

Balaxi Pharmaceuticals Limited

November 05, 2022

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

NSE Symbol: BALAXI

Dear Sir/Madam,

Subject: Press Release

Please find enclosed herewith a copy of Press Release dated November 05, 2022 titled “**Balaxi Pharmaceuticals delivers strong growth in Q2 FY23**”.

The aforesaid information is also being hosted on the Company’s website at www.balaxipharma.in.

This is for your information and records.

Yours Faithfully,

For **Balaxi Pharmaceuticals Limited**

Udayan Shukla

(Company Secretary and Compliance Officer)

Membership No.: F11744

Encl: A/a

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

Press Release

For Immediate Release

Balaxi Pharmaceuticals delivers strong growth in Q2 FY23

Revenue up 23%, Profit After Tax expands 29%**Pharma revenue up 50% with expanding contribution from Latin America**

Hyderabad, November 5, 2022: Balaxi Pharmaceuticals Limited (Balaxi), a branded IPR-based pharmaceutical company headquartered in Hyderabad, reported its results for the second quarter of FY23.

Financial Highlights:

| Particulars (INR Crore) | Q2FY23 | Q2FY22 | YoY |
|--------------------------|--------|--------|-----------|
| Revenue | 86.38 | 70.23 | +23.0% |
| EBITDA | 14.75 | 14.03 | +5.2% |
| EBITDA Margin % | 17.1% | 20.0% | (290) bps |
| Profit After Tax | 15.49 | 12.05 | +28.5% |
| PAT Margin % | 17.9% | 17.2% | 76 bps |
| Earnings Per Share (INR) | 15.49 | 12.05 | 28.5% |

- **Revenue:** Robust revenue growth of 23.0% YoY during Q2FY23 period was led by the Pharmaceuticals business. In this segment, Latin America contributed significantly with 29% growth. Previously launched geographies of Dominican Republic and Guatemala delivered strong expansion whereas Honduras and El Salvador have also initiated business operations and hold immense business potential. In addition, other countries in the region are being lined up for upcoming expansion. In Africa, established operations in Angola resumed growth within the ecosystem of previously registered products, with the Central African Republic that is likely to start contributing from Q4 FY23.
- **EBITDA:** During this quarter, EBITDA was higher by 5.2% despite absorbing higher cost structures in several recently launched operations in countries that are likely to scale up to potential over the next few years. EBITDA declined marginally by 290 bps to 17.1% in Q2 – however, the outlook of margin expansion in most frontier markets targeted by Balaxi remains encouraging.
- **Profit After Tax:** Profit After Tax grew by 28.5% YoY in Q2FY23, despite lower margins. Earnings per Share (EPS) for the quarter was recorded at Rs. 15.49 compared to Rs. 12.05 in the corresponding quarter last year.

Commenting on the results, Mr. Ashish Maheshwari, Chairman and Managing Director said, “Q2 was another strong growth quarter for Balaxi and the momentum of expansion is maintained. Going forward, we see several levers that will potentially add value to the operations over the next several years – geographical expansion into new frontier markets, leverage of existing competencies to gain scale in additional geographies, deep market penetration in previously launched operations and a very strong pipeline of product registrations and regulatory submissions across the board. Moreover,

following the successful preferential issue of ~ Rs. 50 crore, we are well-positioned to commission our EU GMP manufacturing facility by March 2024. Driving this initiative forward, we completed land acquisition previously, a leading consultant has been appointed for project execution and the ground breaking ceremony is scheduled next month.

Overall, we believe that our experience of successfully creating profitable operations in markets that are in similar phases of economic evolution is a substantial asset that will create long-term, sustainable value for all our stakeholders."

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 on ground infrastructure across Angola, Guatemala and Dominican Republic. These products are procured from WHO GMP certified contract manufacturers based in India, China and Portugal.

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

Sunny Purohit
Vice President (MD's Office)
Email: sunny@balaxi.com

Adfactors PR (Investor Relations Consultants)

Mr. Pratik Patil – Contact: +91 8291510324
Email: pratik.patil@adfactorspr.com

Adfactors PR (Media Queries)

Ms. Janice Olivera – Contact: +91 9167886096
Email: janice.olivera@adfactorspr.com