

19th August 2019

To
Manager (CRD)
BSE Ltd. (BSE)
P.J. Towers, Dalal Street,
Mumbai 400 001

Manager (CRD)
National Stock Exchange of India Ltd. (NSE)
Exchange Plaza, Bandra Kurla Complex
Bandra (E), Mumbai - 400051

Ref: Script Code- 516064

Script Code- ARROWGREEN

Sub: Presentation on Business Performance of the Company

Dear Sir,

With reference to captioned subject matter, please find enclosed herewith presentation on business performance of the Company.

This is for your information and records.

Thanking you,

Yours faithfully,

For **Arrow Greentech Limited**



Poonam Bansal
Company Secretary



ARROW GREENTECH LTD.

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CIN No. : L21010MH1992PLC069281



ARROW
GREENTECH LTD.

FORMERLY KNOWN AS ARROW COATED PRODUCTS LTD.

Investor Presentation – August 2019

www.arrowgreentech.com

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Consolidated Highlights

Our increased capacity utilization of **Water Soluble Film** has led to high double digit growth for FY19. However, the ramping up of capacity is slower than expected. Developing new grades has always been our motive and the management continues that journey for FY 20 as well. Recently we achieved breakthrough in the exports business in new market with one of our major client. We expect higher capacity utilisation from expanded capacity and higher sales volume in FY20.

We are setting up GMP WHO approved, state of the art manufacturing facility and R&D centre near Ahmedabad, for manufacturing our patented products in Health, Hygiene and **Pharma** sector.

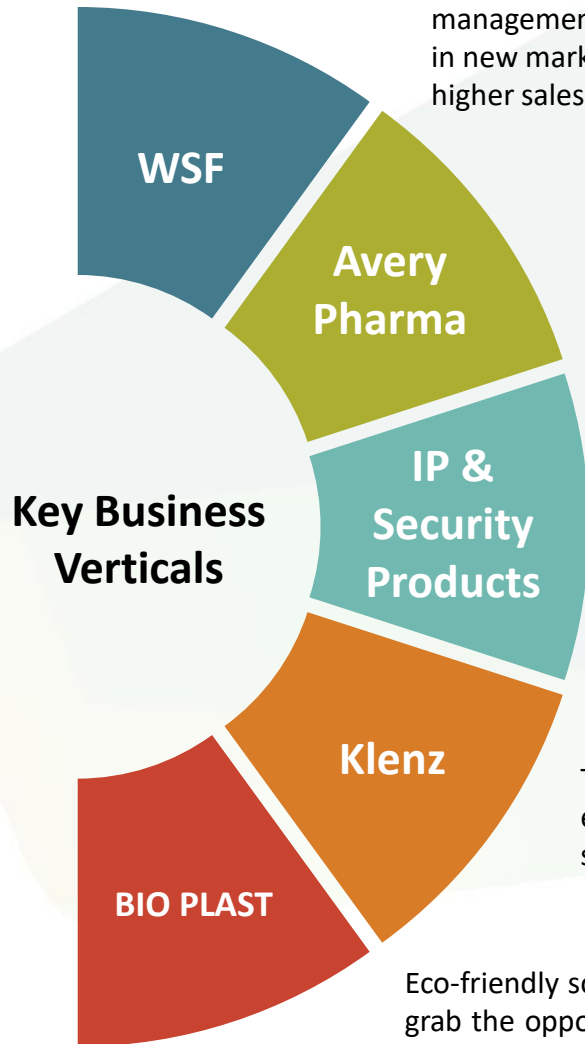
Project execution is going on full pace and we expect to start commercial production in Q4 FY20. Management is in talks with major Pharma companies to consume our entire production in order to enter the sale revenue cycle at the early stage of development / production.

We have taken varied steps to revive **IP** revenue. We are in process of filing more patents and monetising of our few more patents. We expect this business to grow in the coming quarters. In a strategic move the company has decided to venture in to new international markets.

We are actively bidding for manufacturing and supply of **security products** under Govt. of India's make in India (MII) scheme and we expect in coming years our security products manufacturing facility will boost our topline and bottomline.

The investment phase for **Klenz** is over. Our modified business model for this vertical is expected to support our topline growth. We are also working on white labelling of water soluble capsules for cleaning solution.

Eco-friendly solutions (**Bioplast**) to replace toxic plastic for future generations. We are in process to grab the opportunities with ban on use of plastics. We are expecting fast movers advantage in this area as we are one of the very few companies in India that has been granted with a license (CPCB) and also having a tie up with one the leading global manufacturers of the raw material.





About the Company



Arrow Greentech in a Snapshot ...

Only Manufacturer of
Water Soluble Films in
India

01



State of the Art
Manufacturing Facility
located in Ankleshwar,
Gujarat

05

Vastly Experienced
Research &
Development Team

02

04

Caters to the Niche
Market

03

39 registered patents
across the globe



Experienced Board Of Directors



Mr. Shilpan P. Patel
Chairman & M.D



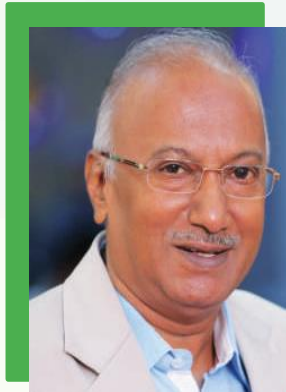
Mr. Neil Patel,
Joint Managing Director



Mr. Haresh Mehta
Independent Director



Mr. Harish Mishra
Independent Director



Mr. Dinesh Modi
Independent Director

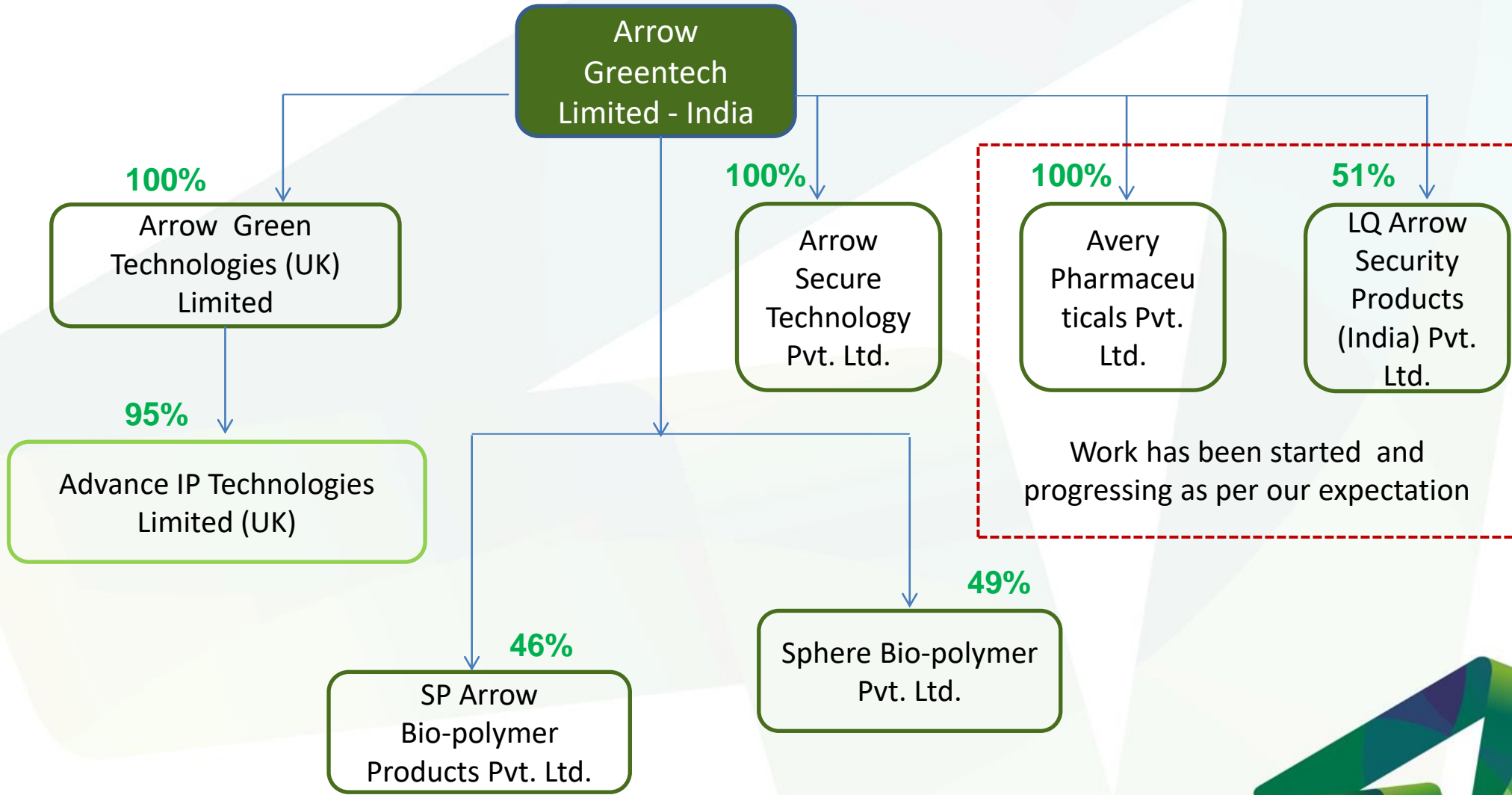


Mr. Dinkar Trivedi
Independent Director



Ms. Aradhana Singh
Independent Director





Business Overview

1 **Water Soluble Film (WSF)**
Development, Production & Marketing of Wide Range of Water Soluble Film

2 **Klenz Pro**
Arrow's Klenz Pro is the most concentrated range of hygiene, in water-soluble capsules. Does not generate plastic waste and is firmly committed to the environment

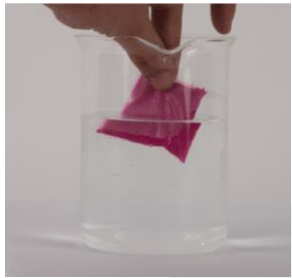
3 **Intellectual Property**
Total of 39 granted patents across the World, based on Core Technology of Water Soluble Film

4 **Bio Plast**
An eco-friendly solutions to replace toxic plastic for our future generation. This is 100% Bio-compostable, made from renewable plant resources and has a diverse range of applications such as carry bag, garbage bag and food container etc.

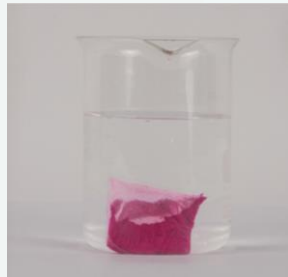
5 **Edible Film**
This is based on Water soluble film technology which allows a small quantity of Active Ingredient to be delivered in a user friendly format. This is a new drug delivery system. The Company has a patent for this product



Water Soluble Film (WSF)



Liquid Detergent
Packed in WSF



Dissolves Completely

What is WSF ?

Packaging material that is environmentally safe & fully biodegradable when disposed in water or waste

Properties of WSF

- Optimum Tensile Strength
- Flexibility for using in multiple forms of packaging
- Excellent Moisture/Heat Sealing
- Eco-friendly



Applications of WSF

Packaging Film

Safe for the environment & fully biodegradable when disposed of in water or in waste

Soap Film

Watersol Soap Strips, 'Arrow Magic Strips' are a boon for travellers for maintaining hygiene while on the move

Water Transfer Printing Film

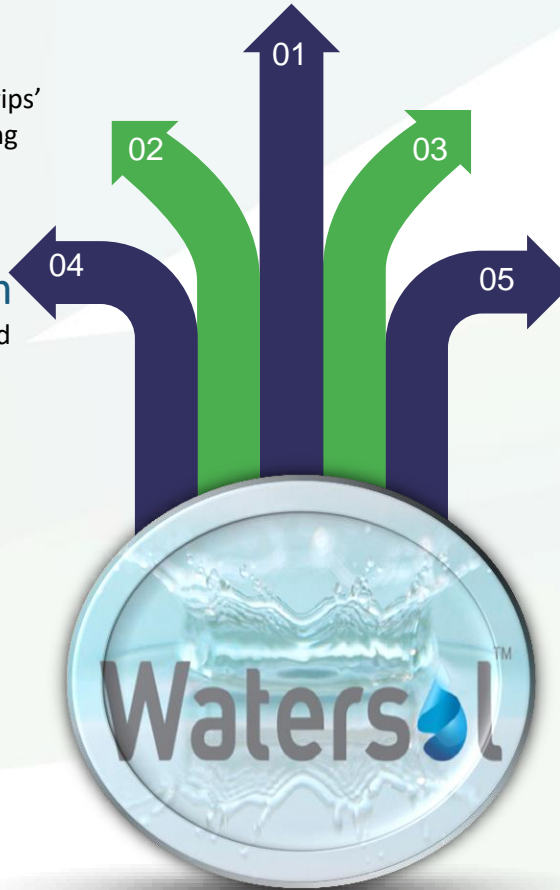
Decoration technology that uses a specialized Watersol film that is printed with a range of natural and abstract patterns to decorate complex-shaped plastics, metals and other materials

Embroidery Film

Help to avoid puckering and slipping of the fabric and make it more stable

Mould Release Film

Forms a barrier between parts and mold surfaces that are still curing. Film is resistant to solvents and yet is water-soluble



Watersol is the trademark product of Arrow Greentech Ltd.



Agrochemical Film



Cement / Dye Enzyme Film



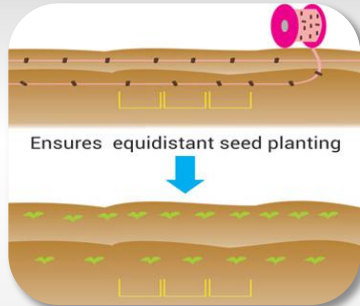
Liquid Detergents



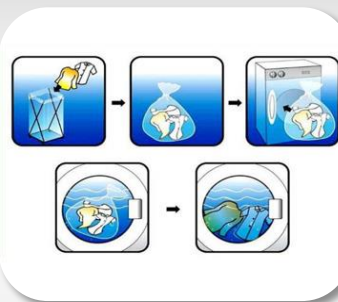
Fish Bait Film



Seed Film



Laundry Bags



Powered Detergents



Toilet Blocks





State of art Manufacturing Facilities

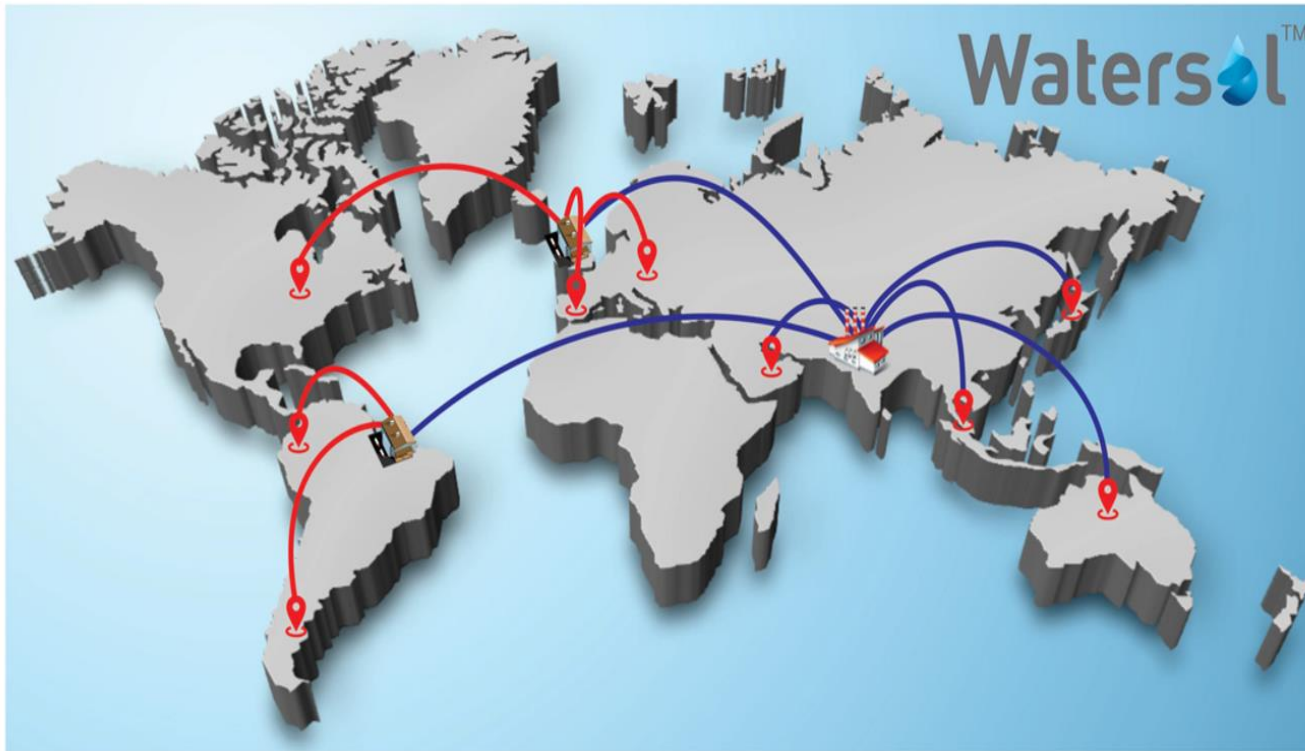
Ankleshwar, Gujarat : ~ 350 Km far from Bombay

Land on 99 years renewable lease from GIDC

R&D Centre with Modern Equipment's






Common Utilities and R&D available for future expansion





Presence in Europe, Asia, North & South America and Africa – mainly 3 supply points located in India, United Kingdom and South America

Wide Distribution channel to service our clients from around the world

-  – Factory
-  – Warehousing Facility
-  – Supply Zones
-  – Direct Supply
-  – Secondary Supply



Watersol™



BIOPLAST™

INTELLECTUAL PROPERTY

Klänz™ Pro
used by professionals



What is Arrow Klenz Pro?

Klenz Pro is the most concentrated range of hygiene chemicals available in India

Product Range : General Cleaning, Kitchen Cleaning, Industrial Cleaning and Laundry Cleaning

First company to successfully launch cleaning chemical in water-soluble film

Designed in collaboration with Proquimia (Spain)

Caters to Hotels, Pharmaceutical plants, Manufacturing Industry, Auto Mobile Industry, Corporate offices, Facility Management companies, Government bodies



100% ECO-FRIENDLY



High concentrated bio-degradable products
Reduced use of raw materials and packaging
Reduced use of energy on the production process
75% less CO₂ emissions during transport
No plastic packaging (water soluble pouches) and carton casing

APPLICATION COST CONTROL



Precise control over product consumption, same dosage every time
No more waste management costs

OCCUPATIONAL RISKS MANAGEMENT



Safe handling, no direct contact with chemical product
85% reduction on loading weight
Easier and more convenient (pouch dissolves in water)
Dosing system not required

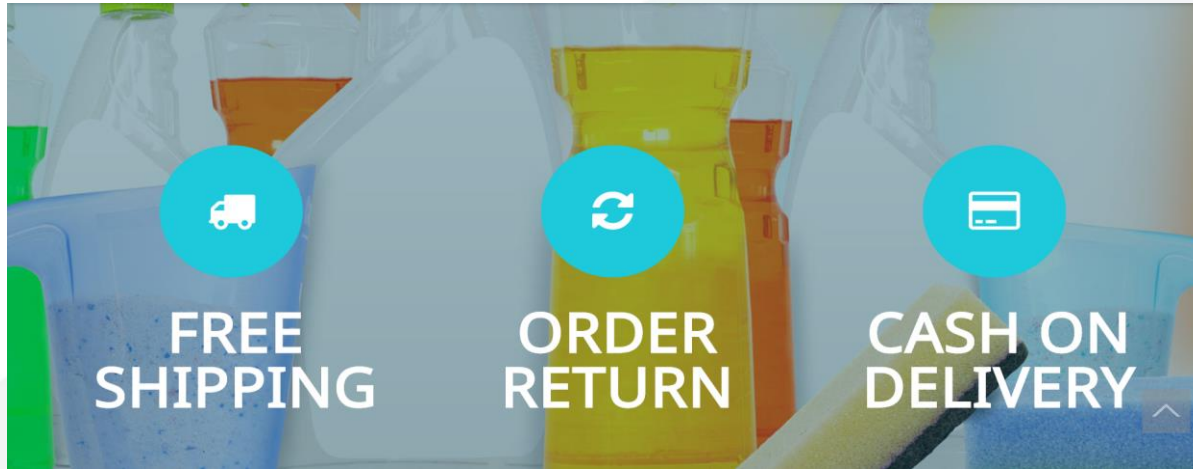
REDUCES 85% STORAGE ROOM AND TRANSPORT



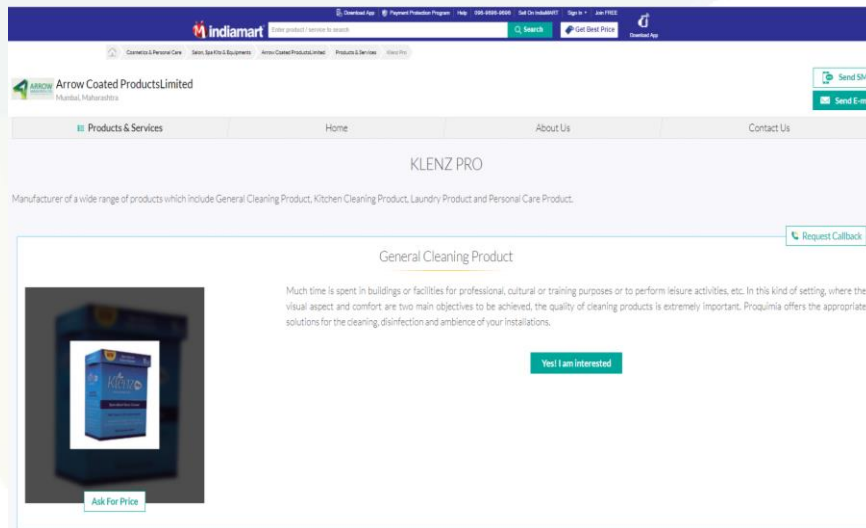
Reduced volume thanks to its high
Concentration formula

Klenz Pro Products are all compliant with European 2017 norms and have a wide range of ECO-LABELED products in the portfolio





Company's website –
http://klenzpro.com/general_cleaning.html



Our Marketing & Launch Strategy along with Quality built Products made us win the “Best Innovative Chemical Product” in to build a strong Distribution and Sales team which will help our long-term vision





Intellectual Property



Health

- Mouth Melting strips, Gel strips, Enzyme strips,
- Vitamins, Drugs, Medicine, Disinfectants and other Pharma ingredients
- For clinical setting like blood, serum, urine testing etc.

Hygiene

- Used to add Active ingredients of Detergents, Softeners, Cleaning Laundry, Dishes, Floorings, Walls, Furnitures and other Cleaning agents that are retained and remained intact for a longer time

Packaging

- Used in agronutrients such as fertilizers, urea, agrochemicals etc.
- Used for packaging for food products, liquid cement, shopping bags etc. or other biodegradable material

Security

- Used in making security labels or secure packaging of the products for identification
- Used in manufacturing of security documents such as cheques, bank notes, passport papers etc.

Printing

- Used for printing sarees, net or perforated cloth
- Used for printing paper, vinyl
- Used in printing of hoardings, one-way vision films

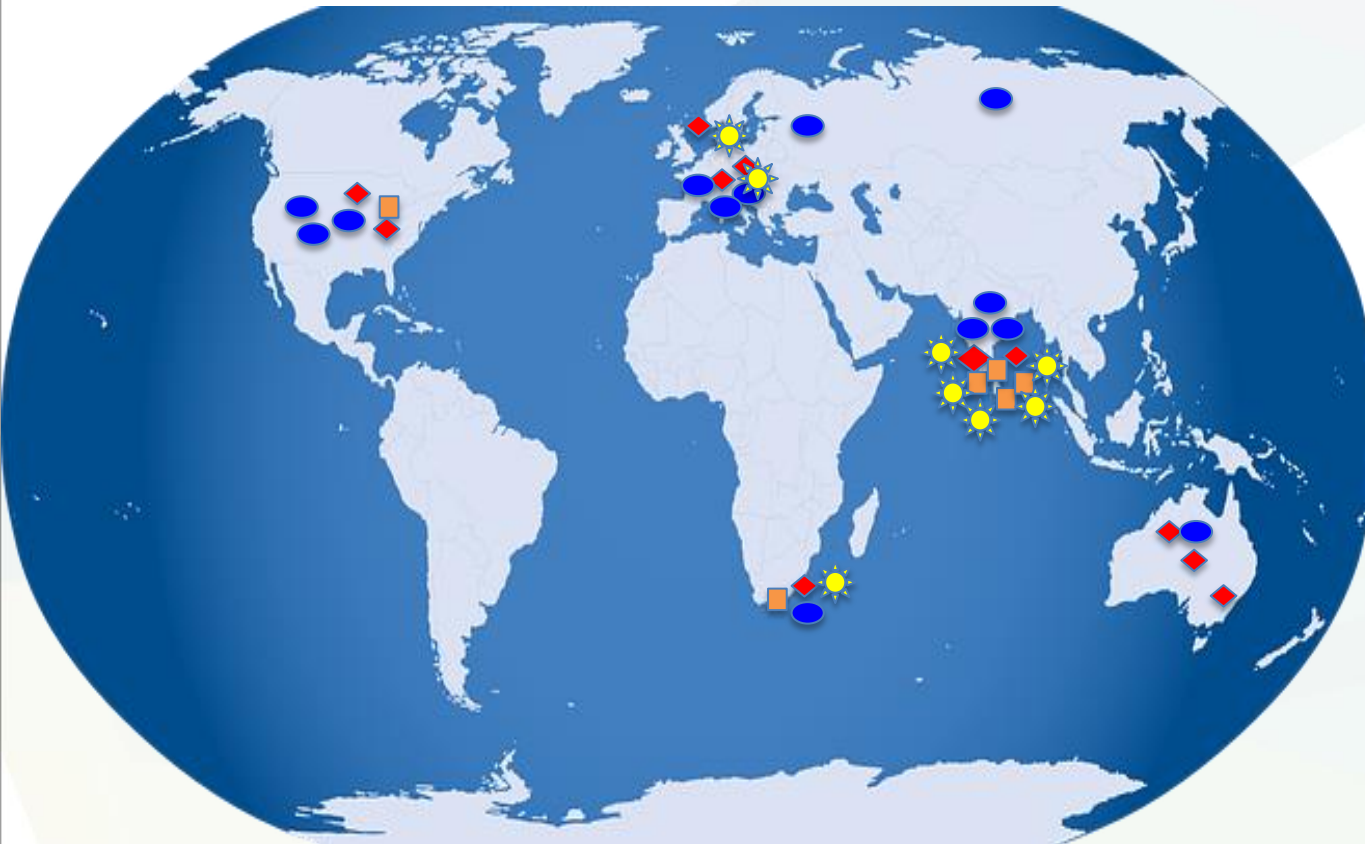
Self-Adhesive

- Used in making labels for product identification and/or advertising etc.





39 patents granted across the world



Key Granted Patents across the Globe



Region	No. of Patents Granted
India	15
Australia	4
South Africa	4
Europe	7
USA	6
UK	1
Eurasia	1
Russia	1

-  Printing - SAM
-  Security
-  Health & Hygiene
-  Packaging








BioPlast





BioPlast

 An eco-friendly green solution to replace toxic plastic for our future generation

 Replacement of Plastics packaging, made from petrochemicals

 Have in-licensed the technology for manufacturing the bioplast film from Biotec, Germany that is compliant with the European standards (EN 13432)

 Biotec's expertise in bioplastics and Arrow's water soluble film technology together could revamp the packaging with sustainable solutions

 Future proposed products such as Tea-Coffee portion packs, aluminum foil, jute hessian bags when laminated inside with bio compostable film will provide dual advantages of heat blockage inside the packaged material and sustainability





Edible Film



Edible Films

01

Technology is a relatively new development, but broadly based on water soluble film technology, which also allows small quantities of active ingredients to be delivered in a user-friendly format

02

Edible film division will work closely with clients to create the most effective thin film product and process solutions. this patent has now been granted in several countries, including Australia, South Africa, Europe and India. This patent is still being prosecuted in the USA

03

Recently invested into our new Wholly Owned Subsidiary (WOS) Company, Avery Pharmaceuticals Private Ltd. to manufacture, produce or to otherwise deal in pharmaceuticals and other related products. Arrow's water soluble edible film foray will be limited to the use of its patented drug (Active) delivery system, using edible Water Soluble Film for many major pharmaceutical and nutraceutical companies





Strategic Benefits & Growth Opportunities

Key Entry Barriers

Product Formulation

- Special Chemistry per end use
- Customized Formulations designed for various types of parameters of WSF
- Example : Various Water Temperature, time of dissolution and types of Water – Hard, soft, Salty etc.

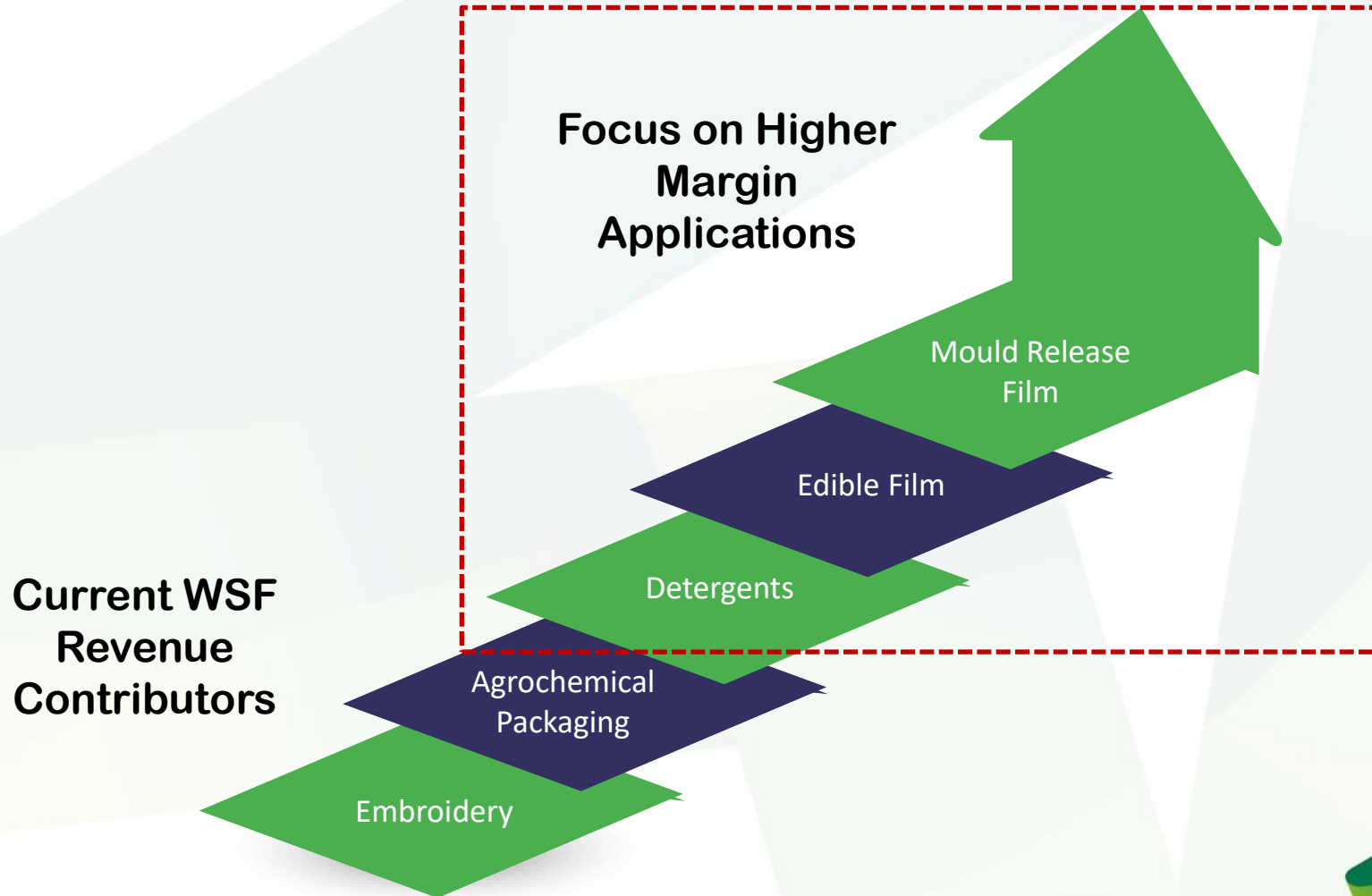
Proprietary Information

- RND outcome is privy to Arrow
- Example : Given a particular material to be packed: Under What Conditions will the WSF dissolve and the Chemical Properties of WSF once it is dissolved

Accelerated Ageing Test

- WSF goes through Accelerated Ageing test under accelerated ageing conditions. This matrix of information is vital to development of right WSF
- To help determine the long-term effects for the purpose of expected shelf life of packed product





Ban of Plastics will help grow BioPlast Business

- Our products are plasticizer-free, thermoplastic material that contains natural potato starch and other biologically sourced polymers
- The absence of plasticizer allows the material to be easily processed to manufacture products of consistent quality
- Due to its composition the material is edible, digestible, water soluble and will biodegrade readily in an industrial or domestic composting environment

Growth Drivers

Intellectual Property

- Monetize the existing Patents by selling or licensing the Patents
- R&D to develop more of Products & Processes and file New Patents

Water Soluble Film

- Focussing on high margin applications thereby moving up the value chain

Partnerships / JV's

- Partner / JV with the players in the FMCG and Pharmaceuticals to develop products for the end consumers using our Patents
- Water Soluble Film / Packaging to be provided by Arrow Greentech Film Division

KLENZ

- White labelling
- Once KLENZ reaches a sizeable turnover, we shall manufacture the chemicals ourselves



Financials

Consolidated Profit & Loss Statement

Particulars (Rs. In lakhs)	Q1 FY20	Q1 FY19	Q4 FY19
Net Revenue from Operations	453.2	363.4	1,232.3
Cost of Material Consumed	90.6	138.7	33.1
Purchase of Stock-in-Trade	229.8	186.6	1165.6
Change in Inventories	-58.3	-142.5	-39.8
Total Raw Material	262.1	182.8	1158.9
Employee Expenses	207.3	208.5	233.8
Other Expenses	255.4	330.8	339.5
EBITDA	-271.6	-358.7	-499.9
Other Income	93.4	36.2	30.1
Depreciation	85.9	98.9	79.6
EBIT	-264.1	-421.4	-549.3
Finance Cost	2.7	0.0	0.0
Profit before Tax	-266.8	-421.4	-549.3
Tax	3.7	-10.6	-45.4
Profit After Tax	-270.5	-410.8	-503.9
Other Comprehensive Income (Net of Tax)	-112.6	-126.0	125.9
TOTAL COMPREHENSIVE INCOME	-383.1	-536.8	-378.1
EPS (Rs.)	-2.26	-3.45	-4.23

Standalone Profit & Loss Statement

Particulars (Rs. In lakhs)	Q1 FY20	Q1 FY19	Q4 FY19
Net Revenue from Operations	660.2	600.9	1486.9
Cost of Material Consumed	90.6	138.7	33.1
Purchase of Stock-in-Trade	229.8	182.6	1165.3
Change in Inventories	-61.3	-134.9	-40.1
Total Raw Material	259.1	186.4	1158.3
Employee Expenses	194.3	201.0	222.0
Other Expenses	226.6	299.2	287.2
EBITDA	-19.8	-85.7	180.6
Other Income	36.8	17.0	411.9
Depreciation	80.8	90.3	74.3
EBIT	-63.8	-159.0	157.0
Finance Cost	2.7	0.0	0.0
Profit before Tax	-66.5	-159.0	157.0
Tax	3.7	-10.6	55.2
Profit After Tax	-70.2	-148.4	101.8
Other Comprehensive Income (Net of Tax)	0.5	-0.7	0.1
TOTAL COMPREHENSIVE INCOME	-70.7	-149.1	101.9
EPS (Rs.)	-0.60	-1.26	0.87

Consolidated Balance Sheet

EQUITY AND LIABILITIES	Mar-19	Mar-18
EQUITY		
Equity Share capital	1,174	1,174
Other Equity	6,612	8,591
Shareholders' Funds	7,786	9,765
Non Controlling Interest	163	197
LIABILITIES		
Non-current liabilities		
Provisions	16	8
Deferred income tax liabilities	37	76
Total - Non-current liabilities	53	84
Current liabilities		
Financial liabilities		
Trade payables	343	251
Other financial liabilities	256	218
Borrowings	4	5
Provisions	13	23
Other current liabilities	38	26
Total - Current liabilities	654	523
TOTAL - EQUITY AND LIABILITIES	8,656	10,570

ASSETS	Mar-19	Mar-18
Non-current assets		
Property, plant and equipment	2,111	2,414
Capital Work in Progress	144	-
Investment Property	14	15
Intangible Assets	158	185
Intangible Assets Under development	98	66
Financial assets		
Investments	1,660	2,946
Loans	45	40
Other financial assets	64	40
Tax assets (net)	117	72
Other non-current assets	673	190
Total - Non-Current Assets	5,084	5,968
Current assets		
Inventories	589	461
Financial assets		
Trade receivables	760	799
Cash and cash equivalents	1,770	2,905
Bank balances other than Cash and Cash equivalents	64	51
Loans	11	15
Other financial assets	2	30
Other current assets	376	341
Total - Current Assets	3,572	4,602
TOTAL - ASSETS	8,656	10,570

For further information, please contact

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THANK YOU

