny Sharma**  
Non-Executive Director



**Ms. Rajshree Patel**  
Independent Director



**Mr. Nitin Deshmukh**  
Independent Director



**Ms. Vandana Tilak\***  
Independent Director

\*w.e.f July 01, 2023



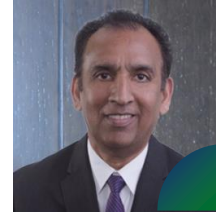
# Management Team



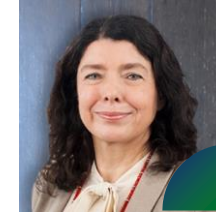
**Mr. Beni Prasad Rauka**  
Chief Financial Officer



**Mr. Dipak Roda**  
Vice President / Market & Business  
Development



**Mr. Harshad Doshi**  
CFO & COO - Advanced Enzymes, USA



**Ms. Martina Doering**  
Managing Director /Head Of Business  
Development - evoxx Technologies,  
Germany



**Ms. Rasika Rathi**  
General Counsel / Vice President  
And Secretary - Advanced Enzymes, USA



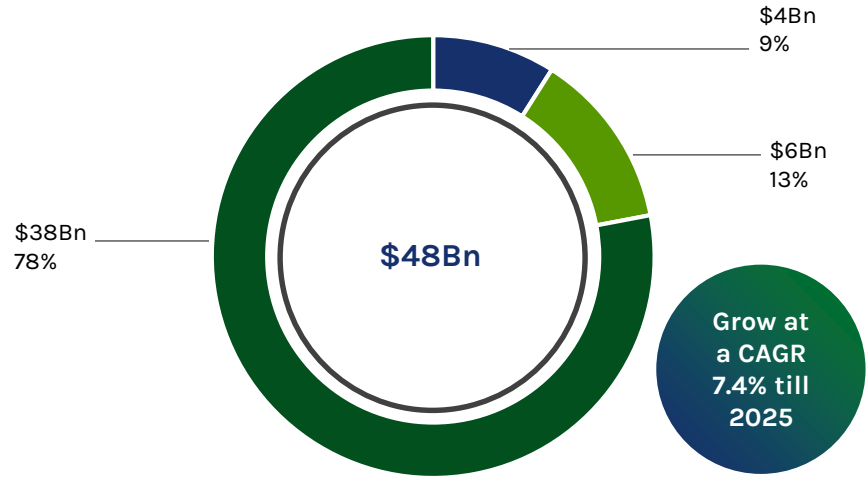
**Dr. Michael Puls**  
Managing Director /Head Of Research and  
Development - evoxx Technologies,  
Germany



**Mr. Sanjay Basantani**  
Company Secretary & Head Legal

# How Big is the Opportunity?

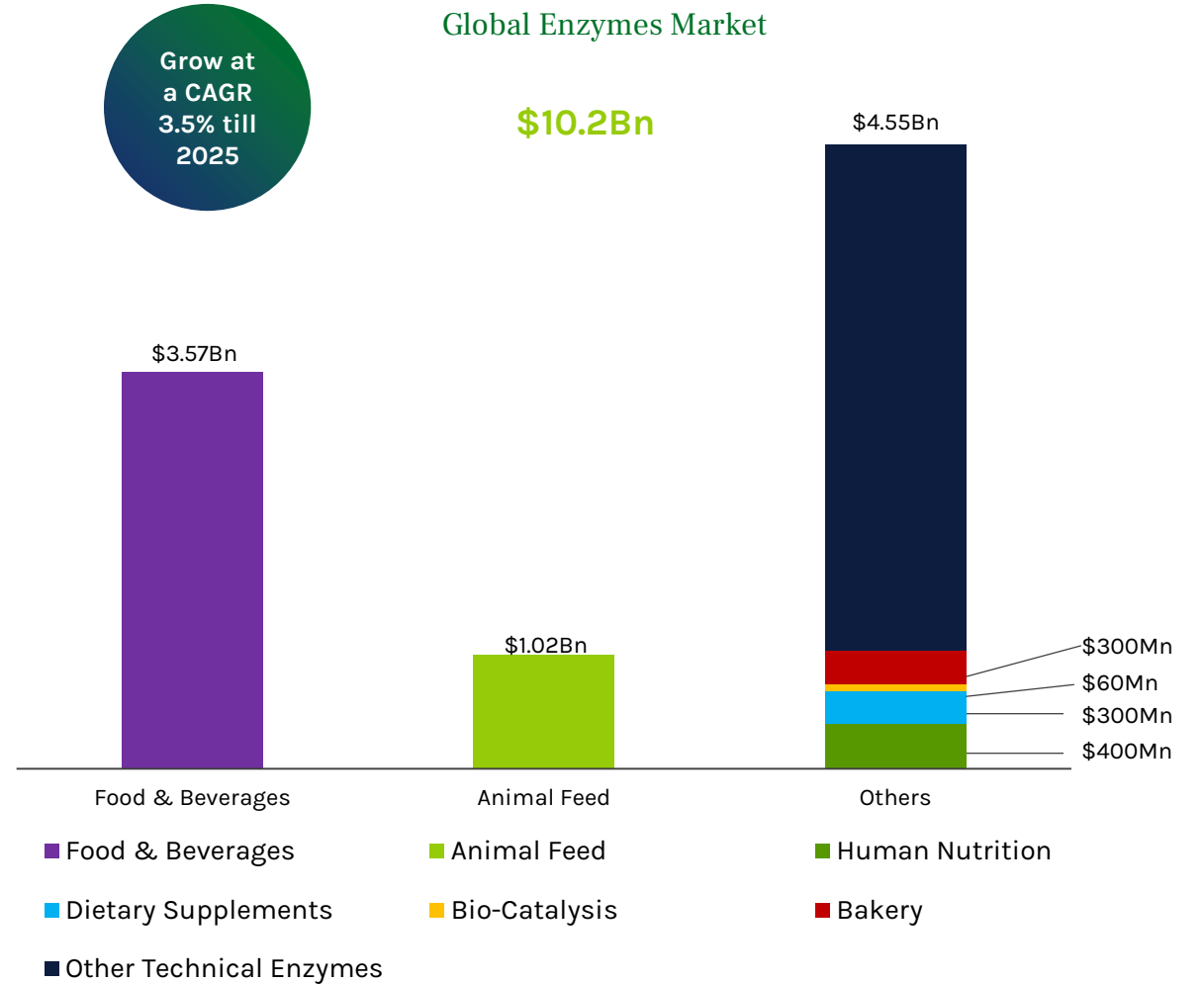
Global Probiotics Market



■ Animal Feed ■ Dietary Supplements ■ Functional Food & Beverages

Competitive Scenario in the Global Enzymes and Probiotics Markets	
Nutraceutical	DSM, Deerland
Probiotics	Chr. Hansen, Sabinsa, Kerry, Unique Biotech
Bio-Catalysis	Codexis, Cambrex
Animal Nutrition	Novozymes, DSM, Kemin, Novus, and other regional players
Bio-Processing	Food: AB Enzymes, DSM, Novozymes Non-Food: Novozymes, DuPont

Global Enzymes Market



# What Makes AETL a Unique Investment Case?



Specialized Business with High Entry Barriers



Strong Research & Development Capabilities



Integrated Player with Presence Across the Enzyme Value Chain



Inherent Diversification in the Business Model



Significant Focus on International Markets & Brand Building



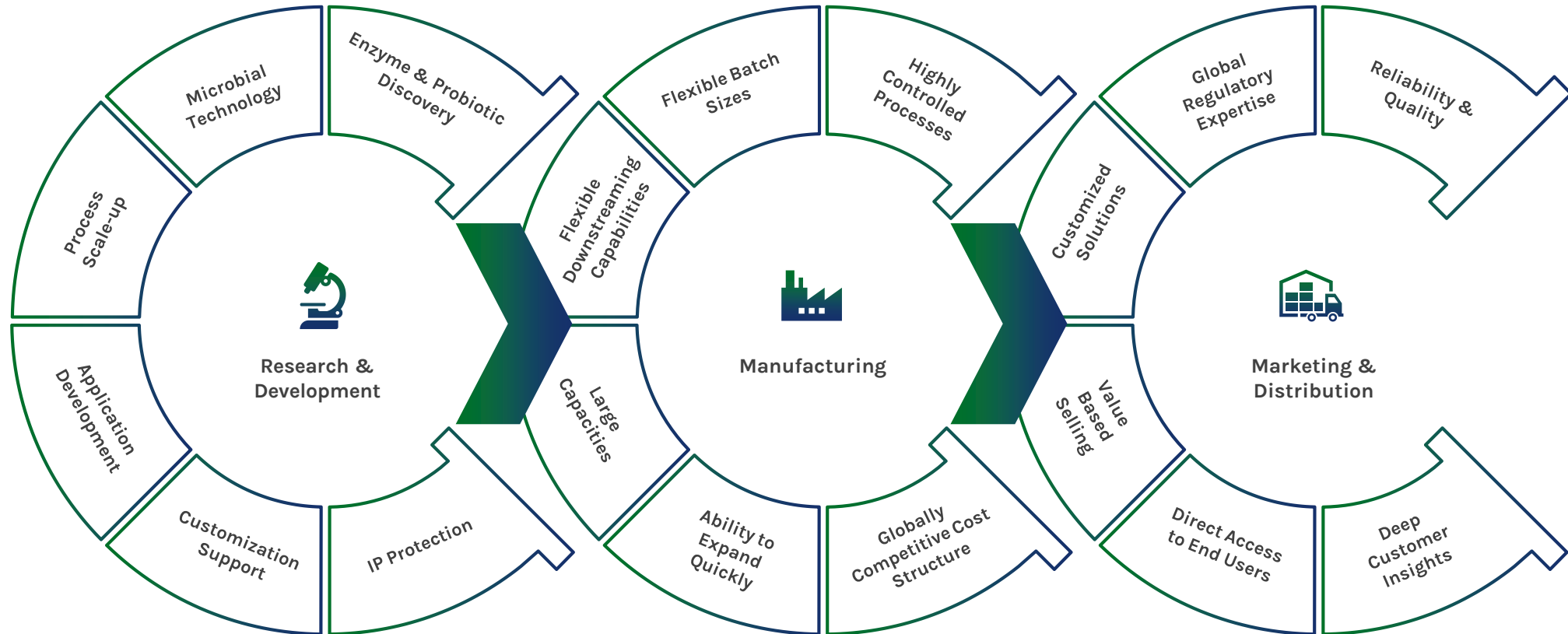
Strong Financial Performance



UNIQUE INVESTMENT CASE



# Integrated Player with Presence Across the Enzyme Value Chain



## What we are Aiming in the Opportunity?

Focus Area	Opportunity Size	Addressable market for AETL over next 5 years**	AETL's Current Share of Revenue	
			FY23	FY22
 Human Nutrition	\$ 400 mn	\$ 200 mn	\$ 38.8 mn, 58%	\$ 41.9 mn, 59%
 Bio-Catalysis	\$ 60 mn	\$ 30 mn*	\$ 2.9 mn, 4%	\$ 3.1 mn, 4%
 Baking	\$ 300 mn	\$ 30 mn	\$ 7.4 mn, 11%	\$ 6.9 mn <sup>#</sup> , 10%
 Animal Nutrition	\$ 1.02 bn	\$ 40 mn	\$ 8.8 mn, 13%	\$ 7.5 mn, 11%
 Probiotics	\$ 48 bn	Majority of the market is untapped, so this a huge opportunity	\$ 2.5 mn, 4%	\$ 3.2 mn, 5%

\*\*Addressable market is as per Company's own estimates

\*As of now we are considering the India only opportunity for Bio-catalysis

<sup>#</sup>Includes other food-processing enzymes

Source: ResearchandMarkets Report, 2019-20



# Specialized Business With High Entry Barriers

## Technocrat Promoters



Cumulative experience of 7+ decades in the global enzyme industry

## Global Competitiveness



Amongst the Lowest Cost Manufacturers in the World (Benchmarked both in terms of Capex & Opex)

## Sustained Research & Development



Consistent Investment into R&D over the past 15+ years

## Diverse Product Range & Customer Base



400+ Products, 700+ Customers Worldwide

## Manufacturing Expertise



Specialized technical expertise in microbial fermentation developed over the last 25+ years

## Credible Market Presence



Presence of more than 3 decades in the industry with prolonged & dedicated "enzyme" focus

## Proven Enzyme Development Capabilities



Proven Expertise in Successfully Developing Enzymes; Journey from only 7 in 1994 to 68+ today

## Invaluable Experience & Customer Insights



Decades of Experience in Solving Customer Problems, and Invaluable Product & Process Insights





# Future Growth Drivers



## Continued Investment in R&D

- Identify Product gaps and Develop new Enzymes, Probiotics & Solutions thereof
- Expand Competencies in Enzymes & Probiotics, Discovery and Genetic Engineering



## Broaden & Deepen Geographical Presence

- Increased focus on high return applications where AETL has strategic advantages
- Build Strategic Partnerships in Key Markets for Focus Segments



## Inorganic Expansion

- Acquisition of Key Technologies, Competencies & Skill-sets which Enable Consolidation and/or Entry into New Market Segments
- Acquisition of Client Relationships & Businesses in Key Focus Markets



# Focus Areas Going Ahead

## Animal Nutrition



- Continuing conduct trials and studies to bring newer and effective nutritional products, which may improve the efficacy of animal feeds
- Registering and introducing more products in the domestic as well as in the international markets.
- Expand its sales and marketing team in USA, MENA and Asian market
- Targeting to strengthen the geographical reach and distribution network by appointing more distributors in the overseas markets

## Probiotics



- To introduce more probiotics products in Human Nutrition for the immunity development, active health food, gut health and various nutraceutical applications
- To launch more products on immunity development, digestion improvement, and increase nutritional level of feed in the Animal Nutrition

## Bio-Catalysis



- Developing bio catalysis 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 your Company will continue its efforts and focus





## Baking



- In Bio-processing division, our focus is on Baking Solutions
- We have got positive response for the products in terms of efficacy and performance
- 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

# Shareholders Information

## Stock Data (As on 09<sup>th</sup> Feb 2024)

	Market Capitalization (₹)	<b>42,717 mn</b>
	Shares Outstanding	<b>111.82 mn</b>
	Free Float	<b>39.48%</b>
	Symbol (NSE/ BSE)	<b>ADVENZYMES / 540025</b>

## Stock Chart (As on 09<sup>th</sup> Feb 2024)

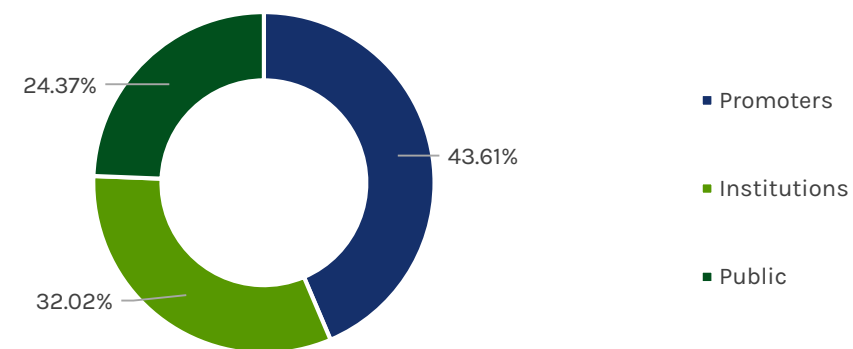


## Top 5 Institutional Holders (As on 04<sup>nd</sup> Feb 2024)

Institutions	OS (%)
ORBIMED ASIA*	12.08
NALANDA INDIA EQUITY FUND	8.91
HDFC AMC	3.67
ICICI PRUDENTIAL MF	1.77
Clarus Capital I	1.06

\*Note: For the ease of representation we have aggregated ORBIMED ASIA III MAURITIUS LIMITED (9.88%) & ORBIMED ASIA III MAURITIUS FVCI LIMITED (2.20)

## Shareholding Pattern (%)







# Thank you

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