

MERCURY EV-TECH LIMITED

(Formerly known as Mercury Metals Limited)

DATE: 31/05/2023

To
BSE Ltd.
P. J. Towers
Dalal Street,
Mumbai - 400 001.

SUB.: Earning Updates
BSE Code: 531357

Dear Sir,

In terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are attaching herewith the Earning updates.

Please take the same on your record.

Thanking You,

Yours faithfully,

For, MERCURY EV-TECH LIMITED

(FORMERLY KNOWN AS MERCURY METALS LIMITED)

SHAH
DARSHAN



Darshan J. Shah
Director
(DIN: 08687729)

Encl.: Earning Updates

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EARNINGS UPDATE & SHARE HOLDERS' LETTER

Q4 FY23 | MAY 31, 2023

In This Report, We Cover

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About us:

- Mercury EV-Tech Limited (formerly known as Mercury Metals Limited) hereinafter referred to as 'Mercury' or 'The Company' is a Gujarat based company focused on developing innovative and advanced electric mobility solutions.
- The Company is setting up an integrated EV manufacturing facility for the production of key components like Battery, Chassis, 3-wheeler body, CED coating plant (one of the largest in Gujarat) and an already operational assembly line. The total envisaged capital outlay for setting up the megaplex is approximately INR 1,500 Mn.
- R&D division of the company consisting of highly qualified engineers are constantly working on new and innovative EV technologies for entire range of EVs comprising of 2-Wheeler (2W), 3-Wheeler (3W), 4-Wheeler (4W) loader, E-bus, and mini load carriers.

Comprehensive Product Portfolio

Mobility



E-2 Wheeler



E-3 Wheeler



E-Bus



E-4 Wheeler Loader

Key Components



Strengths:

- Mercury distinguishes itself by offering a full spectrum of EVs, from scooters to buses, along with essential components like batteries and motors.
- Backward integrated through following subsidiaries:
 - “PowerMetz Energy Private Limited” for the manufacturing of EV Batteries.
 - “EV Nest Private Limited” for R&D and development of Chassis.
- The Company boasts of a distinguished and recognized team led by Technical Director, who has been awarded for excellence in Electric Vintage Cars by the **Hon’ble Prime Minister of India Shri Narendra Modi**.
- Company focuses on end-to-end EV solutions encompassing:



- Integrated Manufacturing Plant will be equipped with production capability to annually produce 1,50,000 2W; 12,000 3W; 10,000 4W; 4,000 Bus.
- Manufacturing Plant will be equipped with 1MW solar rooftop for captive consumption as an effort towards sustainable green environment that will result into **ZERO** electricity cost.

Road Ahead:

- Mercury aims to complete the capex on Integrated EV Megaplex spread over 18 Acres of land in Vadodara comprising of manufacturing and assembly lines, company headquarters, R&D facility, charging station, display center to showcase the wide range of company’s products, and vehicle experience tracks.
- The company will focus on executing an open purchase order consisting of 23,500+ Lithium-ion batteries, 25,000+ chassis and an order worth ~Rs. 500 Mn for 3W Cabin/Body from OEM’s.
- Company is expecting to receive approvals from concern government authority for following EV in the first half of FY24:
 - 3W Loader and Passenger (L3 approval already received & L5 is pending)
 - 4W Loader
 - Lithium-ion batteries (AIS-156 approval)
 - 2W High speed.
- Company is actively engaged with over 160 dealers across India to establish an extensive and robust sales channel.

Consolidated Income Statement

Particulars (Rs. Mn)	Q4 FY23	Q4 FY22	FY23	FY22
Revenue from Operations	69.88	3.50	160.97	11.82
Other Income	0.46	0.22	0.46	0.40
Total Revenue	70.34	3.72	161.43	12.22
Total Expenses excluding Depreciation, Amortization, & Finance Cost	68.50	0.16	144.51	9.06
EBITDA*	1.38	3.34	16.46	2.76
EBITDA Margins (%)	1.98%	95.46%	10.22%	23.34%
Depreciation & Amortization	0.48	0.00	0.65	0.00
Finance Cost	0.13	0.00	0.22	0.00
Tax	(1.74)	0.85	2.11	0.85
PAT	2.96	2.71	13.94	2.31
PAT Margins (%)	4.21%	72.84%	8.63%	18.90%
Other Comprehensive Income	(0.05)	(0.01)	0.00	0.00
Total	2.91	2.70	13.94	2.31
Diluted EPS	0.02	0.39	0.08	0.33

*EBITDA is calculated excluding other income

Consolidated Balance Sheet

Particulars (Rs. Mn)	31.03.23	31.03.22	Particulars (Rs. Mn)	31.03.23	31.03.22
Assets			Equity & Liabilities		
Non-Current Assets			Shareholder's Funds		
Property, Plant & Equipment	333.34	0.00	Equity Share Capital	166.87	6.95
Capital W.I.P	87.19	0.00	Other Equity	333.05	6.57
Investments	0.00	0.04	Non Controlling Interest	1.06	0.00
Loans	5.37	0.00	Total Shareholder's Funds	500.98	13.53
Trade Receivable	1.16	3.78	Non-Current Liabilities		
Other Non-Current Assets	9.48	0.00	Borrowings	227.83	0.00
Total Non-Current Assets	436.54	3.82	Long-Term Lease Liabilities	1.20	0.00
Current Assets			Other Financial Liabilities	0.08	0.00
Inventories	73.85	0.00	Provisions	0.00	0.00
Investments	0.00	0.00	Deferred Tax Liabilities	0.37	0.00
Trade Receivables	49.60	0.00	Total Non-Current Liabilities	229.47	0.00
Cash & Bank Balances	90.78	7.51	Current Liabilities		
Other Financial Assets	0.00	0.00	Borrowings	1.44	0.00
Other Current Assets	59.96	3.49	Provisions	0.90	0.00
Short Term Loans and Advances	58.81	0.00	Trade Payables	29.42	0.00
Total Current Assets	332.99	11.00	Other Financial Liabilities	3.32	0.00
Total Assets			Other Current Liabilities	2.17	0.44
769.53	14.82		Current Tax Liabilities (Net)	1.83	0.85
			Total Current Liabilities	39.08	1.29
			Total Equity & Liabilities	769.53	14.82

Business Update:

- During this quarter, Company has changed the category under the heading industry in BSE Listing Centre from “Trading and Distribution” to “EV Vehicles & Ancillary” to reflect the core business activity.
- Received approval for World Manufacturer Identifier (WMI) Code by SAE International, utilized by manufacturers of automobiles for identification of their vehicles globally.

Management Commentary:

Commenting on the Financial Performance, Management Team said:

“We are pleased to report a year of significant financial progress for Mercury Ev-Tech Limited due to the commencement of our EV operations out of our R&D facility. Revenue from Operations stands at Rs. 160.97 Mn. EBITDA registered at Rs. 16.46 Mn in FY23, reflecting a margin of 10.22% due to higher margins in EV compared to trading of metals. PAT margins is recorded at 8.63%.

We are excited to embark on our journey of revolutionizing the Indian transport industry through the widespread adoption of electric vehicles. Our team, consisting of highly skilled experts who share a deep passion for sustainable transportation and are dedicated to shaping the future of green mobility. Our company places a strong emphasis on quality and technological advancements, evident in our talented team of engineers, designers, and experts who continuously develop cutting-edge electric vehicles that excel in performance, efficiency, and aesthetics.

We are delighted with the positive reception of our brand in the market. We firmly believe in embracing innovation and value the feedback we receive from our valued customers and stakeholders. Collaboration with all stakeholders is crucial in driving progress and collectively creating a greener future. Looking ahead, our primary focus is to obtain pending approvals from the concerned government authorities, while simultaneously establishing network by adding dealers across India. Our dedicated R&D team has ensured that our products exceed the guidelines set by the government through rigorous internal testing and quality inspections. We anticipate launching all our products by September 2023, with the exception of the 56-seater bus, which is scheduled for release in May 2024. Further, to establish Mercury as a formidable integrated EV solutions provider the company is exploring various inorganic opportunities some of which are likely to fructify in the upcoming quarters.

We extend our heartfelt gratitude to our customers, employees, and shareholders for their unwavering support. We eagerly anticipate a successful journey ahead as we continue on this electrifying ride towards a sustainable future.”

Management Guidance:

- Management expects revenue from operations of Rs. 3,500 Mn in FY24 backed by strong launch of new products.
- EBITDA Margins will stay in the corridor of 13%-15% in FY24.

Disclaimer:

Certain statements in this document may be forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, 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. Mercury Ev-Tech Limited (formerly known as Mercury Metals 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 circumstance.

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