

WHITE PAPER NOTE- EVERGREEN RECYCLEKARO

A. Evergreen Recyclekaro is the First and the only company to supply Recycled Lithium & Cobalt in the Indian markets by extracting the same from end-of-life Li-ion batteries(LIBs).

B. Evergreen Recyclekaro (Recyclekaro) offers 360 degrees solution in recycling of E-waste (capacity of approx. 15000 MT) as well as LIB (capacity of 10000 MT) by deploying its internally developed technology (*Process patent filed for LIB*).

C. ISO 14001:2015, ISO 9001:2015, OHSAS 45001:2018 & amp; (R2:2013) certified organization with robust recycling infrastructure spanning over 1 lakh-plus sq. ft. of factory infrastructure and ~7 lakhs sq. ft. of land at Wada-Palghar (Maharashtra). With the expansion planned over next 12 months, the factory infrastructure would nearly double to 2 lakhs sq. ft.

D. Key Drivers for Growth in the next 12 months:

LIB-BATTERY RECYLING:

Current Capacity of 4200MT being upgraded to 9200-10000 MT

E-WASTE RECYLING

Current Capacity of 7500MT being upgraded to 25000 MT

E. Key Drivers for Growth in the next 12 to 24 months:

New capacities to be added for NICKEL/CATHODE manufacturing spread over 10 acres & the new division of AUTOMOBILE RECYCLING already started in F4FY25 at NOIDA.

F. EPR CREDIT sales would be an added item to the PAT, which emanate from recycling, and were practically non-existent in India till the last financial year.

F. Financial Numbers over the 3 years:

Projections	FY 2024-25	FY 2025-26	(Rs. in Crores)
			FY 2026-27
Sales	220	450	932
EBIDTA	38	80	173
PAT	22	50	103

... the company is likely to post the growth of over 100% in the next three years.

** Additional upside can be expected if the proposed plans of new company takeover go through.*

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G. Recent Pre-IPO placement (Pre-money) at Rs. 1450 Crores of valuation, priced at a multiple of 38x (18x) to EBIDTA and nearly 65x (29x) to PAT w.r.t. FY2025 (& FY2026) respectively, at the lower end.

H. By the time of IPO in Q2FY2026-27, these numbers would tremendously improve to 8.5x to EBIDTA and 14x to PAT for FY2026-27 i.e. on one year forward basis. This can propel the IPO valuations to Rs. 2500-3000 Crores as per the management estimates, subject to market trends.

I. Post the IPO, Recyclekaro would be the only listed company in the green-tech LIB recycling & Nickel recycling space with additional divisions of E-waste and Auto recycling. This will help Recyclekaro to be compared with global peers in terms of valuation.

J. Even currently, the not-so-pure-play recyclers listed on Indian stock exchanges trade at a substantially higher valuations than Recyclekaro. It leaves a substantial scope for value accretion for Recyclekaro once listed, even if it trades at half the multiples of Indian recyclers.

Recyclekaro shows potential of nearly 1-billion USD valuation, over the next 3 to 5 years post-IPO, based on its business plans & expansion planned with pre-IPO & IPO funds.
