PRIVATE CLIENT GROUP | kotak Securities

Dated: 14th November 2025

EPL (EPL) - BUY

Q2FY26 Result Update

Current Market Price (CMP)	Fair Value (FV)
Rs.204	**Rs.265**

Rationale:

- EPL reported strong Q2FY26 performance with revenue/ EBITDA/ PAT growing 11%/ 14.1%/ 20.3% yoy
- EPL continues to deliver a healthy operating performance across geographies.
- Growth supported by a healthy demand, product innovations.
- Management has guided for double-digit revenue growth and EBITDA growth higher than revenue growth.
- We value the stock at 14x FY28E EPS to arrive at our TP of Rs 265.Reiterate BUY.
- We expect earnings to grow 20.3% in FY27E and grow by 20.7% in FY28E.
- Stock is trading at 10.8x FY28E earnings.

Positives:

- EPL reported Q2 revenue of Rs 1206 cr (+11% yoy).
- Gross margins expanded 160 bps yoy and contracted 60 bps qoq to 59.6%.
- EPL continued its trajectory of margin expansion (up 60bp YoY).
- Company reported PAT of Rs 106.2 cr (+20.3% yoy).

Negatives:

- Europe recorded only 2.8% growth, impacted by temporary softness from a few large customers.

Holding Period: 12 Months

RATING SCALE (PRIVATE CLIENT GROUP)

Definitions of ratings

BUY	–	We expect the stock to deliver more than 15% returns over the next 12 months
ADD	–	We expect the stock to deliver 5% - 15% returns over the next 12 months
REDUCE	–	We expect the stock to deliver -5% - +5% returns over the next 12 months
SELL	–	We expect the stock to deliver < -5% returns over the next 12 months
NR	–	**Not Rated.** Kotak Securities is not assigning any rating or price target to the stock. The report has been prepared for information purposes only.
SUBSCRIBE	–	We advise investor to subscribe to the IPO.
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NA	–	**Not Available or Not Applicable.** The information is not available for display or is not applicable
NM	–	**Not Meaningful.** The information is not meaningful and is therefore excluded.
NOTE	–	Our target prices are with a 12-month perspective. Returns stated in the rating scale are our internal benchmark.

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