

Balaxi Pharmaceuticals Limited

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

20th January, 2021

Stock Code: BALAXI

Sub: Revised Press Release

Dear Sir/Madam,

This is with reference to the Press release dated 19th January, 2021 which was titled “**Balaxi Pharmaceuticals reports Revenue of INR 1,784 million for 9M FY21**”. We hereby attach the revised Press Release for your information and dissemination on your website.

Please note the changes that were made in the revised press release:

Original Press Release

Pharmaceutical Business Overview:

Geographical Mix %	Q3FY21	Q2FY21	9MFY21
Angola	81%	72%	78%
Guatemala	14%	8%	16%
Dominican Republic	6%	20%	6%

Revised Press Release (with Corrections)

Pharmaceutical Business Overview:

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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 Limited

Original Press Release

Strategic Initiatives:

- Balaxi Pharmaceuticals has received in principal approval for integration of its Angola and Central African republic subsidiaries. Such integration would lead the growth over long term. The Company plans to begin with pharmaceutical business in the region through well-built on-ground infrastructure in terms of warehouses, fleet of vehicles and personnel.
- The company have tactically increased its pharma product sourcing from Portugal and India for Q3FY21. Share of product sourcing from India for Angola has increased to 39% from 34% in Q2FY21, Simultaneously share of Portugal increased to 35% from 12% in Q2FY21.

Revised Press Release (with Corrections)

Other Highlights:

- In January 2021, Balaxi Global DMCC, the wholly-owned subsidiary of Balaxi, completed the acquisition of the 49% stake in Balaxi Healthcare Angola LDA. This will strategically help the company in the long term.
- The Company in January 2021 registered a wholly-owned subsidiary in the Central African Republic (CAR) and will now start the process of registering BALAXI products in CAR.
- As its part of cost optimisation strategy, the company tactically increased its pharma product sourcing from Portugal for the Angola market. This rose from 12% for H1FY21 to 35% for the 9M FY21.

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



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Revised Press Release

Balaxi Pharmaceuticals reports Revenue of INR 1,784 million for 9M FY21

Hyderabad, January 19 2021: Balaxi Pharmaceuticals Limited (Balaxi), a branded IPR-based pharmaceutical company, today announced its results for the quarter and nine months ended on 31st December 2020.

Financial Highlights – 9M FY21:

- The Company recorded a revenue of INR 1,784 million. Incremental growth is due to the consolidation of newly acquired subsidiaries of Guatemala and Dominican Republic.
- EBITDA came in at INR 309 million; EBITDA margin at 17.3%.
- PAT came in at INR 298 million; PAT margin at 16.7%.

Particulars (INR mn)	Q3FY21	Q2FY21	Q-o-Q%	9M FY21
Revenue	660	603	9%	1,784
EBITDA	116	103	12%	309
EBITDA Margin %	17.5%	17.1%	40 bps	17.3%
PAT	110	101	9%	298
PAT Margin %	16.6%	16.7%	-	16.7%

Segmental Performance:

Revenue (INR mn)	Q3FY21	Q2FY21	Q-o-Q%	9M FY21
Pharmaceuticals	350	385	-9%	1,056
Ancillary	222	177	25%	530
Branded Consumer Products	88	41	114%	197

- Sales mix of Branded: Generics in Q3FY21 stood at 28:72 as against 24:76 in H1FY21. This aided better EBITDA margins of 20.3% in Q3FY21 versus 19.5% in Q2FY21.
- The pharmaceutical business segment contributes 59% of the consolidated revenues and 68% of the consolidated EBITDA.
- Ancillary business witnessed an increase in revenue to INR 222 million in Q2FY21 versus INR 177 million in Q2FY21 registering a growth of 25% Q-o-Q.
- Branded Consumer products rebounded after COVID impacted Q2FY21. This segment reported increase of 114% QoQ in Revenue and 171% QoQ growth in PAT.

Update on Pharmaceutical Product Registrations:

Particulars	Angola	Guatemala	Dominican Republic	Honduras	El Salvador	Central African Republic
Existing Product Registrations	289	79	136	24	20	-
Product Registrations in Pipeline	-	115	52	120	120	175

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Commenting on the performance, Mr. Ashish Maheshwari, Chairman and Managing Director, said, “Balaxi reported decent growth in business despite Covid-19 pandemic. The Company has 548 pharmaceutical product registrations spanning across five countries and another 582 product registrations in the pipeline. We also have a well-experienced expert regulatory team, which carefully monitors the registration process at every stage. We aim to double our pharmaceutical product registrations over the next two years.”

Pharmaceutical Business Overview:

Geographical Mix %	Q3FY21	Q2FY21	9MFY21
Angola	81%	72%	78%
Guatemala	6%	8%	6%
Dominican Republic	14%	20%	16%

- The Company generated 78% of the pharmaceutical revenue from Angola followed Guatemala and Dominican Republic as on 9MFY21.
- The product split between Branded & Generics is at 25:75 as on 9MFY21. Balaxi is focused on the growing share of branded generics in its overall pharma sales.
- The Company has set its foot in the newer geographies such as Central African Republic, Honduras and El Salvador and plans to expand its presence in these markets.

Other Highlights:

- In January 2021, Balaxi Global DMCC, the wholly-owned subsidiary of Balaxi, completed the acquisition of the 49% stake in Balaxi Healthcare Angola LDA. This will strategically help the company in the long term.
- The Company in January 2021 registered a wholly-owned subsidiary in the Central African Republic (CAR) and will now start the process of registering BALAXI products in CAR.
- As its part of cost optimisation strategy, the company tactically increased its pharma product sourcing from Portugal for the Angola market. This rose from 12% for H1FY21 to 35% for 9M FY21.
- Added several products under its Branded consumer products vertical such as hand sanitiser, disinfectants, confectionaries etc. For Q3FY21 sanitiser accounts for nearly 3% of Revenue for this vertical

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 the 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.

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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

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