



Bal Pharma Limited

To,

The Manager-Listing

15.11.2021

National Stock exchange of India Ltd

Mumbai.

BSE Limited

Mumbai.

Dear Sir,

Sub : Press Release.

Ref : Regulation of 30 of SEBI(LODR) Regulations.2015.

We are circulating the enclosed press release on the standalone and consolidated financial results of the Company for the quarter and half year ended 30.09.2021, announced by us on 11.11.2021.

Please take the same on record.

Thanking You

For Bal Pharma Ltd



Authorised Signatory



Bal Pharma Limited

BAL Pharma reports H1FY22 results with 290% growth in PAT, led By strong performance of Its API business

November 15th, 2021, Bengaluru: BAL Pharma, a fully integrated pharmaceutical company specialized in Prescription Drugs, Generics, pharma intermediates, and Bulk Actives has announced its results for the second quarter and half year ended on 30th September 2021.

Financial Highlights – Q2 & H1FY22

Standalone Financials-

INR Mn

	Q2FY22	Q2FY21	YoY	H1FY22	H1FY21	YoY
Revenue	679.1	646.6	5%	1390.5	1172.1	19%
EBITDA	73.1	78	-6%	150.5	140.1	7%
PAT	30.5	15.3	99%	45.8	31.7	44%

The Company has delivered an all-round performance for H1FY22 with Revenue registering a growth of 19%, EBITDA grew by 7% and PAT grew by 44%. Companies API's business has been witnessing strong momentum which is driving overall growth of its standalone business. Company's standalone business comprises of majority of operating business.

Consolidated Financials -

INR Mn

	Q2FY22	Q2FY21	YoY	H1FY22	H1FY21	YoY
Revenue	677.3	646.2	5%	1386.9	1169	19%
EBITDA	68.8	71.6	-4%	145	124	17%
PAT	13.9	4.9	184%	30.4	7.8	290%
EPS	0.97	0.3	223%	2.11	0.6	252%

Financial Highlights- H1FY22

- **Revenue-** Strong contribution from API business led to Revenue growth of 19% YoY. Such overall Revenue growth was on account of non-covid therapeutic segments and robust demand both in the domestic and international markets.
- **EBITDA** increased by 17% YoY to INR 145 mn in H1FY22. EBITDA margins remained stable at 10.5%, Although bottlenecks on supply chain logistics have been gradually reducing, higher freight rates and higher Raw material costs kept EBITDA margin under check. As a result, Gross margins have witness softening of 200bps YoY in H1FY22.
- **PAT** increased by 290% YoY to INR 30.4mn in H1FY22. Better operating leverage and lower overheads led to overall increase in PAT. Company has reduced their debt in H1FY22 which resulted into lower interests costs – down by 6% YoY in H1FY22 and by 18% YoY in Q2FY22.

CORPORATE OFFICE : 5th Floor, Lakshmi Narayan Complex, 10/1, Palace Road, Bengaluru - 560 052. India

Ph. : 91 - 80 - 41379500 Fax : 91 - 80 - 22354057 / 58

Email : info@balpharma.com Website : www.balpharma.com

CIN # L85110KA1987PLC008368

REGD. OFFICE & FACTORY : 21 & 22, Bommasandra Industrial Area, Bengaluru - 560 099. Ph. : 41570813 / 19 Fax : 41570820

API Business:

- API segment revenue reported an increase of 45% YoY to INR 818.1 mn in H1FY22. Share of API in total revenue increase to 60% in H1FY22 from 49% in H1FY21.
- API exports witnessed a robust growth of 71% YoY for H1FY22; The Company exports its API across various regions with Canada, Slovenia, Hungary, Japan, Mexico, Turkey being the top destinations.
- Exports: Domestic mix was 64:36 in H1FY22 versus 44:66 in H1FY21.
- Gliclazide being an API used for treating Diabetes has been an important contributor in the company's earnings. Top 5 API's contributed nearly 94% of API's revenue in H1FY22.
- Total Order book for API's remains strong at INR 300 mn as on H1FY22, with New Launches in such as Alfuzosin for prostate enlargement, and Dabigatran under scale up for cardiac care.

Formulations Business:

- Formulations segment remained marginally subdued at INR 552mn in H1FY22. However, Domestic Formulations have been witnessing positive momentum and has reported 13% growth YoY.
- On the domestic front, the company is in the process of launching Dapagliflozin under the brand name Dapaten which is an anti-diabetic drug. With this, Bal Pharma further consolidates its market share in Diabetes as a Therapeutic segment
- Domestic to exports was at 30:70 in H1FY22 versus 25:75 in H1FY21.
- Order book for FDF stands at INR 200 as on H1FY22. With the new launches and strengthening medical representative team in domestic market would continue the positive trajectory of domestic formulations market..

Commenting on financial results, Mr. Shailesh Siroya, Managing Director, BAL Pharma said, "The financial performance for H1FY22 has been quite encouraging for especially on API front. Post easing of Covid related supply chain and logistical issues, the company has been able to report a strong recovery in growth. On API front, export markets were quite buoyant and has witnessed significant improvement over previous year. The Company would keep focussing on key therapeutic areas affecting Lifestyle disorders, and Exports are expected to drive the growth momentum going head.

It was tactically decided to restrict export of formulations in Q2FY22 due to unfavourable market conditions. Higher raw material costs, freight costs made it uneconomical to take FDF export orders. On Formulations front, company has been continuously focussing on improving Domestic market share. Domestic formulations market has been improving traction on continuous basis. Domestic FDF grew by 13% for H1FY22 and 16% QoQ basis. Company has laid out an outlay to improve market share in domestic formulations market by strengthening medical representative team and have new product launches over period of time. Bal Pharma plans to launch Gliclazide MR 30 and 60 mg in the EU market, and is expected to file dossier in Q1FY23. Though Africa and Latin America remains the dominant market for export formulations, the company is targeting increasing its presence in various other geographies like Southeast Asia and CIS countries.

Our Strategy over medium to long-term remains to focus on API exports and Domestic formulations and simultaneously strengthening our balance sheet as well. Our product opportunities are encouraging and we expect demand to remain buoyant going ahead in the current fiscal year".

About BAL Pharma Ltd (BPL)

Bal Pharma Limited (BSE: 524824; NSE: BALPHARMA) is a fully integrated pharmaceutical company specialized in Prescription Drugs, Generics, pharma intermediates and Bulk Actives. Bal Pharma's focused therapeutic areas are oncology, diabetes, gastroenterology, and dermatology, The Company is one of the largest producers and exporters of Gliclazide, a medicine to treat type-2 diabetes. Bal Pharma's niche APIs and FDFs are produced at world class manufacturing facilities located at Karnataka, Maharashtra, Rajasthan and Uttarakhand. The Company exports APIs to Europe, Australia, Japan, Far East, Canada, Latin America, Africa, Middle East and other World markets. Its FDFs are exported to Semi-regulated, Non-regulated market, and a select regulated market, besides having a robust domestic presence. Backed by strength in Research and Development, and strong infrastructure, Bal Pharma is poised to become a significant company in the pharmaceutical industry.

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. BAL Pharma 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

Y. Venu Madhava Reddy

080 41379538/41379500

Bal Pharma Limited

Email: venu@balpharma.com

Chintan Mehta/ Mehul Mehta

9892183389/ 98202 80325

Dickensonworld

Chintan.mehta@dickensonworld.com