

Future- prepared

Committed to charting new horizons



Fermenta Biotech Limited
Annual Report 2022-23

Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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Future-prepared.

Fermenta is capitalising on decades of expertise in manufacturing and marketing Vitamin D to transform into a nutrition-focused company.

The Company has proactively created capacities and capabilities to accelerate its journey towards the holistic manufacture of nutritional ingredients.

Fermenta is attractively placed to evolve its nutrition portfolio, which is expected to enhance value in a sustainable way for all its stakeholders.



Part 1

What **we are**,
what **we do** and
how **we performed**

Company profile

Fermenta Biotech Limited.

The Company is principally engaged in the manufacture of Vitamin D, APIs, enzymes and providing environmental solutions services.

Building on longstanding competencies in the Vitamin D space, Fermenta has deepened its commitment to 'Empowering lives through quality nutrition'.

The Company is augmenting its presence in the nutrition segment in line with societal needs and global priorities to combat micronutrient deficiency.

Fermenta has built capacities and capabilities to manufacture new products in its emerging portfolio of nutritional ingredients, customised premixes and fortified rice kernel.

Fermenta has widened its distribution network with the objective to service global customers better.

The Company has maintained prudent borrowing, strengthening its competitiveness across market cycles.

Our vision

To create a system and nurture it to reach a state of functioning, enabling it to acquire a state of timeless stability and growth.

Our mission

To produce high quality niche products, used in every line of pharmaceutical, food and fine chemical manufacture, through innovative and concentrated research efforts, thus becoming the most preferred eco-friendly solutions provider in bio-catalysis and pharmaceuticals.

Employees

550

The Company's human resource strength as on March 31, 2023.

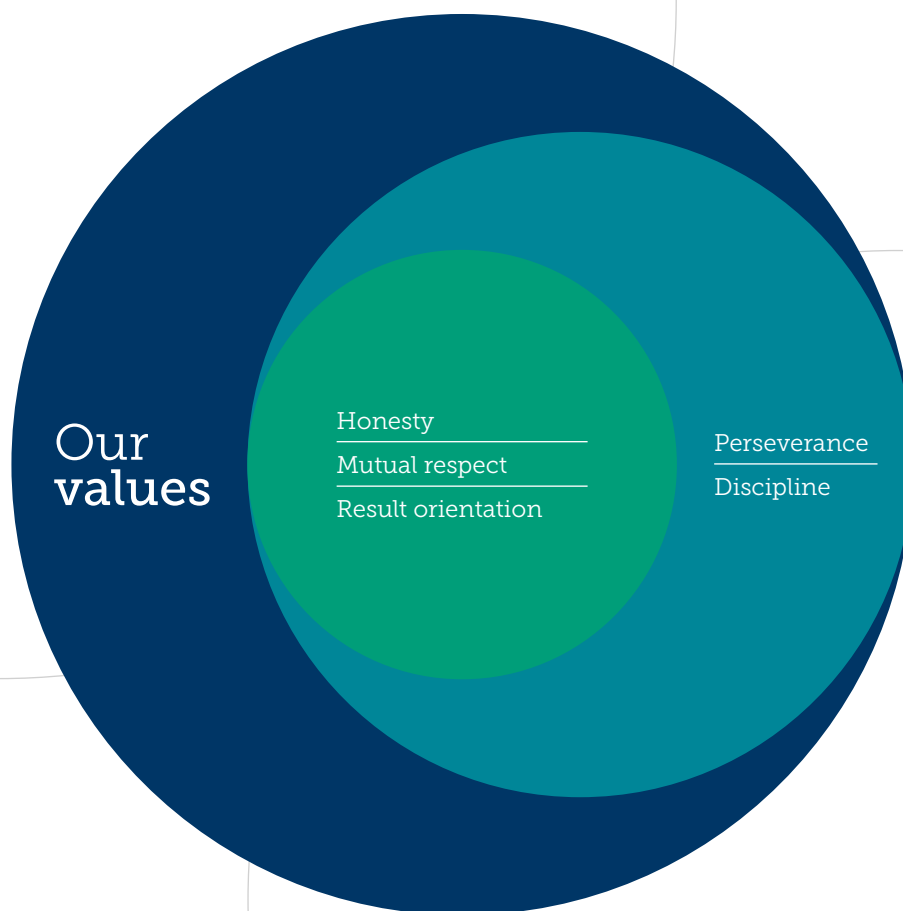
The Company is mainly engaged in the manufacture of Vitamin D, APIs, enzymes and providing environmental solutions services.

Our pedigree

Dr. D. V. K. Raju established Fermenta Biotech Limited in 1951. The Company has gained recognition in the pharmaceutical, enzyme technology and environmental solutions industries. Fermenta has earned respect for its ability to balance its more than 70 years of history with a forward-thinking mindset.

Our cutting-edge infrastructure

The Company possesses expertise in the certified pedigree of its manufacturing facilities, comprising advanced technologies, which reinforces its quality leadership. The Company established its manufacturing units in Kullu (Himachal Pradesh), Dahej (Gujarat) and Pennepalli (Andhra Pradesh). The Company strengthened its research and development center in Thane (Maharashtra).



Our ratings

The Company's long-term bank facilities for fund-based limits and term loans received a stable outlook credit rating of CARE A- (A minus) by a reputable credit rating agency, while the short-term bank facilities for non-fund-based limits received a credit rating of CARE A2 (A two). These ratings signify the Company's sound financial stability and its ability to fulfill financial obligations.

Listing

The Company's equity shares are actively traded on the Bombay Stock Exchange Limited. As of March 31, 2023, the Company's market capitalisation was ₹314.76 Crores.

Our international presence

The Company's quality products, timely service and excellent manufacturing capabilities have been recognised through a sustained presence in more than 60 countries, where it serves over 350 global customers. The Company's subsidiaries in the United States and Germany are expanding the Company's global distribution

footprint in North America and Europe.

Our international subsidiaries

Fermenta Biotech GmbH (Hamburg, Germany): Fermenta Biotech GmbH is a wholly-owned subsidiary of Fermenta Biotech Limited (FBL), India. The production of Vitamin D3 500 feed grade powder for animal nutrition in Germany strengthens the Company's endeavor to achieve customer proximity in Europe. Fermenta Biotech GmbH provides support for feed grade powder production through a local toll manufacturer in Germany. The Company expects to leverage the made-in-Europe product as a geographic advantage for global customers.

Fermenta USA, LLC (Nacogdoches, USA): Fermenta Biotech USA, LLC, a wholly owned subsidiary of Fermenta Biotech Limited, acquired a majority stake in AGD Nutrition, LLC in 2020. Followed by the acquisition, AGD Nutrition, LLC was renamed Fermenta USA, LLC (FUSA). FUSA is situated in Texas, USA, and is expected to add value to Fermenta's business due to its presence in the world's largest pharmaceutical market. Fermenta USA's expertise comprises animal nutrition (ingredients for feed) and human nutrition (dietary and

nutritional supplements). Fermenta USA, LLC comprises a strong distribution network across North America.

Our product mix

Fermenta is among the leading global manufacturers of Vitamin D, producing a range of Vitamin D variants used in pharmaceuticals, dietary/nutritional supplements, food and beverages, veterinary, feed, and rodenticide applications. In addition to its Vitamin D products, Fermenta is a manufacturer of enzymes used to produce ingredients for various industries, including pharmaceuticals, food and fragrances, oleochemicals, biodiesel, leather and fine chemicals. In addition, the Company provides waste water management and treatment solutions. Fermenta also offers a range of nutritional ingredients, such as fish oil-derived cholesterol for aquaculture nutrition, natural astaxanthin, and Vitamin AD2 premix, among others.

60

Presence across
countries

350

Global
customers



Our events and associations

Convention on Pharmaceutical Ingredients (CPhI) Worldwide 2022

Fermenta exhibited in CPhI Worldwide held in Frankfurt, Germany. The Company networked with global clientele, partners and potential customers in the human nutrition segment.

Convention on Pharmaceutical Ingredients (CPhI) India 2022

Fermenta was an exhibitor in CPhI India held in New Delhi. The Company engaged with its domestic customers and partners in the pharmaceutical sector during the event.

International Trade Fair for Sewage Technology (IFAT) India 2022

Fermenta's environmental solutions business division exhibited at IFAT (India's biggest environment technology trade fair) in Mumbai along with its German partner, KLARO for meeting clients and expanding business leads in the waste water management and treatment segment.

Council for Responsible Nutrition (CRN)

Fermenta joined the US-based dietary supplements trade association Council for Responsible Nutrition (CRN) as a voting member. CRN is a global body of more than 180 member companies, a leading trade association for the dietary supplements and functional food industry. Fermenta is also a part of CRN's Vitamin D task force, which developed the award-winning Vitamin D and Me! campaign to promote evidence-based content through collaborations with researchers.

Vitamin D Guru

Fermenta's public awareness initiative Vitamin D Guru aims to educate consumers about the health benefits of Vitamin D and encourage users to check the incidences for Vitamin D deficiency. Vitamin D Guru's initiatives span across in-person events as well as digital platforms.

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