EMCO Industries Ltd.

CORPORATE BRIEFING SESSION

for the year ended June 30, 2024

December 12, 2024

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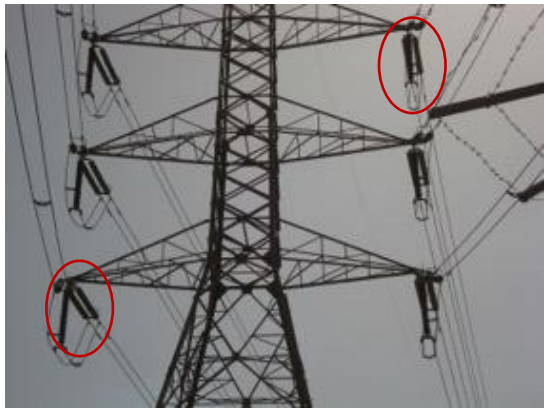
Porcelain Insulators: What are they?

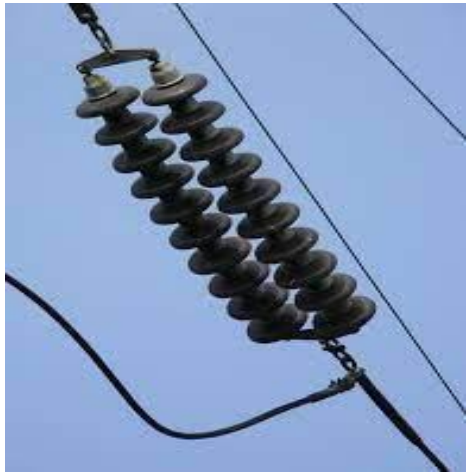
- An insulator is a material that resists the flow of electrical current.
- In electrical transmission, an insulator is a component that ensures the current in electrical lines is isolated from physical support structures.
- Porcelain is the oldest and most widely used material globally due to its physical properties. Alternates include polymer insulators and glass insulators.

Typical Porcelain Application in Switchgear



Typical Porcelain Application in Transmission Lines

EMCO – Key Products & Services



Transmission & Distribution Lines

Porcelain Insulators

Substation Equipment

Surge Arrestors

Disconnect Switches

Post Insulators

Instrument Transformers

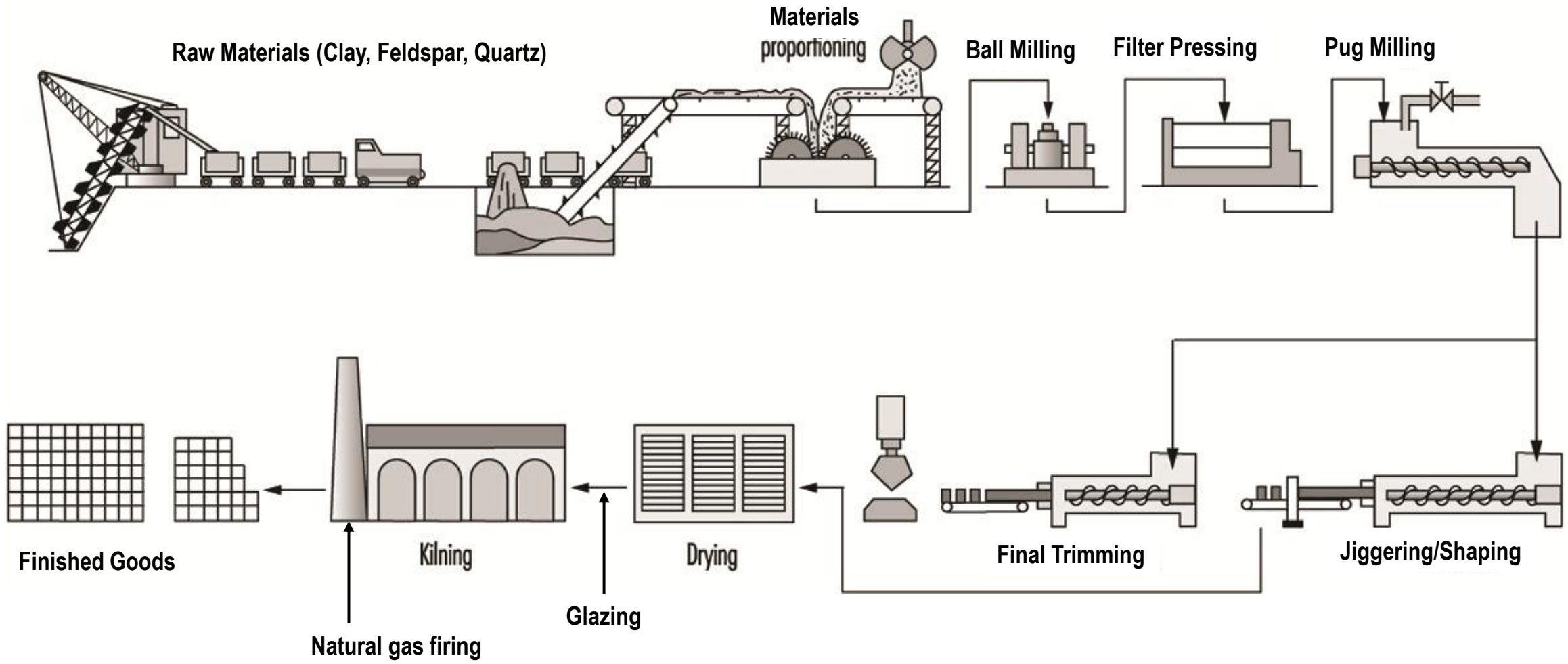
Ancillary Products & Services

High Voltage Testing

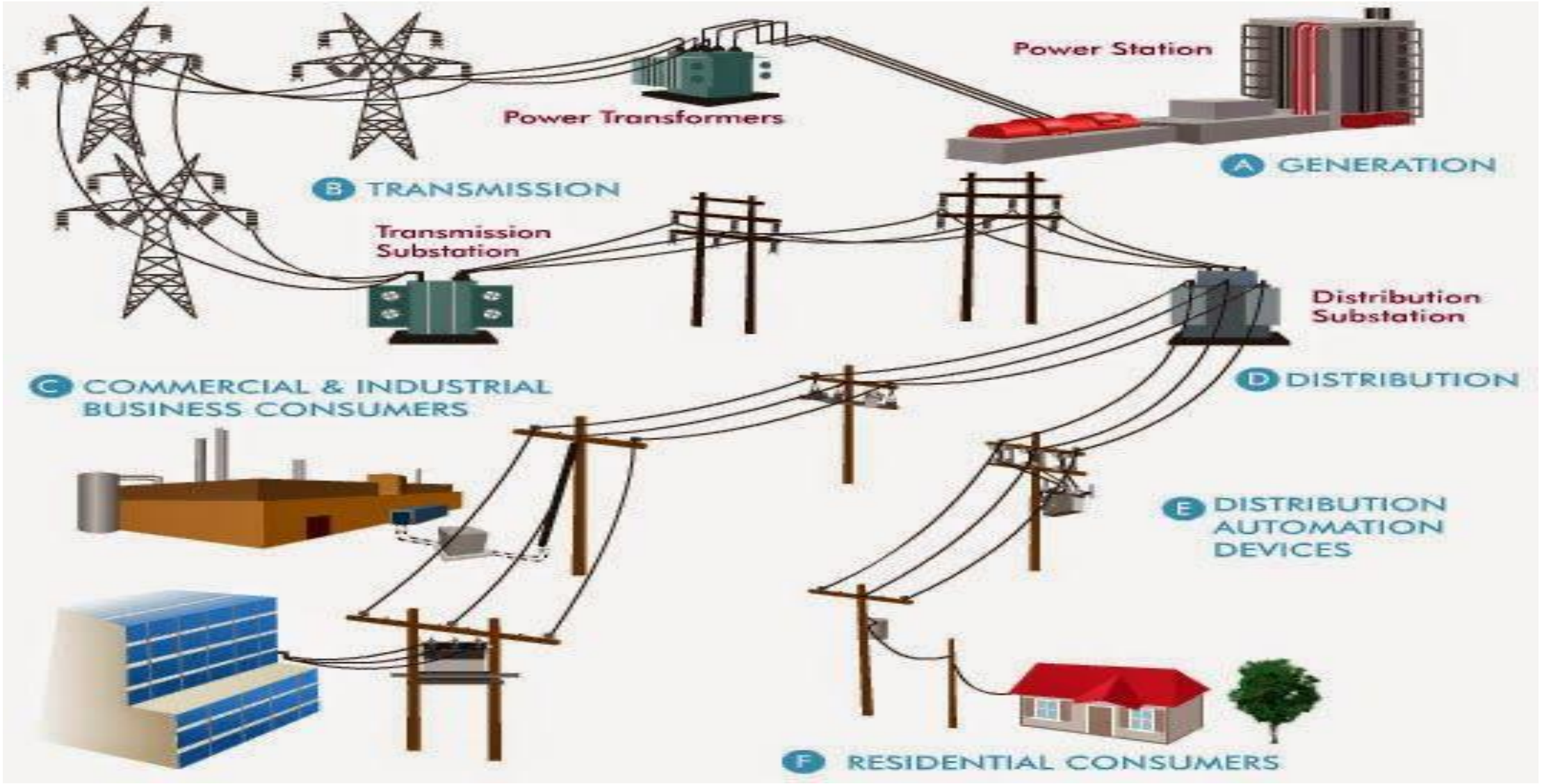
Metal Work Division

RTV Coating Division

High level insulator manufacturing process



Energy System Overview



EMCO Industries Ltd

Product Portfolio Overview

Core Insulator Division: Transmission & Distribution Line Insulators

High Voltage Disconnect Switches – Forward Integration Initiative

FUNCTIONALITY OF A DISCONNECTOR

Disconnect switches rapidly **disconnect** circuits from power supplies in the event of an emergency. **Disconnect switches** can **function** in conjunction with circuit breakers, devices which interrupt the flow of electricity along a circuit when the current exceeds the circuit's capacity.

High Voltage Instrument Transformers - Forward Integration Initiative

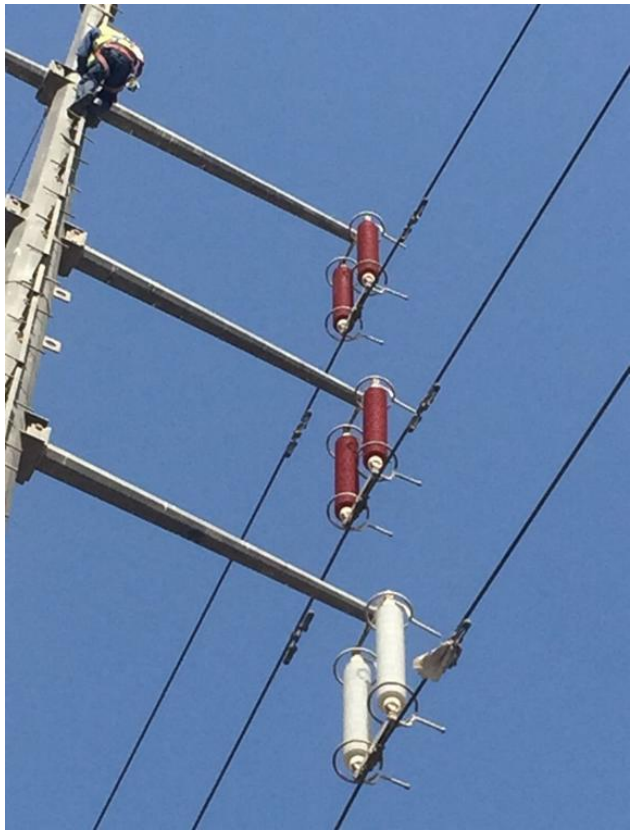
High Voltage Surge Arrestors - Forward Integration Initiative

FUNCTIONALITY OF A SURGE ARRESTER

- A **surge arrester** is a device to protect electrical equipment from over-voltage transients caused by external (**lightning**) or internal (switching) events.

- A surge arrester works by diverting the extra voltage into the earth wire, rather than flowing through the electronic devices, while at the same time allowing the normal voltage to continue along its path. To protect a unit of equipment from transients occurring on an attached conductor, a **surge arrester** is connected to the conductor just before it enters the equipment.

Room Temperature Vulcanization (RTV) – Forward Integration Initiative



RTV Coating Project: Porcelain Strengths meets hydrophobicity

- To avoid leakage currents, discharges and pollution flashovers, a highly customized silicone layer is applied to the porcelain insulator surface using either a patented dip coating process, or in certain cases a special spray coating process.
- This silicone layer provides an organically regenerative based hydrophobic surface that effectively combats the negative effects of contamination and enhances the electrical characteristics of the insulator
- The silicone layer also provides higher reliability of the insulator by overcoming potentially dangerous leakage currents on the surface of the insulator in highly polluted areas.

Typical substation insulators being coated

Typical transmission line disc insulator after coating

RTV Coating Project – EMCO Workshop

Machines

Dip coating workshop has 252 dip coating machines installed

Curing Equipment

Dip coating workshop has 500 curing stations

Dipping Capacity

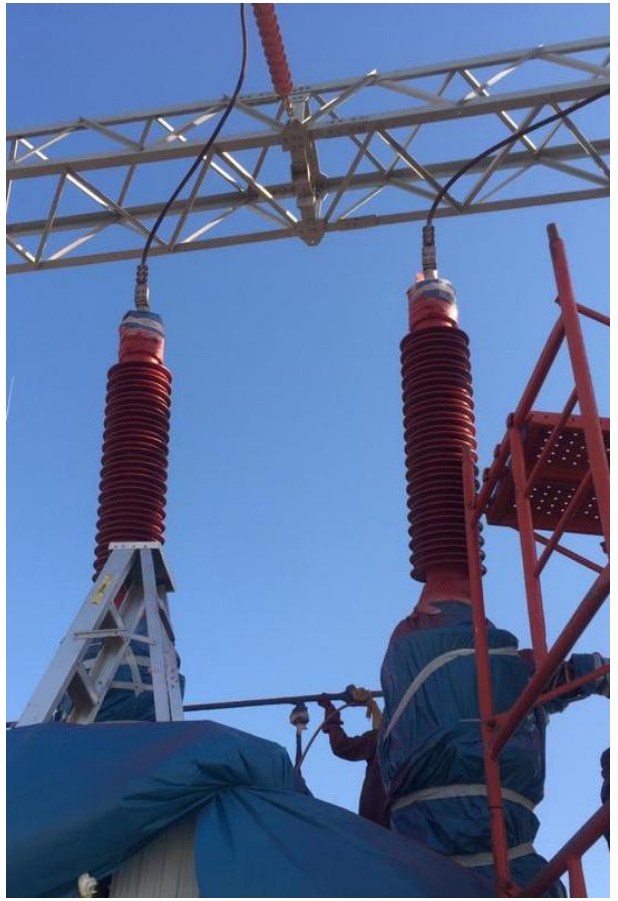
252 machines can dip coat 5000-6000 insulators per day

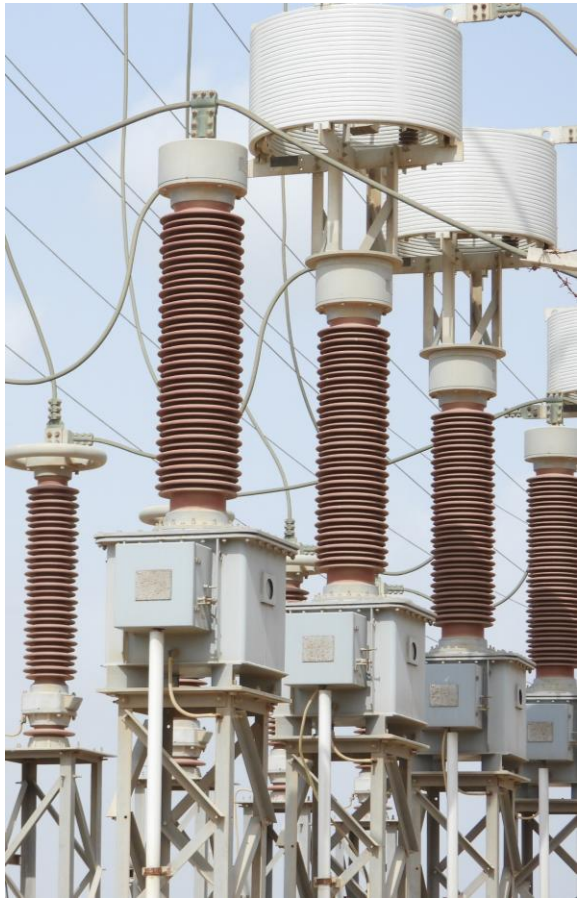
Quality Control Lab

RTV coating: Viscosity, Tack free time
Insulator coating: Appearance, Hydrophobicity, Adhesion, Thickness

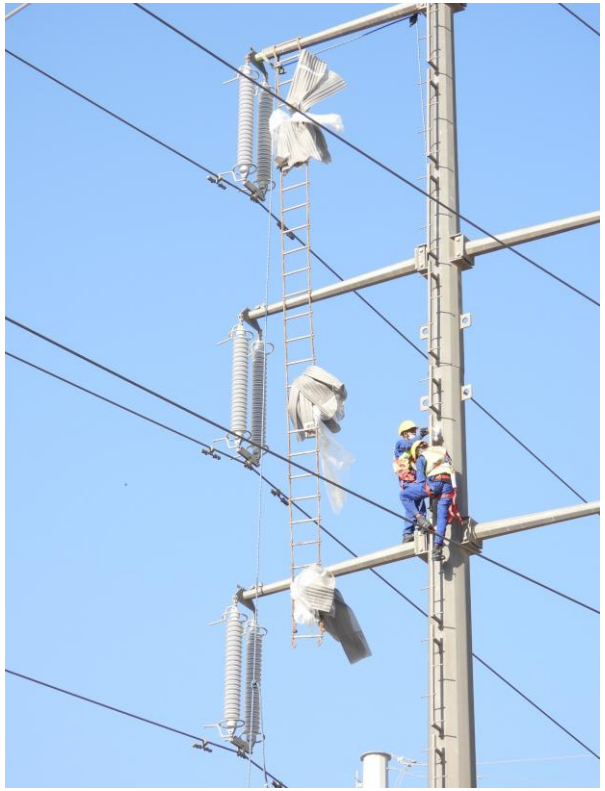
GLIMPSE OF PRE-COATED 245kV SURGE ARRESTOR FOR 220kV FOUNDATION POWER CO. GRID DAHARKI

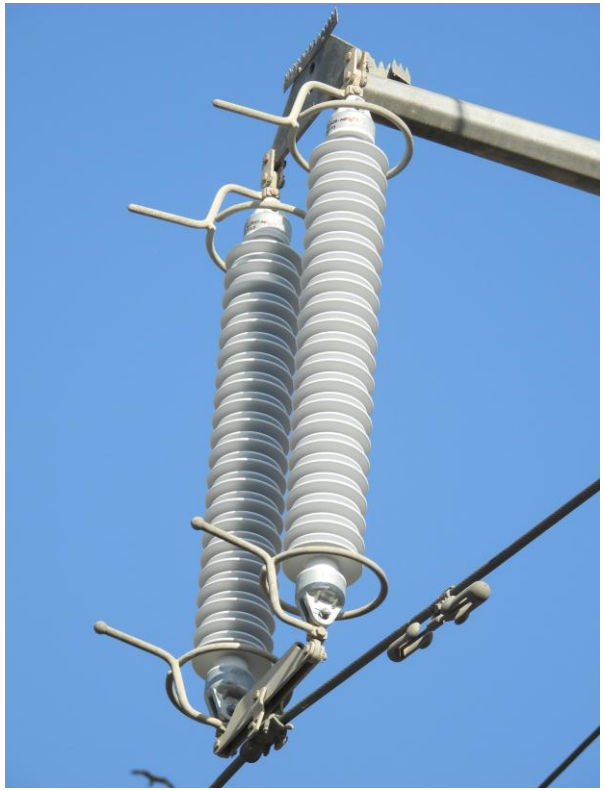
GLIMPSE OF ON-SITE RTV COATING PROJECT OF OURSUN (50MW SOLAR PLANT) 132KV GRID GHARO

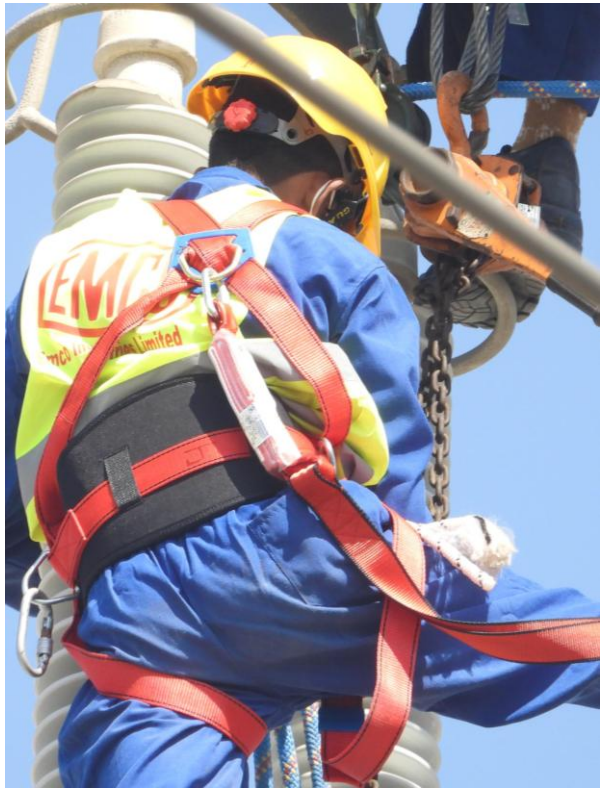




GLIMPSE OF KE RTV COATING PROJECT







Metal Works Section - Backward Integration Initiative

Metal Works Division: Forging & Fabrication Facility

EMCO Industries Ltd

Recent Developments

State of the Art High Voltage Laboratory

EMCO’s Second High Voltage Lab.

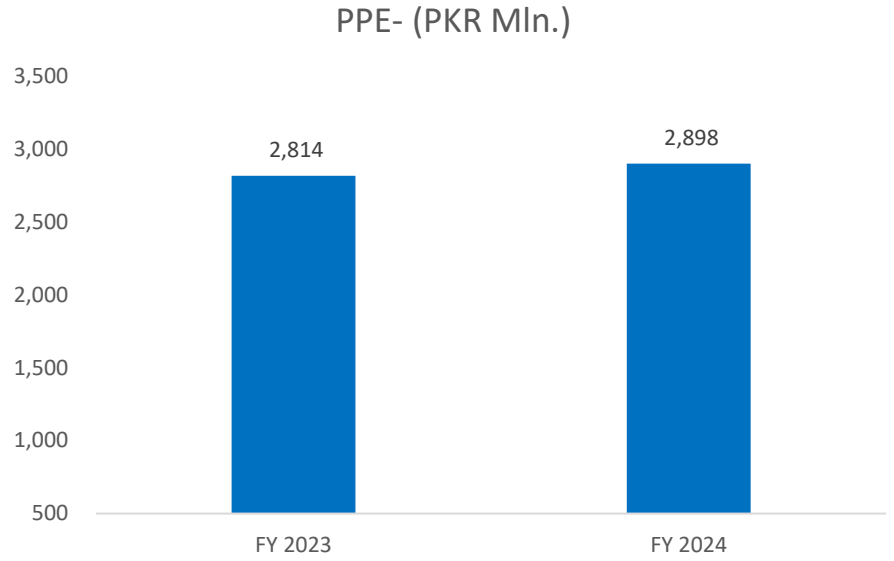
Instrument Transformer Section

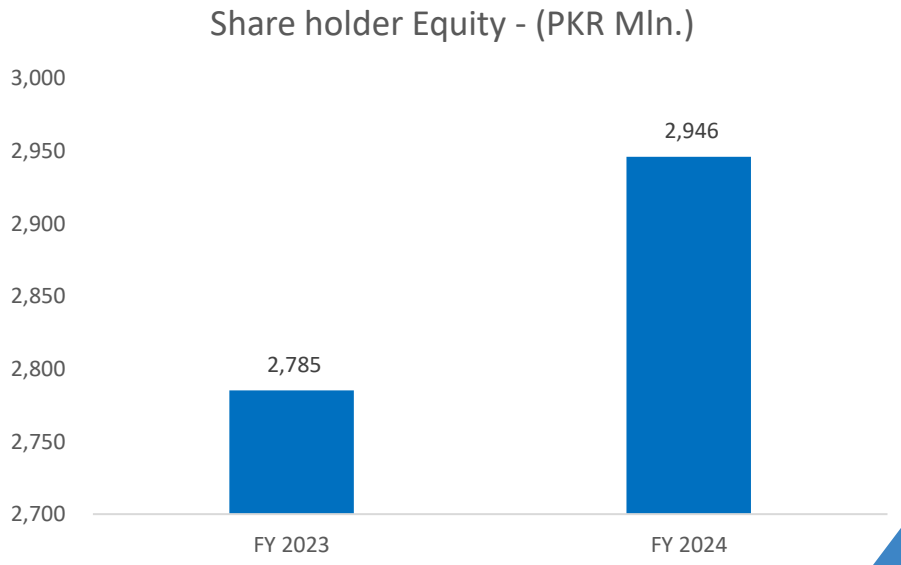
Instrument Transformer/CTPT Production EMCO Workshop

Financial Review

STATEMENT OF FINANCIAL POSITION

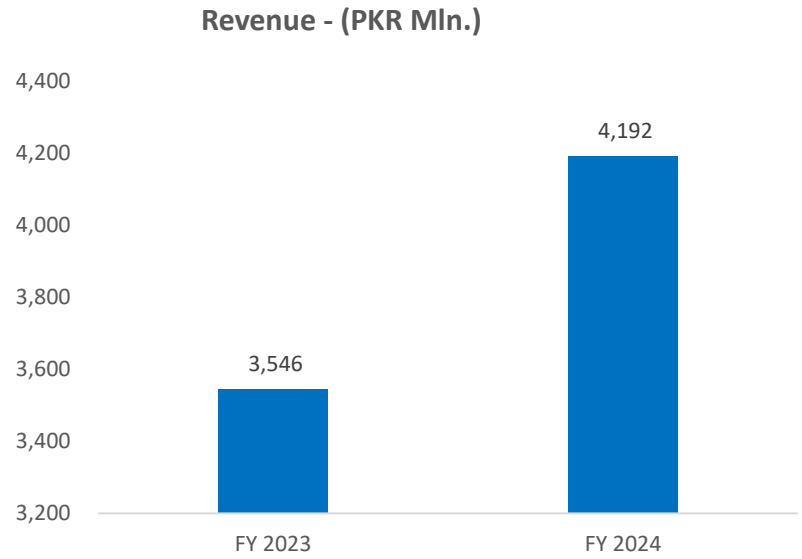
	2024	2023
	Rupees	Rupees
EQUITY AND LIABILITIES		
Issued, subscribed and paid up capital		
35,000,000 (2023: 35,000,000) ordinary shares of Rs. 10 each	350,000,000	350,000,000
Reserves	1,022,310,340	804,284,480
Sponsors' loan	115,708,828	115,708,828
Surplus on revaluation of property, plant and equipment	1,458,112,397	1,515,280,108
	2,946,131,565	2,785,273,416
Non Current Liabilities		
Long term financing	550,558,968	649,898,404
Lease liabilities	2,850,000	5,845,125
Post employment benefits	163,701,914	120,389,472
Deferred tax liability	277,958,286	244,836,598
Long term security deposits	4,567,584	4,567,584
	999,636,752	1,025,537,183
Current Liabilities		
Trade and other payables	514,373,092	524,593,748
Unclaimed dividends	768,578	524,915
Accrued finance cost	90,446,234	87,792,537
Short term borrowings	1,054,965,902	851,500,589
Current portion of non-current liabilities	162,669,833	63,439,347
	1,823,223,639	1,527,851,136
Total Equity and Liabilities	5,768,991,956	5,338,661,735
ASSETS		
Non Current Assets		
Property, plant and equipment	2,897,920,987	2,814,375,478
Investment properties	91,138,800	84,988,507
Intangible assets	3,746,254	846,171
Long term prepayments and other receivables	58,156,456	27,029,063
Long term loans	1,135,282	1,858,430
Long term deposits	4,091,616	2,259,500
	3,056,189,395	2,931,357,149
Current Assets		
Stores, spares and loose tools	106,992,488	110,595,465
Stock in trade	1,175,579,958	1,240,566,496
Trade receivables	1,242,405,524	748,910,891
Advances, deposits, prepayments and other receivables	92,631,271	162,395,917
Income tax refundable from the Government	85,113,389	126,438,566
Cash and bank balances	10,079,931	18,397,251
	2,712,802,561	2,407,304,586
Total Assets	5,768,991,956	5,338,661,735

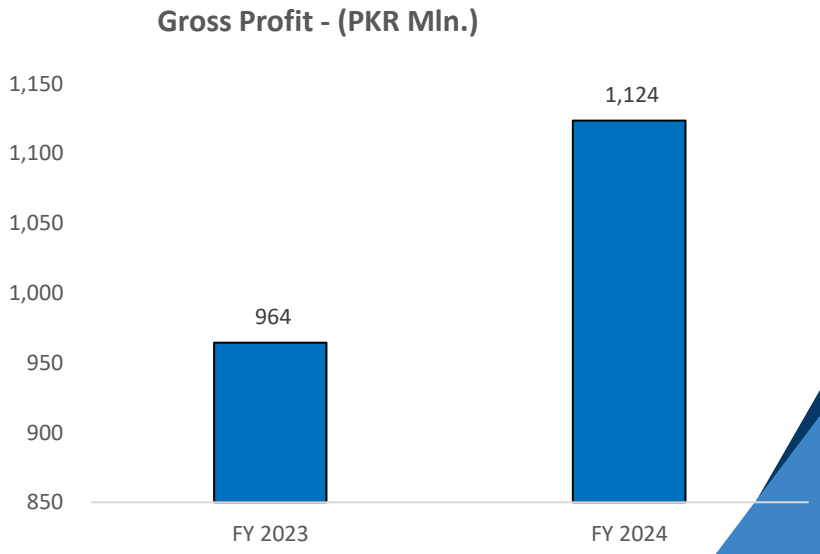




STATEMENT OF PROFIT OR LOSS

	2024		2023	
	Rupees	**%**	**Rupees**	**%**
Revenue	4,192,404,621		3,545,524,014	
Cost of revenue	(3,068,698,361)		(2,581,172,211)	
Gross Profit	1,123,706,260	27%	964,351,803	27%
Administrative expenses	(155,550,921)		(134,041,835)	
Selling and distribution expenses	(114,566,919)		(66,470,097)	
	(270,117,840)		(200,511,932)	
Operating Profit	853,588,420	20%	763,839,871	22%
Other operating expenses	(129,329,895)		(119,437,147)	
Other income	25,891,823		23,535,241	
Finance cost	(392,711,005)		(247,991,645)	
Profit before levy and taxation	357,439,343	9%	419,946,320	12%
Levy / final taxation	(1,491,826)		(659,477)	
Profit before income tax	355,947,517	8%	419,286,843	12%
Income tax				
Current - For the year	(128,559,178)		(92,991,856)	
Prior year	(1,148,496)		(2,323,985)	
Deferred	(7,242,022)		(31,055,085)	
	(136,949,696)		(126,370,926)	
Net Profit for the Year	218,997,821	5%	292,915,917	8%
Earnings per Share - Basic and Diluted	6.26		8.37	





Q&A

Thank You