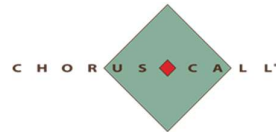




“Lincoln Pharmaceuticals Limited
Q3 & 9 Months FY26 Earnings Conference Call”

February 18, 2026



**MANAGEMENT: MR. MUNJAL PATEL – WHOLE TIME DIRECTOR –
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MR. DARSHIT SHAH – CHIEF FINANCIAL OFFICER –
LINCOLN PHARMACEUTICALS LIMITED
MS. TRUSHA SHAH – COMPANY SECRETARY AND
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Moderator: Ladies and gentlemen, good day and welcome to the Q3 and 9 months FY '26 Earnings Conference Call of Lincoln Pharmaceuticals Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Trusha Shah, Company Secretary and Compliance Officer, Lincoln Pharmaceuticals Limited. Thank you, and over to you, Ms. Shah.

Trusha Shah: Thank you. Good evening, everyone. I on behalf of Lincoln Pharmaceuticals Limited, once again, welcome you all to company's quarter 3 financial year '26 Investor Conference call. On this call from the management, we have Mr. Munjal Patel, Whole-Time Director, along with Mr. Darshit Shah, Chief Financial Officer; myself, Trusha Shah, Company Secretary and Compliance Officer and our Investor Relations team.

Before we begin the earnings call, I would like to mention that some of the statements made during today's call may be forward-looking in nature. These statements are based on current expectations, forecasts and assumptions that are subject to risks and uncertainties. I will now hand over the call to Mr. Munjal Patel for his opening remarks. We will then open the forum for question and answer. Over to you, sir.

Munjal Patel: Hello, everybody. Good afternoon or good evening and welcome to the investor call of Lincoln Pharma. My name is Munjal Patel. And we are -- I'm one of the management partner in the company as a Whole-Time Director. Particularly for the Q3, we are looking at the numbers of the revenue is INR166.32 crores compared to last year, which was INR146.55 crores. This is quarter 3 to -- quarter 3 FY '26 to quarter 3 FY '25.

The EBITDA is INR38.74 crores compared to last year, it was INR32.63 crores last year. PAT -- profit before tax is INR34.72 crores, wherein last year, it was INR28.68 crores. NP, net profit is INR28.60 crores compared to last year, it was INR20.77 crores and EPS is INR14.28 compared to last year, which was INR10.37. So this is -- regarding the quarter, the comparison of Q3 last year and Q3 this year.

There has been some minimum plus and minuses during the quarter-to-quarter results because of the geopolitical kind of situation. But eventually, we have achieved the number. As of now, the EPS for the 9 months is coming close to 41 point -- is coming to INR38.07, which last year as a whole was somewhere around INR41.11. So I think so we are going on the right track, and we will be achieving good numbers by the end of the year.

So just to brief you with what we have done until now is, the company is growing at a reasonable pace of 12% to 18%. That's what we are targeting to grow at. Also, the company has diversified and started investing more into the regulatory part of the product -- of the registration of the product.

So we are now expanding the portfolio in the different regions also, where we are entering into some niche therapeutic index in domestic market also as well as in the international markets also, doing all the research and the -- what we call the BE studies as well as the whole dossier documentation process at our own site. And we'll be submitting it into multiple countries, regulated countries also, which will give us growth.

And also for that, we have already bought a special building, which we are about to finish up or it will start working within about 2 or 2.5 months. So it's a special dedicated R&D center will be there for the development of the new products. So that is one step, which we have done.

Second step is the Cepha block, which was about to commence -- has already commenced, and the revenue has started churning around in that one also. Still lot of regulatory has to come, but whatever we could start with and the regulatory we are waiting on that will add on to the value, but today we are doing about roughly around INR45 crores business, which we are targeting this year. So that would be something which will be coming up. And overall, our growth and the target for INR1,000 crores is still there, and we will achieve it anyhow. That would be something from my side. If you have any questions, I'll please -- happy to take it for you.

Moderator: Thank you very much. We will now begin with the question and answer session. The first question is from the line of Pranav Shikhare from [\[Finavenue Growth Fund 0:06:44\]](#). Please go ahead.

Pranav Shikhare: Congratulations on good set of numbers. Sir, my question was for your long-term target of INR1,000 crores, where will the major growth come from domestic branded generic exports or the regulated markets? And what is the realistic time line for the regulated market contribution to happen? And where are we currently over there? Can you share some light on that?

Munjal Patel: Thank you, Mr. Pranav. First of all, the growth which we are expecting will first come from the DG growth will come from the existing facility, wherein the new dossiers as well as the new products which we have launched and are being exhibited, will come from there. That is the first growth because that is the existing business, what we are doing.

We are still looking at an upwards of another 10%, 15% by next year for at the first block. Secondly, our Cepha block, which is just contributing to 45 as of now, that will gradually -- our target is to achieve 150, but we will closely come to at least 90 to 100 by next year. That's what is our next target.

And also with the current business since the -- in the domestic market also, you see that our product have spread in a bigger way in comparison to what we were. Our Tinnex molecule, which is one of the key amongst ENT segment. Today, we are one of the brand leaders in the ENT segment. So now we are even exploring other market therapeutic index in the -- what we call the different horizon of the industry. So this is what we will have the growth from.

Also regarding the regulated markets, we have done CMO and CDMO, it is already signed with the company, wherein we are looking at total -- right now, we have 18 or 19 something, which has already been processed. So yes, so 5, we have already signed. So probably around 24, 25 CDMO projects will be commercialized. So that's where we get the regulated market approval

from. And whatever new we are developing that also we will put in these regulated markets. So that will be a bonus, which will again help the business to grow and touch the INR1,000 crores, we might even cross the INR1,000 crores.

Pranav Shikhare: Understood. And sir, for our domestic business, what is our doctor coverage expansion strategy and which therapy areas are delivering the highest prescription growth? And can you tell something about that?

Munjal Patel: See, if you see our basic, our highest therapeutic growth is coming up from anti-infectives, then is the respiratory, then is the -- it might be in metabolism, which is what we are looking at, another is urinary, and hormones. And then is the muscular pain and other therapeutic index. So this is our major contributors.

Pranav Shikhare: Understood. Thanks sir. I will join back in the queue for that.

Munjal Patel: What he said?

Moderator: Sir he said he will join back the queue for a follow up question. Okay.

Moderator: Thank you. Next question is from the line of Vikas, an Individual Investor. Please go ahead.

Vikas: Yes. Hi, thanks for the opportunity. I have two questions. One is that the company's dividend payout has been negligible over the last few years. So what is the outlook?

Moderator: Sir, the line for the participant dropped. You may go ahead.

Munjal Patel: He's just asking about the dividend, then I think it dropped, right?

Moderator: Yes, sir.

Munjal Patel: So for the dividends, we are giving the consistent dividend till now. We are thinking on to whether to revise or what to do. So that would be something, which we are discussing internally with the management. And also with the growth structure of the company, whether the revenues are pretty -- the reserve what we have is pretty good for us to develop as a debt-free company or not. So depending on that, we will be exploring whether we should go for extra or more dividend.

Moderator: Thank you. Sir, we have Vikas, reconnected.

Vikas: Yes. The second question I had was that on the loans and advances, if you could explain, that there's substantial amount of loans and advances, what is the nature of that? And when are they likely to be paid back?

Munjal Patel: See, these loans and advances are either given to companies who are giving us -- which are -- a few of them are those kind of ICDs, which are giving us returns because we have substantial cash flow, which is already there in the company and we have to not have everything in the one basket. So a few, we have been giving it as ICD wherein secured assets or loans are being given to us.

The mortgages have been done with us. So we are secured and they are being paying us regular returns on the investments what we have been given. Plus, we have also given to people who help us for getting the materials at a cheaper rate. So if we are getting some discounts at about 2%, 3% or 4% up to even the printers that give up to 10% also, if we pay out in cash.

So we give it to such people, who we demand a discount, which contributes to the business. So anything what is being given as the loans and advance it is till now, we haven't had any defaults and we have been secured. And we are getting returns, which are upwards of 10% to 12%.

And our main goal is to have the money, which is sitting there, not until we invest it, at least it should be giving us something more than the inflation rate just to cover the cost of the money, what we are having on hand. And we have parked even in the mutual funds and various other FD kinds of instruments also and even land is also there. So that's all in the books of the company only.

Vikas: Yes, sir. I missed the answer of my first question, but just connecting the 2 points that given the fact that there is substantial surplus cash, it will be then the best interest of the shareholders that instead of investing in the noncore activities, like say, the secured against loan against property, etcetera, it will be best if you could increase the dividend payout so that over a period of time, this gets normalized?

Munjal Patel: See, we are trying to -- you are right, but we are -- right now only -- our problem is that if we can find something inorganic growth, which we are expecting. So we are trying to dig into different parts of the pharma industry where we could find something which is an inorganic and we could take an exponential growth by having such funds on hand rather than if I take a payout, we will be the -- since we are the promoters, we would be the happiest ones to get.

But we are not doing it, is just to safeguard the company as a whole wherein if I get a kind of business, wherein I can have an additional revenue, it is beneficiary for the investor also and the company also. So that is our key focus wherein the pricing and right now, the inorganic growth if we can get, that's what we are looking at or we will grow from scratch by building up a greenfield project. So the money sitting there is just for that purpose only.

Vikas: Yes, sir. I totally agree. It's just that you could balance the 2, I guess, the two objectives and find a mid balance that will be great for the company?

Moderator: Next question is from the line of Rudraksh Raheja from ithought Financial Consulting.

Rudraksh Raheja: Yes, Sir, I think in the last interaction, we mentioned something about Canada, Australia and EU business. So if you could provide more color on how we are doing on all those 3 fronts? What are the current revenue levels? And what kind of ramp-up we are expecting from those regions?

Munjal Patel: Okay. That's what I was coming to when you said that. I already -- before also in the Canadian business, we have already started with 15 or 17 products commercialized. So various products have been given to them. It is through a CDMO and a CMO project, which is contributing to this year, somewhere around about \$4 million, \$5 million of business roughly.

And also another total of all is 25 products, which we have 23 or 25 products, which we have signed till now. And those products will be developed as well as commercialized. So out of that commercialization has been done and it has been giving contribution to the company. Regarding the TGA, we have been getting the products identified because entering TGA was like whether we should have MA, which is already ready and we can do the site transfer on that one.

So we are working on that base that we had an opportunity to get about 15 to 18 MAs in -- with somebody who already has it, but we couldn't get successfully transfer those products to our commercial angle. But we will now -- we're in a process wherein we have to file our own products from the start. So we'll do that again. And that will be taking another year or so for us to start the TGA.

And EU is about to get reinspected. So we are just waiting for the reinspection to be commenced because QP has already audited it. And until unless we don't get it reaudited. So we are waiting from it. We have applied it from two countries. So as fast as we can, we will be able to get back the approval, then we can go ahead with it, but since we had SRA approval from Canada, we are open to all the markets as of now. So there is no such kind of a business loss, which we are facing.

Rudraksh Raheja:

Understood. Sir, you mentioned \$4 million, \$5 million business from Canada. Are we expecting any ramp-up going forward? Or is this the maximum level that we could do with current set of molecules?

Munjal Patel:

As I told you, it is just about 15-or-something products and total is about 23 products, which we have to commence. And once -- that is the basic benchmark, and that is only the tablet line which we are looking at. Now since Health Canada inspected us in January, we got the tablet, capsule, ointment, sachets, dry syrup and our liquid syrup line approved.

So 6 lines are now approved from Health Canada. So it helps us in various markets, which are indirectly accepting the accreditations of such markets, which are SRA markets and help us to enter in those markets through these approvals. So of course, it will increase and it may cross even \$10 million or \$15 million down the line.

So we are expecting more business to grow, not even only from this particular region, but we can even grow it from Latin America, we can grow it from Southeast Asia and in other countries wherein these certificates are useful for us to get the products registered. And going forward, it will give us a commercial value.

Rudraksh Raheja:

Got it, sir. And sir, you mentioned something about reinspection from EU. I'm sorry, I didn't understand that part. Is this a time line thing that we have to get inspected again?

Munjal Patel:

We have time line. So every 3 years, they do have an audit, but sometimes they are in a phase wherein they are already booked with lines, the auditors, they have a queue open. So firstly, we had an audit from EU Germany, but Germany was full. So now we are targeting even Hungary. So our QP audit, which is the first phase of the audit that has been cleared. Now we are just waiting for the final audit to come up. So probably we can get it sometime in the mid of May, June some time. That's what we are targeting.

- Rudraksh Raheja:** Understood, sir. And when should we start a business coming from that region if we get that approval in May, June?
- Munjal Patel:** See, we'll start once we -- we have already submitted 3 products. And once these approvals are clear, we can again push up to more products, and then we might get the product approval for those three products also.
- Rudraksh Raheja:** Understood, sir. On the long-term revenue target, sir, INR1,000 crores, I think earlier, we guided for FY '28. But, yes. So are we still sticking to that year? Or are we like pushing it forward?
- Munjal Patel:** Frankly, telling you, we are still sticking to that, but it might take 5, 6 months here and there, but we are still sticking to the number what we have in mind, because we have to achieve that number, and we have to cross that figure. And for that, we are also -- that's the reason that we are also waiting for either we can expand in the domestic territories or even through an inorganic growth or even through registrations or even by putting up a new facility. So we have everything we are exploring, and we have hands on many things right now. So probably, we will be successful to achieve that number in the time line what we have told. Otherwise, it will be maximum to maximum somewhere around 6 months.
- Rudraksh Raheja:** Got it. And currently, sir, we are doing around 15% in EBITDA margins. Should we expect expansion on that front as well?
- Munjal Patel:** Frankly telling you, to be on a secured side, I would say 15% would be ideal, but we might go up to between 15% to 18%. That's what we can expect.
- Rudraksh Raheja:** Perfect, sir. Makes sense. Sir, last question.
- Munjal Patel:** I don't want to overcommit to you guys, and I don't perform. And then again, I have a question. So it's just.
- Rudraksh Raheja:** Understood, sir. Perfectly understandable, sir. Makes sense, actually. Sir, last question on cephalosporin block. What kind of revenues are we doing from that? And have you achieved the breakeven levels?
- Munjal Patel:** Today, as of now, while I'm speaking to you, this year has already crossed the breakeven and we are at least on the positive side of the balance sheet with whatever business we are doing, first thing. Secondly, the revenue from that by the end of this year, we are expecting is between somewhere around INR45 crores. That is what we are expecting this year. Out of which I think INR32 crores to INR34 crores, it is.
- Moderator:** Next question is from the line of Meet Mehta from Prasun Exponentials. Please go ahead.
- Meet Mehta:** My question has been answered. Just one question I wanted to know, what is your R&D expenses as a percentage of revenue and how should I look into that going forward?
- Munjal Patel:** See, as of now, our R&D expenses roughly comes to around 1.8% to 2%. But with this aggressive planning, what we are trying to do is we are -- we might come up to 3% or 3.2% or 3.25%. That's what is what we are targeting.

Just to now scale up to the next level because in the regulated market, we have to pay the higher fees as well as we want to have the dossiers and all the intangible assets, which is there on our name. So for that, whatever expenses we have to do, we'll do. So it will be -- the R&D expenses as of now is roughly around 1.8% to 2%, which we are targeting to 2.3% to 3.25%.

Moderator: The next follow-up question is from Pranav Shikhare from Finavenue Growth Fund.

Pranav Shikhare: Sir, what is the market share in top 5 brands? And on that front, are we competing on price or price prescription stickiness? And what is the strategy over there?

Munjal Patel: See, our top 5 brands, if you talk about, it would be -- especially in international, it varies country to country because we are into a different segment of mode wherein, we are there. So country to country, the brand and the brand value keeps on changing. But we are significantly present in each country, at least with whatever we are present with our top brands are contributing around starting from to \$100,000 to sometimes to \$2 million a brand.

And in the domestic market, you know that, as I told you, the therapeutic index, which we are focusing. So the major is the Trixon brand which is there, also with that, there is this Vivian brand as well as Moby brand as well as the Tinnex, which is the innovative brand for the ear and -- bell, what you call, buzzing ears. So that is the brands, which we are focusing the most. And overall, that is what is our target, which we are having.

Pranav Shikhare: Understood. Understood. And sir, what percentage of exports comes from tender-driven Africa market versus the branded emerging markets versus the regulated markets?

Munjal Patel: See, to be specific for now, if I consider Africa market or regulated market, mostly now everything has become the same as per the GMP, what has been applied to in Africa also. So I think so the markets are the same. But if you would ask me for like a Canada one, which I told you as of now, we are doing about \$3 million to \$4 million.

So we will deduct that much from our current sales, which is a regulated market. Rest everything is coming from Africa, Southeast Asia, Latin America and the other tendering business, like UN, WHO or UNICEF or other kit projects which we can have tender projects.

Moderator: Next question is from the line of Prashant Shah, Individual Investor.

Prashant Shah: Congratulations on a decent set of numbers to the team. I have basically two questions. And I joined a bit late so pardon me if it is repetitive. The first question is regarding other income. So for the 9 months, if we see, it works out to around 50% of the EBITDA. Going forward, how sustainable do you see -- what is this other income? And will this be in the same trend? Or can you give some more insights into this?

Munjal Patel: Okay. See, the other income is two types of income. One is the dollar difference income, which is being generated. So that is one part of the other income. And second part of the other income is whatever the reserves which we have put and the earnings which we are getting in terms of the return. That is also part of the other income. So these two are contributing to the other income.

Prashant Shah: And so when you say -- I mean, the foreign exchange differences. So that means our exports are -- here we don't do basically any hedging and any rupee devaluation is boosting the income. Is that understanding correct?

Munjal Patel: See, what happens is we do hedge, but we don't hedge fully because if you fully hedge, sometimes today, as you see that there are a lot of dollars plus and minuses. So we also don't know whether we would be right or wrong to do the hedge right now or not.

And also with the country also, we don't know whether the -- in the country also the scenario would be such that they might not be able to remit it because of the -- globally, what we have seen since January, February of this year that -- last year that the plus and minuses of the currency was going on. So we don't do full hedging. Yes, we do hedge, but we don't fully hedge the currency.

Prashant Shah: The second thing is, I mean, you mentioned about increasing our presence in Canada, Latin America, certain parts of Africa, Europe. So two parts in this. Basically, how many of our products are registered in each of these markets?

Like how many products registered in Europe, Canada, Latin America? What has been the cost? And how do we see the trend going forward? Have we put a number of like, I mean, how much are we going to spend in getting product and formulations registered, dossiers filed? I mean any details on that, if you can provide?

Munjal Patel: I would give you a rough idea because exactly it really depends on the time line of the R&D as well as the BE studies to be passed and the different tests to be conducted and the validation batches to be performed and the stability to be done. And after that only, we will be able to register these products. But with Canada, as I told you, the revenues have already been started since it was CDMO and CMO project.

So with that, I have earlier on the call, given the numbers that this year, we will be touching around between \$3 million to \$4 million as of now in Canada. But in Latin America, we have products. But we have products, which belongs to the local partner.

So now we are registering either the same products or even the newer products, which would be not -- which would be not competing, but it would be the ownership of Lincoln. So that's the model that we want to implement. And altogether, that would be implying to various markets.

So we are taking a gradual step. Every year we are targeting somewhere between INR5 crores to INR7 crores of -- in terms of registrations, BE study, that is what we are targeting.

Prashant Shah: And this would be the part of your R&D cost or another line item?

Munjal Patel: See, it would be bifurcated into two parts. One would be the R&D cost, which is the technical part. But when the dossiers would be submitted, it has to be in the registration and the regulated part, which would be kind of an asset also and it can be on the expense side. So you will see that on the books as the expense side.

- Prashant Shah:** Just a suggestion. I mean, what you have explained, if you can put a slide or 2 of that in your investor presentation, it will be helpful for us investors to know -- get information about it, and we'll be able to track it on a more meaningful way going forward. That's just a suggestion from my side.
- Munjal Patel:** Actually on the website, some of it is there. If you can just give me -- put it on our investor e-mail, we will send you the link to the page where it is.
- Prashant Shah:** Sure. I will do that.
- Moderator:** Next question is from the line of Saket Saurabh from [\[Sagari Capital Partners 0:34:03\]](#).
- Saket Saurabh:** Yes. So sir, exports has emerged as a major driver for us this quarter. And even if I look at other Indian pharma companies also, exports is driving a lot of growth, especially non-U.S. So sir, I just wanted to double click on that. So around -- currently, almost INR400 crores of our revenue comes from exports. So how does that, sir, breakup across LatAm, Africa, South Asia, say, Europe and Canada?
- Munjal Patel:** To be frank enough on this particular answer if I could -- I can just -- I have a rough estimate, which would be like Africa would be somewhere between 40%. These are all the rough estimates what I'm talking about and...
- Saket Saurabh:** Yes, rough is fine, sir. Rough is fine?
- Munjal Patel:** I can give you the exact numbers, if you can e-mail us, and I'll give you the exact numbers. Then Latin and Southeast Asia combined would be somewhere between 25%. Then another 15% would be the UNICEF, UN and other tender business. And the rest of the component would be Canada business and other -- some smaller other businesses which we do.
- Saket Saurabh:** Fair enough, sir. And sir, how much in dosage form, is it like, what percentage would we say, injectables because mostly these countries and tender wise, injectable is a great offering for most of the companies. So how does that break up for us? Like what percentage comes from injectables? What from oral solid and, say, different dosage forms?
- Munjal Patel:** See, we have total as of now, in Lincoln, total about 17 different line items, which are -- I mean by that, that is the segment. So tablet is one of the segment and injectable itself has got another 3 segments into it. So like that, there are only 4 segments what I'm talking about. We have total 17 different line items.
- And in that, we have sub lines of production as well as packaging as well as everything. So altogether, if you look at our -- the top seller, of course, would be the tablets. Then would be the injectable and injectable would be dry powder injectables and then would be the capsules and other NPOs and dry syrup and all that.
- Saket Saurabh:** Okay. Fair point, sir. Sir, do we have -- do we largely distribute via importers or we have our own distribution setup also in some of these countries?

Munjal Patel: See, we don't have our own distribution setup. But yes, we do have our own marketing team. We have own country managers. And that is what which we are doing. So as of now, we don't have our own setup because we don't want to have local currency problems. We don't want to tackle with the local, any other kind of issues wherein we are not aware of.

So whatever business which we are doing, it is B2B. But in fact, we are tracking it down to B2C also since we have our country manager and our team of marketing team, who is going and spreading these products into various countries, into various areas.

Saket Saurabh: Okay. Got it, sir. So sir, why I was asking is that, many companies nowadays like Caplin, they are setting up their own warehouses because they feel that having an inventory in that particular country helps you better market your products because you can then supply this. So is that in the works in some of the countries where you have meaningful sales now so you want to deep dive or augment your presence?

Munjal Patel: We don't want to get into that. Because I think so you have rightly said that Caplin has strength over that. And since they have created that strength, it is good that even they could explore that. But our strength has not been that, our strength is into manufacturing and marketing of the product through the distribution channel only.

So for now, we are going on that line of action only and we feel comfortable as well as the whole business cycle is visible that way. So we don't need to worry about the outstanding payments, currency variations into different markets and many other local issues. So that is something which we have a peace of mind as of now since we have that channel. But we would like to go with the channel what we have as of from now.

Saket Saurabh: Fair point, sir. Sir, currently, I think the domestic export share is around 30-70, 70% exports. Now for the INR1,000 crores guideline -- guidance that you have given. So what's the mix? Is it 70-30 or it would be more, say, domestic driven?

Munjal Patel: See, it will be both sides. It will grow the same. And probably, it might be that we will come up to 65-35 or 60-40, we might -- there is always a bit of a shift in the numbers. But since it is Lincoln by itself and until it is giving the same margins, what we are expecting. I think so, for us, as a baby both are the same. But yes, this would be plus and minus here and there, but the value would be somewhere between 60-40 range. So that's what we are looking at.

Saket Saurabh: Fair point, sir. You talked about there is a lot of focus on branding or our branded generics within our portfolio. But sir, for a branded company, don't you think this 15% EBITDA is slightly on the lower side because in India, at least many branded pharma companies easily enjoy, say margins upwards of 20%, 25%?

Even in exports, those who largely -- again, the modern asset-light model that we are right now focusing on, the margins are upwards of 20%, 25%. In fact, Caplin has 35%-odd. But okay, that's a scaled-up company. So that might be slightly different. So any reason for why a slightly lower than average margin, sir?

Munjal Patel: That's what I told you. We have -- we are expecting 15% as the bare minimum, and we might go to 18%, and we might even cross to, see, this all depends on the product mix and the seasonal aspect, which is there. So we have products, we are branding the products and nothing comes at just the one shot.

So branding is such an activity that everybody is trying, and we have to work a lot in terms of people, development skills of the people as well as the marketing team. And everybody has to be aligned accordingly. So we are doing all the activities possible into various regions and various areas also in the therapeutic index wherever we are profitable, we can do that.

And we will try to grow and give a better number, but this is what I told as first also that, to be secure enough, I can say that between 15% to 18%, we will achieve.

Saket Saurabh: Got it, sir. Sir, if I look at our current revenue mix, is it like 100% is, say, marketed by us or we also say, act as CMOs or CDMOs, to other partners who again, we have the manufacturing license and they are the ones who are marketing. So in that case, the margin might come down slightly. So what's the mix between, say, own brands versus say CMO/CDMO for our revenue?

Munjal Patel: See, particularly CDMO, CMO model, we are the manufacturer. And since we have such kind accreditations, especially for domestic, we don't manufacture for anybody, except for Abbott and so we only have one product which we are doing for them.

So in the plant as of now, we are not manufacturing anything for somebody who is locally doing it or third-party manufacturing. In domestic also, we don't entertain any kind of manufacturing or they are manufacturing at our site and marketing it to somewhere. So the margin, whatever is there, is there in the business by itself.

Moderator: Next follow-up question is from of Rudraksh Raheja from ithought Financial Consulting.

Rudraksh Raheja: Sir, with the current existing manufacturing base, what is the peak revenues that we can do?

Munjal Patel: I think so we can -- see what we are doing is, as of now, we have still a gap of another, I would say, around 15% to 20%, which we can still cope up with in the existing site. Keeping a bit of hollow, just in case of -- needed. That is separate.

But yes, we can grow another 20% from the existing site when we use all the lines. Actually, it depends on the usage and the usage of the lines, what we are doing and that's how the product mix is being developed.

So whenever we are doing even R&D, we are looking at what lines we have and what we should develop. So all our lines can be fully occupied. Whenever -- since they have been audited by so many countries, and we can go ahead and do that. So that's what would be our major thought on it.

Rudraksh Raheja: So if I'm getting it correct, from here onwards, we can do around INR750 crores to INR800 crores with our existing base, obviously, keeping in mind all of the details that you mentioned.

But if we want to go beyond that, we'll either need a new plant or inorganic expansion like you mentioned during this call? Is my sense correct?

Munjal Patel:

And this, you are excluding Cepha. So Cepha is another, which is already INR45 crores we are doing. It would be -- we are targeting 150 on that also. So it will add up to another -- that plant is still in the phase of approvals and production. So that would be another value, which will be added to the business.

And also we buy many products, finished products in many countries from outsiders. That business is also there. So we can even have an expansion in that business also. So altogether, we have different avenues to grow the business. And yes, we -- our basic requirement would be a unit or inorganic growth. So that is there, and that's what we are looking for.

Rudraksh Raheja:

Sir, on this inorganic side, is there any specific niche that we are looking at maybe some drug type or some therapy that we are looking at or delivery system? Just to get a broad sense?

Munjal Patel:

What my bread and butter is mostly in the tableting and the injectable parts. So firstly, we will be looking at the tableting block somewhere if possible. And that too, if they have such kind of accreditations of what we are looking at. So then only we'll go with that. And then would be the injectable ones.

Since we are already into that business we would like to cover that business first and then go to something different again now into oncology or hormones, which we are also planning to move forward. But firstly, we want to take this as a challenge and take it up from there.

Moderator:

Next question is from the line of Balaji, Individual Investor.

Balaji:

Sir, I have few questions, sir. Most of the questions covered by the previous participants. Firstly, sir, is there any chance for the buyback of the shares? And...

Munjal Patel:

We are not -- any kind of buyback...

Balaji:

Okay. Sir, you previously, in the past 3 years back, there is a promoter shareholding has been gradually increased, but later on there is no more major buy-in. So is there any plans to increase the shareholding of the promoter, sir. Because...

Munjal Patel:

Yes. As and when required and whenever we see an opportunity, yes, we will again go with -- whenever we have that additional funds, of course, we will invest first in the company only because we will be the most beneficial one out of it. And since we are sitting here all day, so we will do that. So that promoter holding will be increased gradually, and we will keep on doing that.

Balaji:

Sir, one thing, sir, why there is DII holding is not increasing in our company, sir, even though FII has increased their shareholding?

Munjal Patel:

See, the DIIs have a criteria of something wherein they have a benchmark limit of the market cap. And after that, only they can enter a company. So that's the reason that they don't directly enter the company. And FIIs are looking at the positive results and whatever growth they are

looking at, so they can directly invest. So that's the reason that you see the FIIs are there, but DIIs are still not there.

Balaji: Sir, regarding that Africa market, I think they are 40% directly depend up on the Africa market in export. So we are facing any sort of cash ratio? Is there any delay sir, because of this sort of currency fluctuation? In forex fluctuation is there any...

Munjal Patel: See, we don't see any kind of losses till now in such kind of even situation geopolitical. Yes, money comes in like 10, 15 days plus and minus. But that is something which we have to do sometimes whenever that happens. Otherwise, money flow is going on in the correct direction.

Balaji: Sir, there is one last question, sir. In other income part, sometimes in some quarters, we see a positive contribution and in other quarter we are seeing negative contribution. Is that means why those are means our -- whatever the investment is not generating that much return, sir?

Munjal Patel: See, what happened was in February when we all saw the dip in the market, then that was seen in the balance sheet also at that point of time also, and the recovery is now being done in the market. So that's why last 2 quarters, you are seeing a bit of an increment, and now you are seeing much more of an increment in the other income. So gradually down the line, you will see a bit of a better one also.

Balaji: Yes. Thank you, sir. Thank you from my side, sir. Kindly focus on the increasing the wealth of the shareholders, sir. I'm part of this company for the last 4 years. So hope that our company do good things, expand shareholders wealth and at the same time promoter wealth. Thank you, sir. Thank you once again.

Munjal Patel: We agree. You are with us for so long and 4 years is a long time and we are really grateful for that. And we commit that we will grow the company. And being part of Lincoln, think us as your family, you are a shareholder of the company, so you can come and visit the office as well as the factory whenever you want. So we invite you any time to come to and visit factory also.

Balaji: Sir, one thing sir, one request from my side. Sir, please continue this con call on every quarter, sir. We are seeing that there is a low con call from the last 2 quarters, I think. So I request, kindly execute.

Munjal Patel: We'll try and do that.

Moderator: Next question is from the line of Diya from Sapphire Capital Partners.

Diya: So this INR45 crores of revenue that we are expecting by this year-end, this is from which segment?

Munjal Patel: That is the Cepha block, ma'am. That is another factory, which we got in Mehsana. So it is gradually commenced this year, we are touching about INR45 crores.

Diya: Okay, sir. Any revenue and margin expectations for FY '27?

Munjal Patel: FY '27 or this current year?

- Diya:** Next year, sir?
- Munjal Patel:** Next year, we -- as I told you, we will be somewhere between 15% to 18% that is guaranteed. Might be we cross above that also. So looking - see, there are a lot of dynamics which are going on in the market. If I commit something right now and something goes wrong or as an industry also a lot of trade barriers come into it, then we don't know. But yes, we are looking at a better return on whatever we are committing at least over 18% if possible, but we'll try and do touch the 18% and above benchmark, if possible.
- Moderator:** Thank you. As there are no further questions, I'll now hand the conference over to Mr. Munjal Patel for closing comments.
- Munjal Patel:** Firstly, thank you, everyone, for joining us today for discussing company's third quarter results and business performance. For any other question, queries or plant visits, please write to us, we would try to respond them at the earliest possible. Thank you very much again for attending this call, and have a nice day.
- Moderator:** Thank you very much. On behalf of Lincoln Pharmaceuticals Limited, that concludes this conference. Thank you for joining us, and you may now disconnect. Thank you.

Note: Transcript may contain transcription errors. Please refer audio recording for accurate details. Audio recording is available on website of the Company.