



Investor Presentation

February 2024



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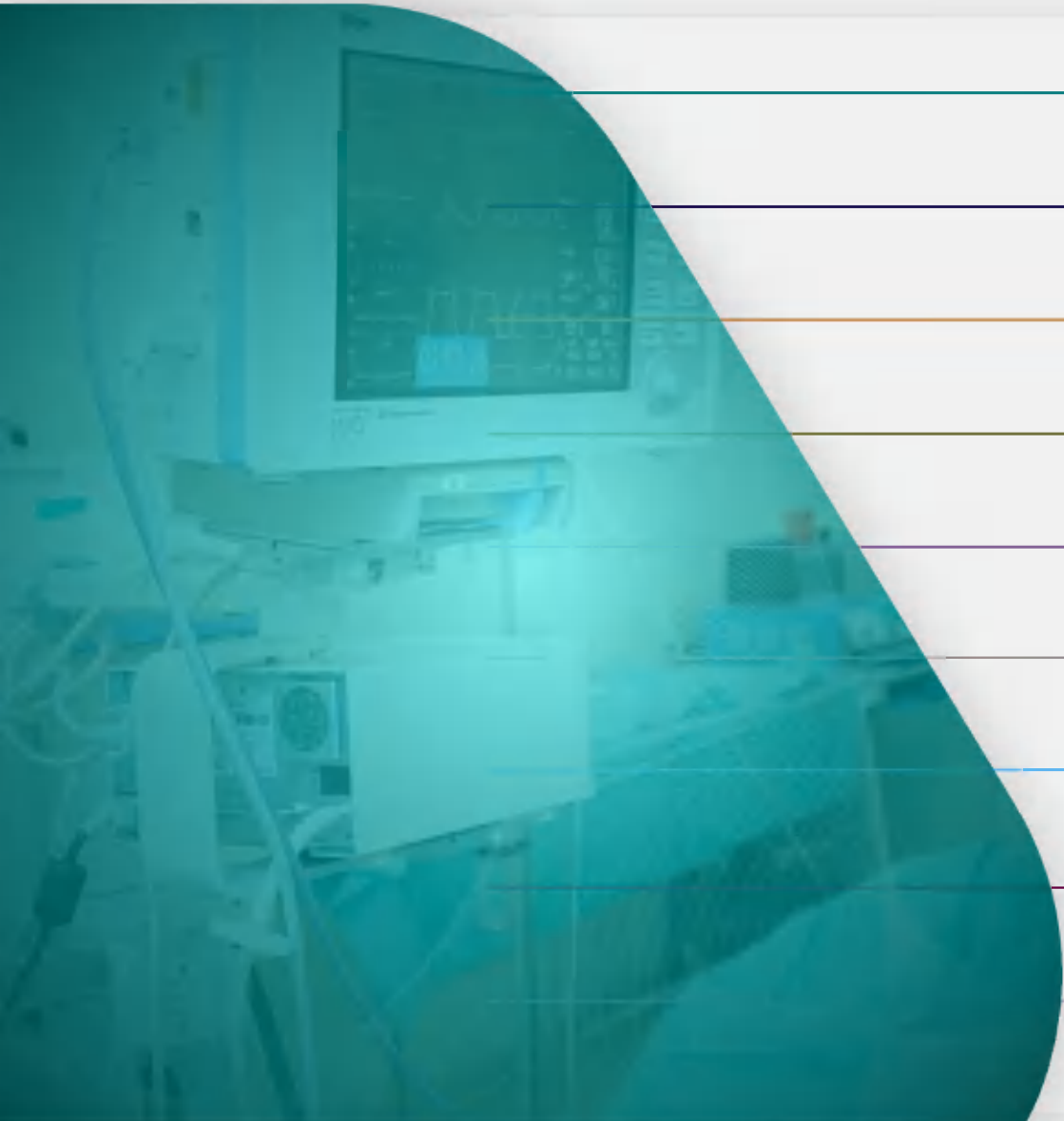
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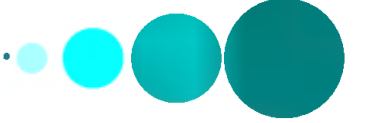
Investment Rationale



1. Q3 & 9M FY24 Financials



Q3 & 9M FY24 Earnings Highlights



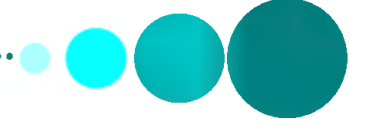
Financial Highlights

Q3FY24

- ✓ **Revenue from operations** for Q3FY24 stood at Rs. 1,668 mn which de-grew 1% on YoY basis compared to Rs. 1,690 mn in Q3FY23.
- ✓ **EBITDA** for the quarter came at Rs. 546 mn, which was up 5% YoY compared to Rs. 517 mn in Q3FY23.
- ✓ **EBITDA margin** for the quarter came at 33% as compared to 31% in Q3FY23, up 200 bps YoY.
- ✓ **PAT** for the quarter was at Rs. 321 mn, which de-grew 14% YoY compared to Rs. 375 mn in Q3FY23.
- ✓ **PAT margin** for the quarter came at 19% as compared to 22% in Q3FY23, down 300 bps YoY. One-time exceptional items accounted towards loss of Inventory, fixed asset & Compensation to employees for the fire Incident at our Mahad facilities.



Q3 & 9M FY24 Earnings Highlights



Financial Highlights

9MFY24

- ✓ **Revenue from operations** for 9M FY24 stood at Rs. 5,277 mn which grew by 5% on YoY basis compared to Rs. 5,037 mn in 9M FY23.
- ✓ **EBITDA** for 9M FY24 came at Rs. 1,762 mn up 18% YoY compared to Rs. 1,488 mn in 9M FY23.
- ✓ **EBITDA margin** for 9M FY24 was at 33% as compared to 30% in 9M FY23, up 300 bps YoY. The Higher margin was on account of improved gross margins driven by lower raw material costs.
- ✓ **PAT** for 9M FY24 came at Rs. 1,241 mn up 14% YoY compared to Rs. 1,093 mn in 9M FY23.
- ✓ **PAT margin** for 9M FY24 was at 24% as compared to 22% in 9M FY23, up 200 bps YoY.



Q3 & 9M FY24 Business Highlights

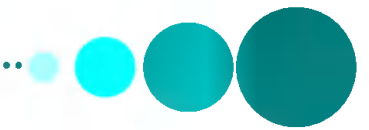


Business Highlights

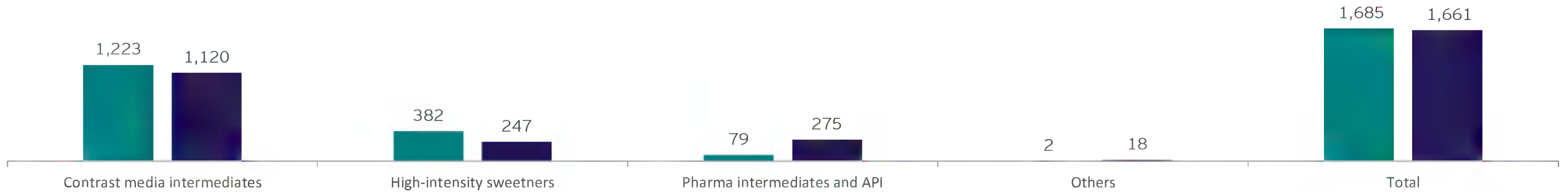
- ✓ **Launched one more product in PI /API segment** during Q3FY24, the benefit of commercialization of new product in Pharmaceutical Intermediate to be realised in the coming quarters.
- ✓ The property, stock damages and workman compensation due to the fire outbreak at Mahad facility impacted profitability for Q3FY24.
- ✓ The assets are adequately insured & insurance claim will be recognised when it's finalised and approved by the Insurance company.
- ✓ The project timeline for Mahad has been impacted and revised timeline would be contingent upon clearing the site. However, this will not Impact business plan and business continuity of the company immediately.



Q3FY24 Financial Performance – Key Metrics

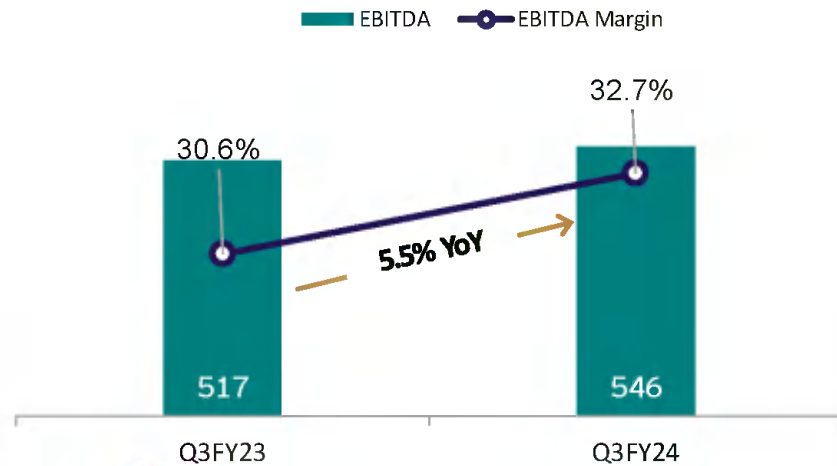


Revenue from Operations – Growth Trends (Rs Mn)

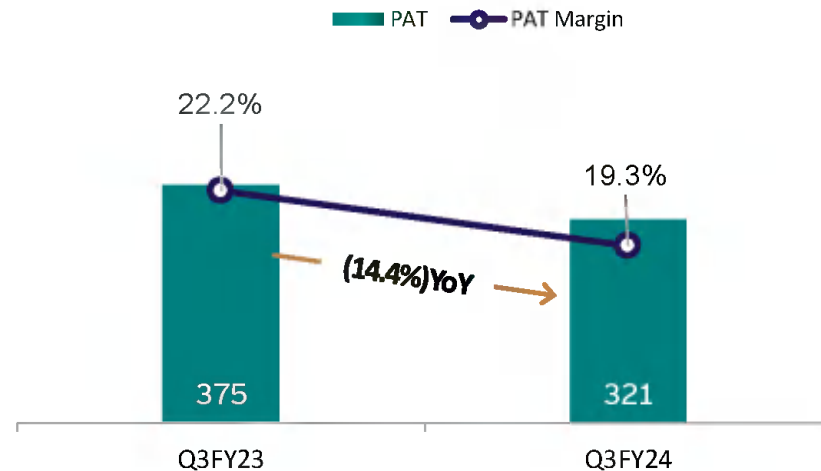


Note: Total Revenue from Operations includes "sale of other products too".

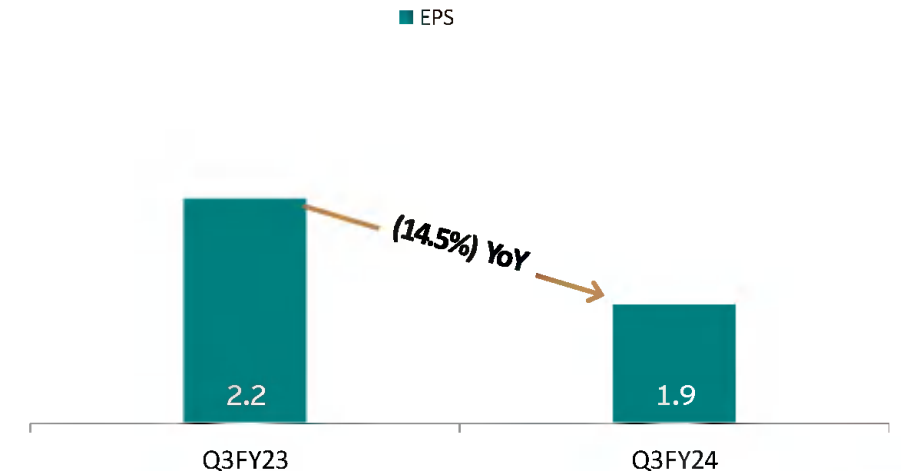
EBITDA & EBITDA Margin (Rs Mn)



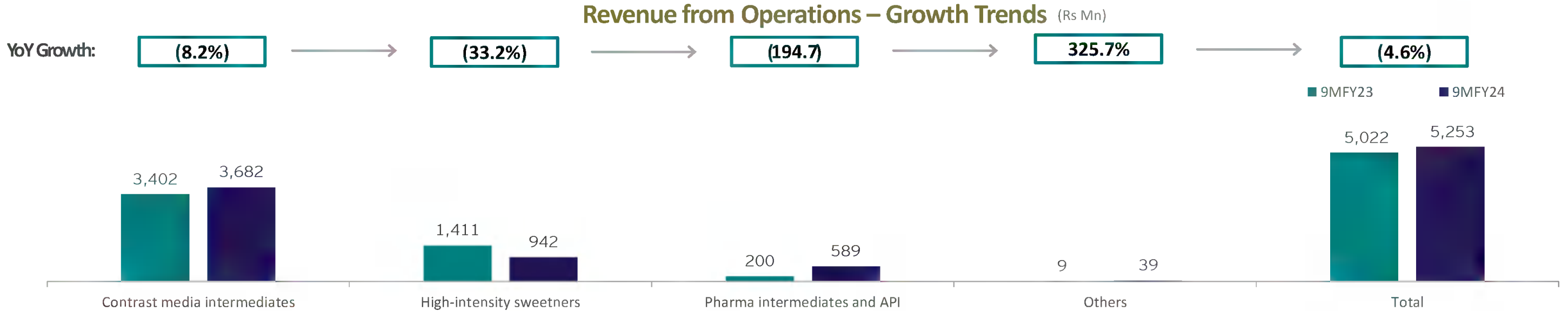
PAT (Rs Mn)



EPS

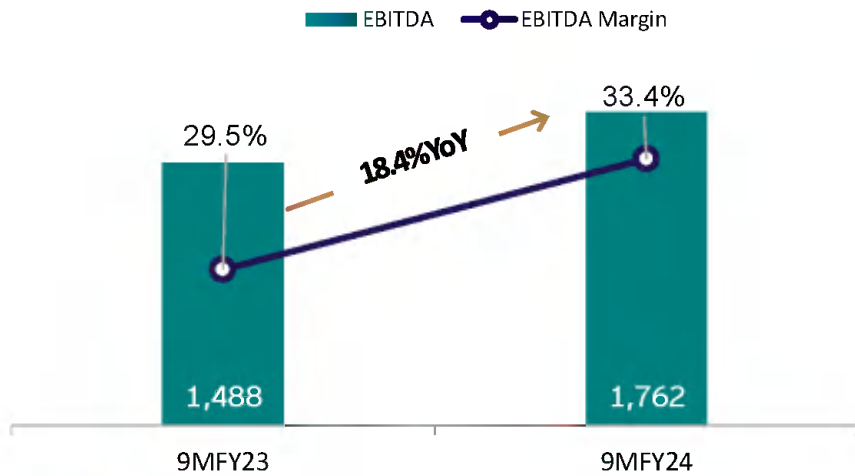


9MFY24 Financial Performance – Key Metrics

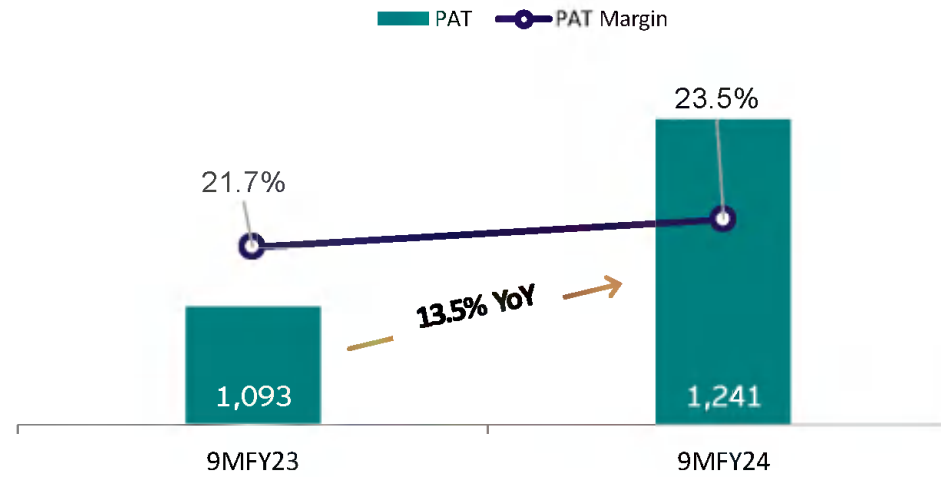


Note: Total Revenue from Operations includes "sale of other products too".

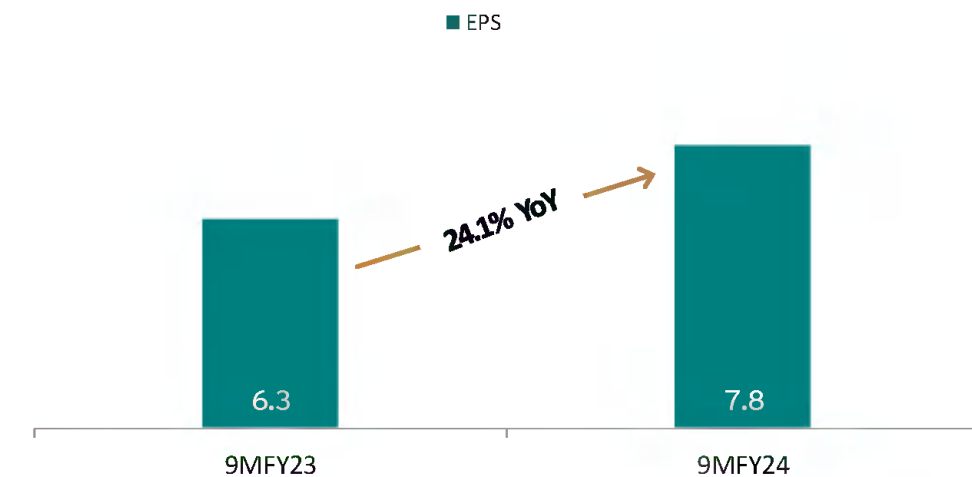
EBITDA & EBITDA Margin (Rs Mn)



PAT (Rs Mn)



EPS



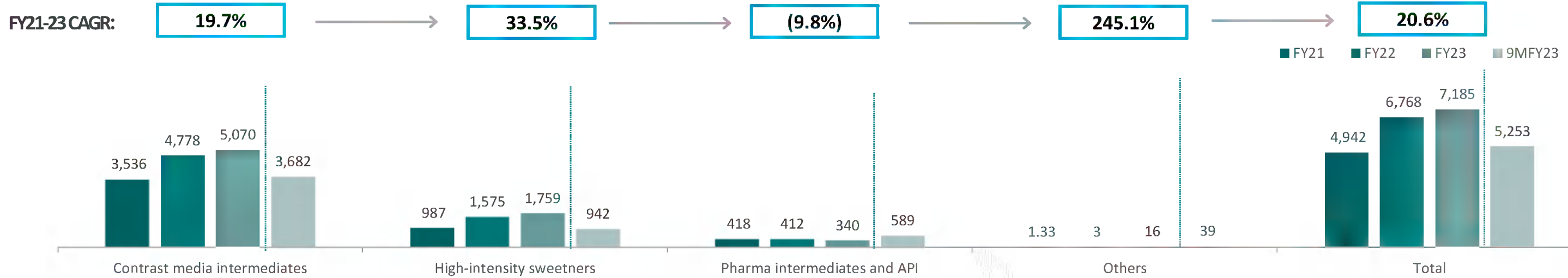
Profit and Loss Statement

Particulars (Rs. Mn)	Q3FY24	Q3FY23	YoY	Q2FY24	QoQ	9MFY24	9MFY23	YoY
Revenue from Operations	1,668	1,690	-1.3%	1,814	-8.0%	5,277	5,037	4.8%
COGS	709	760		783		2,284	2,356	
Gross Profit	959	930	3.2%	1,030	-6.9%	2,992	2,681	11.6%
<i>Gross Margin</i>	57.5%	55.0%		56.8%		56.7%	53.2%	
Employee benefits expenses	130	111		133		391	307	
Other expenses	283	301		271		840	887	
Total Expenses	1,122	1,172		1,187		3,515	3,549	
EBITDA	546	517	5.5%	626	-12.8%	1,762	1,488	18.4%
<i>EBITDA Margin</i>	32.7%	30.6%		34.5%		33.4%	29.5%	
Depreciation and amortization	79	67		65		204	188	
PBIT	467	451	3.7%	562	-16.8%	1,558	1,300	19.8%
Exceptional Items	97	0		0		0	0	
Finance costs	0	4		0		1	10	
Other Income	68	65		82		200	177	
PBT	437	512	-14.7%	643	-32.1%	1,757	1,467	13.1%
Tax Expense	116	137		165		418	374	
PAT	321	375	-14.4%	479	-32.9%	1,241	1,093	13.5%
<i>PAT Margin</i>	19.3%	22.2%		26.4%		23.5%	21.7%	

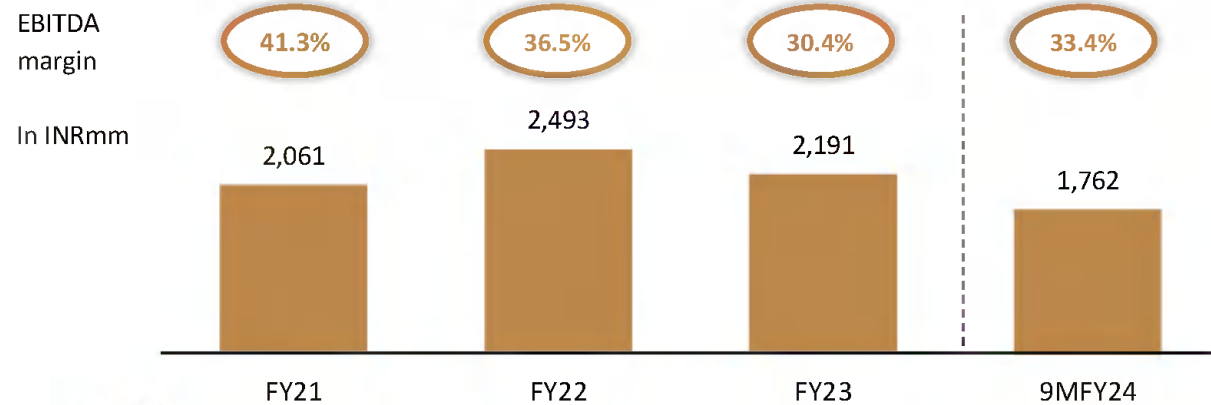


Financial Performance over the years – Key Metrics

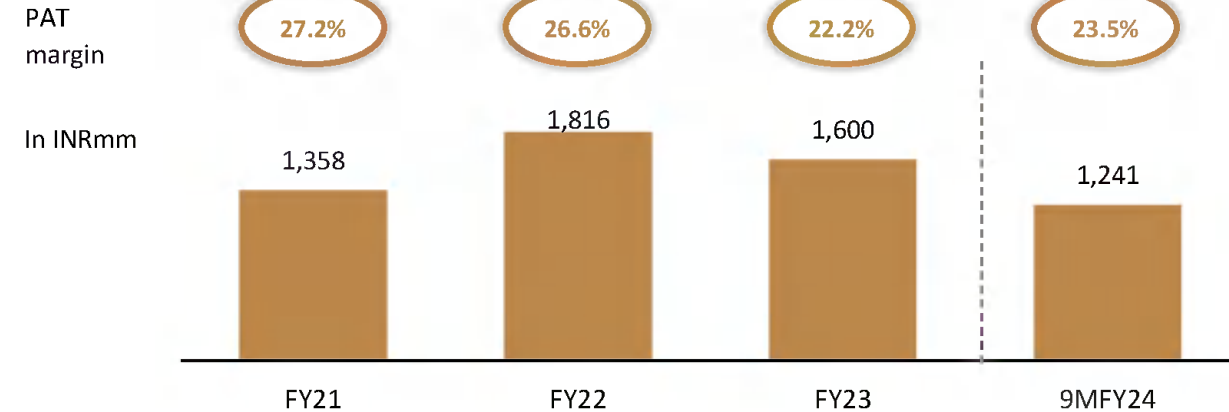
Revenue from operations – Growth Trends (Rs Mn)



EBITDA Profile



PAT Profile



Financials for the last three years

Summary Statement of Profit and Loss

Particulars (Rs. Mn)	FY21	FY22	FY23	H1FY24
Revenue from Operations	4,989	6,835	7,210	3,609
Other Income	89	194	240	133
Total Revenue	5,078	7,029	7,449	3,742
Cost of Materials consumed	1,695	2,875	3,360	1,576
Employee benefits expenses	290	330	419	260
Finance costs	53	33	14	1
Depreciation and amortization	197	221	251	125
Other expenses	945	1,137	1,240	557
Total Expenses	3,178	4,597	5,283	2,519
Exceptional Items	(53)	-	-	-
PBT	1,847	2,432	2,166	1,222
Tax Expense	489	616	566	303
PAT	1,358	1,816	1,600	920

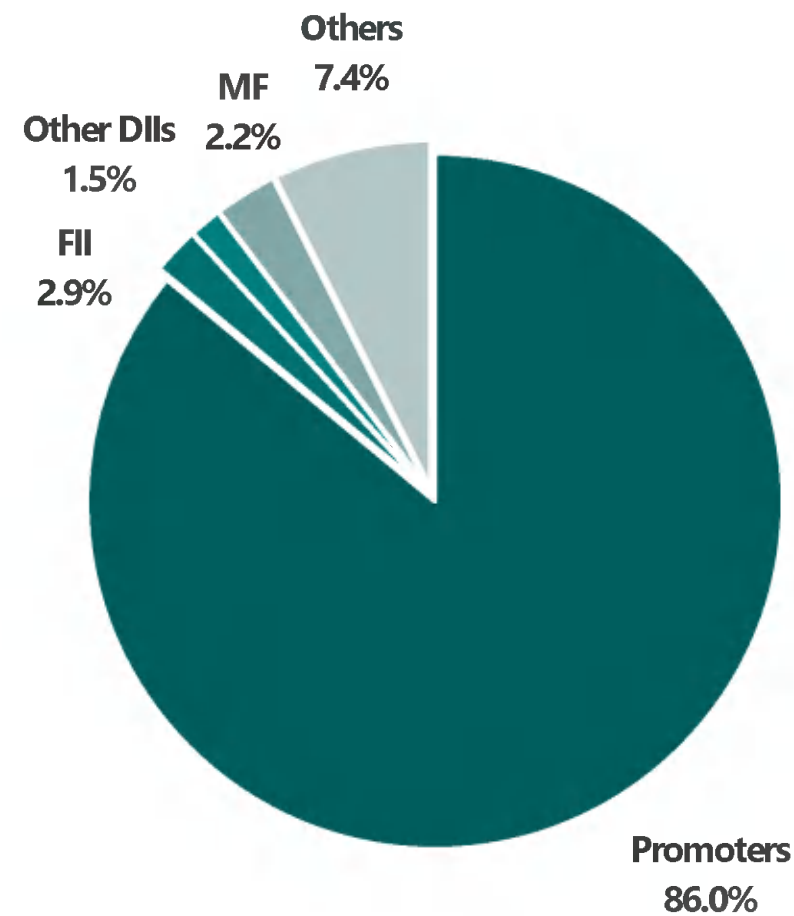
Summary Statement of Assets and Liabilities

Particulars (Rs. Mn)	FY21	FY22	FY23	H1FY24
I. Assets				
Property, plant and equipment	1188	1185	1282	1,613
Other non-current assets	275	466	688	1,057
Total non-current assets	1,463	1,651	1,970	2,670
Inventories	1177	1050	1257	1,477
Trade receivables	1440	2274	2394	2,057
Cash and cash equivalents	611	754	654	554
Other current assets	672	1405	2346	2,877
Total current assets	3,900	5,483	6,651	6,965
Total assets	5,363	7,134	8,621	9,635
II. Equity and liabilities				
Total equity	3,398	5,215	6,815	7,736
Borrowings	287	-	-	0
Other non-current liabilities	47	173	67	67
Total non-current liabilities	334	173	67	67
Current borrowings	229	-	-	0
Trade payables	595	565	538	566
Other current liabilities	807	1,180	1,201	1,266
Total current liabilities	1,631	1,745	1,739	1,832
Total liabilities	1,965	1,918	1,806	1,899
Total equity and liabilities	5,363	7,134	8,621	9,635



Shareholder Information

Shareholding as on 31st December 2023



Share Information as on 31st December 2023

NSE Ticker	BLUEJET
BSE Ticker	544009
Market Cap (INR Cr)	6,384
% free-float	14%
Free-float market cap (INR Cr)	894
Cash & Cash Equivalents (INR Mn)	275
Shares Outstanding	17,34,65,425
3M ADTV (Shares)*	9,40,020
3M ADTV (INR Cr)*	36.4
Industry	Pharmaceuticals

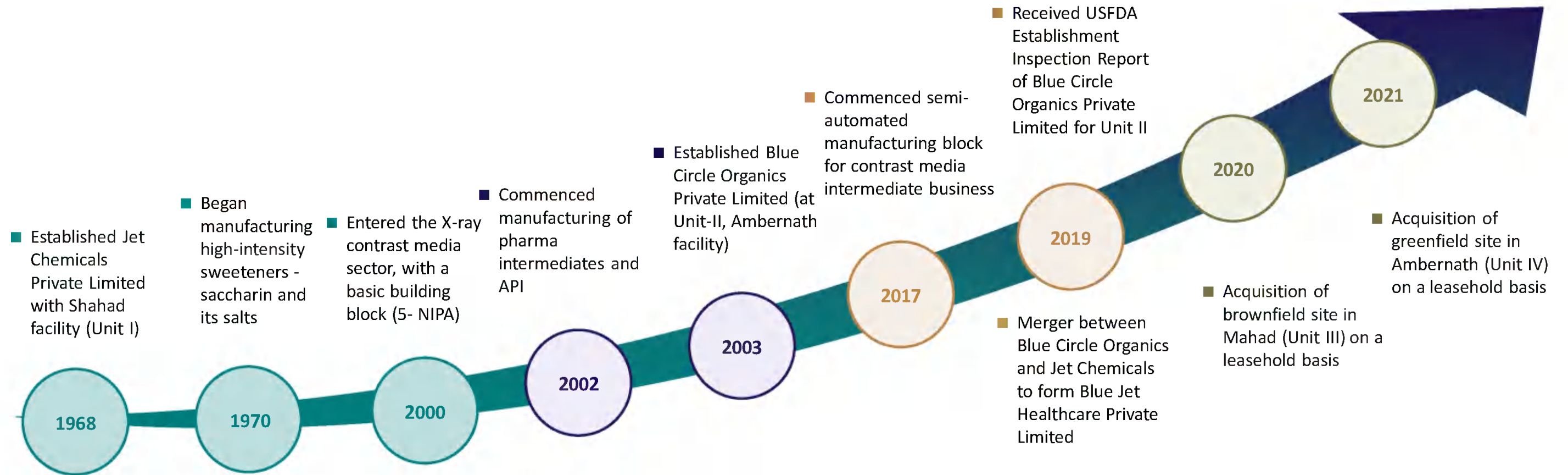
*Source: NSE & BSE



2. Company at a Glance



Our Journey



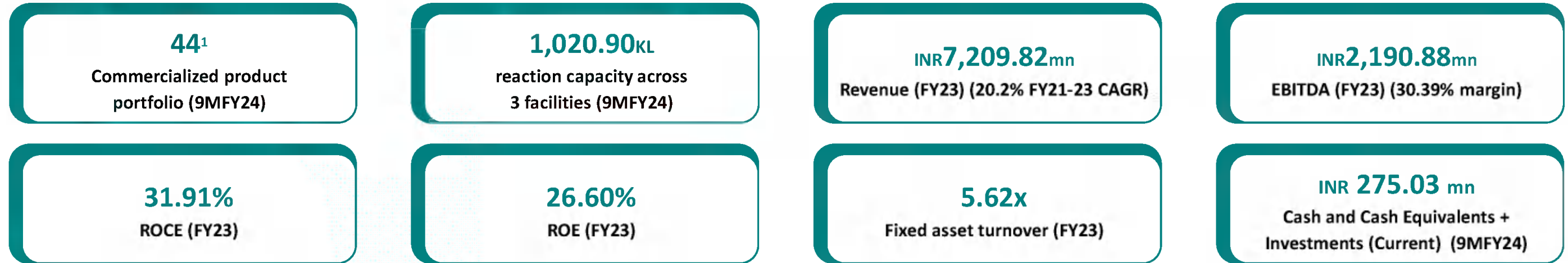
Who we are

A specialty pharmaceutical and healthcare ingredient and intermediate company, offering niche products with an approach of “Collaboration, Development, Manufacturing” to CDMO business



Blue Jet Healthcare at a glance

Key metrics



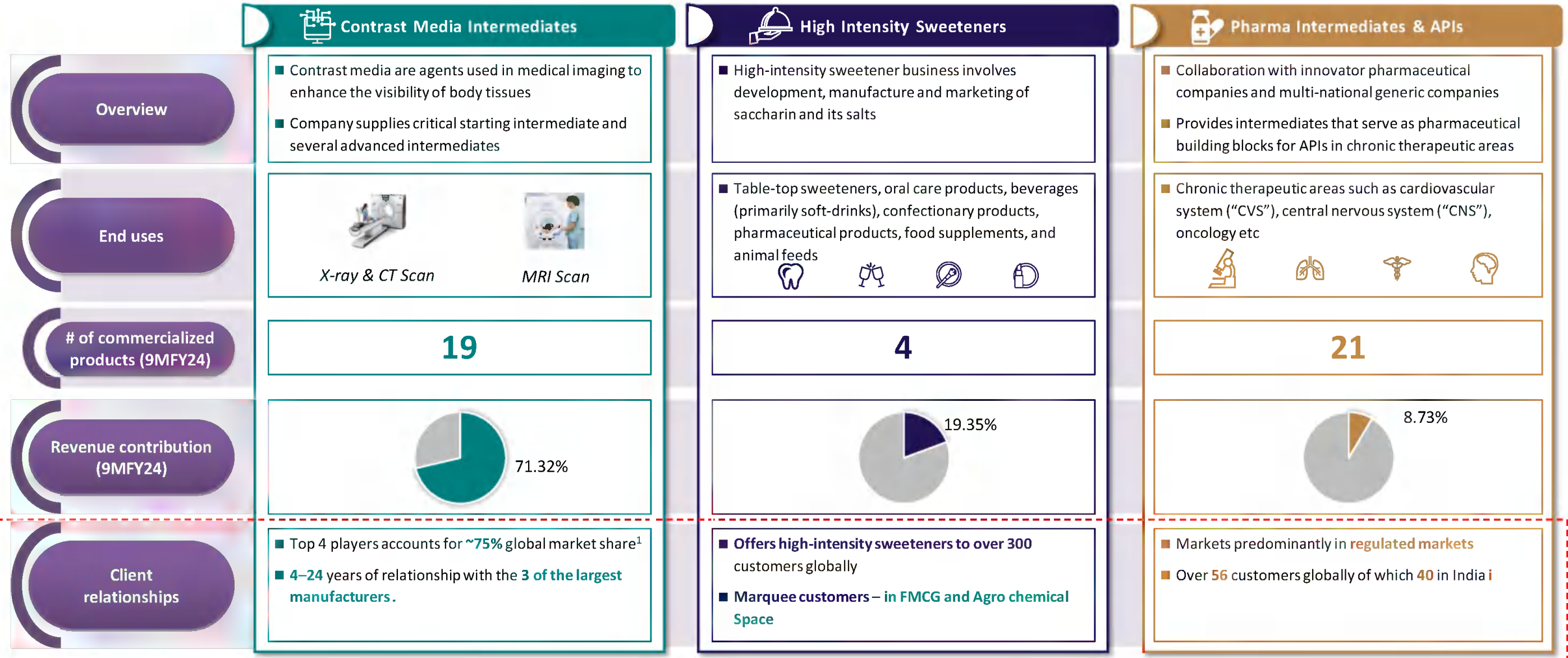
Business overview



Sources: Company information

Note: ¹Includes 19, 4, and 21 commercialized products for contrast media, high intensity sweeteners, and pharma intermediates and APIs respectively

Overview of our Business Segments



Sources: Company information, IQVIA report dated October 9, 2023 ("Industry Report")
 Note: ¹ In each of MAT June 2019, 2020, 2021, 2022 and 2023

3. Contrast Media Intermediates



Overview of Contrast Media and its growth drivers

What is contrast media?

- Chemical agents that **enhances the contrast of an imaging modality** in diagnostic imaging, thereby **aiding diagnosis of diseases**
- Once inside the human body, selectively and temporarily taken up by different body tissues
- **Enhance the images, leading to better visualizations of the tissues and organs**

Types of contrast media

- **X-ray / Computed Tomography (CT) contrast agents:** iodine-based contrast media agents
- **Magnetic Resonance Imaging (MRI) contrast agents:** gadolinium-based agents
- **Ultrasound (USG) agents:** Stabilized microbubble-based contrast media agents

Growth drivers for contrast media



Growing population and changing demographics
(65 yrs.+) estimated to increase from 6.9% of the total world population in 2000 to 10.4% by 2025¹



Growing prevalence of lifestyle diseases
such as diabetes, physical inactivity, obesity, etc.



Increased convenience
through online booking and reporting



Rising healthcare expenditure
Global health expenditure grew at 3.9% CAGR from 2000–17



Focus on early diagnostics
driven by advancement in diagnostic technologies and growing public awareness



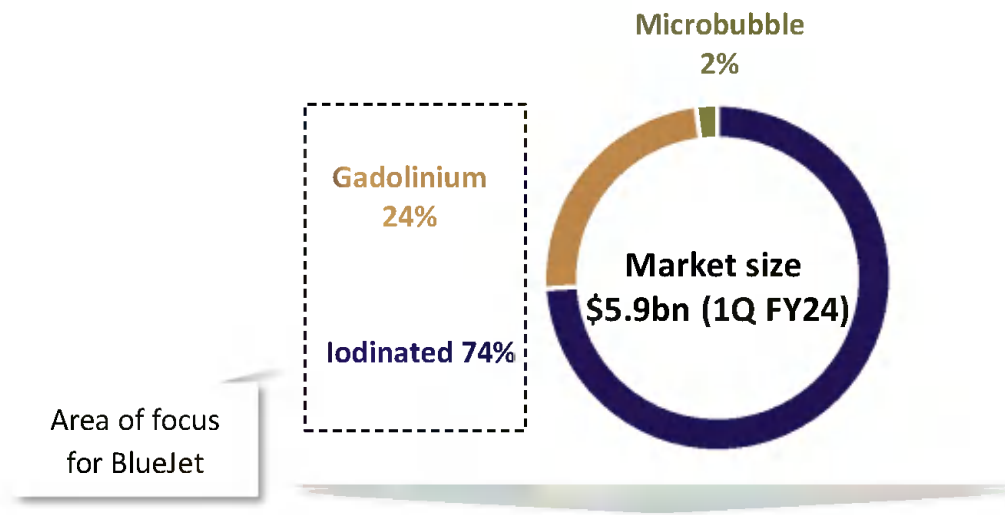
Increasing demand for preventive healthcare
driven by increased awareness and rising curative costs



Source: Industry report
Note: ¹ World Bank national account data

Overview of Contrast Media and its growth drivers (cont'd)

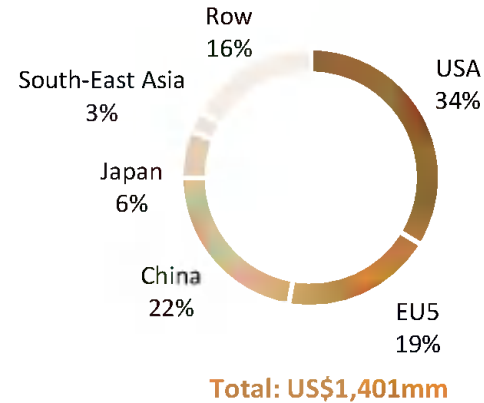
Segmental breakdown of Contrast Media



Iodinated market for MAT 2023

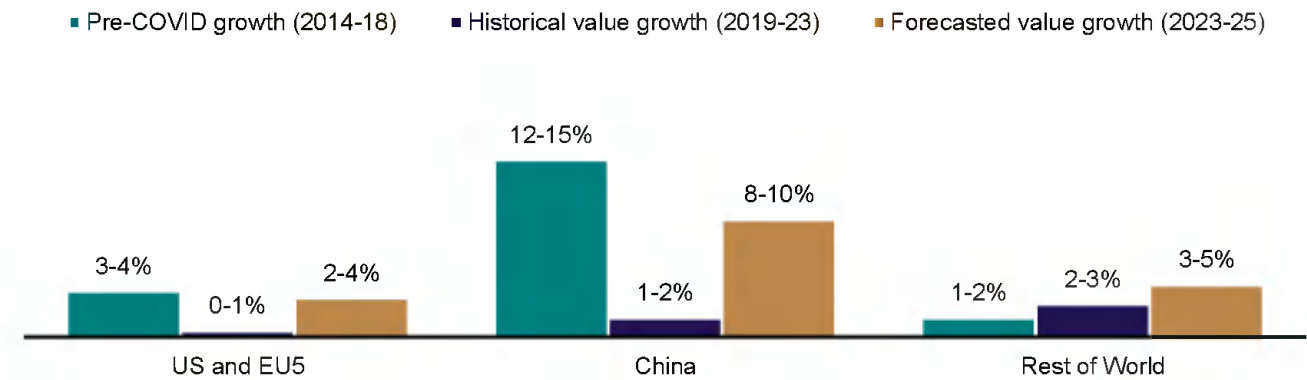
Gadolinium-based market for MAT 2023

Total: US\$4,328mm

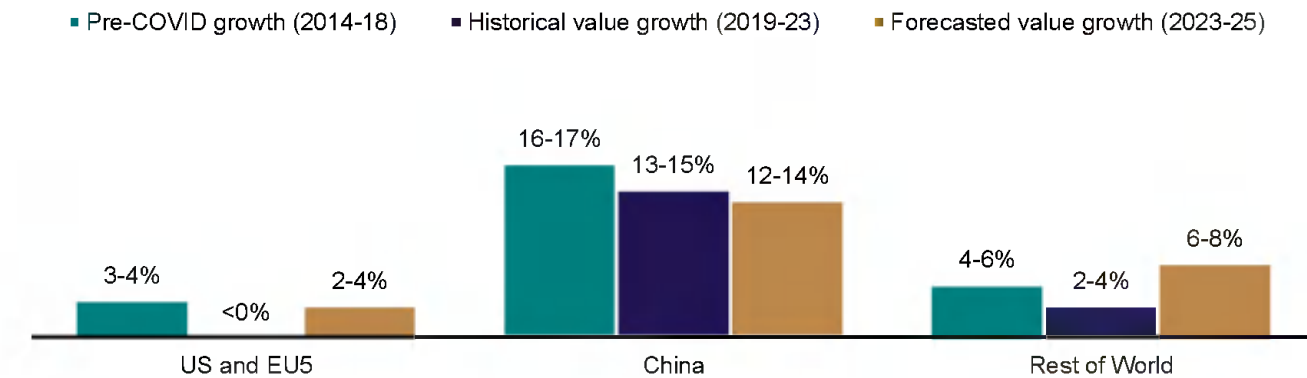


Growth Forecasts for Contrast Media

Iodine based contrast media



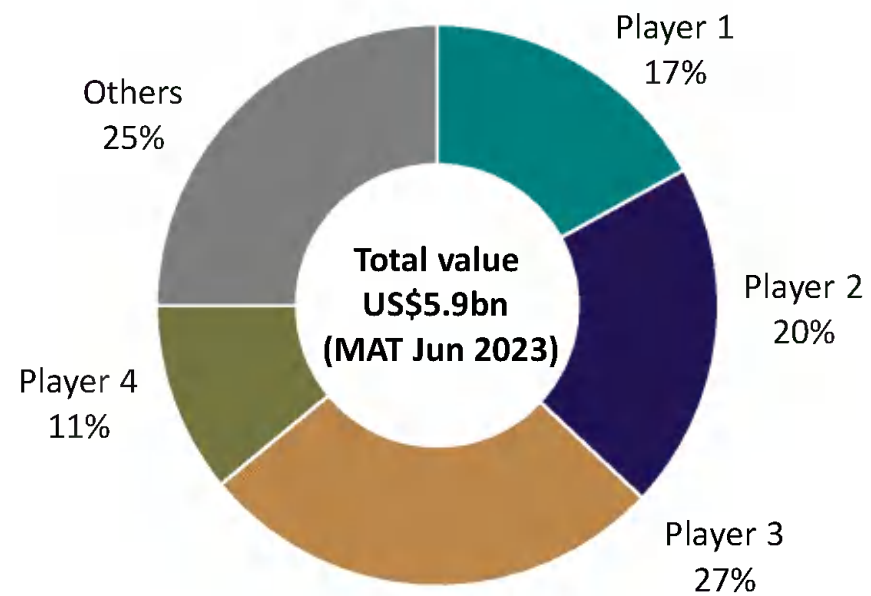
Gadolinium based contrast media



Source: Industry report

The global Contrast Media industry is highly concentrated

Global Contrast Media competitive landscape



Top 4 accounts for ~75% share in 2023



Highly concentrated and dominated by multi-national corporations,



Collectively hold ~75% of the global sales of contrast media formulations¹



Either forward integrated (have equipment manufacturing) or long-standing relationships with manufacturers



High entry barriers for key intermediates' vendors


Characteristics of the Contrast Media market



Strict internal standards for product impurity / features profile



Stickiness of relationship



Long-term supply contracts

Source: Industry report

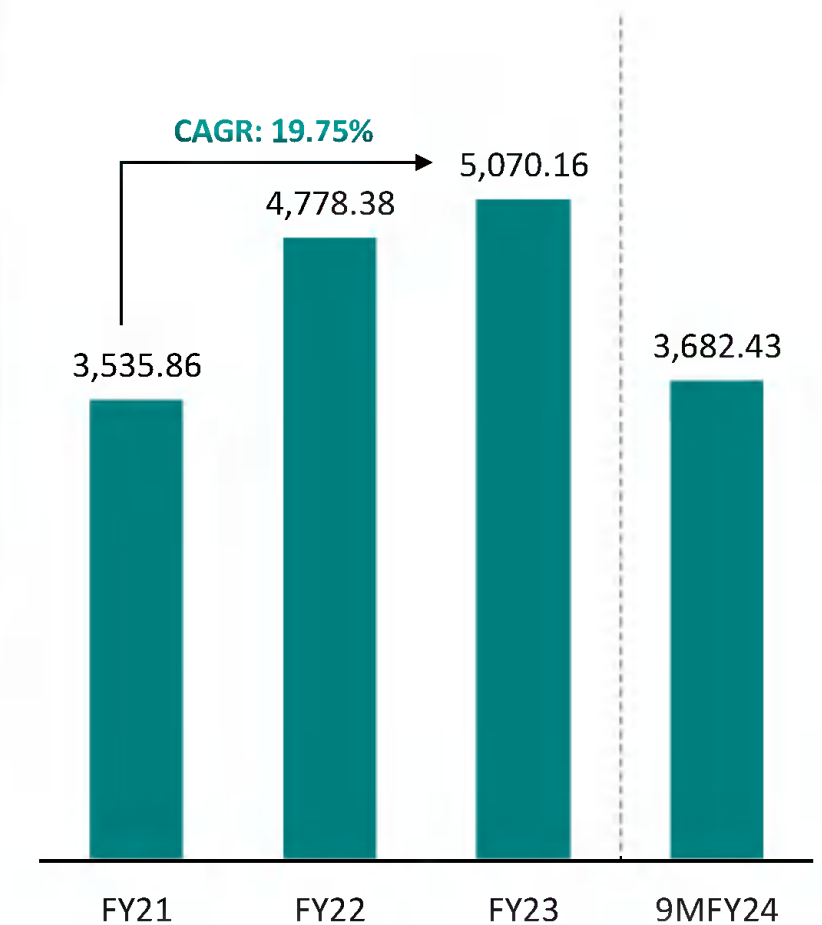
Note: ¹ In each of the Financial Years 2020, 2021 and 2022; ² For Financial Years 2021, 2022, 2023 and three months ended 1Q 2023

Blue Jet's positioning

- ✓ More than **two decades of experience**
 - ✓ **75%+ of exports** of a selected contrast media intermediate (**5-Amino-N,N'-bis (2,3-dihydroxypropyl) isophthalamide**) from India¹
 - ✓ Strategically **focused on complex chemistry** categories
-
- ✓ Regularly supplying **key starting intermediate** as the building block
 - ✓ Several **functionally critical advanced intermediates**
 - ✓ **4 to 24** years with 3 of the largest contrast media manufacturers in the world, directly
-
- ✓ **Medium to long term supply contracts** with customers
 - ✓ **70%** of total sales backed by **contracted** sales volumes²
 - ✓ **Products qualified, approved and Validated**

Contrast Media Intermediate segment performance

In INRmm



Source: Company information



Continue to forward integrate into more advanced intermediates for Contrast Media



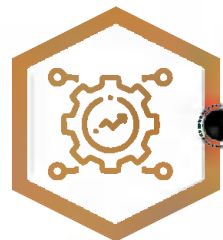
- **Strong product development** and process optimization capabilities underpinned by **in-house R&D capabilities**



- Focus on molecules with **customer interest** and **strategy** in either **outsourcing or alternate sourcing** the next stage of advanced intermediates



- **Key starting intermediate** as building block in 2000 to **18 additional advanced intermediates** as of 9M FY24



- Further **improving chemistry** capabilities in close **synergy** with our customers (**4 to 24 years** with 3 of top 4 players directly)

Key benefits

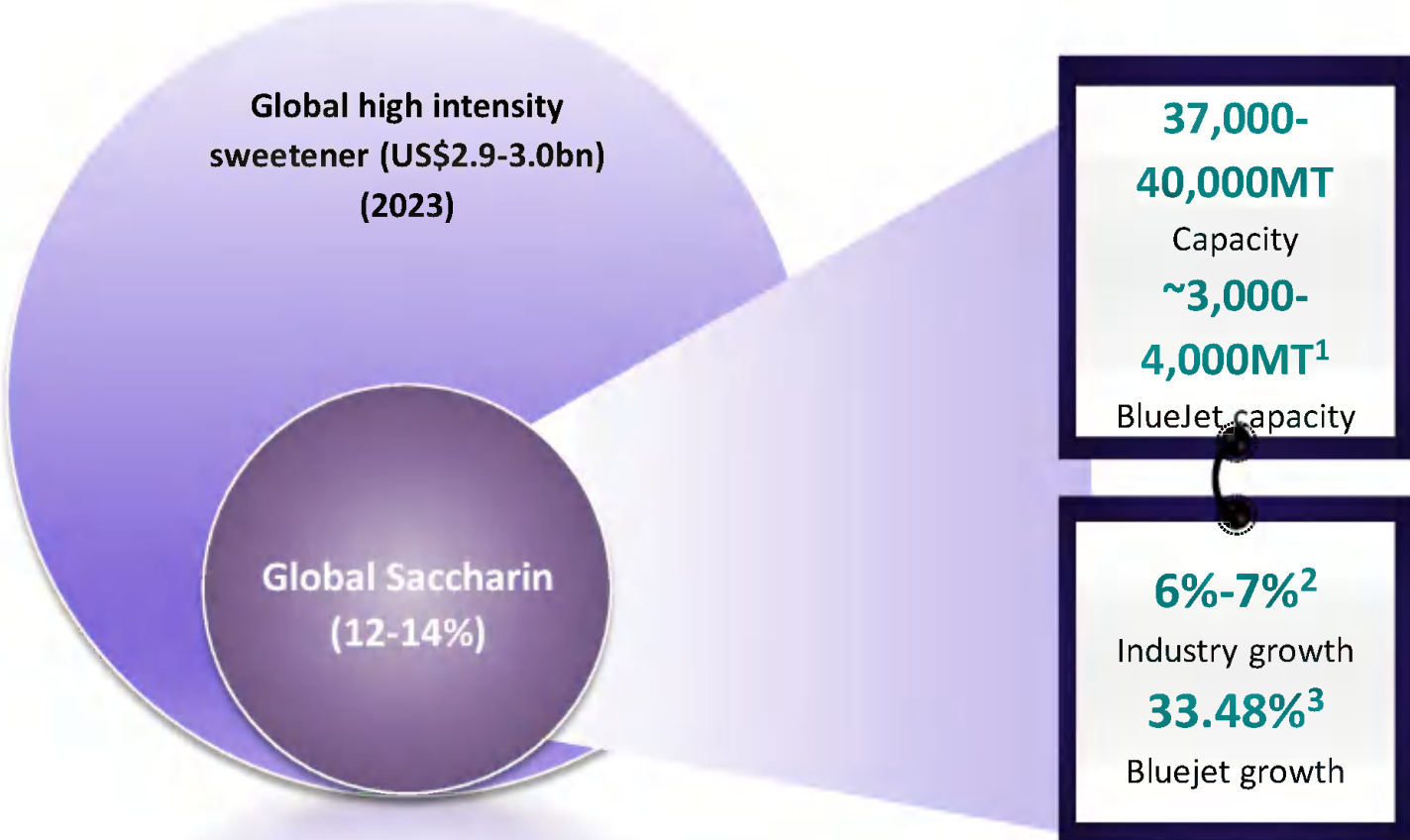
- ✓ Capture **larger wallet share** with existing customers
- ✓ **Higher realization** and **profitability** per unit
- ✓ Potential of **moving up the value chain**



4. High Intensity Sweeteners



Blue Jet contributes ~3,000-4,000MT¹ to the Global Saccharin Market by capacity



Varied uses cases of Saccharin

	Oral care 5-6%
	Non-alcoholic beverages 6-8%
	Bakery and Confectionery 5-6%
	Vitamins & Dietary Supplements 4-6%
	Pharma excipient 4-6%
	Agrochemicals 3-4%

Contribute negligible / limited calories

~300x to 500x sweeter than sugar

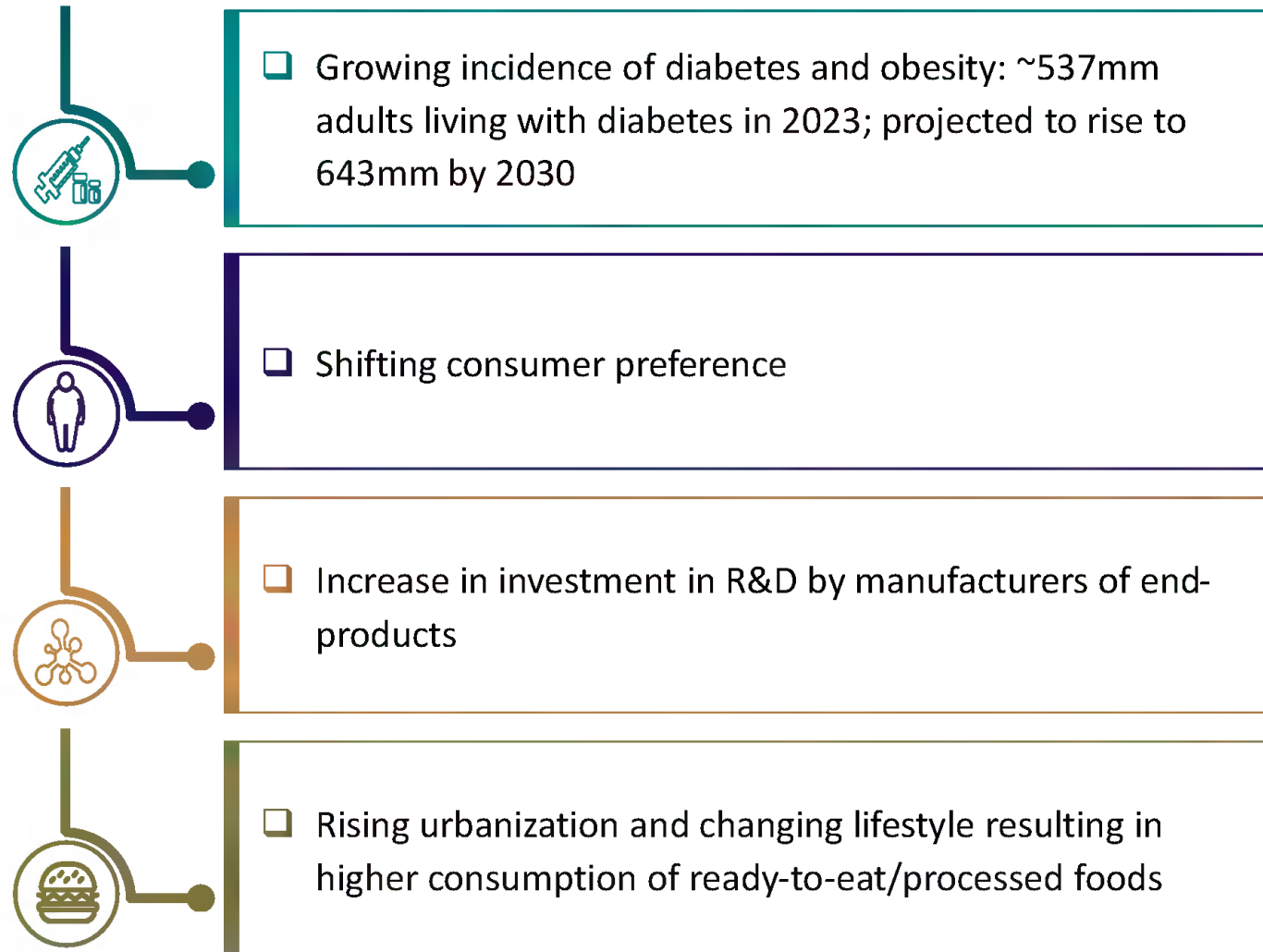
Not metabolised in body

Sources: Company information, industry report; Notes: ¹ Blue Jet Capacity of 3,000-4,000MT and industry capacity of 37,000-40,000MT; ² Growth between MAT2021 and 2026; ³ High Intensity Sweeteners segment growth for the year FY21-23



Overview of High Intensity Sweetener market and its growth drivers

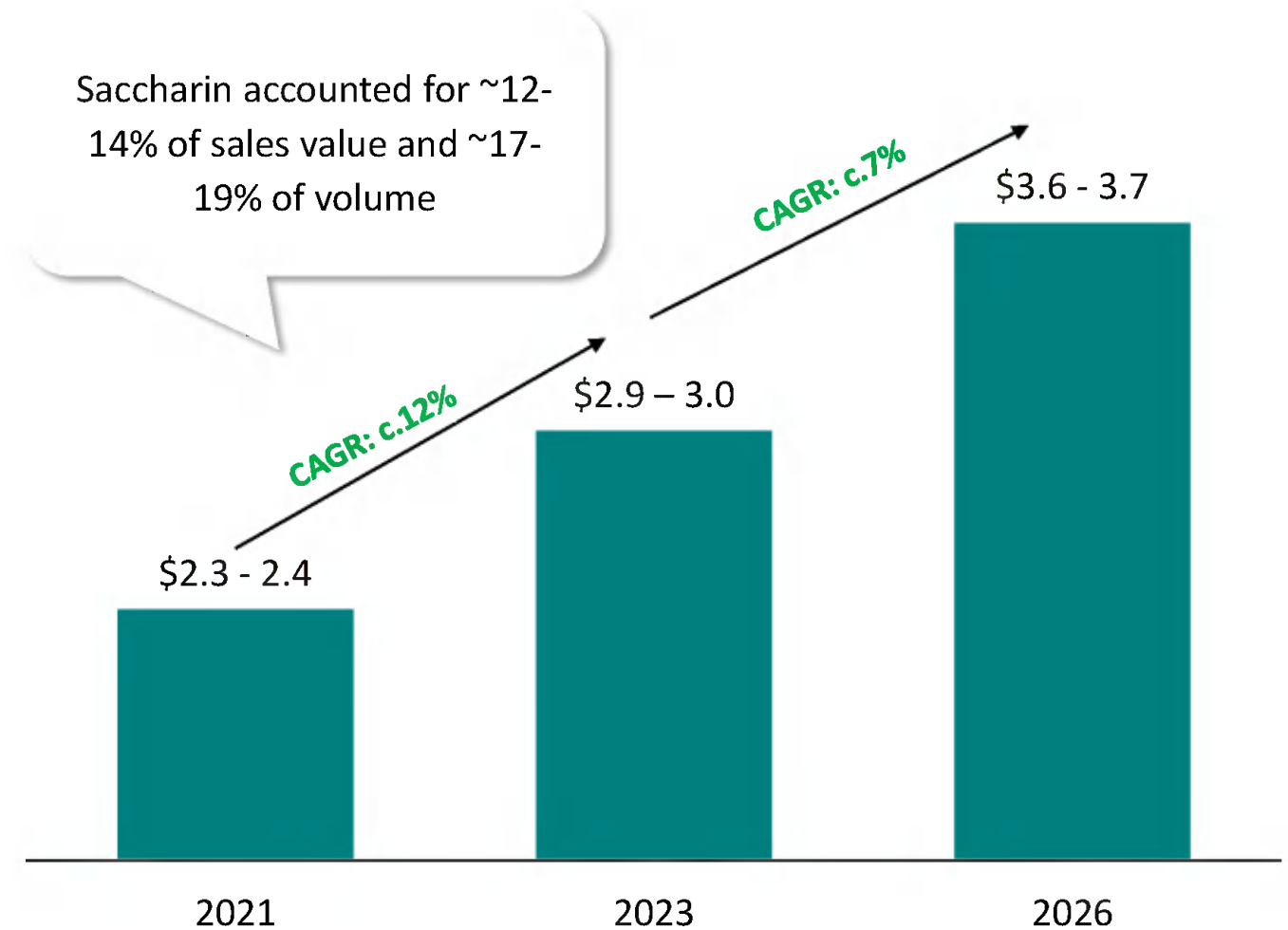
Several drivers contributing to the demand...



Source: Industry report



...of high intensity sweetener market



Blue Jet's positioning in High Intensity Sweetener segment

Blue Jet's positioning

Products



- Adherence to **strict internal standards** to ensure **consistency in quality, performance, taste, and impurity profile**
- **Multiple products and applications** enabling to cater a **diverse customer base**

Compliance, GMP, supply chain reliability



- Have received **US-FDA inspection report**
- **Semi-automated manufacturing facility**
- **Strong product development and process optimization capabilities**

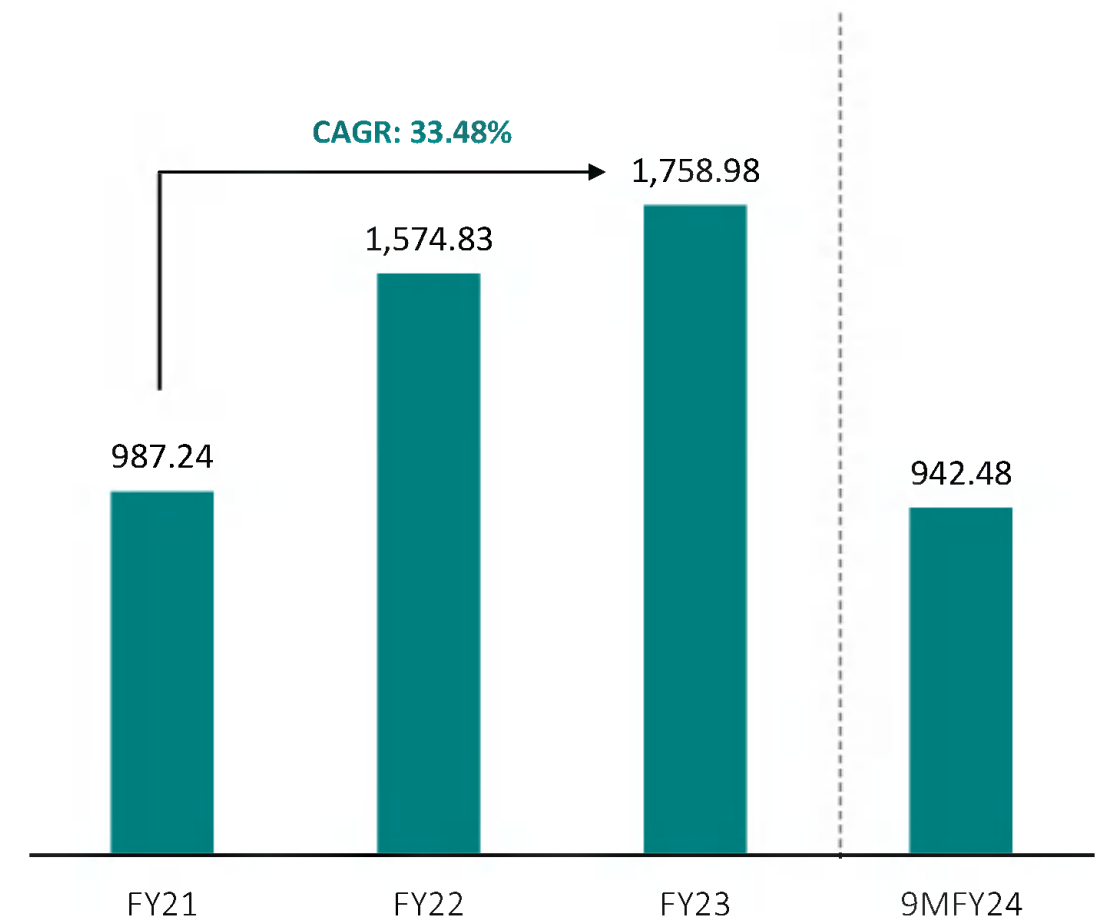
Customers



- Offers high-intensity sweeteners to **over 300 customers globally**
- Focus on **marquee customers** across various sub-sectors
- **Table-top sweeteners, oral care products, beverages (primarily soft-drinks), confectionary products, pharmaceutical products, food supplements, and animal feeds**

High Intensity Sweeteners segment performance

Revenue (INR mn)



Sources: Company information



5. Pharma Intermediates & API



Trends and features of the Pharma Intermediates and APIs segment

Key trends in Pharma Intermediates and CDMO market



Increased propensity to outsource manufacturing of intermediates & APIs

- Enables asset light model and ability to focus on development of novel products for venture capital backed start-ups
- Provides cost advantages and supply chain efficiencies



De-risking dependence on China by global API and formulations players

- Concerns around specific APIs made in China, accentuated with Covid-19
- China implemented stricter regulations and witnessed rising wage costs



Self sufficiency with import substitution

- Government initiatives such as PLI schemes and bulk drug parks
- Growth driven by proven skills, educational systems, supply chain reliability, and IP protection



The growth in the global pharmaceuticals market

- Launch of novel therapies (including biologics and personalized therapies)
- Expansion of existing therapies in several geographies
- Growing demand for generic medicines

Source: Industry report



Features of a typical arrangement to supply of intermediates to innovators of NCEs


Revenue and capacity utilization predictability for the CDMO

- Customers prefer close partnerships with CDMO driven by
 - Confidentiality of the projects
 - Novelty of the underlying chemistry and need for custom-development

Higher realizations per unit sold


- Key criteria for selection of CDMO include track record in the chemistry and similar therapy areas
- Competitive cost is not the most important consideration

Overview of Blue Jet's Pharma Intermediates and APIs segment




Salient features

- Commenced manufacturing pharma intermediates two decades ago, leveraging the customer relationships through high-intensity sweetener business
- Key focus areas include high-value pharma intermediates and APIs
 - In chronic therapeutic areas
 - Import substitution market
- Benefit from collaboration with innovator companies because typical technology transfer reduces the development risk



Client profile

- Innovator pharmaceutical companies and multi-national generic pharmaceutical
- Over 40 customers in India, and 16 globally across Europe, North America, South America, and Asia

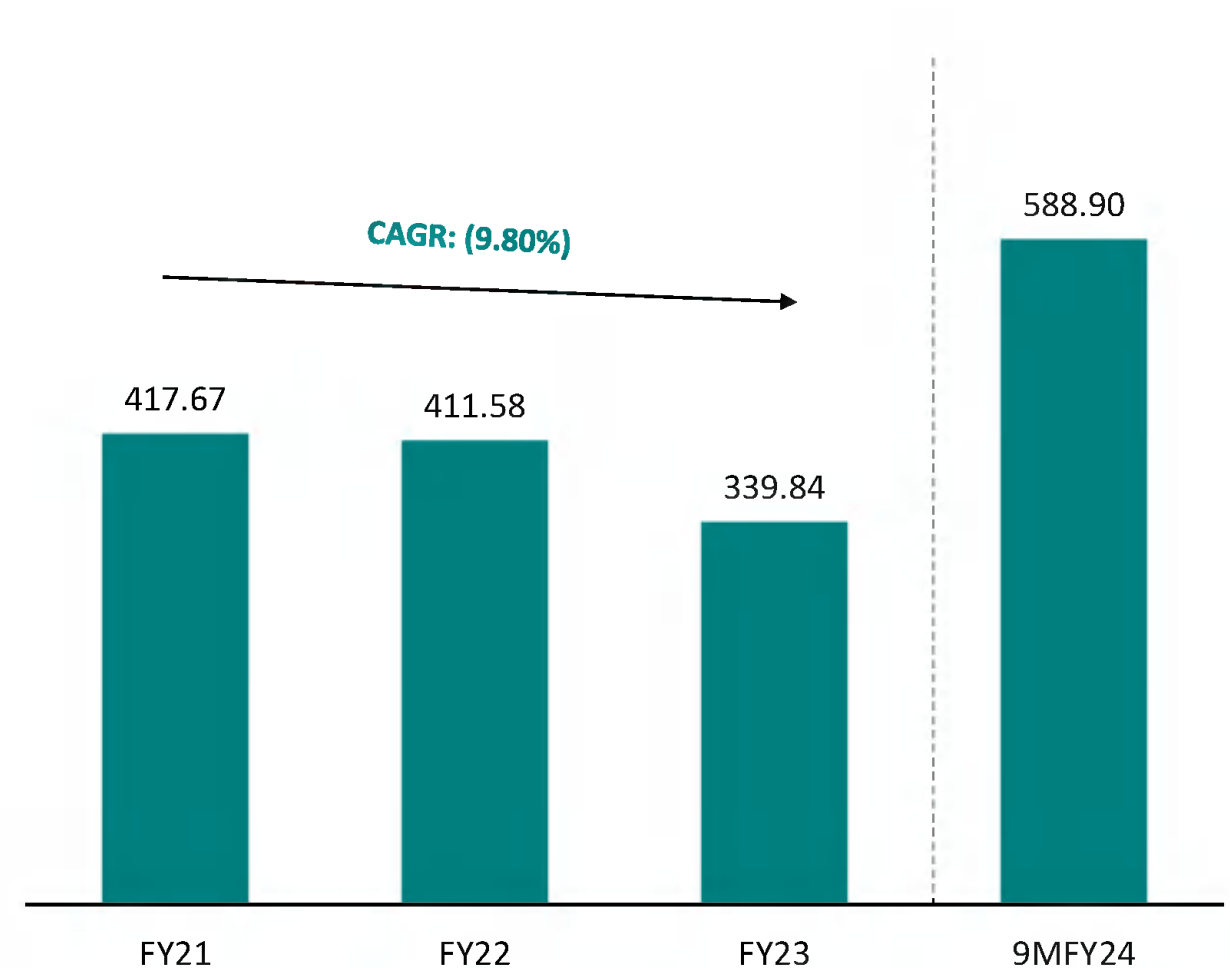


Therapeutic areas

- Cardiovascular system ("CVS")
- Oncology
- Central nervous system ("CNS")

Pharma Intermediate and APIs segment performance

In INR mn



Leverage our long-standing customer relationships to continue entering adjacencies in the pharma intermediate and API category

Focus on three niche areas in providing CDMO services

Investigational new drugs and new chemical entities (NCEs)

- Develop advanced intermediates for NCEs under trials for US-FDA approvals

Drugs that are still under patent and not genericized

- Offering advanced intermediates to innovators for four active pharmaceutical ingredients (APIs) which are still under patent
 - Including two APIs in the oncology sector, one API in the cardiovascular system category and one API in the central nervous system category

Genericized drugs that are still niche

- Offering multiple advanced intermediates to a number of large generics companies for chronic illness therapies

Blue Jet's positioning



- Leverage long-standing relationships with innovator companies



- Process research, analytical research and chemistry capabilities



- Continuous focus on product quality



6. Manufacturing and R&D Capabilities



Build additional production capacity to keep in step with the envisaged increase in customer demands

Key features

■ Company consistently implementing GMPs across manufacturing facilities and focused on sustainability



■ Dedicated manufacturing blocks for specific product category with adequate levels of semi-automation



■ Facilities undergo stringent customer audits on a recurring basis



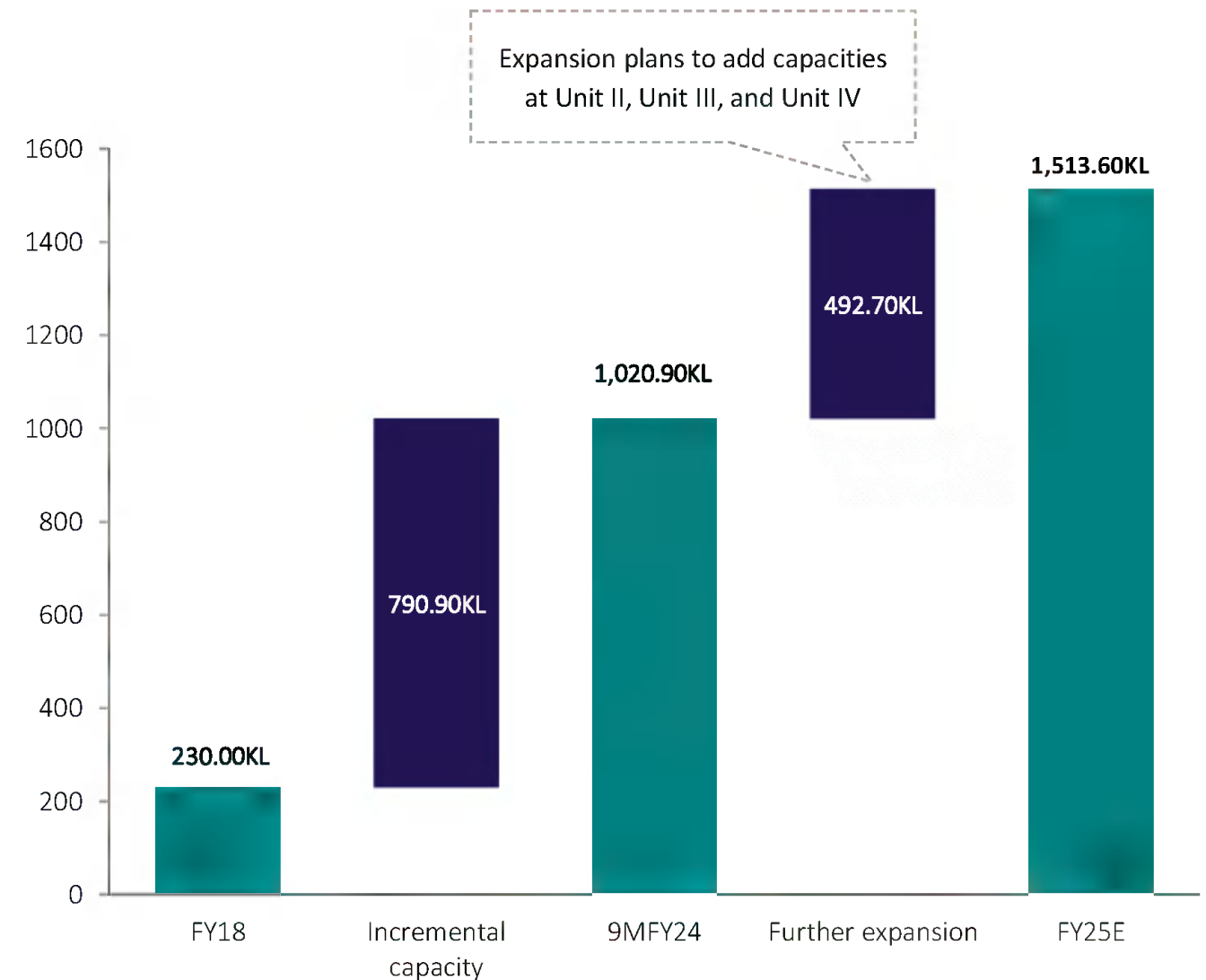
■ Capacity expansion from 230.00KL in FY18 to 1,020.90KL in 1Q FY24

■ Further expansion plans:

- Unit II (607.30KL in FY22 to 743.00KL by FY25)
- Unit III (213.00KL in FY22 to 499.00KL by FY25)
- Unit IV (Greenfield, expected to be 71.00KL)



Capacity enhancement (KL)



Source: Company information, derivation from the RHP data



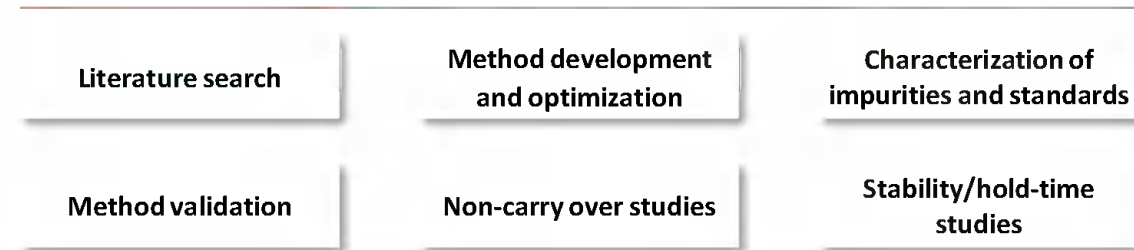
Our R&D framework

R&D capabilities across

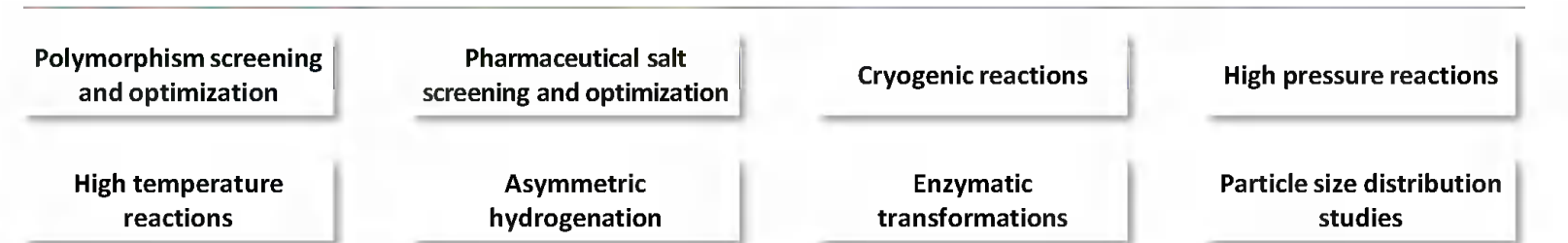
Process research



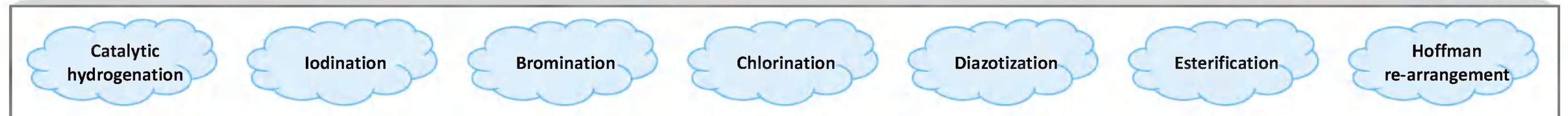
Analytical research



Chemistry research



Innovative and complex processes



Sustainability

Various initiatives on energy efficiency, renewable energy, and water conservation to reduce carbon footprint

Invested in windmills with installed capacity of 3.3MW

Created carbon sinks through tree plantations

Focus on enhancing energy efficiency

Effluent treatment plants with modern standards of flocculation, clarification and aeration

Minimizing solvents and using recycled solvents and water

Select environmental initiatives



7. Growth Strategy



Our strategies



Focus on operational efficiency and mitigation of supply chain risks



Continue to forward integrate into more advanced intermediates for Contrast Media



Continue to invest in R&D infrastructure and capabilities



Leverage our long-standing customer relationships to continue entering adjacencies in the pharma intermediate and API category



Build additional production capacity to keep in step with the envisaged increase in customer demands



8. Management and Board of Directors



Experienced and visionary management team backed by independent Board of Directors

Management team



Akshay Bansarilal Arora
Executive Chairman

- Has more than three decades of experience with the Company
- Holds bachelor's and master's degrees in science from University of Mumbai



Naresh Suryakant Shah
Executive Director, Head – Marketing

- Has more than three decades of experience in marketing
- Currently also associated as a director of BC Bio Sciences
- Holds a diploma in Chemical Engineering from the Khopoli Polytechnic College, Raigad



Vimalendu Kumar Singh (V.K. Singh)
Chief Operating Officer

- Previously worked with Strides Pharma, Emcure Pharmaceuticals, RPG Life Sciences, and Ranbaxy Laboratories
- Has a bachelor's degree in chemical engineering from IIT Kanpur and a master's programme from IIFT, New Delhi



Shiven Akshay Arora
Managing Director

- Has more than six years of experience with the Company
- Holds a bachelor's degree in business from Bond University, Gold Coast, Australia



Ganesh Karuppannan
Chief Financial Officer

- Previously worked with Philips Electronics, Dr. Reddy's Laboratories, Granules as CFO
- Associate member of Institute of Chartered Accountants of India since 1988



Chandrashekar Parenky
President – Research and Development

- Previously worked at Amoli Organics and Kores (India) as CEO
- Holds a doctorate of philosophy in science from the University of Bombay and a master's degree from Birla Institute of Technology & Science



Experienced and visionary management team backed by independent Board of Directors (cont'd)

Management team (cont'd)



Archana Akshay Arora
Head – Business Development

- Has over 28 years of experience with the Company
- Bachelors in arts from Miranda House College, University of Delhi



Sweta Poddar
Company Secretary and Compliance Officer

- Has experience of over a decade as a company secretary
- Associated with Chinar Chemicals Private Ltd. and Aarey Drugs and Pharmaceuticals Ltd.
- Holds a bachelors' degree in commerce from the University of Calcutta

Independent board of directors



Girish Paman Vanvari
Independent Director

- Founder and Partner of Transaction Square LLP and Valuation Square LLP
- Has experience in tax, regulatory, and business advisory functions
- Holds a bachelor's degree in commerce from Shri Narsee Monjee College of Commerce and Economics



Preeti Gautam Mehta
Independent Director

- Practicing advocate & solicitor and a senior partner of Kanga & Co
- Over 30 years of experience in corporate laws, foreign investments, M&A & PE investments, banking, franchising, and hospitality



Divya Sameer Momaya
Independent Director

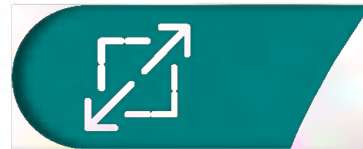
- Holds a bachelor's degree in commerce from the University of Pune
- Partner of D. S. Momaya & Co. LLP and first director of MMB Advisors Private Limited
- Previously worked with BSE Limited and BSEL Infrastructure Realty Limited



9. Investment Rationale



Investment Rationale



1. Large manufacturer of contrast media intermediates in India



2. Presence in niche categories with high barriers to entry



3. Long-standing relationships and multi-year contracts with multi-national customers



4. Strong product development and process optimization capabilities with a focus on sustainability



5. Manufacturing facilities with regulatory accreditations



6. Experienced management team with proven execution capabilities



Thank You

February 2024

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