



(Please scan this QR code to view the Red Herring Prospectus)

## BRAINBEES SOLUTIONS LIMITED

Our Company was incorporated on May 17, 2010 as a private limited company under the Companies Act 1956, with the name "Brainbees Solutions Private Limited" at Pune, Maharashtra, India pursuant to a certificate of incorporation issued by the Registrar of Companies, Maharashtra at Pune (the "RoC"). Upon the conversion of our Company to a public limited company pursuant to a resolution passed by our Board on August 31, 2023 and a special resolution passed by our Shareholders at the extra-ordinary general meeting on September 5, 2023, the name of our Company was changed to "Brainbees Solutions Limited". A fresh certificate of incorporation dated November 2, 2023 was issued by the RoC consequent to our Company's conversion into a public limited company. For details of changes in the registered office of our Company, see "History and Certain Corporate Matters - Changes in the registered office" on page 311 of the Red Herring Prospectus dated July 30, 2024 ("RHP" or "Red Herring Prospectus") filed with the RoC.

Corporate Identity Number: U51100PN2010PLC136340  
Registered and Corporate Office: Rajashree Business Park, Survey No. 338, Next to Sohrab Hall, Tadiwala Road, Pune - 411 001, Maharashtra, India; Tel: (+91) 84829 89157  
Contact Person: Neelam Jethani, Company Secretary and Compliance Officer; E-mail: companysecretary@firstcry.com; Website: www.firstcry.com

### OUR COMPANY DOES NOT HAVE AN IDENTIFIABLE PROMOTER

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹2 EACH (THE "EQUITY SHARES") OF BRAINBEES SOLUTIONS LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (THE "OFFER PRICE") AGGREGATING TO ₹[●] MILLION (THE "OFFER") COMPRISING A FRESH ISSUE OF [●] EQUITY SHARES OF FACE VALUE ₹ 2 EACH AGGREGATING UP TO ₹16,660.00 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 54,359,733 EQUITY SHARES OF FACE VALUE ₹2 EACH AGGREGATING TO ₹[●] MILLION (THE "OFFER FOR SALE").

THE OFFER INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 2 EACH, AGGREGATING UP TO ₹30.00 MILLION (CONSTITUTING UP TO [●]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL, FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES ("EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER SHALL CONSTITUTE [●]% AND [●]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

### DETAILS OF THE 10 LARGEST SELLING SHAREHOLDERS, OFFER FOR SALE AND THE WEIGHTED AVERAGE COST OF ACQUISITION

Name of Selling Shareholder	Type	Number of equity shares offered	Weighted average cost of acquisition per Equity Share <sup>(1)</sup> (in ₹)	Name of Selling Shareholder	Type	Number of equity shares offered	Weighted average cost of acquisition per Equity Share <sup>(1)</sup> (in ₹)
SVF Frog (Cayman) Ltd	Corporate Selling Shareholder	20,318,050	154.40	Apricot Investments Limited	Corporate Selling Shareholder	2,523,280	280.87
Mahindra & Mahindra Limited	Corporate Selling Shareholder	2,806,174	77.96	Satyadhama Investments and Trading Company Private Limited	Corporate Selling Shareholder	197,777	196.38
PI Opportunities Fund- 1	Corporate Selling Shareholder	8,601,292	280.87	Schroders Capital Private Equity Asia Mauritius II Limited	Corporate Selling Shareholder	3,802,210	145.26
TPG Growth V SF Markets Pte. Ltd.	Corporate Selling Shareholder	3,899,525	280.87	Sage Investment Trust	Corporate Selling Shareholder	52,516	280.87
NewQuest Asia Investments III Limited	Corporate Selling Shareholder	4,141,043	133.69	Pratithi Investment Trust	Corporate Selling Shareholder	224,712	312.48

<sup>(1)</sup>As certified by Bansal & Co LLP, Chartered Accountants, bearing firm registration number 001113N/N500079, by way of their certificate dated July 30, 2024. For a complete list of all Selling Shareholders and their weighted average cost of acquisition per Equity Share on a fully diluted basis, see "Summary of the Offer Document - Weighted average cost of acquisition of equity shares by the Selling Shareholders" on page 81 of the RHP.

**We sell Mothers', Babies' and Kids' products through our online platform in India, United Arab Emirates and Kingdom of Saudi Arabia, and also through company-owned stores, franchisee-owned stores and general trade retail distribution in India.**

The Offer is being made through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations

QIB Portion: Not less than 75% of the Net Offer | Non-Institutional Portion: Not more than 15% of the Net Offer | Retail Portion: Not more than 10% of the Net Offer  
Employee Reservation Portion: Up to [●] Equity Shares aggregating up to ₹ 30.00 Million

**PRICE BAND: ₹ 440 TO ₹ 465 PER EQUITY SHARE OF FACE VALUE OF ₹2 EACH.**

**THE FLOOR PRICE AND THE CAP PRICE ARE 220 TIMES AND 232.50 TIMES THE FACE VALUE OF THE EQUITY SHARES RESPECTIVELY.**

**BIDS CAN BE MADE FOR A MINIMUM OF 32 EQUITY SHARES AND IN MULTIPLES OF 32 EQUITY SHARES THEREAFTER.**

**A DISCOUNT OF ₹ 44 PER EQUITY SHARE IS BEING OFFERED TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION.**

In accordance with the recommendation of the Independent Directors of our Company, pursuant to their resolution dated July 31, 2024, the above provided price band is justified based on quantitative factors/ KPIs disclosed in the 'Basis for Offer Price' section of the RHP vis-a-vis the weighted average cost of acquisition ("WACA") of primary and secondary transaction(s), as applicable, disclosed in 'Basis for Offer Price' section on page 222 of the RHP and provided below in the advertisement.

In making an investment decision and purchase in the Offer, potential investors must only rely on the information included in the RHP and the terms of the Offer, including the merits and risks involved and not rely on any other external sources of information about the Offer available in any manner.

In relation to Price Band, potential investors should only refer to this price band advertisement for the Offer and should not rely on any media articles/ reports in relation to the valuation of our Company as these are not endorsed, published or confirmed either by our Company or by the BRLMs.

### RISKS TO INVESTORS

For details refer to section titled "Risk Factors" on page 83 of the RHP

#### Financials Risk:

- Negative Cash Flows:** We have had negative net cash flows in the past. The following table sets forth our cash flow for the periods indicated as per our Restated Consolidated Financial Statements:

(₹ in million)

Particulars	For the year ended March 31,		
	2024	2023	2022
Net cash used in operating activities	(420.73)	(3,989.89)	(1,317.26)
Net cash (used) in/generated from investing activities	629.44	3,040.89	(4,905.81)
Net cash (used) in/generated from financing activities	814.74	(506.18)	6,443.76
Net increase/(decrease) in cash and cash equivalents	1,023.45	(1,455.18)	220.69

- Losses incurred in past periods:** We have incurred loss of ₹(3,215.07) million, ₹(4,860.56) million and ₹(786.85) million

for the Financial Year 2024, 2023 and 2022 respectively. If we continue to incur losses, our business and the value of the Equity Shares could be adversely affected.

- Risk related to the objects of the offer:** We face various inter-related risks concerning usage, receipt and deployment of the Offer Proceeds in relation to the objects of the Offer, some of which are outline below:

- We are yet to identify the exact locations or properties for the setting up our new modern stores and warehouses in India and the Kingdom of Saudi Arabia, for which we intend to utilize the amount from Net Proceeds;

- A portion of the Net Proceeds will be invested in our Subsidiaries, Globalbees Brands, Digital Age and Firstcry Trading Company, which have incurred losses and certain newly established businesses. We cannot assure you that our investments will enhance their profitability or yield intended results.

- The Net Proceeds will be deployed over a long period of time and any delay may impact our operations and profitability.

- Market Risk:** The Offer Price of our Equity Shares, our pre-Offer market capitalization to revenue from operations for FY 2024 and our

price-to-earnings (P/E) ratio at Offer price may not be indicative of the market price of our Equity Shares after the Offer.

Period	Ratio vis-à-vis Floor Price of ₹ 440	Ratio vis-à-vis Cap Price of ₹ 465
	(In multiples, unless otherwise specified)	
Market capitalization to Revenue from operations (for FY 2024)	3.28	3.47
Price-to-earnings ratio	N.A	N.A

Notes:

- Market capitalization = Number of shares outstanding as on date of RHP \* Floor price or cap price, as applicable
- Since the Company has incurred loss in the Financial Year 2024, the basic and diluted EPS is negative and hence, the Price to Earnings ratio is not ascertainable

• **Business and Operational Risks:**

- **Risk relating to retaining existing customer and acquiring new customers:** If we fail to acquire new customers or experience a decline in engagement with our existing customers, we may not be able to increase our revenues or achieve profitability. Our GMV generated from our Annual Unique Transacting Customers ('AUTC') for Financial Years 2024, 2023 and 2022 was ₹91,211.28 million ₹72,576.34 million and ₹57,994.63 million respectively. The tables below sets forth the details of our advertising and sales promotion expenses as a percentage of our revenue from operations and our GMV generated from our new customers and existing customers as a percentage of GMV from AUTC:

Period	For the year ended March 31,		
	2024	2023	2022
	Percentage of revenue from operations (%)		
Advertising and sales promotion expenses*	7.44%	7.39%	11.19%

\*Includes payments made to third-party websites, search engines and social media influencers.

Period	For the year ended March 31,		
	2024	2023	2022
	Percentage of GMV from Annual Unique Transacting Customers (%)		
GMV from new customers	27.77%	27.02%	29.76%
GMV from existing customers	72.23%	72.98%	70.24%

- **Risk relating to third-party brands and SKUs:** If we fail to retain our relationships with third-party brands, or attract new relationships, our business, results of operations, financial condition and cash flows will be adversely affected. Set forth below is the number of brands added on our FirstCry platform (in India, UAE and KSA), brands associated with us on our FirstCry platform, and SKUs offered by us on our platform:

Particulars	As at/for the financial year ended March 31,		
	2024	2023	2022
Brands added on our FirstCry platform (in India, UAE and KSA)	1,125	2,250	2,235
Brands associated with us on our FirstCry platform	7,580	7,035	6,287
SKUs offered (in million)	1.65	1.29	1.27

- **Dependency on the online commerce industry in India:** Our business depends on the growth of the online commerce industry in India and our ability to effectively respond to changing customer behavior on digital platforms. Details of our GMV from Online business in India as a percentage to total GMV in India is provided hereunder:

Particulars	For the year ended March 31,		
	2024	2023	2022
GMV from Online business in India (as % of total GMV in India)	76.91%	77.36%	81.58%

• **Other Risks:**

- Our Company will not receive any proceeds from the Offer for Sale amounting to ₹23,918.28 million (calculated at floor price).
- The five Book Running Lead Managers associated with the Offer have handled 55 public issues in the past three Financial Years, out of which 12 issues closed below the issue price on the listing date:

Name of the BRLMs	Total Public Issues	Issues closed below the IPO Price on listing date
Kotak Mahindra Capital Company Limited*	15	3
Morgan Stanley India Company Private Limited*	1	-
BofA Securities India Limited*	-	-
JM Financial Limited*	29	8
Aventus Capital Private Limited*	-	-
Common Issues of above BRLMs	10	1
<b>Total</b>	<b>55</b>	<b>12</b>

\*Issues handled where there were no common BRLMs.

- Weighted average cost of acquisition of all shares transacted in the three years, 18 months and one year preceding the date of the Red Herring Prospectus:

Period preceding the date of Red Herring Prospectus	Weighted average cost of acquisition (in ₹)	Cap Price is 'x' times the weighted average cost of acquisition	Range of acquisition price: lowest price – highest price (in ₹)**
Last one year	407.42	1.14	243.72 - 524.15
Last 18 months	407.42	1.14	243.72 - 524.15
Last three years	237.09	1.96	2.00 - 524.15

\*\* As certified by Bansal & Co LLP, Chartered Accountants, bearing firm registration number 001113N/N500079, by way of their certificate dated July 30, 2024.

- Since the Company has incurred loss in the Financial Year 2024, the basic and diluted EPS is negative and hence, the Price to Earnings ratio is not ascertainable.
- Weighted Average Return on Net Worth for Financial Year ended 2024, 2023 and 2022 is (8.92)%.



## ANCHOR INVESTOR BIDDING DATE : MONDAY, AUGUST 5, 2024

BID/OFFER OPENS ON : TUESDAY, AUGUST 6, 2024<sup>(1)</sup>BID/OFFER CLOSES ON : THURSDAY, AUGUST 8, 2024<sup>(2)</sup>

## BID/OFFER PERIOD

- Our Company, in consultation with the BRLMs, shall consider participation by Anchor Investors, in accordance with the SEBI/ICDR Regulations. The Anchor Investor Bidding Date shall be Monday, August 5, 2024.
- UPI mandate and time end date shall be at 5:00 pm on the Bid/Offer Closing Date.

## BASIS FOR OFFER PRICE

The Price Band and Offer Price has been determined by our Company in consultation with the BRLMs, and in accordance with applicable law, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 2 each and the Offer Price is 220.00 times the face value at the lower end of the Price Band and 232.50 times the face value at the higher end of the Price Band. Investors should also refer to the sections "Risk Factors", "Our Business", "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 83, 262, 370 and 528, of the RHP, respectively, to have an informed view before making an investment decision.

I. Qualitative Factors : Some of the qualitative factors and our strengths which form the basis for computing the Offer Price are set forth below:

- We are India's largest multi-channel, multi-brand retailing platform for Mothers', Babies' and Kids' Products;
  - We are India's largest multi-channel retailing platform for Mothers', Babies' and Kids' products, in terms of GMV, for the Financial Year 2024, according to the RedSeer Report.
  - Our multi-channel approach also benefits customers who follow a "research online – purchase offline" shopping behaviour.
- Our platform has powerful network effects driven by content, brands and data;
  - Our content-led strategy enables engagement with parents early in their parenting lifecycle through our FirstCry.com parenting platform
  - Our FirstCry mobile application in India had been downloaded more than 127 million times, 97 million times and 70 million times as of March 31, 2024, 2023 and 2022, respectively
  - During the Financial Year 2024, customers who interacted on our parenting community purchased products two times more frequently than the customers who did not interact on our parenting community.
- Brand affinity, loyalty and trust of customers in the FirstCry brand;
  - Our brand affinity is demonstrated by our Annual Unique Transacting Customers' base, which has grown to 9.11 million for the Financial Year 2024 from 6.86 million for the Financial Year 2022
  - We endeavor to provide emotional companionship across the parenting journey from the conception stage until a child reaches about 12 years of age, through our online platform, modern stores, preschools, and parenting community.
- Combination of curating growing home brands and relationships with third-party brands;
  - Through our online platform and modern stores, we offer customers a variety of products, ranging from products of global and domestic Mothers', Babies' and Kids' brands and our own home brands.
  - As at March 31, 2024, across our platform, we offer more than 1.65 million SKUs from 7,580 brands, including third-party Indian brands, global brands, and our home brands
  - We have also created our own baby and children product home brands for India and international markets such as BabyHug, Babyoye, Cutewalk and Pine Kids, among others, in the mid to premium category
- Our technology and data driven, personalized customer journey leads to higher customer engagement;
  - We believe that being a mother is the busiest job in the world and hence curated customer journeys on our online platform helps mothers save their precious time
  - We have a network of 1,063 FirstCry and BabyHug modern stores in 533 cities in 28 states and five union territories across India with over 2.12 million square feet of retail space, as at March 31, 2024
- Full-stack platform with control over manufacturing and supply chain;
  - During the Financial Year 2024 we leveraged a network of over 900 contract manufacturers across India and overseas for our home brands, excluding contract manufacturers engaged by Globalbees Brands and its subsidiaries.
  - As at March 31, 2024, we provided same day delivery in 45 cities and next day delivery in 1,043 cities in India for certain products (that are listed under 'same day delivery' and 'next day delivery' categories on our website), through our own as well as third-party logistics providers
- Proven and scalable business model.
  - For the Financial Years 2024, 2023 and 2022, our revenue from operations was ₹64,808.56 million, ₹56,325.39 million, and ₹24,012.88 million, respectively, in accordance with our Restated Consolidated Financial Statements
  - The revenue from operations, based on the Unaudited Pro Forma Consolidated Financial Information, increased to ₹52,621.90 million in the Financial Year 2023 from ₹35,975.04 million in the Financial Year 2022.

For further details, see "Risk Factors" and "Our Business – Our Competitive Strengths" on pages 83 and 270, of the RHP, respectively.

## II. Quantitative Factors :

Certain information presented below relating to our Company is based on the Financial Statements. For details, see "Financial Statements" on page 370 of the RHP.

Some of the quantitative factors which may form the basis for calculating the Offer Price are as follows:

## 1. Basic and diluted earnings per Equity Share ("EPS"):

As derived from the Restated Consolidated Financial Statements

For the year ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2024	(6.20)	(6.20)	3
March 31, 2023	(9.97)	(9.97)	2
March 31, 2022	(1.74)	(1.74)	1
<b>Weighted Average</b>	<b>(6.71)</b>	<b>(6.71)</b>	-

- Notes:
- Basic and diluted earnings per equity share: Basic and diluted earnings per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended. Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders of the Holding Company by the weighted average number of equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit/(loss) attributable to equity holders of the Holding Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. Potential equity shares have not been considered in the calculation of diluted loss per share for the year ended March 31, 2024, March 31, 2023, March 31, 2022, since these would decrease the loss per share, hence considered "anti-dilutive".
  - Subsequent to March 31, 2022, pursuant to the resolution passed by our Company's Shareholders' at their extra-ordinary general meeting held on April 25, 2022, each equity and preference share of our Company of face value of ₹ 5 each was split into 2.5 equity shares/preference shares of ₹ 2 each.

## 2. Price/Earning ("P/E") ratio in relation to the Price Band of ₹ 440 to ₹ 465 per Equity Share:

Particulars	P/E at the Floor Price (no. of times)	P/E at the Cap Price (no. of times)
Based on basic EPS for Fiscal 2024	N.A	N.A
Based on diluted EPS for Fiscal 2024	N.A	N.A

## 3. Industry Peer Group P/E ratio

There are no listed companies that engage in a business similar to that of our Company or are of a comparable size to that of our Company. Accordingly, it is not possible to provide an industry comparison in relation to our Company.

## 4. Return on Net Worth ("RoNW")

As derived from the Restated Consolidated Financial Statements:

For the year ended	RoNW (%)	Weight
March 31, 2024	(8.65)	3
March 31, 2023	(12.76)	2
March 31, 2022	(2.04)	1
<b>Weighted Average</b>	<b>(8.92)</b>	-

- Notes:
- Return on Net Worth = Profit/(loss) for the period attributable to equity holders of our Company divided by total equity attributable to equity holders of the parent.
  - Net Worth = Equity share capital + Equity component of compulsorily convertible preference shares + other equity.
  - The weighted average return on net worth is a product of return on net worth and respective assigned weight, dividing the resultant by total aggregate weight.
  - The above ratio is not adjusted for issuance of Equity Shares pursuant to ESOP Scheme post March 31, 2024.

## 5. Net Asset Value per Equity Share

NAV per Equity Share	NAV per Equity Share (Diluted)(₹)	NAV per Equity Share (Basic)(₹)
As on March 31, 2024	66.68	71.65
As on March 31, 2023	73.26	78.10
As on March 31, 2022	82.72	85.12
After the Offer		
-At the Floor Price	92.80	92.80
-At the Cap Price	93.16	93.16
At Offer Price	●	●

- Notes:
- Net asset value per equity share: Net worth divided by weighted average numbers of equity shares outstanding during the year for basic and diluted EPS.
  - The above ratio is not adjusted for issuance of Equity Shares pursuant to ESOP Scheme post March 31, 2024.
  - Net asset value per equity share (after the Offer): Net worth, as adjusted for the primary issue of the Offer divided by total numbers of outstanding equity shares after the offer.

## III. Key Performance Indicators

The table below sets forth the details of the key performance indicators ("KPIs") that our Company considers have a bearing for arriving at the basis for Offer Price. These KPIs have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of various vertical segments. The Bidders can refer to the below-mentioned KPIs, being a combination of financial and operational key financial and operational metrics, to make an assessment of our Company's performance in various business verticals and make an informed decision.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated July 29, 2024 and the Audit Committee has confirmed that the KPIs pertaining to our Company that have been disclosed to investors at any point of time during the three years period prior to the date of the Red Herring Prospectus have been disclosed in this section and have been subject to verification and certification by Bnsal & Co LLP, Chartered Accountants, bearing firm registration number 0011131N/500079, pursuant to certificate dated July 30, 2024, which has been included as part of the "Material Contracts and Documents for Inspection" on page 650 of the RHP.

For details of our key operating, financial and other operating metrics disclosed elsewhere in the Red Herring Prospectus, see "Our Business" on pages 263, 264 and 265, of the RHP and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 529 and 530 of the RHP.

A list of our KPIs for the Fiscals 2024, 2023 and 2022 is set out below:

Metric	Unit	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>India business</b>				
Annual Unique Transacting Customers	Million	8.68	7.72	6.68
Orders	Million	34.06	29.61	25.65
Average Order Value	₹	2,226	2,156	2,043
Gross Merchandise Value (GMV)	₹ million	75,827.42	63,830.99	52,389.47
GMV Y-o-Y Growth <sup>a</sup>	%	18.79	21.84	45.17
<b>International business</b>				
Annual Unique Transacting Customers	Million	0.43	0.26	0.18
Orders	Million	1.79	1.38	1.08
Average Order Value	₹	8,582	6,350	5,178
Gross Merchandise Value (GMV)	₹ million	15,383.86	8,745.35	5,605.16
GMV Y-o-Y Growth <sup>a</sup>	%	75.91	56.02	48.63
<b>Consolidated</b>				
Annual Unique Transacting Customers	Million	9.11	7.98	6.86
Orders	Million	35.85	30.99	26.73
Average Order Value	₹	2,544	2,342	2,170
Gross Merchandise Value (GMV)	₹ million	91,211.28	72,576.34	57,994.63
GMV Y-o-Y Growth <sup>a</sup>	%	25.68	25.14	45.50
<b>Financial Parameters (Consolidated)</b>				
Revenue from Operations	₹ million	64,808.56	56,325.39	24,012.88
Gross Margin	₹ million	23,176.60	16,972.21	8,291.49
Gross Margin %	%	35.76	30.13	34.53
Materials costs	₹ million	41,631.96	39,353.18	15,721.39
Materials cost %	%	64.24	69.87	65.47
Direct cost	₹ million	5,879.10	4,644.13	780.22
Direct cost %	%	9.07	8.25	3.25
EBITDA (excluding other income)	₹ million	704.91	(2,629.04)	(182.01)
EBITDA Margin (excluding other income)	%	1.09	(4.67)	(0.76)
Adjusted EBITDA	₹ million	2,744.49	749.82	961.99
Adjusted EBITDA Margin	%	4.23	1.33	4.01
Profit/(Loss) for the year	₹ million	(3,215.07)	(4,860.56)	(786.85)
Contribution Margin%	%	26.69	21.89	31.28
Advertising and sales promotion expenses %	%	7.44	7.39	11.19
Indirect Expense %	%	7.57	6.46	6.74
Net Working Capital Days	Days	53	50	102
Inventory Days	Days	92	83	149

Metric	Unit	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Other Operating Data</b>				
Total Stores	Number	1,063	904	701
FOFO Stores	Number	628	618	575
BabyHug COCO Stores	Number	284	224	118
FirstCry COCO Stores	Number	151	62	8
Number of brands	Number	7,580	7,035	6,287
Number of SKUs	Million	1.65	1.29	1.27
Number of warehouses and stockists	Number	80	79	67
GMV from Online	₹ million	73,700.09	58,126.30	48,346.73
GMV from Offline	₹ million	17,511.19	14,450.04	9,647.90
GMV from Existing Customers	₹ million	65,878.06	52,963.20	40,737.02
GMV from New Customers	₹ million	25,333.22	19,613.14	17,257.61

Details of Operating Segment<sup>a</sup>

Revenue from Operations				
India multi-channel <sup>(1)</sup>	₹ million	45,794.84	42,808.65	19,732.61
International <sup>(2)</sup>	₹ million	7,537.16	4,874.83	3,520.42
Globalbees Brands <sup>(3)</sup>	₹ million	12,093.46	8,971.79	1,039.84
Others <sup>(4)</sup>	₹ million	333.55	229.61	78.81
Inter-Company Adjustments/ Consolidation Adjustments	₹ million	(950.45)	(559.49)	(358.80)
<b>Total<sup>(5)</sup></b>	<b>₹ million</b>	<b>64,808.56</b>	<b>56,325.39</b>	<b>24,012.88</b>

## Segment Results before depreciation and amortisation expense

India multi-channel <sup>(1)</sup>	₹ million	4,039.82	2,413.52	1,891.60
International <sup>(2)</sup>	₹ million	(1,395.96)	(1,200.59)	(674.68)
Globalbees Brands <sup>(3)</sup>	₹ million	23.08	(447.29)	(91.94)
Others <sup>(4)</sup>	₹ million	58.41	(30.52)	(158.17)
Inter-Company Adjustments/ Consolidation Adjustments	₹ million	19.14	14.70	(4.82)
<b>Total<sup>(5)</sup></b>	<b>₹ million</b>	<b>2,744.49</b>	<b>749.82</b>	<b>961.99</b>

## Segment Results

India multi-channel <sup>(1)</sup>	₹ million	1,666.18	740.42	944.76
International <sup>(2)</sup>	₹ million	(1,553.77)	(1,329.33)	(744.21)
Globalbees Brands <sup>(3)</sup>	₹ million	(963.77)	(1,407.50)	(122.68)
Others <sup>(4)</sup>	₹ million	47.03	(42.07)	(164.40)
Inter-Company Adjustments/ Consolidation Adjustments	₹ million	(159.91)	(154.54)	(60.36)
<b>Total<sup>(5)</sup></b>	<b>₹ million</b>	<b>(964.24)</b>	<b>(2,193.01)</b>	<b>(146.89)</b>

<sup>a</sup> GMV Y-o-Y Growth: Gross Merchandise Value year-on-year Growth. GMV of the group has been growing consistently over the last three Financial Years. GMV of the group has increased from ₹57,994.63 million in Financial Year 2022 to ₹72,576.34 million in Financial Year 2023 and ₹91,211.28 million in Financial Year 2024 at a CAGR of 25.41% comparing Financial Year 2022 to Financial Year 2024.

<sup>(1)</sup> Up to financial year ended March 31, 2022, the group did not recognise any operating segment since the group operated primarily in trading and manufacturing of baby and kids products, which was the only single reportable segment. During the year ended, March 31, 2023 and subsequent to the acquisition of 100% stake in Digital Age and expansion of Globalbees Brands and international operations, for management purposes, the group is reorganised into business units, which provides relevant information for better understanding of the group's financial performance and resource allocation decisions.

<sup>(2)</sup> Solely to comply with reporting requirements under Ind AS 108, the management has restated the corresponding previous year figures. However, in view of significant difference in the nature of operations of the group in the previous year which was primarily trading and manufacturing of baby and kids products, such figures are not comparable. For management purposes, the group is reorganised into business units based on its products and services and has following reportable operating segments: India multi-channel, International, Globalbees Brands and Others.

<sup>(3)</sup> India multi-channel - This segment includes business of manufacturing, buying, selling, advertising, promoting baby and kids products in India.

<sup>(4)</sup> International segment - This includes business of buying, selling, advertising, promoting baby and kids products outside India, which primarily includes United Arab Emirates and KSA.

<sup>(5)</sup> Globalbees Brands segment - This is a direct-to-consumer (D2C) venture that aggregates and invests in e-commerce brands and helps the brands scale and transform their digital impression.

<sup>(6)</sup> Others - This includes other businesses which are not material to the group.

<sup>(7)</sup> Total - Sum total of India multi-channel segment, International segment, Globalbees Brands segment, Others, Inter-Company adjustment / conso adjustment.

## Notes:

- India business:** India business represents FirstCry platform operated by our Company along with across the FirstCry website (www.firstcry.com), mobile application, FirstCry modern stores and BabyHug modern stores, including those operated by Digital Age and franchisees. Prior to the acquisition of Digital Age, our Company's physical stores were operated through Digital Age as franchisee.
- International business:** International business represents FirstCry platform operated through its Subsidiary FirstCry Management (and its subsidiaries) in Dubai and KSA through its website www.firstcry.ae and www.firstcry.sa, respectively.
- Gross Merchandise Value (GMV):** GMV includes the monetary value of Orders inclusive of taxes and gross of discounts, if any, across the FirstCry website, mobile application and FirstCry modern stores and BabyHug modern stores, including those operated by Digital Age and franchisees, net of order cancellations, gross of franchisee commission, net of shipping and cash on delivery charges and prior to product returns. Accordingly, the GMV numbers do not reconcile directly with the group's revenue from operations and should not be considered representative of the group's revenue from operations.
- Annual Unique Transacting Customers:** Annual Unique Transacting Customers are defined as unique users that made at least one purchase on the FirstCry platform during the preceding 12 months period on the reporting date. Unique customers/visitors are identified as unique by their mobile number basis which duplication across website, mobile application and stores is removed.
- Orders:** Orders are defined as total orders across website, mobile application, FirstCry modern stores and BabyHug modern stores including those operated by Digital Age and franchisees prior to product returns.
- Average Order Value:** Average Order Value is GMV generated across the FirstCry website, mobile application, FirstCry modern stores and BabyHug modern stores divided by Orders considered for such GMV.
- Materials cost:** Cost of material consumed plus purchases of stock-in-trade plus changes in inventories of stock-in-trade, finished goods and work in progress.
- Materials cost %:** Materials cost % is materials cost as a percentage of revenue of operations.
- Direct cost:** Direct cost means total of courier expenses, packaging expenses and payment gateway expenses.
- Direct cost %:** Direct cost % is direct cost as a percentage of revenue of operations.
- Gross Margin:** Gross Margin means revenue from operations less materials cost.
- Gross Margin %:** Gross Margin % is gross margin as a percentage of revenue from operations.
- EBITDA (excluding other income):** Earnings before interest, tax, depreciation and amortization is calculated as the restated profit for the year (i.e., (Loss)/Profit for the year) plus tax expense, finance costs, depreciation and amortization expense less other income.
- EBITDA Margin (excluding other income):** EBITDA (excluding other income) as a percentage of revenue from operations.
- Adjusted EBITDA:** Adjusted earnings before interest, tax, depreciation and amortization is calculated as the restated profit for the year (i.e., (Loss)/Profit for the year) plus tax expense, finance cost, depreciation and amortization expenses less other income, exceptional items income (net), plus employee share-based payment expenses, deal related cost (included under "other expenses"), salaries, wages, bonus and other allowances accounted as per para B55 of Ind AS 103 (included under "employee benefits expense").
- Adjusted EBITDA Margin:** Adjusted EBITDA Margin is Adjusted EBITDA as a percentage of revenue from operations.
- Profit/(Loss) for the year:** Profit after tax is the restated profit for the year.
- Total Stores:** Total Stores is the total number of modern stores at the end of the year and includes total number of FirstCry modern stores and BabyHug modern stores.
- FOFO Stores:** This is the number of franchisee owned and franchisee operated modern stores.
- BabyHug COCO Stores:** This is the number of BabyHug modern stores owned and operated by our Company.
- FirstCry COCO Stores:** This is the number of FirstCry and other home brands modern stores (excluding BabyHug modern stores) owned and operated by Digital Age.
- Number of Brands:** There are the number of active brands as on the date of respective period end listed across the FirstCry website, mobile application and FirstCry modern stores and BabyHug modern stores, including those operated by Digital Age.
- Number of SKUs:** This is the number of SKUs as on the date of respective period end date across the FirstCry website, mobile application and FirstCry and BabyHug modern stores, including those operated by Digital Age.
- Contribution Margin %:** Contribution Margin % means Gross Margin minus courier expenses, packing expenses and payments gateway expenses as percentage to the revenue from operations.
- Number of Warehouses and Stockists:** Number of warehouses and stockists are the warehouses where our Company stores its inventory.
- Net Working Capital Days:** Working Capital Days is calculated as follows:
  - Working Capital Days for Fiscals 2024, 2023 and 2022 = (Inventories + Trade Receivables – Trade Payables) divided by revenue from operations\*365.
- GMV from Online:** GMV from Online includes the monetary value of orders inclusive of taxes and gross of discounts, if any, across the FirstCry website, mobile application, net of order cancellations, shipping and cash on delivery charges and prior to product returns.
- GMV from Offline:** GMV from Offline includes the monetary value of orders inclusive of taxes and gross of discounts, if any, across FirstCry modern stores and BabyHug modern stores, including those operated by Digital Age and franchisees, gross of franchisee commission and prior to product returns.
- GMV from Existing Customers:** GMV from users that made their first purchase on the FirstCry platform during any period except the preceding 12 months period when calculated for a full financial year and includes the monetary value of orders inclusive of taxes and gross of discounts, if any, across the FirstCry website, mobile application, FirstCry modern stores and BabyHug modern stores, including those operated by Digital Age and franchisees, net of order cancellations gross of franchisee commission, net of shipping and cash on delivery charges and prior to product returns. Users are identified by their mobile number basis which duplication across website, mobile application and stores is removed.
- GMV from New Customers:** GMV from users that made at least one purchase on the FirstCry platform for the first time during any period in preceding 12 months period when calculated for a full financial year and includes the monetary value of Orders inclusive of taxes and gross of discounts, if any, across the FirstCry website, mobile application, FirstCry modern stores and BabyHug modern stores, including those operated by Digital Age and franchisees, net of order cancellations gross of franchisee commission, net of shipping and cash on delivery charges and prior to product returns. Users are identified by their mobile number basis which duplication across website, mobile application and stores is removed.
- Advertising and sales promotion expenses %:** Advertising and sales promotion expenses as per Restated Consolidated Financial Information as a percentage to revenue from operations.
- Indirect Expense %:** Indirect Expenses as per Restated Consolidated Financial Information as a percentage to revenue from operations. Indirect Expenses are total other expenses as per Restated Consolidated Financial Information minus courier expenses, advertising and sales promotion expenses, packing expenses and payment gateway expenses.
- Inventory Days:** Inventory days for Fiscals 2024, 2023 and 2022 is closing inventory as at the end of the respective period /Revenue from operations for the respective period X 365
- Operating segment:** For management purposes, the group is organised into business units based on its products and services and has India multi-channel, International, Globalbees Brands and Others, as reportable operating segments.

For the definitions and reconciliation of Key Performance Indicators and Non-GAAP measures, please see "Definitions and Abbreviations" and "Other Financial Information" on pages 1 and 518, of the RHP, respectively.

Our Company shall continue to disclose the KPIs disclosed hereinabove in this section on a periodic basis, at least once in a year (or for any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares, or until the utilization of Offer Proceeds, whichever is later, on the Stock Exchanges pursuant to the Offer, or for such other period as may be required under the SEBI ICDR Regulations.

## Description on the historic use of the KPIs by our Company to analyze, track or monitor the operational and/or financial performance of our Company&lt;/



## BASIS FOR OFFER PRICE

**Total Stores:** The total stores helps us to track the health and growth of offline business.  
**BabyHug COCO Stores:** BabyHug COCO Stores helps us to track the health and growth of the exclusive brand outlet business.  
**FirstCry COCO Stores:** FirstCry COCO Stores helps us to track the health and growth of our Company owned multi brand outlet business.  
**Number of Brands:** The number of brands helps us track the strong association of our Company with various brands.  
**Number of SKUs:** The number of SKUs helps us track the width and breadth of the products sold on FirstCry platform.  
**Contribution Margin:** The contribution margin helps us to evaluate the gross profit after adjustments of variable cost.  
**Number of Warehouses and Stockists:** The number of warehouses helps us track the space available to store the inventory.  
**Net Working Capital Days:** The tracking working capital days helps us to track our investment in working capital across inventory, payables and receivables.  
**GMV from Online:** The tracking of our GMV from online helps us track the potential composite value of all orders from online business and therefore the overall online business performance.  
**GMV from Offline:** The tracking of our GMV from offline helps us track the potential composite value of all orders from our modern stores and therefore the overall business performance of modern stores.  
**GMV from Existing Customer:** The tracking of our GMV from existing customers helps us to track the stickiness of the customers and the GMV generated from them.  
**GMV from New Customer:** The GMV from new customers helps us to track efficiency of our spends in acquiring new customer and the GMV generated from them.  
**Advertising and sales promotion expenses %:** The total marketing (% of net revenue) enables us to compare the marketing cost spends against the net revenue and provides inputs on marketing spends across various channels.  
**Indirect Expense %:** The indirect expense (% of net revenue) gives us inputs on the operating leverage achieved.  
**Inventory Days:** The average inventory days helps us track our investment in inventory.  
**Profit/(Loss) for the year:** The profit after tax helps us track the overall profitability of the business after tax.  
**Operating Segment:** The operating segment helps us monitor the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.

### IV. Comparison of KPIs with listed industry peers

There are no listed companies that engage in a business similar to that of our Company or are of a comparable size to that of our Company. Accordingly, it is not possible to provide an industry comparison in relation to our Company.

### V. Comparison of Key Performance Indicators over time shall be explained based on additions or dispositions to our business

Our Company has not made any additions or dispositions to its business during the Fiscals 2024, 2023 and 2022 except for the acquisition of Globalbees Brands and Digital Age. For further details see **"History and Certain Corporate Matters – Details regarding material acquisitions or divestments of businesses/undertakings, mergers, amalgamation, any revaluation of assets, etc., in the last 10 years"** on page 317 of the RHP.

The acquisition of Digital Age has resulted in increase in GMV, orders, Annual unique transacting customers, average order value, Firstcry COCO stores, revenue from operations, materials cost, gross margins, direct cost, contribution margin, adjusted EBITDA, Profit/(Loss) for the period, advertisement and marketing expenses, indirect expenses, number of warehouses and stockists, GMV from online, GMV from offline, GMV from existing customers and GMV from new customers.

The acquisition of Swara Baby, Solis, Globalbees Brands has resulted in increase in revenue from operations, materials cost, gross margins, direct cost, contribution margin, adjusted EBITDA, Profit/(Loss) for the period, advertisement and marketing expenses, indirect expenses, net working capital days and inventory days.

### VI. Weighted average cost of acquisition, Floor Price and Cap Price

- Price per share of the Company (as adjusted for corporate actions, including split, bonus issuances) based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under Employee Stock Option Plans and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of the Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Issuances")  
 Our Company has not issued any Equity Shares or CCPS, excluding shares issued under the ESOP Scheme, during the 18 months preceding the date of the Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.
- Price per share of the Company (as adjusted for corporate actions, including bonus issuances) based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts) involving any of the Selling Shareholders or other Shareholders of the Company with rights to nominate directors during the 18 months preceding the date of filing of the RHP, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Secondary Transactions")  
 There have been no secondary sale/acquisitions of Equity Shares or CCPS, where the Selling Shareholders, or Shareholder(s) having the right to nominate Director(s) on our Board, are a party to the transaction, during the 18 months preceding the date of the Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.
- If there are no such transactions to report under 1 and 2 above, the following are the details of the price per share of our Company basis the last five primary or secondary transactions (secondary transactions where Selling Shareholders or other shareholders with the right to nominate directors on our Board, are a party to the transaction), not older than three years prior to the date of filing of the Red Herring Prospectus irrespective of the size of transactions

Date of transfer*	No. of equity shares of face value ₹ 2 each*	Face Value per Equity Share (₹)*	Transaction price per Equity Share (₹)*	Nature of transaction*	Total consideration (in ₹ million)*
October 16, 2023	307,730	2.00	487.44	Transfer	150.00
October 20, 2023	1,333,497	2.00	487.44	Transfer	650.00
November 13, 2023	574,429	2.00	487.44	Transfer	280.00
November 30, 2023	2,975,264	2.00	487.44	Transfer	1,450.26
December 15, 2023	1,127,189	2.00	487.44	Transfer	549.44

\*As certified by Bansal & Co LLP, Chartered Accountants, bearing firm registration number 001113NIN500079, by their certificate dated July 30, 2024.

Investors should read the above-mentioned information along with **"Risk Factors"**, **"Our Business"** and **"Financial Statements"** on pages 83, 262 and 370, of the RHP, respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in **"Risk Factors"** on page 83 and you may lose all or part of your investments

FOR FURTHER DETAILS, SEE **"BASIS FOR OFFER PRICE"** ON PAGE 222 OF THE RHP.

## ASBA # Simple, Safe, Smart way of Application!!!

# Applications supported by blocked amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account, For further details, check section on ASBA.

**Mandatory in public issues. No cheque will be accepted.**



UPI-Now available in ASBA for Retail Individual Investors and Non-Institutional Investor applying for amount upto ₹ 5,00,000/-, applying through Registered Brokers, DPs and RTAs. UPI Bidder also have the option to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account. Investors are required to ensure that the bank account used for bidding is linked to their PAN. Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020, issued by the Central Board of Direct Taxes and the subsequent press releases, including press releases dated June 25, 2021 and September 17, 2021 and CBDT circular no. 7 of 2022, dated March 30, 2022 read with press release dated March 28, 2023 and any subsequent press releases in this regard.

ASBA has to be availed by all the investors except anchor investors. UPI may be availed by (i) Retail Individual Investors in the Retail Portion; (ii) Non-Institutional Investors with an application size of up to ₹ 500,000 in the Non-Institutional Portion. For details on the ASBA and UPI process, please refer to the details given in ASBA form and abridged prospectus and also please refer to the section **"Offer Procedure"** on page 603 of the RHP. The process is also available on the website of Association of Investment Bankers of India ("AIBI") and Stock Exchanges and in the General Information Document. ASBA bid-cum-application forms can be downloaded from the websites of the Stock Exchanges and can be obtained from the list of banks that is displayed on the website of SEBI at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmid=35](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmid=35) and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmid=43>, respectively as updated from time to time. For the list of UPI apps and banks live on IPO, please refer to the link: [www.sebi.gov.in](http://www.sebi.gov.in). UPI Bidders Bidding using the UPI mechanism may apply through the SCSBs and mobile applications whose names appear on the website of SEBI, as updated from time to time. HDFC Bank Limited and Kotak Mahindra Bank Limited have been appointed as Sponsor Banks for the Offer, in accordance with the requirements of the SEBI Circular dated November 1, 2018 as amended. For Offer related queries, please contact the BRLMs on their respective email IDs as mentioned below. For UPI related queries, investors can contact NPCI at the toll free number: 18001201740 and mail id: [ipo\\_upi@npci.org.in](mailto:ipo_upi@npci.org.in).

### THE EQUITY SHARES OF OUR COMPANY WILL GET LISTED ON MAIN BOARD PLATFORM OF BSE AND NSE

In case of any revision in the Price Band, the Bid/Offer Period will be extended for at least three additional Working Days after such revision of the Price Band subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of *force majeure*, banking strike or unforeseen circumstances, our Company may, in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of one Working Day, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the BRLMs and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable.

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process, in compliance with Regulation 6(2) of the SEBI ICDR Regulations, wherein at least 75% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Category"), provided that our Company in consultation with the BRLMs, may allocate up to 60% of the QIB Category to Anchor Investors, on a discretionary basis (the "Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which Equity Shares are allocated to Anchor Investors. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Category (excluding the Anchor Investor Portion) ("Net QIB Category"). Further, 5% of the Net QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the Net QIB Category shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. If at least 75% of the Offer cannot be Allotted to QIBs, then the entire application money will be refunded forthwith. Further, not more than 15% of the Offer shall be available for allocation to non-institutional investors ("Non-Institutional Investors" or "NILs") (the "Non-Institutional Category") of which one-third of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹200,000 and up to ₹1,000,000 and two-thirds of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹1,000,000 and under-subscription in either of these two sub-categories of Non-Institutional Category may be allocated to Bidders in the other sub-category of Non-Institutional Category in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. The allocation to each Non-Institutional Investor shall not be less than the minimum application size, subject to availability of Equity Shares in the Non-Institutional Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations. Further, not more than 10% of the Offer shall be available for allocation to retail individual investors ("Retail Individual Investors" or "RIIs") (the "Retail Category") in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, Equity Shares will be allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids received from them at or above the Offer Price. All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer through the Application Supported by Block Amount ("ASBA") process, and shall provide details of their respective bank account (including UPI ID for UPI Bidders (defined hereinafter)) in which the Bid Amount will be blocked by the SCSBs or the Sponsor Bank(s), as the case may be. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, specific attention is invited to "Offer Procedure" on page 603 of the RHP.

**Bidders/Applicants should ensure that DP ID, PAN, Client ID and UPI ID (for UPI Bidders bidding through the UPI Mechanism) are correctly filled in the Bid cum Application Form. The DP ID, PAN and Client ID provided in the Bid cum Application Form should match with the DP ID, PAN, Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active. Bidders/Applicants should note that on the basis of the PAN, DP ID, Client ID and UPI ID (for UPI Bidders bidding through the UPI Mechanism) as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorised the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving Allotment Advice or unblocking of ASBA Account or for other correspondence(s) related to the Offer. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay**

resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021, read with press release dated September 17, 2021 and CBDT circular no. 7 of 2022, dated March 30, 2022 read with press release dated March 28, 2023 and any subsequent press releases in this regard.

**Contents of the Memorandum of Association of our Company as regards its objects:** For information on the main objects of our Company, please see the section **"History and Certain Corporate Matters"** on page 311 of the RHP. The Memorandum of Association of our Company is a material document for inspection in relation to the Offer. For further details, please see the section titled **"Material Contracts and Documents for Inspection"** on page 650 of the RHP.

**Liability of the members of our Company:** Limited by shares

**Amount of share capital of our Company and Capital structure:** As on the date of the RHP, the authorised share capital of the Company is ₹ 1,104,910,000 divided into 552,455,000 Equity Shares of face value ₹ 2 each and ₹ 99,820,030 divided into 49,910,015 Preference Shares of face value of ₹ 2 each, 155,000 Series A CCPS of ₹ 2 each, 866,165 Series B CCPS of ₹ 2 each, 21,856,650 Series C CCPS of ₹ 2 each, 438,100 Series C1 CCPS of ₹ 2 each, 77,900 Series C2 CCPS of ₹ 2 each, 12,217,950 Series D1 CCPS of ₹ 2 each, 14,197,750 Series D2 CCPS of ₹ 2 each, 30,500 Option 1 CCPS of ₹ 2 each and 70,000 Option 2 CCPS of ₹ 2 each. The issued, subscribed and paid-up share capital of the Company is ₹ 966,698,940 divided into 483,349,470 Equity Shares of face value ₹ 2 each. For details, please see the section titled **"Capital Structure"** on page 159 of the RHP.

**Names of signatories to the Memorandum of Association of our Company and the number of Equity Shares subscribed by them:** The initial signatories to the Memorandum of Association of our Company are Supam Maheshwari and Sampada Maheshwari who subscribed to 1,000 equity shares of face value of ₹ 10 each and 9,000 equity shares of face value of ₹ 10 each. For details of the share capital history of our Company, please see the section titled **"Capital Structure"** on page 159 of the RHP.

**Listing:** The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters each dated May 16, 2024. For the purpose of the Offer, NSE is the Designated Stock Exchange. A signed copy of the Red Herring Prospectus has been filed and the Prospectus shall be filed with the RoC in accordance with Section 26(4) of the Companies Act 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see **"Material Contracts and Documents for Inspection"** on page 650 of the RHP.

**Disclaimer Clause of the Securities and Exchange Board of India ("SEBI"):** SEBI only gives its observations on the offer documents and this does not constitute approval of either the Offer or the specified securities or the offer document. The investors are advised to refer to page 582 of the RHP for the full text of the disclaimer clause of SEBI.

**Disclaimer Clause of NSE (Designated Stock Exchange) :** It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to page 584 of the RHP for the full text of the Disclaimer Clause of NSE.

**Disclaimer Clause of BSE :** It is to be distinctly understood that the permission given by BSE should not in any way be deemed or construed that the Red Herring Prospectus has been cleared or approved by BSE nor does it certify the correctness or completeness of any of the contents of the Red Herring Prospectus. The investors are advised to refer to page 584 of the Red Herring Prospectus for the full text of the Disclaimer Clause of BSE.

**General Risk:** Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares offered in the Offer have not been recommended or approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the investors is invited to **"Risk Factors"** on page 83 of the RHP.

### NOTICE TO INVESTORS: CORRIGENDUM TO THE RED HERRING PROSPECTUS DATED JULY 30, 2024 ("CORRIGENDUM")

With reference to the red herring prospectus dated July 30, 2024 (the "RHP") filed with the RoC and submitted thereafter with SEBI and the Stock Exchanges, potential Bidders may note the following:

- The Maximum Bid for the Qualified Institutional Buyers ("QIBs") in the section **"Offer Structure"** on page 600 of the RHP to be read as: **"Such number of Equity Shares in multiples of [●] equity shares of face value ₹ 2 each so that the Bid does not exceed the Net Offer size, subject to applicable limits."**
- The Maximum Bid for the Non-Institutional Investors in the section **"Offer Structure"** on page 600 of the RHP to be read as: **"Such number of Equity**

*Shares in multiples of [●] equity shares of face value ₹ 2 each so that the Bid does not exceed the Net Offer size (excluding the QIB Category), subject to applicable limits."*

The changes set out above are to be read in conjunction with the RHP and accordingly, all references to this information in the RHP stand amended pursuant to this Corrigendum. Please note that the information included in the RHP will be suitably updated, as may be applicable, in the Prospectus, as and when filed with the RoC, SEBI and the Stock Exchanges.

All capitalised terms not specifically defined herein shall, unless the context otherwise requires, have the same meanings as ascribed to them in the RHP.

BOOK RUNNING LEAD MANAGERS				REGISTRAR TO THE OFFER	COMPANY SECRETARY AND COMPLIANCE OFFICER	
<p><b>Kotak Mahindra Capital Company Limited</b> 1<sup>st</sup> Floor, 27 BKC, Plot No. C-27 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 Maharashtra, India Tel: (+91 22) 4336 0000 E-mail: <a href="mailto:brainbees.ipo@kotak.com">brainbees.ipo@kotak.com</a> Website: <a href="https://investmentbank.kotak.com">https://investmentbank.kotak.com</a> Investor grievance e-mail: <a href="mailto:kmccredresal@kotak.com">kmccredresal@kotak.com</a> Contact person: Ganesh Rane SEBI registration no.: INM000008704</p>	<p><b>Morgan Stanley India Company Private Limited</b> 18F, Tower 2, One World Centre Plot 841, Senapati Bapat Marg Mumbai - 400 013, Maharashtra, India Tel: (+91 22) 6118 1000 E-mail: <a href="mailto:firstcryipo@morganstanley.com">firstcryipo@morganstanley.com</a> Website: <a href="http://www.morganstanley.com">www.morganstanley.com</a> Investor grievance e-mail: <a href="mailto:investors_india@morganstanley.com">investors_india@morganstanley.com</a> Contact person: Honi Joshi SEBI registration no.: INM00001123</p>	<p><b>BoFA Securities India Limited</b> Ground Floor, 'A' Wing, One BKC, 'G' Block, Bandra Kurla Complex, Bandra (East) Mumbai - 400 051, Maharashtra, India Tel: (+91 22) 6632 8000 E-mail: <a href="mailto:dg.brainbees_ipo@bofa.com">dg.brainbees_ipo@bofa.com</a> Website: <a href="https://business.bofa.com/bofas-india">https://business.bofa.com/bofas-india</a> Investor grievance e-mail: <a href="mailto:dg.india_merchantbanking@bofa.com">dg.india_merchantbanking@bofa.com</a> Contact person: Aparajit Varadhan SEBI registration no.: INM000011625</p>	<p><b>JM Financial Limited</b> 7<sup>th</sup> Floor, Cnergy, Appasaheb Marathe Marg Prabhadevi, Mumbai - 400 025 Maharashtra, India Tel: (+91 22) 6630 3030/ 3262 E-mail: <a href="mailto:firstcry.ipo@jmf.com">firstcry.ipo@jmf.com</a> Website: <a href="http://www.jmf.com">www.jmf.com</a> Investor grievance e-mail: <a href="mailto:grievance.ibd@jmf.com">grievance.ibd@jmf.com</a> Contact person: Prachee Dhuri SEBI registration no.: INM000010361</p>	<p><b>Aventus Capital Private Limited</b> Platina Building, 9<sup>th</sup> Floor 901, Plot No C-59, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra, India Tel: (+91 22) 6648 0050 E-mail: <a href="mailto:firstcry.ipo@avendus.com">firstcry.ipo@avendus.com</a> Website: <a href="http://www.avendus.com">http://www.avendus.com</a> Investor grievance e-mail: <a href="mailto:investorgrievance@avendus.com">investorgrievance@avendus.com</a> Contact person: Sarthak Sawa / Shantanu Chate SEBI registration no.: INM000011021</p>	<p><b>Link Intime India Private Limited</b> C-101, 1<sup>st</sup> Floor, 247 Park L.B.S. Marg, Vikhroli (West) Mumbai - 400 083, Maharashtra, India Tel: +91 810 811 4949 E-mail: <a href="mailto:brainbees.ipo@linkintime.co.in">brainbees.ipo@linkintime.co.in</a> Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> Investor grievance e-mail: <a href="mailto:brainbees.ipo@linkintime.co.in">brainbees.ipo@linkintime.co.in</a> Contact person: Shanti Gopalkrishnan SEBI registration no.: INR000004058</p>	<p><b>Neelam Jethani</b> Rajashree Business Park, Survey No. 338 Next to Sohrahb Hall, Tadiwala Road Pune - 411 001, Maharashtra, India Tel: (+91) 84829 89157 E-mail: <a href="mailto:companyssecretary@firstcry.com">companyssecretary@firstcry.com</a></p> <p>Investors may contact the Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances including non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Investors may also write to the BRLMs.</p>

**AVAILABILITY OF THE RHP:** Investors are advised to refer to the RHP and the section titled **"Risk Factors"** on page 83 of the RHP, before applying in the Offer. A copy of the RHP shall be available on website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively, and on the website of the Company at [www.firstcry.com](http://www.firstcry.com) and on the websites of the BRLMs, i.e. Kotak Mahindra Capital Company Limited, Morgan Stanley India Company Private Limited, BoFA Securities India Limited, JM Financial Limited and Aventus Capital Private Limited at <https://investmentbank.kotak.com>, <https://business.bofa.com/bofas-india>, [www.jmf.com](http://www.jmf.com) and <http://www.avendus.com>, respectively.

**Availability of the Abridged Prospectus:** A copy of the abridged prospectus shall be available on the website of the Company, the BRLMs and the Registrar to the Offer at [www.firstcry.com](http://www.firstcry.com), <https://investmentbank.kotak.com>, [www.morganstanley.com](http://www.morganstanley.com), <https://business.bofa.com/bofas-india>, [www.jmf.com](http://www.jmf.com) and <http://www.avendus.com> and <http://www.linkintime.co.in>, respectively.

**AVAILABILITY OF BID CUM APPLICATION FORMS:** Bid cum Application Forms can be obtained from the Registered Office of BRAINBEES SOLUTIONS LIMITED, Tel: (+91) 84829 89157; BRLMs : Kotak Mahindra Capital Company Limited, Tel: (+91 22) 4336 0000; Morgan Stanley India Company Private Limited, Tel: (+91 22) 6118 1000; BoFA Securities India Limited, Tel: (+91 22) 6632 8000; JM Financial Limited, Tel: (+91 22) 6630 3030/ 3262 and Aventus Capital Private Limited, Tel: (+91 22) 6648 0050; Syndicate Member: JM Financial Services Limited, Tel: (+91 22) 6136 3400; Kotak Securities Limited, Tel: (+91 22) 6218 5410 and Spark Institutional Equities Private Limited, Tel: +91 22 6885 4503 and at the select locations of the Sub-syndicate Members (as given below), SCSBs, Registered Brokers, RTAs and CDPs participating in the Offer. ASBA Forms will also be available on the websites of BSE and NSE and the Designated Branches of SCSBs, the list of which is available at websites of the Stock Exchanges and SEBI.

**Sub-Syndicate Members:** Almondz Global Securities Ltd, Anand Rathi Share & Stock Brokers Ltd, Asit C. Mehta Investment Intermediates Ltd, Axis Capital Limited, Bajaj Financial Securities Ltd, Centrum Broking Limited, Centrum Wealth Management Ltd, Dalal & Broacha Stock Broking Private Limited, Eurekha Stock & Share Brokers Ltd, Finward Technology Pvt Limited, Globe Capital Market Limited, HDFC Securities Limited, ICICI Securities Limited, IDBI Capital Markets and Securities Ltd, IIFL Securities Ltd, Jobanputra Fiscal Services Private Limited, Kantilal Chhaganlal Securities P. Ltd, Keynote Capital Limited, KJMC Capital Market Services Limited, LKP Securities Limited, Mottilal Oswal Financial Services Limited, Navama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited), Prabhudas Lilladher P. Ltd, Pravin Ratilal Share & Stock Brokers Limited, Religare Broking Ltd, RR Equity Brokers Private Limited, SBICap Securities Limited, Sharekhan Ltd, SMC Global Securities Ltd, Systematix Shares and Stock Brokers Ltd, Tradebulls Securities Limited and YES Securities (India) Limited

**Escrow Collection Bank and Refund Bank :** HDFC Bank Limited

**Public Offer Account Bank :** Kotak Mahindra Bank Limited • **Sponsor Banks:** HDFC Bank Limited and Kotak Mahindra Bank Limited

**All capitalised terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.**

For BRAINBEES SOLUTIONS LIMITED

On behalf of the Board of Directors

Jethani

Neelam Saha/

Company Secretary and Compliance Officer

BRAINBEES SOLUTIONS LIMITED is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to make an initial public offering of its Equity Shares and has filed the RHP with RoC on July 30, 2024. The RHP shall be available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in), as well as on the websites of the Stock Exchanges i.e. BSE and NSE at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively, on the website of the Company at [www.firstcry.com](http://www.firstcry.com) and on the websites of the BRLMs, i.e. Kotak Mahindra Capital Company Limited, Morgan Stanley India Company Private Limited, BoFA Securities India Limited, JM Financial Limited and Aventus Capital Private Limited at <https://investmentbank.kotak.com>, <https://business.bofa.com/bofas-india>, [www.jmf.com](http://www.jmf.com) and <http://www.avendus.com>, respectively. Any potential investors should note that investment in equity shares involves a high degree of risk and for details relating to such risk, see **"Risk Factors"** on page 83 of the RHP. Potential Bidders should not rely on the RHP filed with SEBI for making any investment decision and instead should place reliance on the RHP.

This announcement does not constitute an invitation or offer of securities for sale in any jurisdiction. The Equity Shares offered in the Offer have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended ("**U.S. Securities Act**") and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) within the United States solely to persons who are reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act) pursuant to Section 4(a) of the U.S. Securities Act, and (b) outside the United States in offshore transactions as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. There will be no public offering of securities in the United States.