

Balaxi Pharmaceuticals Limited

To

19th July, 2021

Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, Plot No C/1, G Block, BKC,
Bandra (E), Mumbai-400051

Stock Code: BALAXI

Sub: Press Release

Dear Sir/Madam,

We hereby attach a copy of the Press Release titled "**Balaxi Pharmaceuticals further diversifies geographical mix, reports 23% YoY increase in Profit After Tax for Q1FY22**" issued by the Company. This is for your information and dissemination on your website.

The said information is also being made available on the website of the Company at www.balaxipharma.in

Yours Faithfully,

For **Balaxi Pharmaceuticals Limited**


Chinta Shalini
Company Secretary



Registered Office:

2nd Floor, Maps Towers, Plot No.409, Road No. 81, Jubilee Hills, Phase-III, Hyderabad, Telangana, India - 500096.

CIN: L25191TG1942PLC121598

Phone: +91 40 23555300 | Email: info@balaxi.in | Website: www.balaxipharma.in

(Formerly known as Balaxi Ventures Limited)

Balaxi Pharmaceuticals further diversifies geographical mix, reports 23% YoY increase in Profit After Tax for Q1FY22

Hyderabad, July 19, 2021: Balaxi Pharmaceuticals Limited (Balaxi), a branded IPR-based pharmaceutical company headquartered in Hyderabad, reported its results for the quarter and year ended 30th June 2021.

Financial Highlights - Q1 FY22:

Particulars (INR mn)	Q1FY22	Q1FY21	YoY
Revenue	583	521	12%
Gross Profit	168	128	31%
EBITDA	126	95	32%
EBITDA Margin %	21.5%	18.3%	320 bps
PAT	107	87	23%
PAT Margin %	18.4%	16.7%	170 bps

- The Company recorded a revenue of INR 583 million in Q1 FY22, registering a 12% growth year-on-year, led by Pharma and Branded consumer goods segments.
- Higher contribution from newer geographies such as Guatemala also led Pharma segment to grow by 11% YoY
- With new launches and increasing customer acceptance, Branded consumer segment Revenue increased by 128% YoY
- EBITDA of INR 126 million for Q1 FY22; EBITDA margin stood at 21.5% higher by 320 bps due to favourable product mix. Higher Branded products in overall mix led to margin improvement in Q1FY22
- Reported PAT of INR 107 million for Q1FY22, higher by 23% YoY

Revenue Mix:

Segment	Q1FY22	Q1FY21	FY21
Pharmaceuticals	61%	62%	59%
Branded Consumer Products	27%	13%	13%
Ancillary	12%	25%	28%

Gross Profit Breakup

Segment	Q1FY22	Q1FY21	FY21
Pharmaceuticals	75%	77%	73%
Branded Consumer Products	17%	8%	9%
Ancillary	8%	15%	18%

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- For Q1FY22, Pharmaceutical business segment contributed 61% of the consolidated revenues and 75% of the total gross profit. Share of Pharmaceuticals business in Total revenue increased on account of contribution from newer geographies. In gross profits, the contribution from pharmaceutical segment increased by 200bps YoY.
- Share of YAP branded consumer products revenue grew significantly, from 13% in Q1FY21 to 27% in Q1FY22. Biscuits continues to remain a major contributor in this segment, contributing more than 90% of Revenue to this segment. The Company has launched various new products like tooth paste, ketchup to its existing portfolio.
- Ancillary business contributed 12% to the revenue in Q1FY22

Update on Pharmaceutical Product Registrations/Import Permits:

Particulars	Angola	Guatemala	Dominican Republic	Honduras	El Salvador	Central African Republic	Nicaragua	Total
Existing Product Registrations	289	83	136	24	20	-	-	556
Submitted to MOH		70	38	30				138
Product Registrations in Pipeline	-	115	52	120	120	175	90	612

Commenting on the performance, Mr. Ashish Maheshwari, Chairman and Managing Director said, “Balaxi has set its footprints into the newer geography of Nicaragua, with the registration pipeline of 90 products, reflecting the company’s ‘Land and Expand’ strategy. As on date Balaxi has 556 pharmaceutical product registrations/import permits, spanning across 5 countries, and has a robust pipeline of 750 product registrations, including those submitted to MOH spanning across 6 countries.

Balaxi saw an increase in the share of pharmaceutical business from Guatemala and Dominican Republic, showcasing that the newer geographies have started contributing to the company’s overall pharmaceutical segment. The Company continues with its endeavour of remaining debt free and maximise stakeholder value. The company remains confident about achieving its long-term growth aspirations and looks forward to expanding in additional geographies. Balaxi aims to expand in 20 frontier markets over the next 5 years.”

Pharmaceutical Business Overview:

- The Company generated 55% of the pharmaceutical revenue from Angola, followed Dominican Republic 31% and Guatemala 14% in Q1FY22.
- The share of Guatemala and Dominican Republic increased during the quarter, which would help the company in further strengthening its geographical mix.
- The product split between Branded & Generics is at 36:64 in Q1FY22. Product mix at Angola remains highly attractive at 55:45.

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Branded Consumer Business overview:

- Branded consumer business saw strong revenue growth of 128% YoY and Operating profits growth of 165% YoY.
- Increasing recognition of YAP brand across region has helped the company to report higher revenue during Q1FY22. New product launches have also helped the company to gain more traction.

About Balaxi Pharmaceuticals Limited:

Balaxi Pharmaceuticals Ltd is a branded IPR-based pharmaceutical player focusing on frontier markets, with a vast and growing portfolio of prescription and OTC drugs, across multiple therapeutic segments. The Company is engaged in supplying branded and generic medicines through its well-built distribution network across Angola, Guatemala and Dominican Republic. These products are procured from WHO GMP certified contract manufacturers based in India, China and Portugal. Balaxi is present in Ancillary business and building a Branded Consumer Products business which complements pharmaceutical business and provides operating leverage on the back of well-established on-ground infrastructure and channel relationships.

Forward-Looking Statement:

Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Balaxi Pharmaceuticals Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

For more information, please contact

Shalini Chinta
Company Secretary
Email: secretarial@balaxi.in

Chintan Mehta
IR Consultant – Dickenson World
Contact – 989218389
Email: chintan.mehta@dickensonworld.com

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