



23rd September, 2025

The Listing Department, The Calcutta Stock Exchange Ltd. 7, Lyons Range, Kolkata – 700001 Scrip Code- 022035	The Manager Department of Corporate Services, BSE Limited P. J. Towers, Dalal Street, Mumbai - 400001 Scrip Code- 531241	The Manager, Listing Department, National Stock Exchange of India Ltd. Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400051 Symbol- LINC
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Dear Sir / Madam,

Sub: MD's Speech at 31st Annual General Meeting

Please find enclosed herewith the Speech delivered by Managing Director at the 31st Annual General Meeting held on Tuesday, 23rd September, 2025.

This is for your information and record.

Thanking You,

Yours faithfully,
For LINC LIMITED

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Date: 2025.09.23 14:02:53 +05'30'

DIPANKAR DE
Company Secretary

MD's statement for AGM – FY25

Good morning everyone

On behalf of the Board of Directors of Linc Limited, it gives me great pleasure to extend a warm welcome to each one of you, to the 31st Annual General Meeting of the Company, being held virtually.

During the year the Company acceded to the long standing request of the Shareholders and subdivided its Equity Shares from 1 share of Rs.10/- to 2 shares of Rs.5/- each and also issued Bonus Shares in the ratio of 1:1 after subdivision.

For FY25, operating income stood at ₹531.48 Crs, reflecting a 5.8% YoY growth. This performance was primarily driven by growth in Pentonic segment, further driven by strong momentum in our E-commerce and Modern Trade channels. Exports Revenue during FY25 was steady at ₹92 crores despite macroeconomic turbulence and geopolitical uncertainty.

Our Profit after Tax for the year grew by 13.3% and was at ₹ 38.66 Crs and the PAT margin stood at 7.3%.

In recognition of better profits and to reinforce our ongoing commitment to shareholder value creation, the Board of Directors is pleased to recommend a dividend of ₹1.50 per share on expanded number of shares (after Split and Bonus), improving the payout ratio to 23.5% from 20% last year, subject to your approval.

Operational discipline continued to be a cornerstone of our strategy, enabling us to generate ₹57 Crs cash from operations during FY25. I'm pleased to share that Linc continues to uphold its zero-debt status, with a net cash balance of ₹19 crores as of March 31, 2025. This robust financial position empowers us to pursue strategic growth initiatives and remain resilient in the face of future uncertainties.

FY26 Qtr1

During the first quarter of FY26, overall growth was below our expectations, with revenue increasing only by 5.1% year-on-year. Despite this modest top-line growth, we observed encouraging momentum across the Linc brand portfolio, particularly driven by stronger contributions from our modern stationery range. Performance remained resilient across our key distribution channels—General Trade, Corporate, and E-Commerce—underscoring the strength of our multi-channel strategy. However, net profit declined by 12.4% and was at Rs.7.33 Crs, primarily due to higher transitional operational costs and a shift in product mix. While this impacted our bottom line, we view it as a short-term deviation as we continue to invest in strategic initiatives that will drive long-term value.

Future Initiatives

We are actively fortifying our innovation pipeline to drive future growth and deepen consumer engagement. Upcoming launches include new variants of markers and highlighters, alongside an expanded portfolio of essential school stationery products such as sketch pens, brush pens, fineliners, children's markers, and crayons.

Recent introductions—SWYPE marker range and the Pentonic mechanical pencil—have received strong consumer feedback, and their full-scale rollout is expected to contribute meaningfully to near-term growth.

These new categories, designed around evolving consumer needs and broader usage occasions, will significantly expand our Total Addressable Market (TAM) from ₹7,000 crores to ₹27,500 crores, which is expected to grow further to ₹42,000 crores by FY28, unlocking new growth opportunities across segments. Key growth drivers include:

- Rising literacy rates
- Increasing purchasing power
- Premiumization and brand-led consumption trends

Exports

Linc is gaining early traction in export markets, which continue to show resilience amid shifting global trade dynamics and tariff-related friction in select regions. The international business is poised for stronger performance, supported by strategic expansion into high-potential markets such as Mexico, Canada, the USA, and South America, along with deeper penetration in existing geographies.

Looking ahead, Linc plans to accelerate its export momentum by customizing its Pentonic product range to meet diverse market needs and leveraging joint ventures to enhance cost efficiency and global reach. These initiatives collectively position the company for sustained top-line growth and a more robust international footprint.

Strategic Patnership (Joint Ventures)

Our strategic partnerships through joint ventures continue to progress well.

- The 49:51 joint venture with Mitsubishi Pencil Co. of Japan is poised to commence operations next month, marking a significant milestone in our collaboration.
- The 50:50 joint venture with Korean stationery maker Morris is tied to our upcoming manufacturing facility in Bengal, which is on track for commissioning in Q4 FY26.
- Our 50:50 partnership with our Turkish collaborator is advancing steadily, as we work together to align on key commercial and operational milestones.
- In Kenya, our 60% subsidiary has experienced slower-than-anticipated performance. Nonetheless, we remain firmly committed to its long-term potential and continue to invest in its development.

E S G (Environmental, Social & Governance)

Linc remains deeply committed to reducing its ecological footprint through eco-friendly innovations and sustainable practices. A standout example is the Pentonic 75—India’s first pen made with 75% post-consumer recycled plastic, achieving a remarkable milestone in circularity. During first 8 months of FY26, the Company sold 13.8 million pcs of Pentonic 75

(FY25 1.2 million). Its strong market performance reflects growing consumer alignment with sustainable choices.

We are also scaling up the use of environmentally friendly packaging materials, actively helping to prevent the generation of tons of plastic waste annually.

We take pride in fostering a diverse and inclusive workforce, with a significant representation of women and a growing number of specially-abled individuals. This diversity enriches our culture and fuels innovation across the organization.

Linc continues to spent 2% of average profits toward social initiatives focused on healthcare, education, and hunger eradication. Beyond this, the company remains actively engaged in a range of charitable and community development programs, reinforcing its role as a responsible corporate citizen.

Linc has consistently upheld the highest standards of corporate governance, with a strong emphasis on long-term shareholder value creation, ethical business conduct, and transparency. These principles are embedded in every facet of our operations.

Conclusion

Before I close, I wish to sincerely thank all those who help shape Linc's journey — our customers, channel partners, business associates, and vendors for their unwavering trust and collaboration; the leadership team and every member of the Linc family whose commitment and passion drive our progress; and our esteemed Board of Directors for their wise counsel and guidance. Above all, I am deeply grateful to our shareholders for their enduring confidence. Your belief in us inspires our pursuit of sustainable growth and long-term value. Together, we look forward to a future of performance and progress.

Thank you.

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