September 02, 2026

To
The Manager- Listing Department,
BSE Limited
P.J. Towers, Dalal Street, Fort,
Mumbai- 400001, Maharashtra, India.

Scrip ID/Code: TRUECOLORS/544531

Subject: Newspaper Article titled – India's SME Growth Story published in "Business Standard" on September 02, 2026.
Reference No.: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Respected Sir/ Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of Newspaper Article titled – India's SME Growth Story published in "Business Standard" on September 02, 2026.

A copy of the same will also be uploaded on the Company's website.

We request you to take the above information on your records.

Thanking you. Yours Faithfully.

For True Colors Limited

(Formerly Known as True Colors Private Limited)

JAVANIKA GANDHARVA
Digitally signed by JAVANIKA GANDHARVA
Date: 2026.09.02 16:35:18 +05'30'

Javanika Gandharva
Company Secretary & Compliance Officer

TRUE COLORS LIMITED
(Formerly known as 'TRUE COLORS PRIVATE LIMITED')

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REGISTERED OFFICE
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FACTORY
Plot No. 44 & 51, Rajhans Zesto Kalakachha, Jalalpore (Near Palasana Cross Road) Navsari-396415 Gujarat (India)

CIN : L17299GJ2021PLC126265 | GST NO.: 24AAICT9214A1ZN | PAN NO.: AAICT9214A

ISO 9001:2015 ISO 14001:2015 ISO 45001:2018

INDIA'S SME GROWTH STORY BY EquiBridgeX Advisors Pvt Ltd BS BRAND CONNECT

True Colors Limited

True Colors builds a recurring-revenue engine around digital textile printing

FY26 revenue rose 29.2% to ₹301.55 crore and profit after tax 28.6% to ₹31.16 crore in the Surat-based company's first full year as a listed entity. Consumables now make up half of sales, and the Company is bringing ink manufacturing in-house through the merger of group company Inkia Inks.

True Colors Limited (BSE: TRUECOLORS) reported revenue from operations of ₹301.55 crore for the year ended 31 March 2026, up 29.2% from ₹233.37 crore in FY25, and profit after tax of ₹31.16 crore, up 28.6% from ₹24.23 crore. The Company listed on the BSE SME platform on 30 September 2025 at an issue price of ₹191 per share.

The Company sells and services digital textile printing machines, supplies the inks and sublimation paper they consume, and prints fabric on its own machines. Each machine placed with a customer creates a stream of ink, paper, spare-part and service revenue over its working life. This is the logic of the business, and FY26 shows it working; machine placements rose to 109 from 89, and inks and paper together contributed ₹151.5 crore, or 50.3% of revenue.

Vertical	What it does	FY26 performance
Machines	Distribution of digital textile printers from Konica Minolta, Hopetech, Itten, Pengda, Skyjet and, since November 2025, ITACA of Spain	Revenue ₹60.94 crore, more than two and a half times FY25; 109 machines placed against 89
Inks	Sublimation, pigment and other digital inks, moving from distribution to in-house manufacture under the Inkia brand	Volumes 1,140 tonnes, up about 19%
Sublimation paper	In-house manufacture; installed capacity of 24 crore metres a year	Production 12.45 crore metres; utilisation 51.9%
Printed fabric	Digitally printed fabric on the Company's own machines; capacity about 2.74 crore metres a year	Revenue ₹89.09 crore, up 34.8%; production 2.05 crore metres, about 75% utilisation

The EBITDA margin moved lower because the year was weighted towards machine sales, which earn standard trade margins, while every installation adds to the base that buys higher-margin consumables. Earnings per share grew more slowly than profit because of the shares issued in the IPO. Net worth more than tripled to ₹187.14 crore, and gross borrowings ended the year at ₹45.96 crore.

Growth of this pace has a working-capital cost. Trade receivables rose to ₹111.22 crore from ₹56.60 crore over the year, and short-term borrowings to ₹37.81 crore from ₹24.67 crore. Collection discipline on the enlarged machine book will be one of the measures by which FY27 is judged.

Where the growth comes from

Inks:

The Board approved the amalgamation of Inkia Inks Private Limited into the Company on 1 December 2025, with 83 True Colors shares to be issued for every 100 Inkia shares. On 17 August 2026 the National Company Law Tribunal, Ahmedabad Bench, directed meetings of shareholders and unsecured creditors to consider the scheme. The Company plans to build ink capacity in three phases, to 150 tonnes a month in FY27, 500 tonnes a month by FY28 and 1,000 tonnes a month over the longer term, with capital expenditure of ₹40 crore to ₹45 crore, ₹20 crore to ₹25 crore and ₹40 crore to ₹45 crore for the respective phases. Inkia has exhibited at FESPA Mexico in 2025 and at FESPA Barcelona and Future Print Brazil in 2026, pointing to export ambitions beyond the Company's own installed base.

Management view

Mr. Sanjay Desai
Managing Director, True Colors Limited

"FY26 was the year the model showed its scale. We placed 109 machines, most of them higher-capacity systems, and took the active installed base past 900. Every one of those machines will buy ink, paper and service from us for years. The merger of Inkia Inks brings ink manufacturing inside the Company and removes a layer of margin we currently pay away. Our priorities for FY27 are to place at least 100 more machines, to run the paper line closer to its 24-crore metre capacity, and to collect faster on the larger book we now carry."

Machines:

The Company is targeting at least 100 new installations in FY27, after 109 in FY26, with the mix continuing to shift towards higher-value systems. Each addition widens the customer base for inks, paper, spares and service.

Paper:

With utilisation at 51.9%, the sublimation paper line can roughly double output without new capacity. On 17 August 2026 the Board also approved a 50:50 joint venture, provisionally named True Colors Advance Materials Private Limited, to manufacture, coat and convert paper and speciality paper, a step towards securing the base paper the line consumes.

Beyond textiles:

On 8 May 2026 the Company launched seven product lines in commercial printing, labelling and flexible packaging, including web-to-sheet and sheet-fed book printing machines, digital label printers, label embellishment printers, flexible packaging printing machines and die-cutting and finishing equipment. Phase one covers India, the Middle East and Southeast Asia.

Energy:

The Company runs 2 MW of rooftop solar capacity at its plant and is developing a further 2.5 MW for captive use, expected to commission from June 2026. At about 4.5 MW, solar would meet roughly 60% of its energy needs.

The policy backdrop

The Ministry of Textiles has set a target of US$100 billion of textile and apparel exports by 2030, against about US$37 billion at present, and at the Textiles Summit held on 23 and 24 June 2026 set out a roadmap built on value addition, product diversification, sustainability, a larger share of man-made fibre and stronger manufacturing clusters, including Surat, Tiruppur and Ludhiana. The man-made fibre push matters directly to True Colors: sublimation printing, the core of its business, is used on polyester and other synthetic fabrics, so a shift in the national fibre mix enlarges the market for its machines, inks and paper.

FY26 in numbers

₹ crore (standalone, audited)	FY25	FY26
Revenue from operations	233.37	301.55
EBITDA	40.89	46.98
EBITDA margin	17.52%	15.58%
Profit after tax	24.23	31.16
PAT margin	10.38%	10.33%
Earnings per share (₹)	13.55	14.28

Market Snapshot

True Colors Ltd. is listed on the **BSE SME platform**. The company's key market and valuation metrics are presented below based on the latest available market data:

Market Snapshot: As on 01-09-2026	Details
Market Cap	₹ 358.72 Cr
Listed On	BSE SME
Share Price	₹ 145.50
Face Value	₹ 10.00
ROE (FY26)	16%
ROCE (FY26)	22%

The Verdict View

Arvind Kothari
Founder of Niveshaay Investment Advisors

The migration from conventional rotary printing to digital is among the most structurally underwritten shifts in Indian textiles, driven by compressing fashion cycles, the premium on design freshness and a far lighter resource footprint. With domestic penetration still a fraction of developed markets, the sector is only now entering the steep part of its adoption curve.

True Colors operates as a complete digital printing solution, with machinery, inks, sublimation paper made internally and printing services all under a single roof, allowing it to stand behind the print outcome rather than a single input. In an industry moving this fast, that integration is the edge worth owning.

Equally, in a business where the moat is built rather than inherited, the quality of the promoter group matters as much as the structural tailwind, and here the promoters have proven themselves dynamic and capable executors who build ahead of the curve rather than react to it.

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