kotak Securities

Dated: 17 November 2025

# BrainBees Solutions (FIRSTCRY) - BUY

## Q2FY26 Result Update

| Current Market Price (CMP) | Fair Value (FV) |
|---|---|
| **Rs. 336** | **Rs.470** |

## Rationale:

- FirstCry reported Q2FY26 consolidated revenue growth of 10.2% yoy.
- The Indian and international business growth was lower than expected, though it was partially offset by higher revenue growth of GlobalBees.
- India's EBITDA margin expanded 46 bps yoy to 9.1%, led by cost controls. We trim the FY26-28 Indian business revenue estimates by 3-5%.
- Earnings tweaks and roll forward drive a revised SoTP-based FV of Rs470 (Rs510 earlier). Retain BUY.

(CAGR - Compound Annual Growth Rate, EBITDA - Earnings Before Interest, Taxes, Depreciation, and Amortization, EPS- Earning Per Share, ATU - Annual unique transacting users)

### Positives:

- Indian multichannel business: 7.9% yoy growth with some margin expansion.
- Lower losses in international and better margins in GlobalBees.
- ATU growth of 12% in Indian and international businesses.
- Indian business' adjusted EBITDA margin expanded 46 bps yoy to 9.1%.
- We estimate Indian multichannel revenue CAGR of 15% over FY25-28E.

### Negatives:

- Gross margin was impacted by higher discounts to stimulate growth during this period.



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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