

Balaxi Ventures Limited

July 22, 2020

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

Stock Code: BALAXI

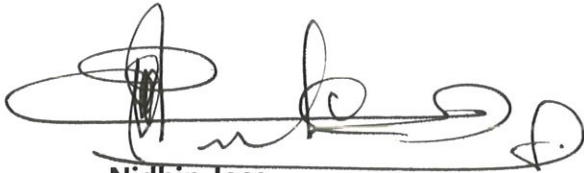
Sub: Media Release

Dear Sir/Madam,

We attach a copy of the media release issued by the Company, titled **BALAXI VENTURES LIMITED ANNOUNCES Q1-FY-21 RESULTS**

This is for your information and dissemination on your website.

Yours Faithfully,
For, **Balaxi Ventures Limited,**



Nidhin Jose
Company Secretary



Registered Office:

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PRESS RELEASE: FOR IMMEDIATE ISSUE

BALAXI VENTURES LIMITED ANNOUNCES Q1-FY-21 RESULTS

Hyderabad, July 22nd, 2020: Balaxi Ventures Limited (BVL), headquartered in Hyderabad, today announced its consolidated results for the first quarter of FY21.

Financial Highlights for Q1, FY21

- **Operating Revenue** for Q1FY21 at INR 5,206 lakhs as against INR 823 lakhs for Q1FY20, registering a growth of 532 % YoY
- **EBITDA (Operating Profit)** for Q1FY21 stood at INR 902 lakhs as against INR 147 lakhs for Q1FY20, registering a growth of 514 % YoY
- **PBT (Profit Before Tax)** for Q1FY21 stood at INR 1,047 lakhs as against INR 143 lakhs for Q1FY20, registering a growth of 632 % YoY
- **PAT (Profit After Tax*)** for Q1FY21 stood at INR 870 lakhs as against INR 103 lakhs for Q1FY20, registering a growth of 745 % YoY
- **EPS (Earnings Per Share)** for Q1FY21 stood at INR 8.7 as against INR 3.39 for Q1FY20, registering a growth of 157 % YoY
- BVL continues to retain its **debt free** status as of June 30, 2020

Segment-wise Revenue Composition for Q1of FY21 (INR lakhs)

Segment	% of total	Q1FY21	Q1FY20	% VAR
Pharma	58.5	3046	755	303
Builders' Hardware	28.4	1479	68	2076
FMCG	13.1	681	NIL	NA
Total	100.0	5206	823	532

Other Operational Highlights for Q1FY21

- Q1FY21 numbers were boosted on account of contribution from the newly acquired (w.e.f. 1st April, 2020) Dominican Republic (DR) and Guatemala subsidiaries and saw BVL secure ownership of the distribution front-end of the Group in the Latin American region as also product registrations in these countries.

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Particulars	Guatemala	Dominican Republic
Product Registrations Granted	71	136
Product Registrations Pending	35	48
Warehouse Space (square feet)	11,000	12,000
Client base of retailers/wholesalers	150	600

- Revenues from the Latin American market (which includes Venezuela and Haiti) now account for over 31% of the Pharma vertical of BVL, whereas the rest came from Angola.
- BVL lost out on some sales potential in the FMCG segment on account of the lockdown in Angola and logistics issues that delayed export shipments – Currently, this segment covers a large range of biscuits under the brand YAP, sourced from a state-of-the-art factory in India.

Strategic Initiatives

- BVL has set its sights on other Latin American markets such as Honduras, Nicaragua and El Salvador and plans to expand presence to these markets in 2021. It has set itself a strategic vision to grow Pharma sales contribution from Latin American markets to as much as 50% in the next 3 years.
- BVL to focus on growing share of branded generics in its overall Pharma sales and invest in strengthening existing brands by channelizing brand building costs towards few identified power brands. The Management believes that these power brands will substantially augment the strategic value for the front-end distribution businesses.
- BVL is working on a differentiated front-end model in Angola for its FMCG business and seeks to cover a lot more sales touchpoints than the Pharma business typically covered. Based on its market research, it also plans to add new product segments such as toothpaste, hand sanitizers, disinfectants, confectioneries etc which it is hopeful of launching later this fiscal.

Commenting on the performance, Mr. Ashish Maheshwari, Chairman & Managing Director,

Balaxi Ventures Limited said, " *We are pleased to report a satisfactory performance for the quarter amidst supply chain challenges on account of the CoVid-19 pandemic.*

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Lockdowns in the key markets of presence for us have been lifted and that is an encouraging sign for us as we remain optimistic to deliver strong performance through the current fiscal”.

Proposed Change of Name

The Board has accorded an in principal approval for change of name of BVL to Balaxi Pharmaceuticals Ltd. which the Board believes more appropriately represents the predominant business vertical of the company, accounting for 58.5% of the revenues for Q1FY20. This is also a key growth driver for the company and the company will look to make further investments, both organic and inorganic, in this vertical. After due deliberation, it was considered suitable to drop ‘Ventures’ from the earlier name as the company has decided to restrict its focus only to the existing lines of business and leveraging its existing distribution infrastructure.

About Balaxi Ventures Limited

Balaxi Ventures Ltd. is engaged in wholesale distribution of pharmaceuticals, FMCG products and builders’ hardware procured from OEM suppliers under our brand names. Balaxi, along with its subsidiary, exports more than 400 generic (including 40 brands) pharmaceutical formulations, which have strong brand recall in markets such as Angola, Dominican Republic, Guatemala and Venezuela. These are sourced from WHO GMP certified plants of over 25 contract manufacturers located in India, China and Portugal. Balaxi sells over 300 SKUs in builders’ hardware segment which have strong presence across Angola. Having tasted success with its range of biscuits in the Angola market, Balaxi plans to opportunistically add more products to its FMCG portfolio.

More information about the company is available on <https://www.balaxiventures.in>.

Forward Looking Statements

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 Ventures Limited will not be in any way responsible for any action taken based on such statements and

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undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

For further details, please contact:

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