

Advanced Enzyme Technologies Limited

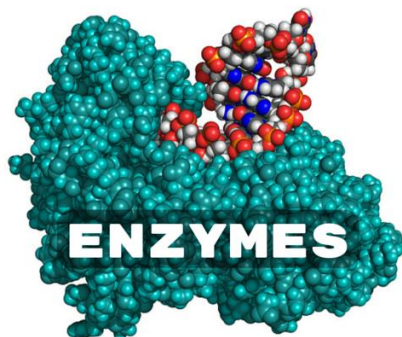
Earning Presentation – Q2FY19 | November 2018 —●



Where ENZYME is Life



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 before 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

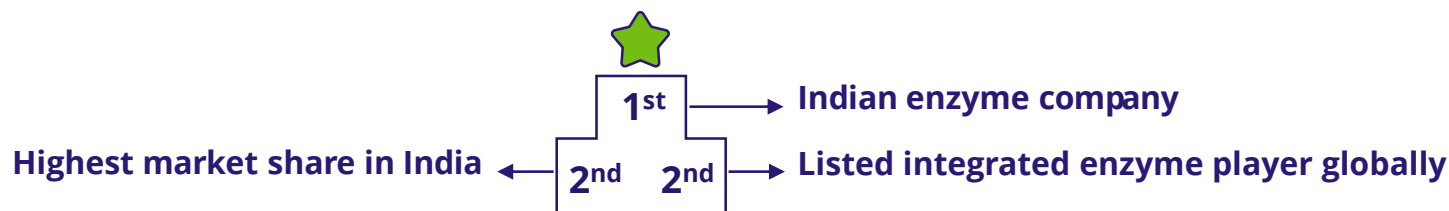


It is our mission to see that every human being is able to take advantage of the power of enzymes for well-being and leading a healthy life!

Vision



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



Amongst Top **15** Global Enzyme Companies



Manufacturing Units - 7

India - 5 USA - 2



R&D Expenses - 3%

R&D Strength - 60+



68+

Enzymes
& Probiotics



400+

Proprietary
Products



700+

Customers
Worldwide



45+

Countries
Worldwide
Presence



24+

Years of
Fermentation
Experience



28

Registered
Patents



11

Food Enzyme
Dossiers filed
with EFSA



1

GRAS Dossier
filed with US FDA



420

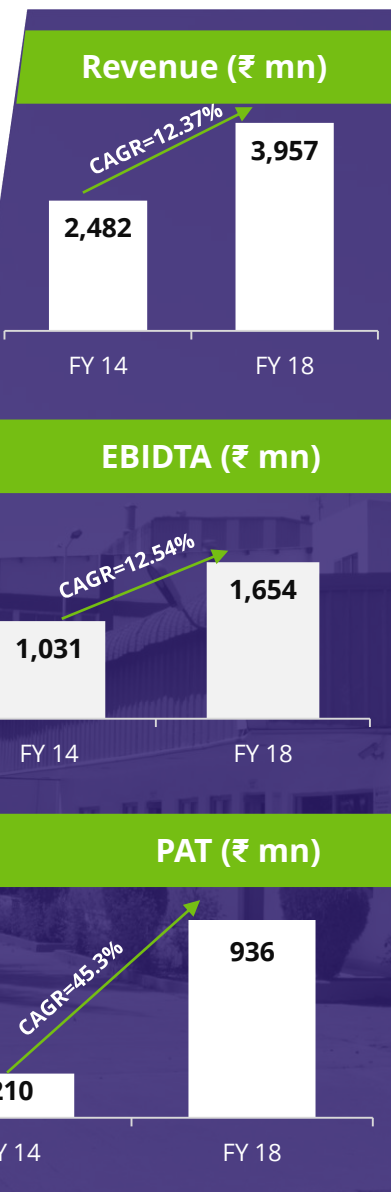
m³ Fermentation
Capacity



550+

Employees

Note: Facts & Figures as on 31st March 2018



Note: 2014: as per IGAAP | 2018: as per IndAs



Mr. Vasant Rath

Chairman and Non-Executive Director

Mr. Vasant Laxminarayan Rath is the Promoter Chairman and Non- Executive Director of our Company. He promoted & incorporated Cal-India in the year 1985 and has been associated with our Company since the year 1993. Mr. Rath heads our international subsidiaries based in US.



Mrs. Savita Rath

Whole-time Director

Mrs. Savita Chandrakant Rath, is the Whole-time Director of our Company. She is responsible for the administration of the Company, management and supervision of Export-Import, Client relationship management and the Human Resource department of the Company.



Mr. Kedar Desai

Independent Director

Mr. Kedar Jagdish Desai, is the Independent Director on our Board. He holds a Bachelor's degree in Commerce and Law from the University of Mumbai. He is also a qualified solicitor from the Bombay Incorporated Law Society and has over 19 years of experience in the field of law.



Mr. Pramod Kasat

Independent Director

Mr. Pramod Kasat, is a Non-Executive and Independent Director of our Company since December 14, 2016. He is currently the Country Head of Investment banking , Indusind Bank, Mumbai.



Mr. Mukund M. Kabra

Whole-time Director

Mr. Mukund Madhusudan Kabra, is the Whole-time Director of our Company. He is responsible for overlooking the manufacturing operations of the Company at Sinner and Indore and for optimising the fermentation for existing products, strain improvement, downstream research and analytical research.



Mr. Rajesh Sharma

Independent Director

Mr. Rajesh Sharma is a Non-Executive and Independent Director of our Company since August 11, 2018. He has more than 20 years experience in healthcare finance and leadership. Currently, he is the Executive Vice President & Chief Financial Officer of Citrus Valley Health Partners.



Mr. Ramesh Mehta

Independent Director

Mr. Ramesh Thakorlal Mehta is a Non-Executive and Independent Director of our Company since 1993. He has experience in the business of jewellery designing and manufacturing.



Dr. Anil Gupta

Vice President / Research & Development



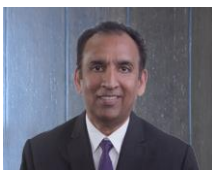
Mr. Beni Prasad Rauka

Chief Financial Officer



Mr. Dipak Roda

Vice President / Market & Business Development



Mr. Harshad Doshi

*CFO & COO
- Advanced Enzymes, USA*



Mr. Mike Smith

*Vice President, Sales & Marketing
- Advanced Enzymes, USA*



Ms. Martina Doering

Managing Director /Head Of Business Development - Evoxx Technologies, Germany



Mr. Piyush Rathi

Chief Business Officer



Ms. Rasika Rathi

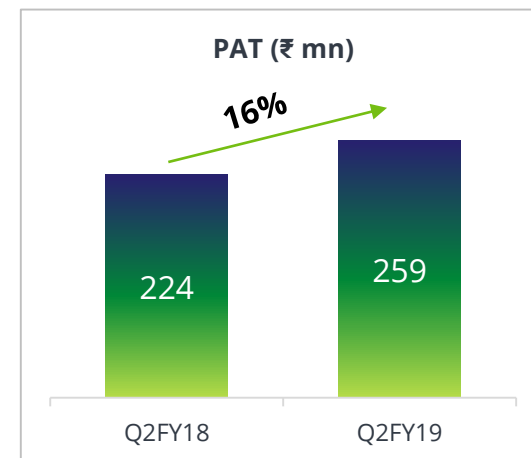
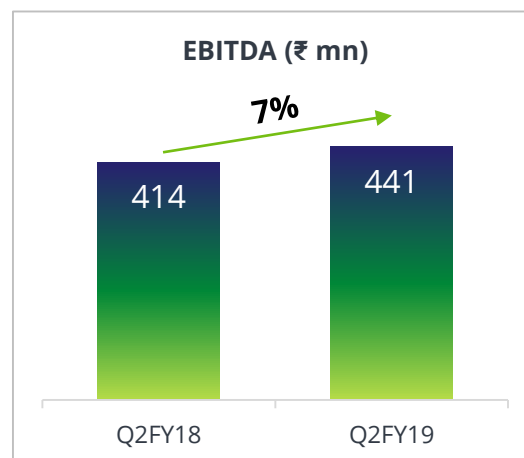
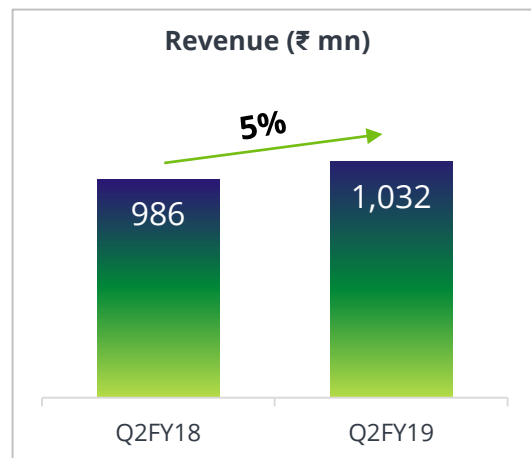
*General Counsel / Vice President
And Secretary - Advanced Enzymes, USA*



Dr. Thorsten Eggert

*Managing Director /Head Of Sales
- Evoxx Technologies, Germany*

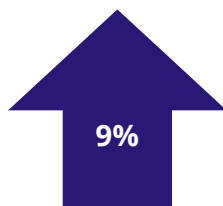
Results Summary – Q2FY19



Revenue Breakup ₹ in Million

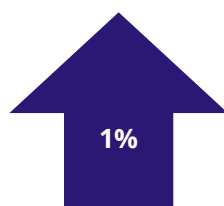
*YoY Growth

Animal HC



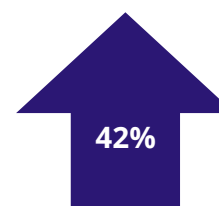
Q2FY19	121
Q2FY18	111

Human HC



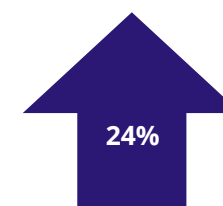
Q2FY19	770
Q2FY18	761

Food



Q2FY19	64
Q2FY18	45

Industrial Processing



Q2FY19	56
Q2FY18	45

Note: 1. On Consolidated Basis

2. Segmental Revenue excluding excise duty

3. EBITDA is including other income

4. Does not include sales made by evovx

5. PAT is before minority

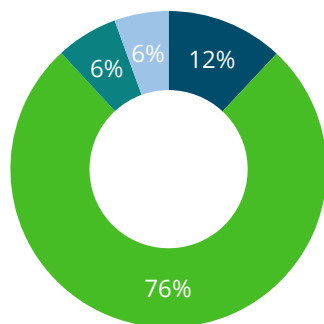
6. Segment-wise revenue does not include other operating income

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



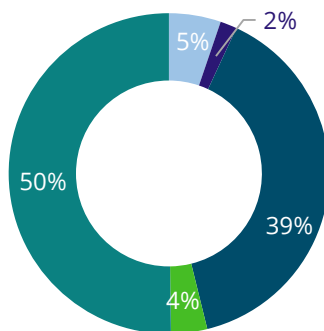
Q2FY19

Segmental Revenue Split (%)



■ Animal HC ■ Human HC ■ Food ■ Industrial Processing

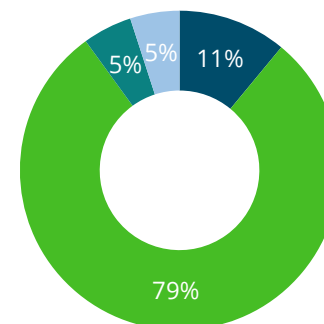
Geographical Revenue Split (%)



■ Asia (ex-India) ■ Others ■ India ■ Europe ■ USA

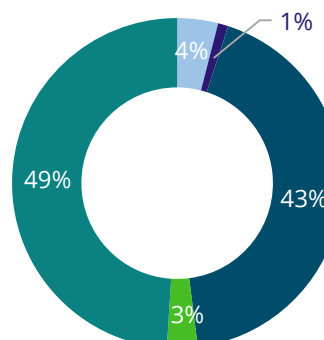
Q2FY18

Segmental Revenue Split (%)



■ Animal HC ■ Human HC ■ Food ■ Industrial Processing

Geographical Revenue Split (%)



■ Asia (ex-India) ■ Others ■ India ■ Europe ■ USA

Note: 1. On Consolidated Basis

2. Segmental Revenue excluding excise duty

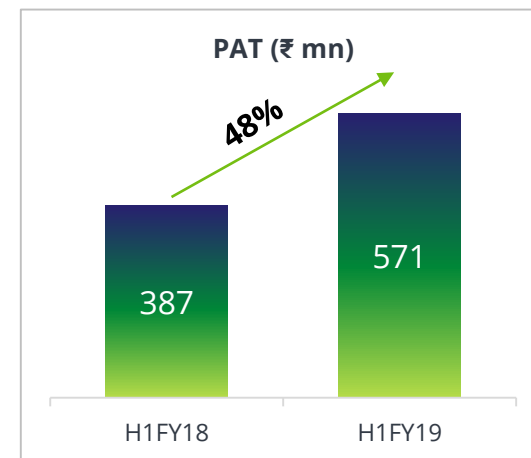
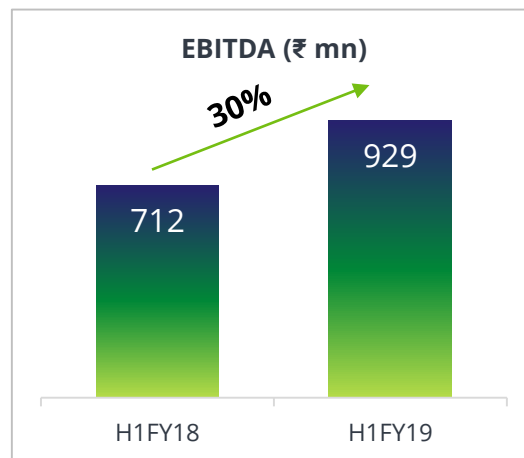
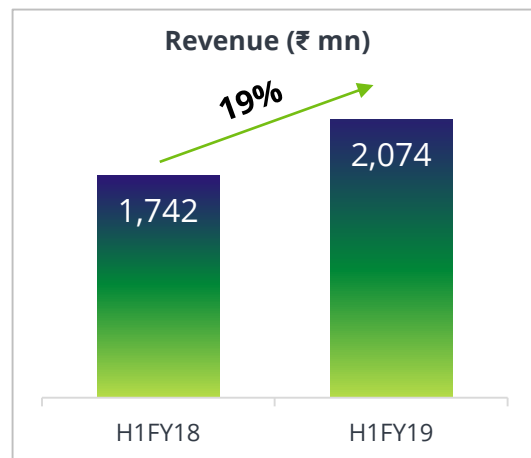
3. EBITDA is including other income

4. Does not include sales made by evovx

5. PAT is before minority

6. Segment-wise revenue does not include other operating income

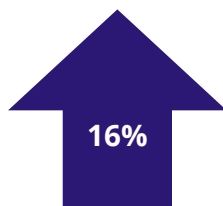
7. Ind AS adjustments are carried out on account of commission and discount.



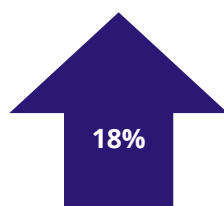
Revenue Breakup ₹ in Million

*YoY Growth

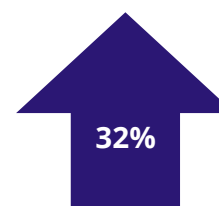
Animal HC



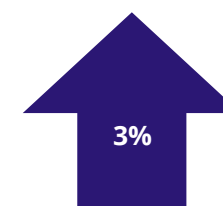
Human HC



Food



Industrial Processing



Q2FY19

255

1,558

120

98

Q2FY18

220

1,317

91

95

Note: 1. On Consolidated Basis

2. Segmental Revenue excluding excise duty

3. EBITDA is including other income

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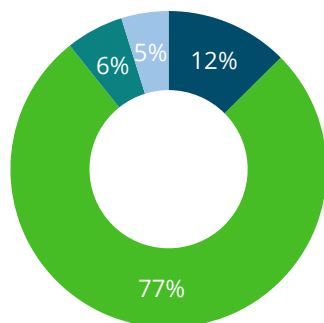
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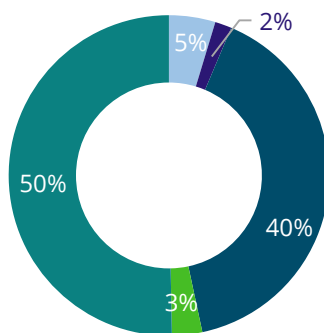
H1FY19

Segmental Revenue Split (%)



■ Animal HC ■ Human HC ■ Food ■ Industrial Processing

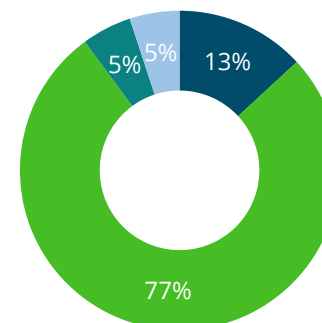
Geographical Revenue Split (%)



■ Asia (ex-India) ■ Others ■ India ■ Europe ■ USA

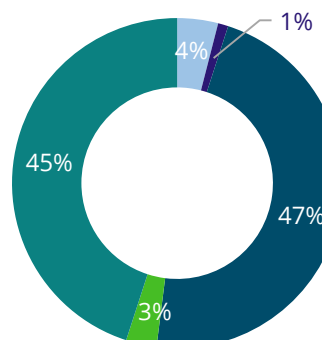
H1FY18

Segmental Revenue Split (%)



■ Animal HC ■ Human HC ■ Food ■ Industrial Processing

Geographical Revenue Split (%)



■ Asia (ex-India) ■ Others ■ India ■ Europe ■ USA

Note: 1. On Consolidated Basis

2. Segmental Revenue excluding excise duty

3. EBITDA is including other income

4. Does not include sales made by evovx

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.

Profit & Loss (Consolidated) – Q2FY19



₹ in Million except per share

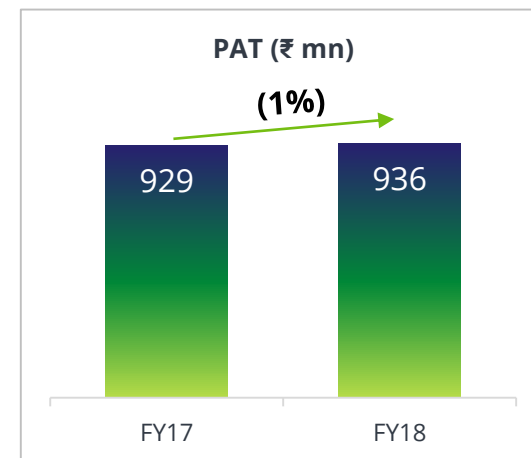
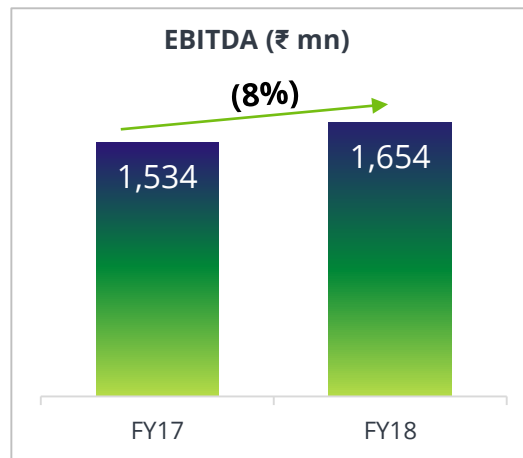
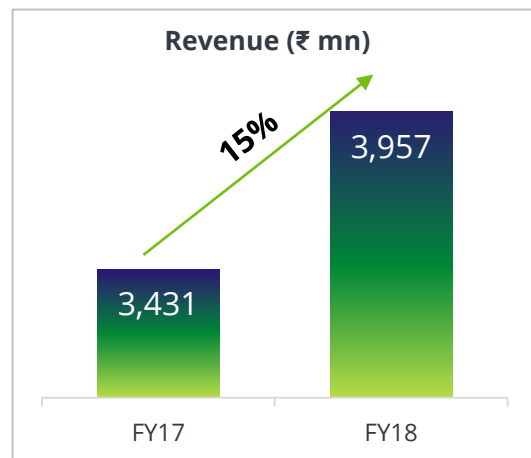
Particulars	Q2FY19 Unaudited	Q1FY19 Unaudited	Q2FY18 Unaudited	Y-o-Y (%)	H1FY19 Unaudited	H1FY18 Unaudited	Y-o-Y (%)
Income from Operations	1,032	1,043	986	5%	2,075	1,742	19%
Expenses	663	611	622	7%	1,274	1,120	14%
Profit from Operations before Other Income, Finance Costs and Exceptional Item	369	432	364	1%	801	622	29%
Other Income	20	4	5	300%	24	7	243%
Profit from ordinary activities before Finance Costs and Exceptional Item	389	436	369	5%	825	629	31%
Finance costs	23	14	14	64%	37	26	42%
Profit from ordinary activities before exceptional item and tax	366	422	355	3%	788	603	31%
Profit from ordinary activities before tax	366	422	355	3%	788	603	31%
Tax	107	110	131	(18%)	217	216	0%
Net Profit for the period	259	312	224	16%	571	387	48%
Earnings Per Share	2.22	2.66	1.96		4.87	3.37	

Balance Sheet (Consolidated) – H1FY19



₹ in Million

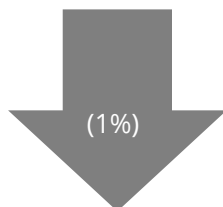
Particulars	H1FY19 Unaudited	H1FY18 Unaudited
Assets		
Property, plant and equipment	1,647	1,683
Capital work-in-progress	103	103
Intangible assets	677	787
Goodwill	2,850	2,419
Other non-current assets	173	176
Current assets	2,725	1,583
Assets held for sale	48	48
Total Assets	8,223	6,799
Equity And Liabilities		
Equity share capital	223	223
Other equity	6,214	4,785
Non-controlling interest	245	208
Non-current liabilities	428	533
Current liabilities	1,067	1,014
Liabilities classified as held for sale	46	36
Total – Equity and Liabilities	8,223	6,799



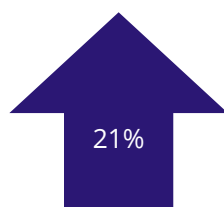
Revenue Breakup ₹ in Million

*YoY Growth

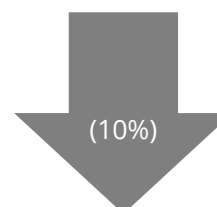
Animal HC



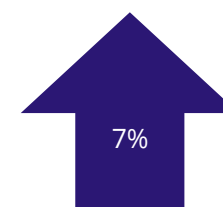
Human HC



Food



Industrial Processing



FY18

506

2,892

200

206

FY17

512

2,386

223

193

Note: 1. On Consolidated Basis

2. Segmental Revenue excluding excise duty

3. EBITDA is including other income

4. Does not include sales made by Evoxx

5. PAT is before minority

6. Regrouping has been done wherever necessary

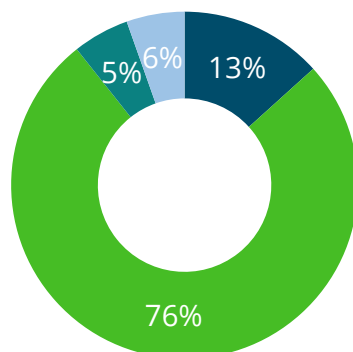
7. Ind AS adjustments are carried out on account of commission and discount.

8. Segment-wise revenue does not include other operating income



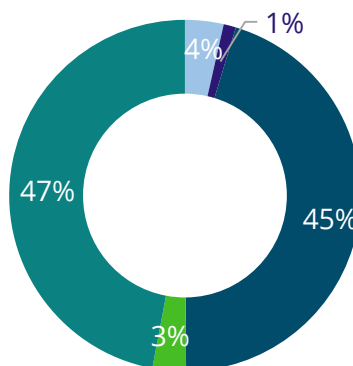
FY18

Segmental Revenue Split (%)



■ Animal HC ■ Human HC ■ Food ■ Industrial Processing

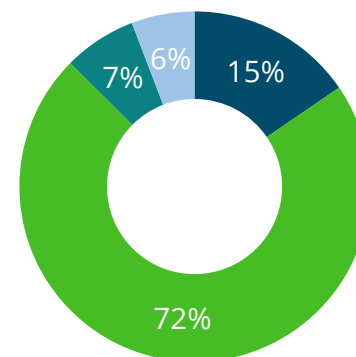
Geographical Revenue Split (%)



■ Asia (ex- India) ■ Others ■ India ■ Europe ■ USA

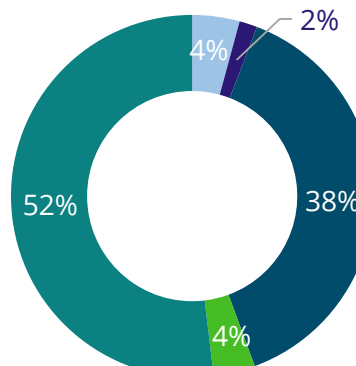
FY17

Segmental Revenue Split (%)



■ Animal HC ■ Human HC ■ Food ■ Industrial Processing

Geographical Revenue Split (%)



■ Asia (ex- India) ■ Others ■ India ■ Europe ■ USA

Note: 1. On Consolidated Basis

2. Segmental Revenue excluding excise duty

3. EBITDA is including other income

4. Does not include sales made by Evoxx

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8. Segment-wise revenue does not include other operating income

Balance Sheet (Consolidated) – FY18



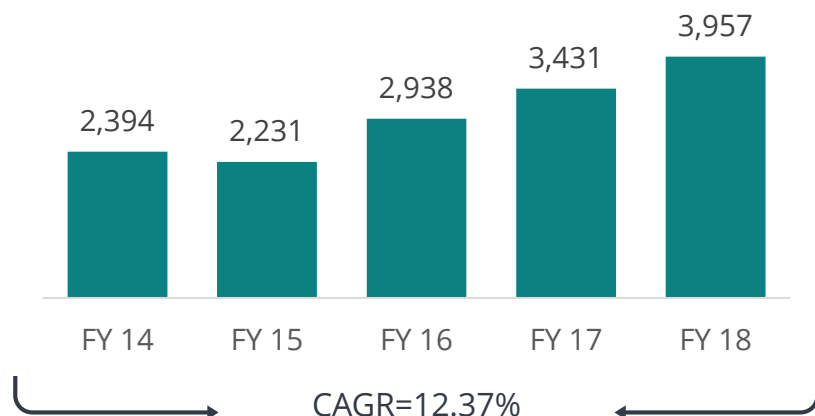
₹ in Million

Particulars	FY18 Audited	FY17 Audited
Assets		
Property, plant and equipment	1,667	1,664
Capital work-in-progress	105	80
Intangible assets	662	270
Goodwill	2,584	2,280
Other non-current assets	143	166
Current assets	2,107	1,382
Assets held for sale	48	48
Total Assets	7,316	5,890
Equity And Liabilities		
Equity share capital	223	223
Other equity	5,368	4,417
Non-controlling interest	226	211
Non-current liabilities	471	386
Current liabilities	987	617
Liabilities classified as held for sale	41	36
Total – Equity and Liabilities	7,316	5,890

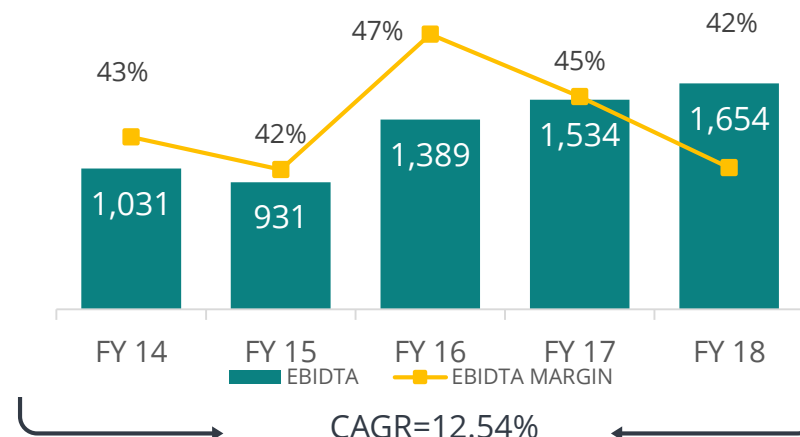


₹ in Million

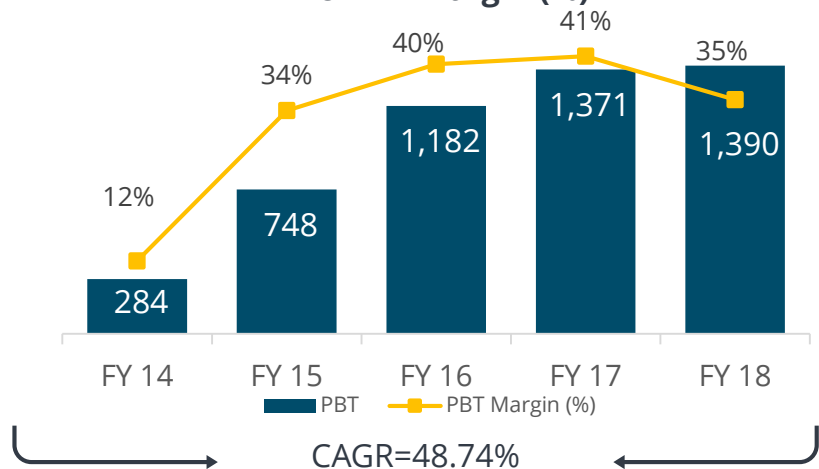
Revenue from Operations



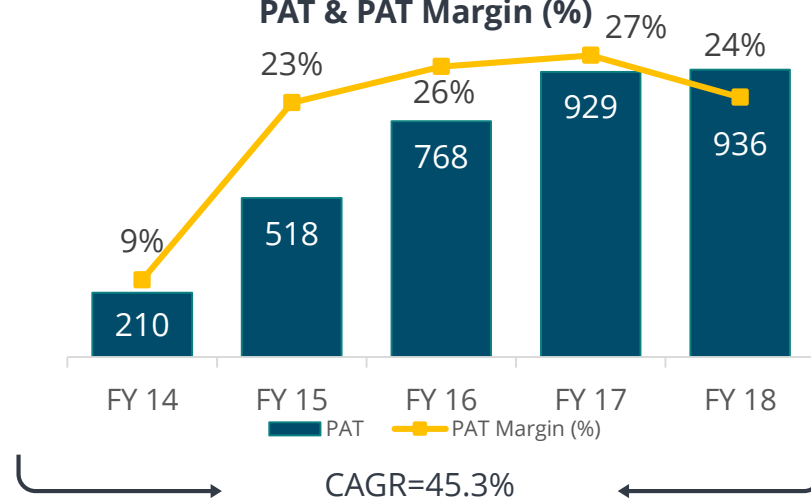
EBIDTA & EBIDTA Margin (%)



PBT & PBT Margin (%)



PAT & PAT Margin (%)



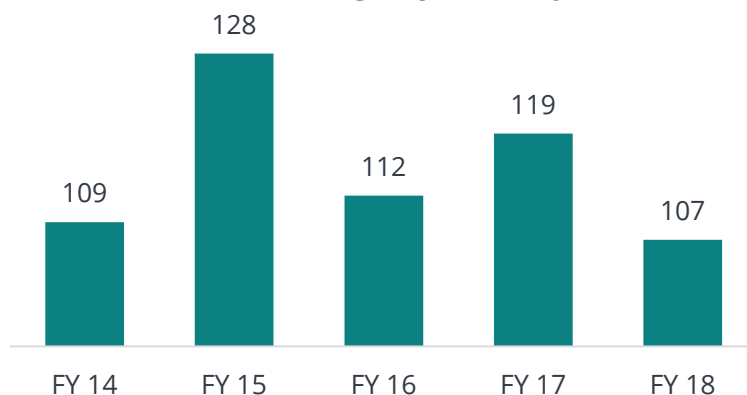
Note: As per IGAAP | FY17 & FY18 – as per IndAs

All numbers are on Consolidated basis

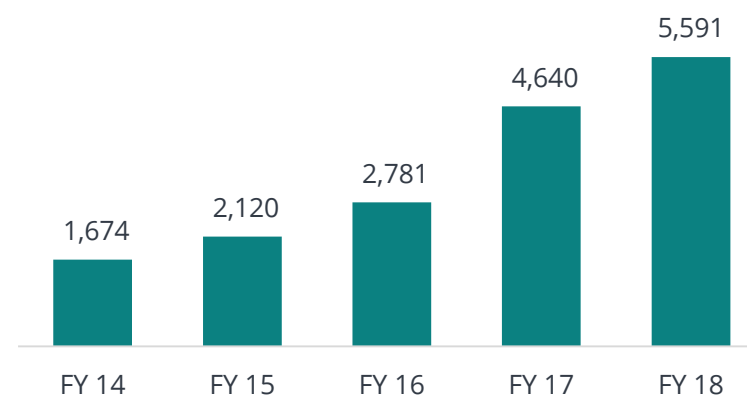
ROE = Profit after tax / Average shareholder equity; RoCE = (Net Profit before Tax, Exceptional and extraordinary items + Finance cost) / Average (Net debt + Networkth)



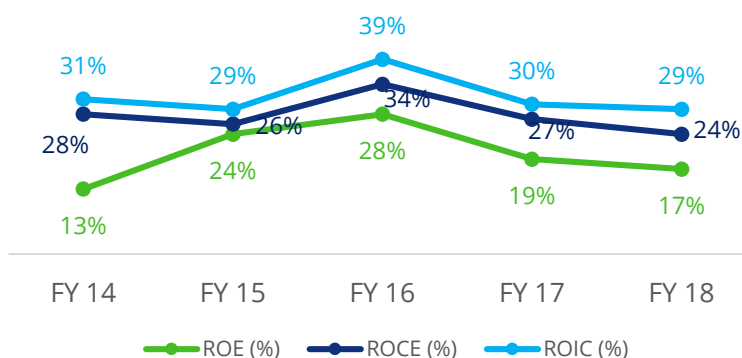
Net Working Capital (Days)



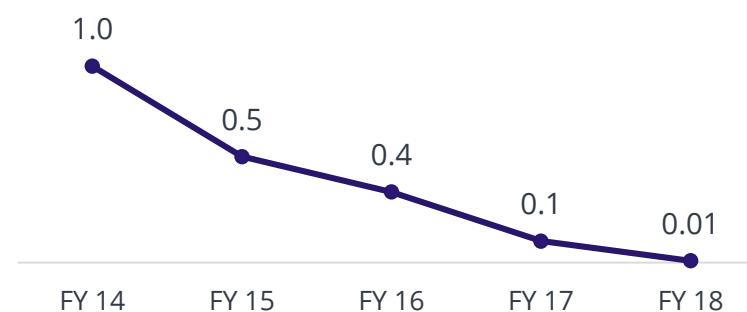
Net Worth (₹ mn)



ROE (%) | ROCE (%) | ROIC (%)



Net Debt to Equity (x)



Note: As per IGAAP | FY17 & FY18 – as per IndAs

All numbers are on Consolidated basis

Net working capital days = $\frac{(\text{Trade receivables} + \text{inventories} - \text{Trade payables})}{\text{Revenue from operations}} \times 365$

Net Debt = Long term debt + short term debt + current maturities of long term debt – Cash & Cash Equivalent



Stock Data (As on 31st October 2018)



Market Capitalization (₹)

22,017 mn



Shares Outstanding

111.6 mn



Free Float

29 %



Symbol (NSE/ BSE)

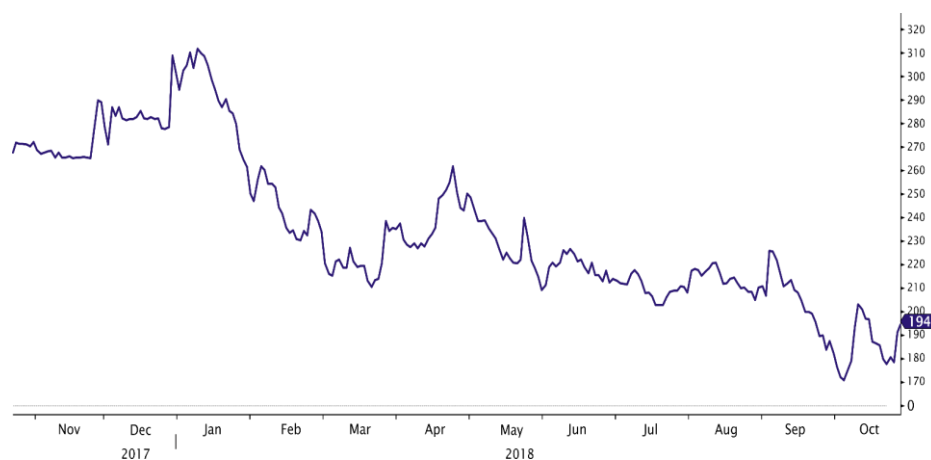
ADVENZYMES / 540025



Average Daily Volume (3 months)

2,78,660

Stock Chart (As on 31th October 2018)

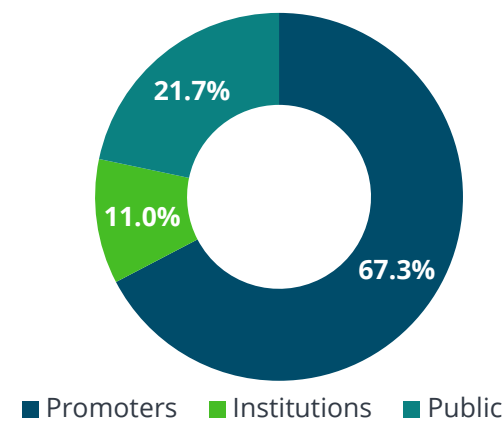


Source: BSE, NSE, Thomson Reuters

Top 5 Institutional Holders (As on 26th November 2018)

Institutions	OS (%)
HDFC Asset Management Co. Ltd. (Invst Mgmt)	5.55
First State Investment Management Ltd. (ICVC)	1.58
Reliance Capital Trustee Co. Ltd	1.54
Pacific Assets Trust Plc	0.54
Truck Capital Master Fund Ltd.	0.39

Shareholding Pattern (%)



Note: Data mentioned in above chart is as on 30th September 2018

Email: supreet@advancedenzymes.com

