advanced enzymes
Where ENZYME is Life

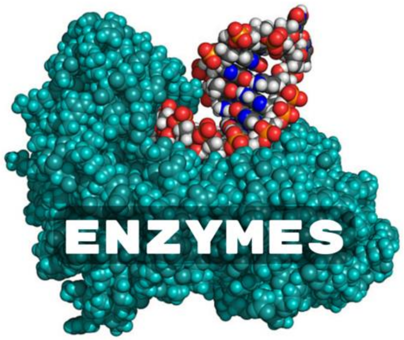
# Advanced Enzyme Technologies Limited

Where ENZYME is Life

**Earning Presentation |** May 2019

# Disclaimer

This information may contain certain forward-looking statements/details in the current scenario, which is extremely dynamic and increasingly fraught with risks and uncertainties. Actual results, performances, achievements or sequence of events may be materially different from the views expressed herein. Investors/shareholders/public are hence cautioned not to place undue reliance on these statements/details, and are advised to conduct their own investigation and analysis of the information contained or referred to in this section be fore taking any action with regard to their own specific objectives. Further, the discussion following here in reflects the perceptions on major issues as on date and the opinions expressed here are subject to change without notice. The Company under takes no obligation to publicly update or revise any of the opinions or forward-looking statements expressed in this section, consequent to new information, future events or otherwise.




## 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.

### Company Overview

Advanced Enzymes is a research driven company with global leadership in the manufacturing of enzymes. 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 for well-being and leading a healthy life!

### Vision

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

# Advanced Enzyme Technologies Limited – A Rising Global Star

**1st** → **Indian enzyme company**

**Highest market share in India** ← **2nd**

**2nd** → **Listed integrated enzyme player globally**

## Amongst Top **15** Global Enzyme Companies

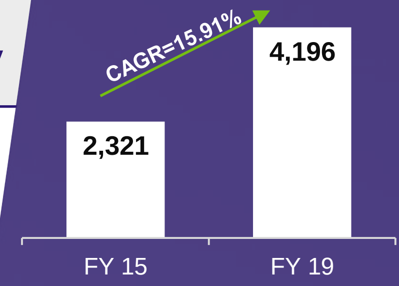
**Manufacturing Units – 7**
India - 5 USA - 2

**R&D Units – 7**
India – 4 | USA – 1 | Germany – 2

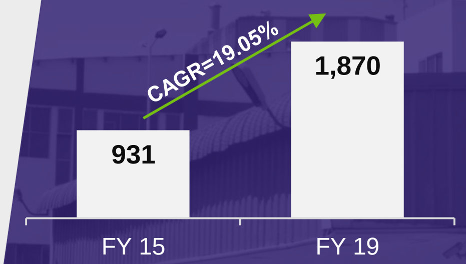
| | |
|---|---|
| **68+** | Enzymes & Probiotics |
| **400+** | Proprietary Products |
| **700+** | Customers Worldwide |
| **45+** | Countries Worldwide Presence |
| **24+** | Years of Fermentation Experience |
| **7** | Registered Patents |
| **11** | Food Enzyme Dossiers filed with EFSA |
| **2*** | GRAS Dossier evaluated by US FDA |
| **420** | $m^3$ Fermentation Capacity |
| **550+** | Employees |

*Note: Facts & Figures as on 31st March 2019* **1 GRAS Dossier under evaluation with US FDA*

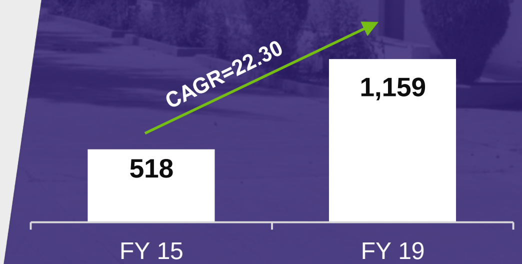
### Revenue (₹ mn)




### EBIDTA (₹ mn)

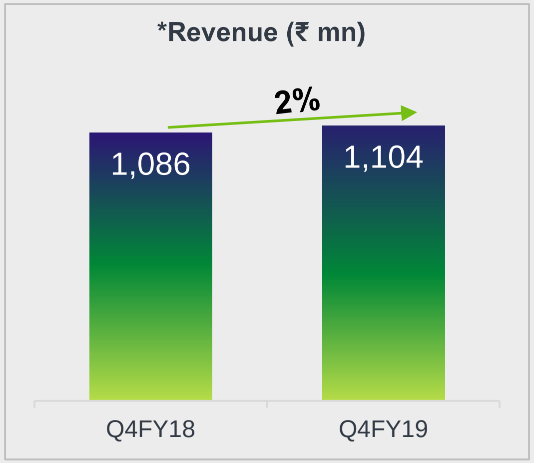


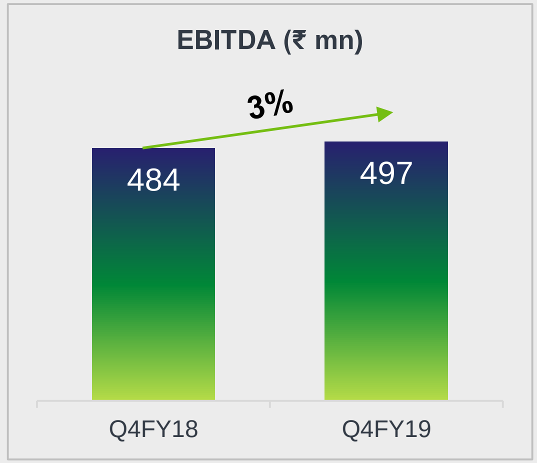

### PAT (₹ mn)

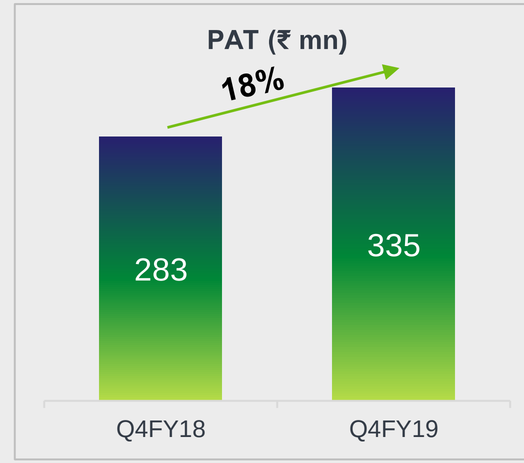



*Note: 2015: as per IGAAP | 2019: as per IndA*

# Results Summary – Q4FY19



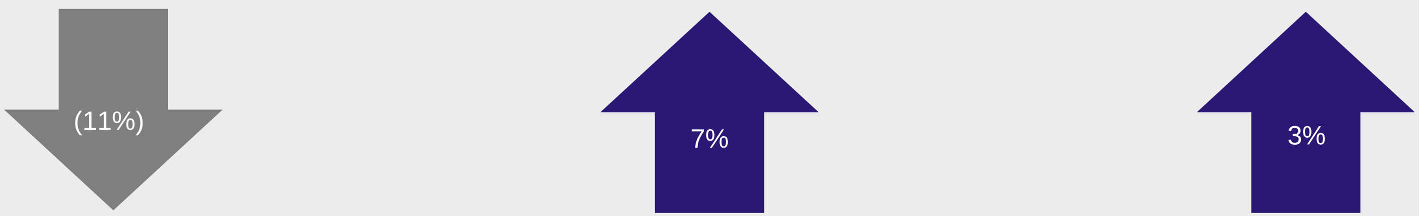




## Revenue Breakup ₹ in Million

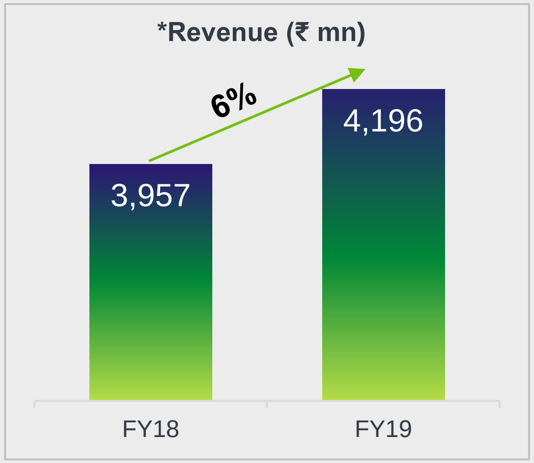
*YoY Growth

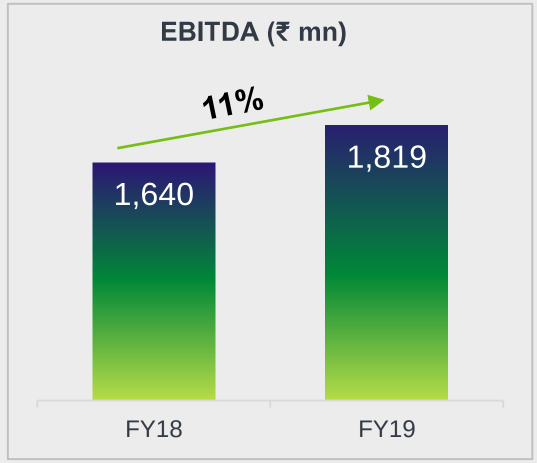
| | Animal HC | Human HC | Bio-Processing |
|---|---|---|---|

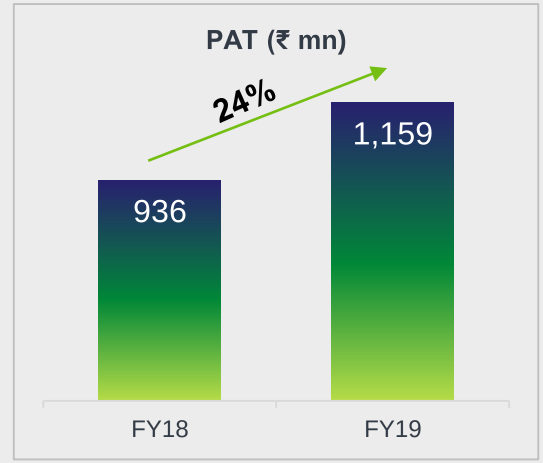



| | Animal HC | Human HC | Bio-Processing |
|---|---|---|---|
| Q4FY19 | 121 | 832 | 121 |
| Q4FY18 | 136 | 779 | 118 |

*Note: 1.. On Consolidated Basis*
*2. Segmental Revenue excluding excise duty*
*3. EBIDTA is excluding other income*
*4. Does not include sales made by Evoxx*
*5. PAT is before minority*
*6. Segment-wise revenue does not include other operating income*
*7. Ind AS adjustments are carried out on account of commission and discount.*




## Revenue Breakup ₹ in Million

*YoY Growth

| | Animal HC | Human HC | Industrial Processing |
|---|---|---|---|


| | Animal HC | Human HC | Industrial Processing |
|---|---|---|---|
| **FY19** | **493** | **3,133** | **482** |
| **FY18** | **498** | **2,860** | **444** |

*Note: 1.. On Consolidated Basis*
*2. Segmental Revenue excluding excise duty*
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*5. PAT is before minority*
*6. Segment-wise revenue does not include other operating income*
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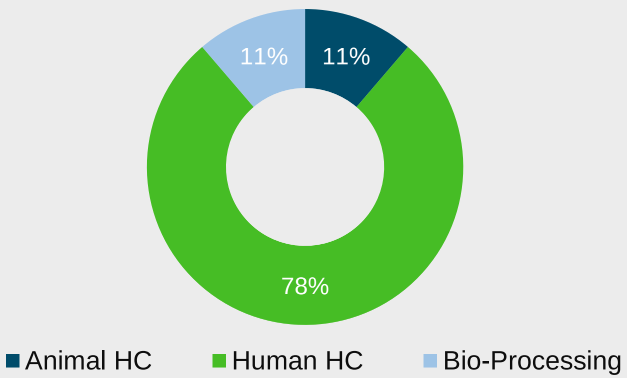
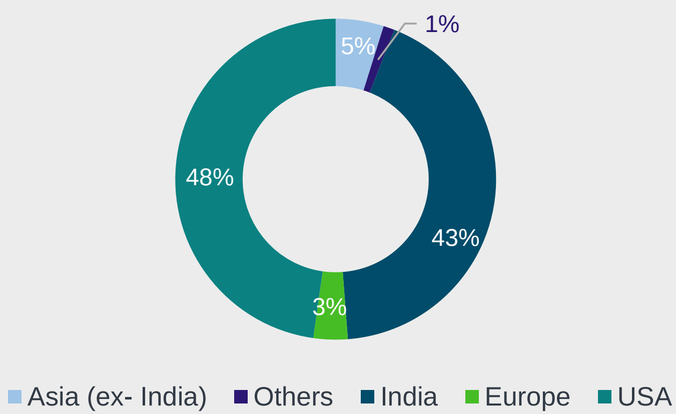
# Revenue Split – Q4FY18 vs. Q4FY19

## Q4FY19

### Segmental Revenue Split (%)

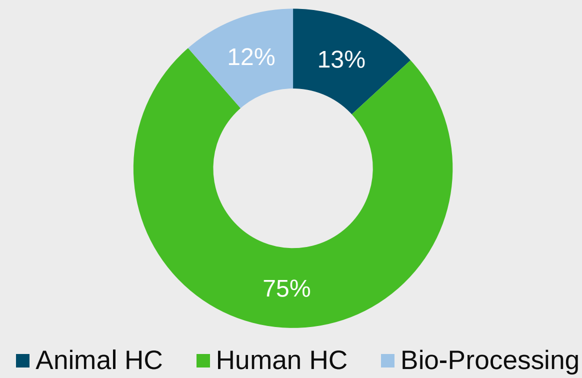



### Geographical Revenue Split (%)

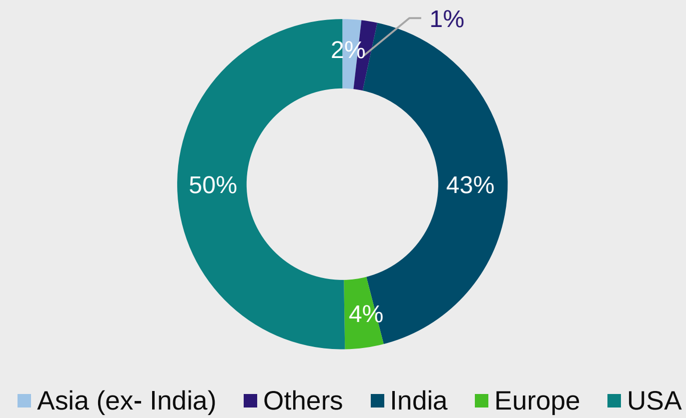



## Q4FY18

### Segmental Revenue Split (%)




### Geographical Revenue Split (%)




*Note: 1.. On Consolidated Basis*
*2. Segmental Revenue excluding excise duty*

*3. Does not include sales made by Evoxx*

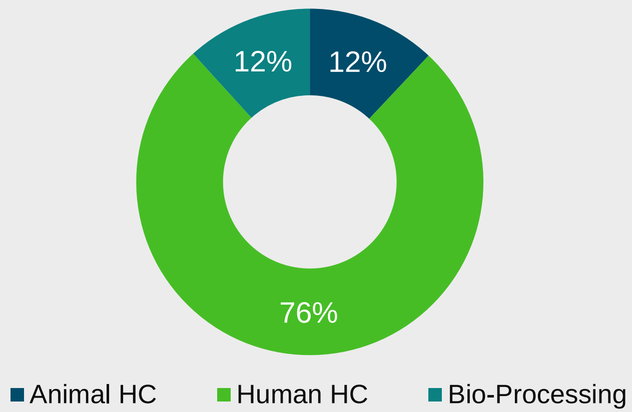
*4. Segment-wise revenue does not include other operating income*

*5. Ind AS adjustments are carried out on account of commission and discount.*

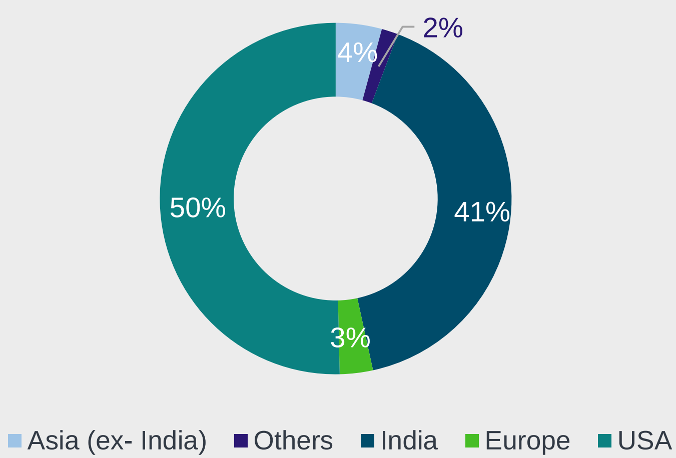
# Revenue Split – FY18 vs FY19

## FY19

### Segmental Revenue Split (%)

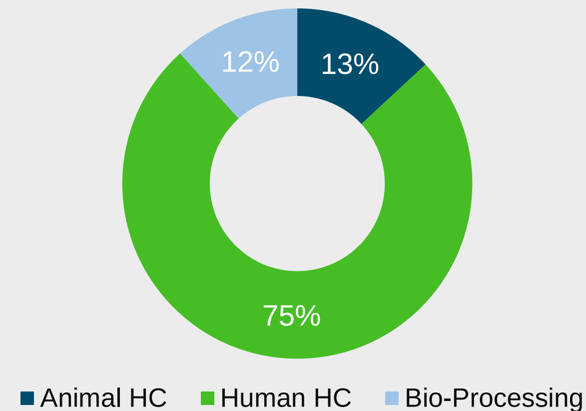



### Geographical Revenue Split (%)

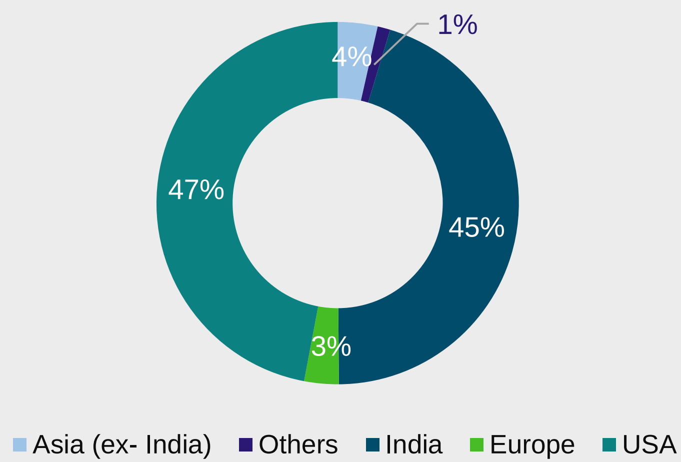



## FY18

### Segmental Revenue Split (%)




### Geographical Revenue Split (%)




*Note: 1.. On Consolidated Basis*
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*4. Segment-wise revenue does not include other operating income*
*5. Ind AS adjustments are carried out on account of commission and discount.*

# Profit & Loss (Consolidated) – Q4FY19 & FY19

₹ in Million except per share data

| Particulars | Q4FY19 Audited | Q3FY19 Unaudited | Q4FY18 Audited | Y-o-Y (%) | FY19 Audited | FY18 Audited | Y-o-Y (%) |
|---|---|---|---|---|---|---|---|
| **Income from Operations** | **1,104** | 1,017 | 1,086 | 2% | **4,196** | 3,957 | 6% |
| Expenses | **660** | 654 | 649 | 2% | **2,588** | 2,500 | 4% |
| Profit from Operations before Other Income, Finance Costs and Exceptional Item | **444** | 363 | 437 | 2% | **1,608** | 1,457 | 10% |
| Other Income | **27** | 0 | 6 | 368% | **50** | 14 | 261% |
| Profit from ordinary activities before Finance Costs and Exceptional Item | **471** | 363 | 443 | 6% | **1,658** | 1,471 | 13% |
| Finance costs | **6** | -3 | 45 | (87%) | **39** | 81 | (52%) |
| Profit from ordinary activities before exceptional item and tax | **465** | 367 | 397 | 17% | **1,620** | 1,390 | 17% |
| Profit from ordinary activities before tax | **465** | 367 | 397 | 17% | **1,620** | 1,390 | 17% |
| Tax | **130** | 113 | 114 | 14% | **461** | 454 | 1% |
| **Net Profit for the period** | **335** | 253 | 283 | 18% | **1,159** | 936 | 24% |
| **Earnings Per Share** | **2.89** | 2.19 | 2.44 | | **9.95** | 8.07 | |

# Balance Sheet (Consolidated) – FY19

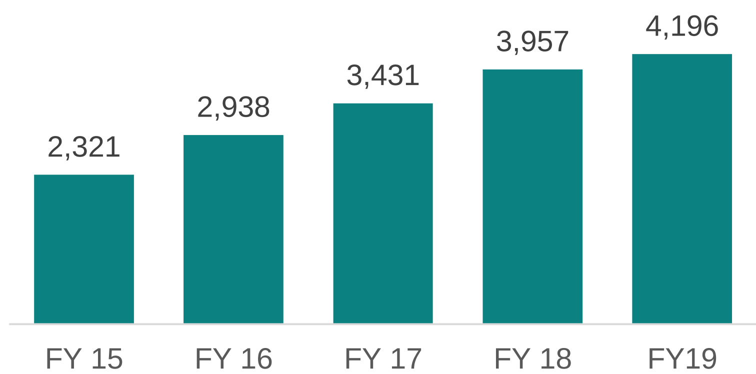
₹ in Million

| Particulars | FY19 Audited | FY18 Audited |
|---|---|---|
| **Assets** | | |
| Property, plant and equipment | 1,618 | 1,667 |
| Capital work-in-progress | 105 | 105 |
| Intangible assets | 622 | 662 |
| Goodwill | 2,715 | 2,584 |
| Other non-current assets | 183 | 143 |
| Current assets | 2,821 | 2,107 |
| Assets held for sale | 48 | 48 |
| **Total Assets** | **8,111** | **7,316** |
| | | |
| **Equity And Liabilities** | | |
| Equity share capital | 223 | 223 |
| Other equity | 6,565 | 5,368 |
| Non-controlling interest | 260 | 226 |
| Non-current liabilities | 358 | 471 |
| Current liabilities | 651 | 987 |
| Liabilities classified as held for sale | 54 | 41 |
| **Total – Equity and Liabilities** | **8,111** | **7,316** |

# Strong Financial Performance – FY19

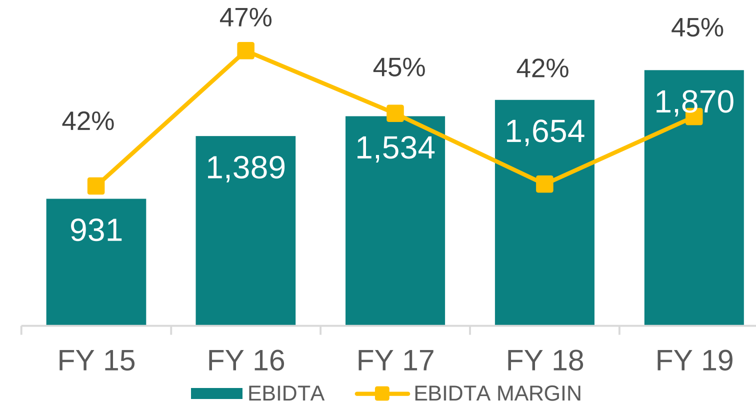
₹ in Million

### Revenue from Operations



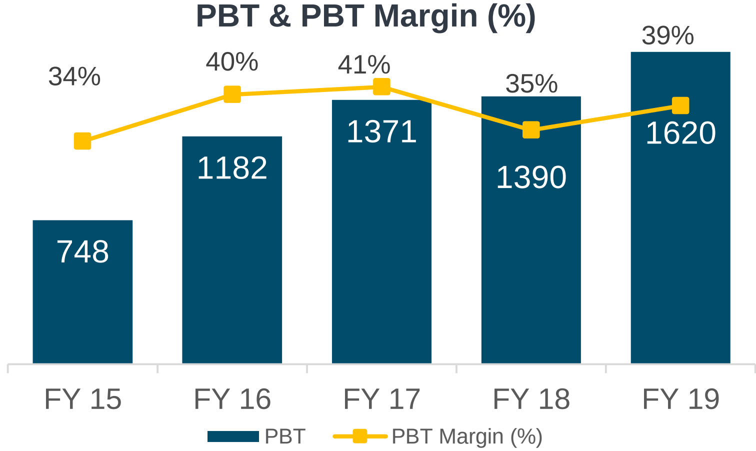

CAGR=15.91 %

### EBIDTA & EBIDTA Margin (%)



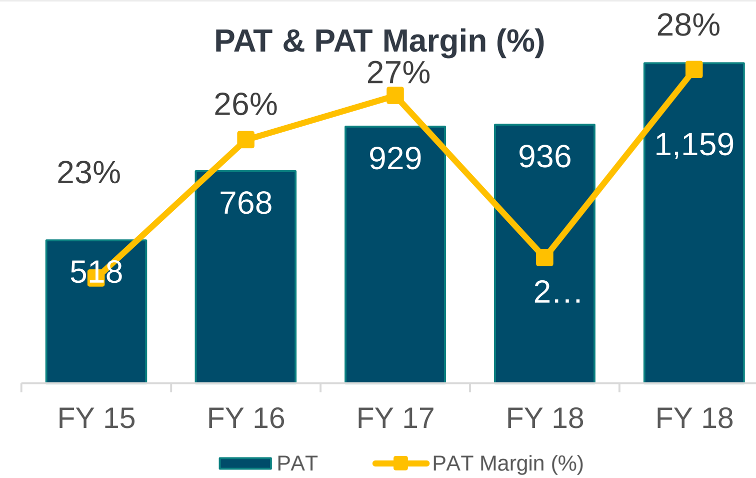

CAGR=19.05 %

### PBT & PBT Margin (%)




CAGR=21.31%

### PAT & PAT Margin (%)



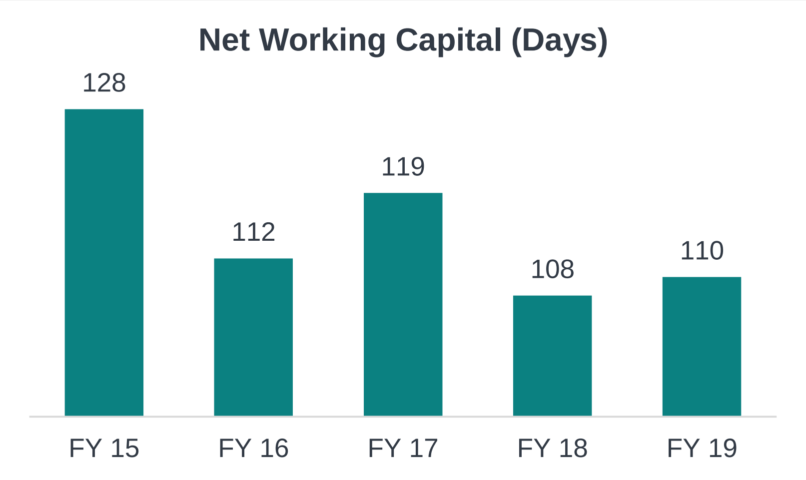

CAGR=22.30%

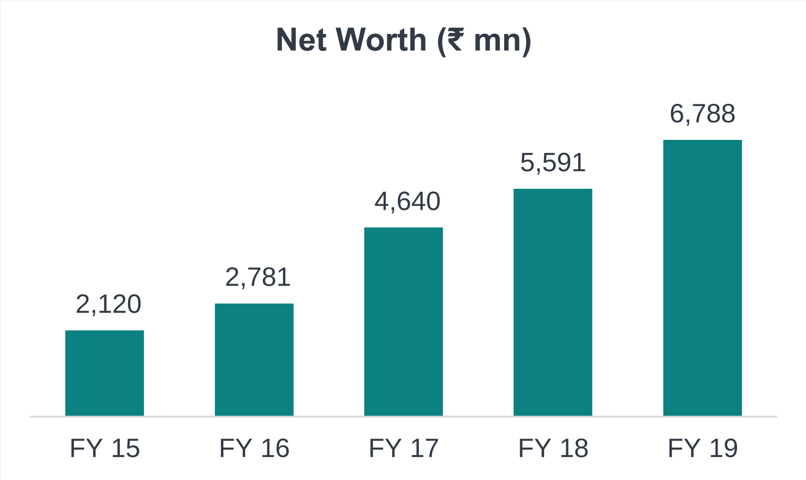
*Note: As per IGAAP | FY17, FY18, FY19 – as per IndAs*

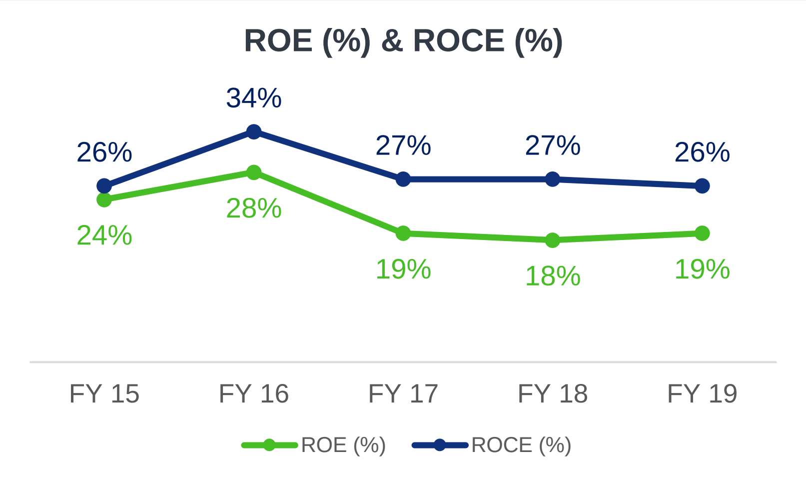
*All numbers are on Consolidated basis*

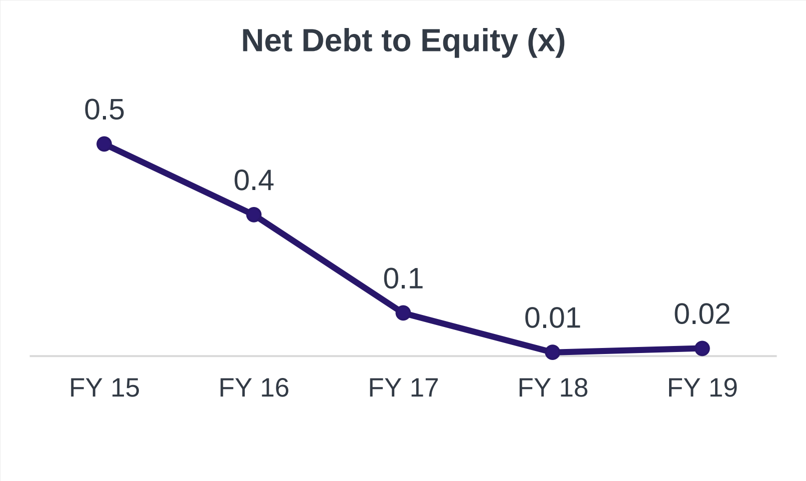
*ROE = Profit after tax / Average shareholder equity; RoCE = (Net Profit before Tax , Exceptional and extraordinary items + Finance cost) / Average (Net debt + Networth)*

# Strong Financial Performance – FY19



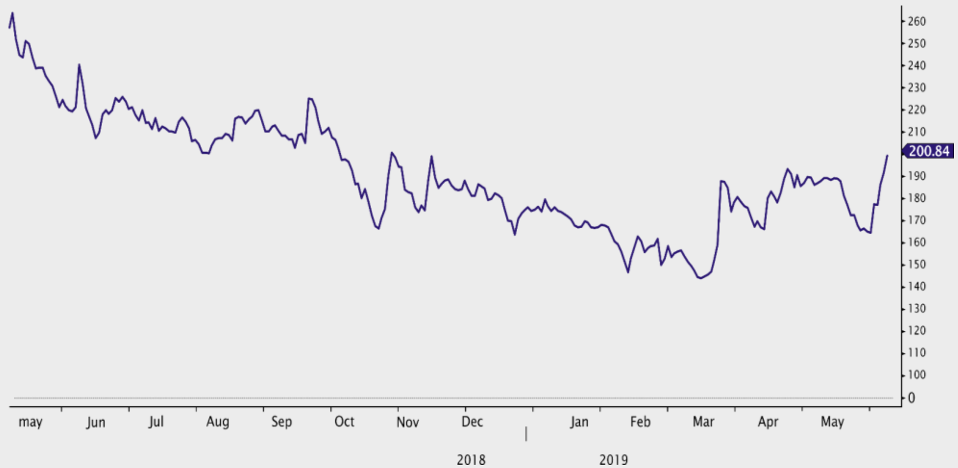

*Note: As per IGAAP | FY17, FY18 & FY19 – as per IndAs*
*All numbers are on Consolidated basis*
*Net working capital days =((Trade receivables + inventories – Trade payables)/ Revenue from operations)*365*
*Net Debt = Long term debt + short term debt + current maturities of long term debt – Cash & Cash Equivalent*

# Shareholder Information

## Stock Data (As on 24th May 2019)

| | |
|---|---|
| Market Capitalization (₹) | **22,429 mn** |
| Shares Outstanding | **111.6 mn** |
| Free Float | **36.90%** |
| Symbol (NSE/ BSE) | **ADVENZYMES / 540025** |
| Average Daily Volume (3 months) | **497,386** |

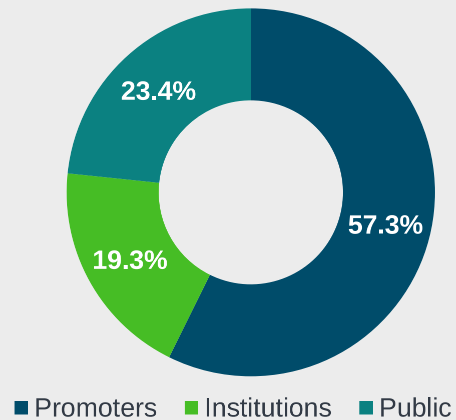
## Stock Chart (As on 24th May 2019)




*Source: BSE, NSE, Thomson Reuters*

| Top 5 Institutional Holders (As on 17th May 2019) | |
|---|---|
| **Institutions** | **OS (%)** |
| Orbimed Asia Mauritius Limited | 12.10 |
| HDFC Asset Management Co. Ltd. | 6.23 |
| Reliance Capital Trustee Co. Ltd | 1.43 |
| Massachusetts Institute of Technology | 0.27 |
| Lacuna - Adamant Asia Pacific Health | 0.18 |

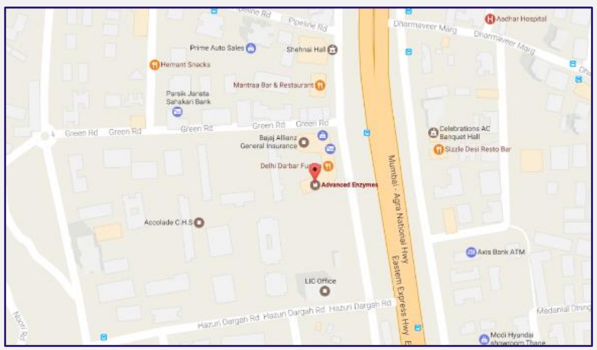
### Shareholding Pattern (%)




*Note: Data mentioned in above chart is as on 31st March 2019*

Where ENZYME is Life

**IR Contact:**
Supreet Singh Jossan
Email: investor.realtions@advancedenzymes.com




**Advanced Enzyme Technologies Limited**
5th Floor, 'A' wing, Sun Magnetica LIC Service Road,
Louiswadi, Thane (W) 400 604, India
Tel.: +91-22-4170 3200 | Fax: + 91-22-25835159
Web: www.advancedenzymes.com

# Thank You