

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

6th September, 2022

Stock Code: BALAXI

Sub: Press Release

Dear Sir/Madam,

We hereby attach a copy of the Press Release titled “**Balaxi Pharma to Issue Equity Shares/Warrants aggregating to INR 49.61 crore on Preferential Basis**” 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 Digitally signed by
SHALINI CHINTA SHALINI
Date: 2022.08.16
19:18:01 +05'30'

Shalini Chinta

Company Secretary

Registered Office:

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

CIN: L25191TG1942PLC121598

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Press Release

For Immediate Release

Balaxi Pharma to Issue Equity Shares/Warrants aggregating to INR 49.61 crore on Preferential Basis

Hyderabad, 05 September, 2022:

Balaxi Pharmaceuticals Limited has announced that its Board of Directors, in its meeting held today, approved the issuance of 11,00,000 Equity Shares/ Warrants on Preferential Basis. The Board of Directors, in accordance with applicable laws determined the price of INR 451/- per Equity Share/ Warrant, aggregating to INR 49.61 Cr. The Preferential Issue is subject to the approval of the company's shareholders, and other applicable statutory approvals.

Proceeds from the proposed issue will be utilized to part finance Balaxi's planned EU GMP-compliant manufacturing facility for Oral Solid Dosages and Liquid Injectables at TSIIIC Pharma Formulations SEZ, Jadcharla, near Hyderabad. This estimated capex is INR 90 crore. The Oral Solid Dosage (OSD) Block is slated to be commissioned in March 2024 and the Liquid Injectables Block is slated to be commissioned in June 2024. The production will commence within two months of commissioning on obtaining WHO-GMP certification and site transfers for various products which are currently being contract manufactured from other contract manufacturing organisations for several existing high-potential markets in Latin America which afford strong growth visibility for the company. The EU-GMP certification is expected within 6 months of commissioning. Establishing manufacturing capabilities will have an attractive return on investment on the capex, which would be around 30-35 percent per annum on a steady state basis. Apart from this return on the incremental capex investment, there will be key qualitative long term returns backed by the EU-GMP certification from customer engagement, a incremental focus on premiumisation and several other strategic benefits for the business.

Rajasthan Global Securities Private Limited, a Qualified Institutional Buyer, subscribed for 3,19,000 Warrants and is the Anchor Investor for this Preferential Issue.

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

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