



14th November, 2025

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Dear Sir / Madam,

Sub: Post Earnings Call - Submission of Transcript.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the transcript of the Post Earnings (Group Conference) Call held on Monday, 10th November, 2025 which is simultaneously being uploaded on the website of the Company.

This is for your information and records.

Thanking You,

Yours faithfully,
For LINC LIMITED

DIPANKAR DE
Company Secretary

Encl.: As above



“Linc Limited
Q2 FY '26 Earnings Conference Call”
November 10, 2025



MANAGEMENT: **MR. ROHIT DEEPAK JALAN – WHOLE-TIME
DIRECTOR – LINC LIMITED
MR. N.K. DUJARI – DIRECTOR, FINANCE AND CHIEF
FINANCIAL OFFICER – LINC LIMITED
MR. SANJEEV SANCHETI – UIRTUS ADVISORS LLC,
INVESTOR RELATIONS ADVISOR – LINC LIMITED**

MODERATOR: **MR. NAVIN AGARWAL – HEAD, INSTITUTIONAL
EQUITIES – SKP SECURITIES LIMITED**

Moderator: Good day, ladies and gentlemen, welcome to Linc Limited's Q2 FY '26 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode. There will be an opportunity for you to ask questions after the management's opening remarks. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Navin Agarwal, Head Institutional Equities at SKP Securities Limited. Thank you, and over to you, sir.

Navin Agarwal: Good afternoon, ladies and gentlemen. It's my pleasure to welcome you on behalf of Linc Limited and SKP Securities to this financial results conference call. We have with us Mr. Rohit Deepak Jalan, Whole-time Director; Mr. N.K. Dujari, Director of Finance and CFO; and Mr. Sanjeev Sancheti from Uirtus Advisors LLP, the company's IR Advisor. We'll have the opening remarks by the management followed by a Q&A session.

Thank you, and over to you, Mr. Jalan.

Rohit Deepak Jalan: Good afternoon, and thank you for joining us for Linc Limited's Quarter 2 FY '26 Investor Call. The second quarter of FY '26 delivered a steady top line performance with revenue growing 1.3% year-on-year. Net profit saw a dip of 3.7%, largely on account of losses in our joint ventures amounting to INR168 lakhs. These are early-stage investments, and we view the current losses as transitional and expected phase before these ventures reach operational maturity.

Our top line growth in recent quarters has been measured, yet our underlying profitability has remained steady, highlighting the enduring strength of our business fundamentals. Though progress has taken longer than we expected, we firmly believe the steps we have taken are setting the stage for stronger, more sustainable growth in the periods ahead.

Our conviction in our strategy and direction remains as strong as ever. The confidence we carry forward comes from the strong product foundation we have built. Over the past few quarters, we brought several new products to the market, and they are beginning to find their place with consumers.

The response to our Swype marker range and Pentonic mechanical pencils has been especially encouraging. And as we scale up their distribution, we expect them to become important growth drivers.

With an active innovation pipeline and a series of promising launches on the horizon, we are excited about the opportunities ahead to refresh growth and strengthen our brand portfolio. Exports are gaining momentum despite global uncertainties. Our agility in pricing, consistent supply performance and focus on innovation-led differentiation are driving growth and strengthening key international partnerships.

Strategically, our global partnerships and joint ventures are advancing steadily. With Mitsubishi Pencil Company Japan, operations began in October 2025 with the launch of a INR20 MRP ball pen tailored for the Indian and Southeast Asian markets.

Morris, the collaboration is progressing in tandem with our upcoming Bengal manufacturing facility, which is on track for commissioning in quarter 4 FY '26 and is expected to unlock significant scale and efficiency.

Turkish joint venture, ongoing efforts are focused on achieving alignment across key commercial and operational fronts. And Kenya subsidiary, while the initial pace has been measured, we remain confident that our continued commitment will drive improved traction in the period ahead.

With that, I will now hand over to Mr. Dujari for the financial update.

N.K. Dujari:

Thank you, Mr. Jalan, and good afternoon, everyone. I appreciate your presence at the Q2 FY '26 earnings call of Linc Limited. In Q2 FY '26, our operating income stood at INR13,907 lakhs, marking a 1.3% year-over-year growth. Our operating EBITDA stood at INR1,567 lakhs with a margin of 11.3%. The fall in margin by 60 basis points was on account of higher employee costs arising from scheduled annual increments.

PAT for the quarter declined 3.7% year-on-year to INR846 lakhs, largely on account of losses in our joint ventures amounting to INR168 lakhs. Our balance sheet remained robust, supported by net free cash and cash equivalent and strong capital efficiency ratios.

During the quarter, we generated INR2,625 lakhs into cash flow from operations and closed with a net free cash position of INR1,304 lakhs, highlighting our continued focus on financial prudence and maintaining a future-ready balance sheet. Asset productivity remained healthy with fixed asset turnover at 4.21x, indicating efficient utilization of our asset base.

The cash conversion cycle also improved marginally to 60 days from 64 days in September '24, reflecting better working capital management. I would like to draw your attention to the safe harbor statement in the earnings presentation. I request each one of you to kindly go through the presentation before Q&A starts so that you are well aware of the same.

Now with that, I now open the floor for Q&A.

Moderator:

Thank you very much, sir. Ladies and gentlemen, we will now begin with the question and answer session. The first question is from the line of Chirag Pachisia from SKP Securities.

Chirag Pachisia:

So your H1 ad spend was around 1.6% of the revenue. So is that run rate we should expect for the full year? Or do you plan to step it up to -- in H2 with the new launches? Basically, do we close FY '26 near 1.5%, 1.6% or close to 2% of sales?

Rohit Deepak Jalan:

Chirag, so -- actually, we are looking at close to double-digit growth by end of the year. So that is -- we're looking at the second half of the year to be much better and looks quite promising with the changes that we are driving in our sales networks.

- Chirag Pachisia:** So double-digit growth, meaning H2 would be....
- Rohit Deepak Jalan:** Yes, we'll be close to double digits. So we should look at 10% at least by end of this year.
- Chirag Pachisia:** Okay. And so this quarter, other income seems higher than the usual range. Can you break it down how it comprises? I mean I just want to understand if this is like sustainable or purely quarterly? Just...
- Rohit Deepak Jalan:** So this was -- go ahead, Dujari Ji.
- N.K. Dujari:** I think I can answer that from here. So other income is mostly comprising of one-off items because the major portion of other income is coming from a write-back of a few liabilities and a write-back of entry tax liability, which we paid under settlement. So in the books, we had entry tax liability, but we paid to the government a little less than what we had in the books. So there is a write-back of liability. So more or less, I think 70% of the other income will be one-offs.
- Chirag Pachisia:** Okay, sir. And my last question is -- so yes, that was clear. And you've reported. So as we saw it is the JV loss is around INR1.6 crores in H1. So realistically, should we expect for the full year? Can we -- could it be -- for the full year, the loss could be or could it be breakeven?
- Rohit Deepak Jalan:** So the losses in the JVs, 2 JVs, which is Uni Linc and Silka Linc. These 2 are greenfield projects. And we are looking at improving the situation. And we're looking at least hopefully breakeven for one of the JVs and maybe for another 1 or 2 quarters, we will have to continue sustaining some losses. So next financial year looks quite promising for both the JVs and to turn profitable.
- Moderator:** The next question is from the line of Himanshu from Steadfort Investment Managers.
- Himanshu:** See, the volume growth for Pentonic has degrown, let's say, for the first half, okay? I'm looking at the strategy presentation slide on 18. Is it right that the volume has -- from INR16 crores has fallen down to INR14 crores? And any specific measures you are taking? And what could be the reason? Because for us, that was one of the most important focus area for premiumization and the future what we were planning or looking at. So some thoughts there will be helpful?
- Rohit Deepak Jalan:** Right. So yes, the volumes have dropped for Pentonic in H1. So majority of our sales has been realized from the MRP INR10 segment, which has become more and more crowded. And if we look at the INR20 and above price segments, so those are segments that we are also focusing on.
- And the volume growth -- the volume degrowth is because to maintain the profitability, we have focused on having much better realizations on the brand and the product. But we are making significant changes in our distribution line, especially in the traditional trade channel where we saw a dip, and we are working towards that to streamline the volumes as well. Yes. So that's the response to Himanshu. Looking to have further queries from him.
- Moderator:** Himanshu, do you have any further questions?
- Himanshu:** Yes, I was asking a question that how is the scaling up on INR20, INR30 and INR40 happening? And what I am seeing is still the availability of those INR30 and INR40 is not there that much

in the market. Even in Bombay type of city, we don't see the channel partners focusing or trying to sell that product more aggressively or -- so is there anything what we can do on trade incentivizing for such a -- for those INR20, INR30, INR40 product, which is important over a longer period of time for us?

Rohit Deepak Jalan: Right. So we are still expanding our distribution for the higher price segments. Traditionally, Linc has been a sub -10 MRP brand company. However, we've been able to establish INR10 and INR20 price segments with Pentonic brand. And there are continuous efforts to increase our distribution and availability pan-India.

So our numbers have actually grown. If you look at the volume for INR20 and above, they have grown, and there was a dip in the INR10 segment, which was affecting the overall volume performance of Pentonic brand. And of course, all the necessary efforts are being taken. And like I said, we are making some strategic changes in the traditional trade channel, which will help us yield much better results.

Himanshu: And on the Mitsubishi new product and JV, how is the product placement and where are we in that product availability and trending and anything? Can you give some light on how are you approaching that market? And can it cannibalize our own INR20 product, which is there in the market.

Rohit Deepak Jalan: Right. So the INR20 ballpen from the Unilink JV, we just commissioned and we started operations last month. So we are still in the phase of launching. Over the next couple of months, we should have expanded our -- or launched the product rather in selective markets of the country.

And about cannibalization, I don't think it should really cannibalize because for Linc Limited as a whole, we have very insignificant market share in this price segment. So we expect that this will help us boost our presence and share in this price segment, yes.

Moderator: We'll take the next question from the line of Aradhana Jain from B&K Securities.

Aradhana Jain: A couple of questions. First, I wanted to understand if you could throw some more light on what would be the growth drivers for a double-digit growth that we are guiding for, for the full year FY '26. What would be the main drivers for that? Would it be Pentonic, Uniball? What would be leading to that growth? That will be my first question.

Rohit Deepak Jalan: So the growth drivers would be new launches. So definitely, Uniball, the INR20 product. And we have plenty of new launches, like I mentioned, Swype markers has been taking good traction along with mechanical pencils, which are completely new categories for us. And we have most of the sales channels, which have been growing. So the significant changes in the traditional trade distribution should definitely yield us much better growth numbers in the coming quarters.

Aradhana Jain: Sir, changes in the trade distribution channel that you're seeing, could you throw some more light as to what exactly are we doing there?

- Rohit Deepak Jalan:** So this is still something under internal strategies. So unfortunately, we can't throw some light. But if you'd like, we can connect with you one-to-one and give you some direction of our strategies.
- Aradhana Jain:** Sure. My second question is on Swype and mechanical pencils. Have we rolled out those products pan-India? Or are there specific geographies where those products have been introduced?
- Rohit Deepak Jalan:** They are available only in specific geographies. So in the next couple of months, they will be -- by end of this financial year, they would be rolled out pan-India.
- Aradhana Jain:** Got it. On the Uniball side, we've seen a bit of tepid growth this quarter. So any particular reason for that? If you see over the quarters, that growth has come down, I think it's 1% or 2% of growth for this quarter. So is it because our INR10 products or say the higher-end products have not been selling and it's more of IR 10 products which have gotten sold? Any color on that?
- Rohit Deepak Jalan:** No, there is no specific reason for the growth, that's almost, I would say, flat. Of course, there is some growth. But I think this is because of seasonality also. And there is no reason for attention -- major reason for concern as such.
- Aradhana Jain:** Got it. And on Deli, again, there's been degrowth, and it's been quite some quarters now that there's been -- the growth hasn't come in, in the Deli category. So any changes in our strategy that we are doing towards that? Or what's the outlook for Deli?
- Rohit Deepak Jalan:** So Deli is a very promising brand and products. And like I mentioned, the strategy in distribution channel in the traditional trade that we are working on is also going to improve Deli's performance and numbers in the coming quarters and years.
- Aradhana Jain:** Understood. Just 2 more questions from my end. One, I wanted to understand how much is the salience of stationery products in our overall revenue right now? And how are we looking at that number by the end of this year and maybe for FY '27, given that we are now shifting our focus, not shifting exactly, but we are also focusing on brands like Swype and trying to bring out products in the stationery category. So where are we on that?
- Rohit Deepak Jalan:** Can you just repeat the first part of your question, please?
- Aradhana Jain:** How much is the salience of the stationery products in the overall revenue?
- Rohit Deepak Jalan:** Okay. So it is, of course, insignificant right now. But we are looking at both categories, which is writing and stationery independently, and we are focusing on organic and inorganic growth drivers. So the stationery, of course, is quite insignificant right now, maybe higher single digits at the moment and would...
- N.K. Dujari:** Around 10% -- I'll give the percentage, around 10%, 12% right now.
- Aradhana Jain:** Understood. Just last question on the inventory days that has come down for us, if I see in the first half of this year. So on a steady-state basis, what could be the inventory days for us going

ahead given that we are going to come up with new products and a lot of innovative products. So is the inventory days going to be at the current levels of 60, 65 days as a percentage of sales? Or is it expected to go up?

Rohit Deepak Jalan: Dujari ji?

N.K. Dujari: Yes, I'll answer that. Inventory days, it used to be around 90 to 100 days in the -- before -- in FY '20 '21, those years. And over last 4, 5 years, we have done a very extensive work on that, and we have been able to brought that inventory days to around 60 levels, and we foresee these levels to continue. So if I see the yearly numbers in FY '24, it was 63 days. In FY '25, it is 64 days. And right now, it is 62 days.

So it will be in the same range. Although some new launches may be a reason for nominal increase, but it will not be a substantial increase. So we foresee inventory days band of around 60 to 65 days going forward.

Aradhana Jain: Understood. Just last question, if I could squeeze in, was on the export side. So our export contribution has gone up this quarter. So any reason for that? I mean, have we introduced our products in any new geography? Or is it because of our existing geographies itself? Was I audible?

Rohit Deepak Jalan: No. We lost you.

Moderator: Okay. Ma'am, can you please repeat your question?

Aradhana Jain: My question was on the export side. So our export contribution has gone up this quarter. So is it because we have introduced our products in any new geographies or it was primarily because of more consumption in our existing geographies and which were those geographies where we were able to sell our products more?

Rohit Deepak Jalan: So on the export front, yes, we've seen both organic and inorganic growth in the exports channel. And the new launches have been introduced in certain markets. As far as organic growth is concerned, we've seen some better traction in the Middle East and Latin America markets.

Moderator: We'll take the next question from the line of Deeya Jain from Sapphire Capital.

Deeya Jain: So I just wanted to understand if there is any GST impact on our products going forward?

Rohit Deepak Jalan: Dujari ji, can you take that?

N.K. Dujari: Yes. As far as the main category is concerned, in writing instrument, there is no change of GST. And in some other categories, there is a change. So in overall company portfolio, the change is not that significant.

Deeya Jain: All right, sir. And what EBITDA margins are we expecting for the rest of the year as a whole and also for FY '27?

N.K. Dujari: You're talking FY '27?

Deeya Jain: FY '26 and also FY '27.

N.K. Dujari: I think it will be a little premature right now to discuss about EBITDA. We'll wait for a quarter or so to get a little better growth, then we will give a proper estimates of the EBITDA for next few years. But definitely, EBITDA margins should be better than what we have done in the first half because if we can achieve a better growth, the EBITDA margin should be better than what we are doing right now.

Deeya Jain: So can we expect a 10%, 11% EBITDA margin for FY '26?

N.K. Dujari: What -- I could not get your remarks. What did you say?

Deeya Jain: Can we expect like a 10% to 11% of EBITDA margin for FY '26?

N.K. Dujari: I think 10% to 11% right now we are achieving. So I think it should be better than this with the kind of growth we are expecting for the second half, it should be better than 10%, 11% is better than 10%, 11%.

Moderator: As there are no further questions, I would now like to hand the conference over to Mr. Jalan for closing comments. Thank you, and over to you, sir.

Rohit Deepak Jalan: On behalf of Linc, we thank you, everyone, for joining the investor call and taking their valuable time out of their schedule. So thank you very much. We look forward to better quarters in the near future. Thank you.

N.K. Dujari: Thanks a lot. Thanks, Sanjeev from Uirtus. Thanks a lot. Have a great evening.

Rohit Deepak Jalan: Thank you.

Moderator: Thank you, members of the management. On behalf of SKP Securities Limited, that concludes this conference. We thank you for joining us, and you may now disconnect your lines. Thank you.