

# Balaxi Ventures Limited

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## **BALAXI VENTURES LIMITED ANNOUNCES ACQUISITION OF 49% STAKE IN GROUP'S ANGOLA BASED DISTRIBUTION ARM**

The Balaxi Group has had operations in Angola since 2008, wherein it started off as distributor of generic formulations under its own labels, manufactured at various contract manufacturing facilities in India and China. The group maintains a unique stock and sell model. As the business progressed, branded generics were also introduced and the contract manufacturing base was extended to include Portugal in addition to India and China. In 2010, Balaxi diversified into Builder's Hardware products in which it replicated its business model from the pharma vertical. The major contract manufacturing base for this line of products was China. In 2019, the Group launched a range of branded FMCG products, by capitalizing on the reach and distribution network of its pharmaceutical business.

Balaxi Ventures Limited and its wholly-owned subsidiary Balaxi Global DMCC currently handles the entire sourcing for the Balaxi Group from India, China and Portugal and the products are then distributed by the Group's own distribution arms in Angola, Dominican Republic and Guatemala. Balaxi Ventures Limited had acquired 100% of the Group's distribution arms in Dominican Republic and Guatemala with effect from 1<sup>st</sup> April 2020. The company has now entered into an agreement to acquire a 49% stake in the Angola based distribution arm, subject to regulatory approvals. Balaxi Ventures Limited will have the right to nominate its directors on the Board, Sales Leadership positions and the right to have equal representation on the Board at all times. Once this transaction is consummated, Balaxi Ventures Limited will have direct and significant influence on its ultimate distributor in Angola, which exclusively sells only Balaxi Products.

The Infrastructure of this distribution company includes,

- 522 people on its Payroll.
- 18 Wholesale Depots exclusively selling Pharmaceuticals.
- 1 Central Distribution Warehouse for Pharmaceuticals
- 14 Wholesale Depots exclusively for Builder's Hardware.
- 1 Central Distribution Warehouse for Builder's Hardware.
- 2 Central Distribution Warehouses exclusively for FMCG products.
- Fleet of 20 heavy vehicles for distribution and marketing activities.

Balaxi Ventures Limited expects to consummate the transaction within 2 months.