



EMCO Industries Ltd.

CORPORATE BRIEFING SESSION

for the year ended June 30, 2025

November _____, 2025

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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.

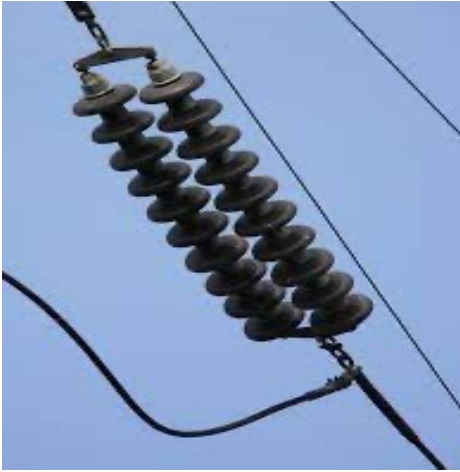


Typical Porcelain Application in Switchgear



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



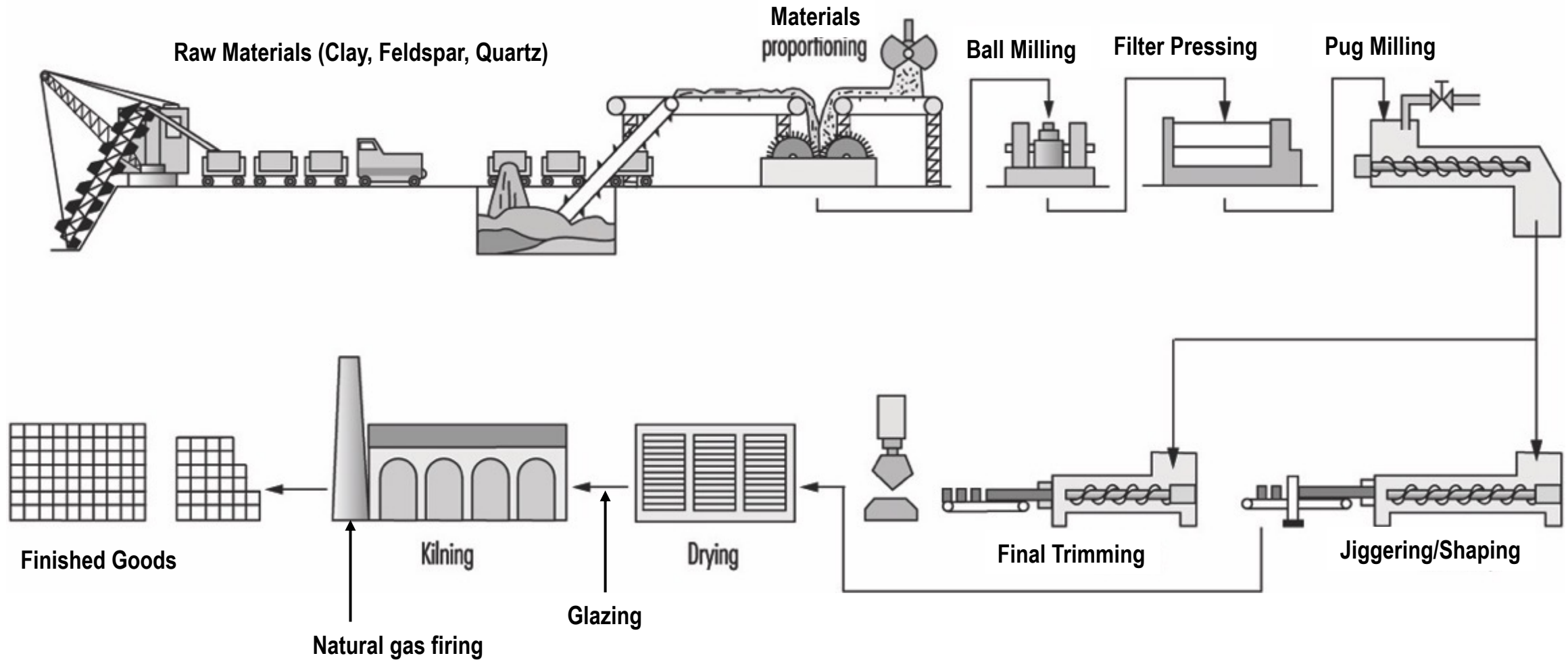
Ancillary Products & Services

High Voltage Testing

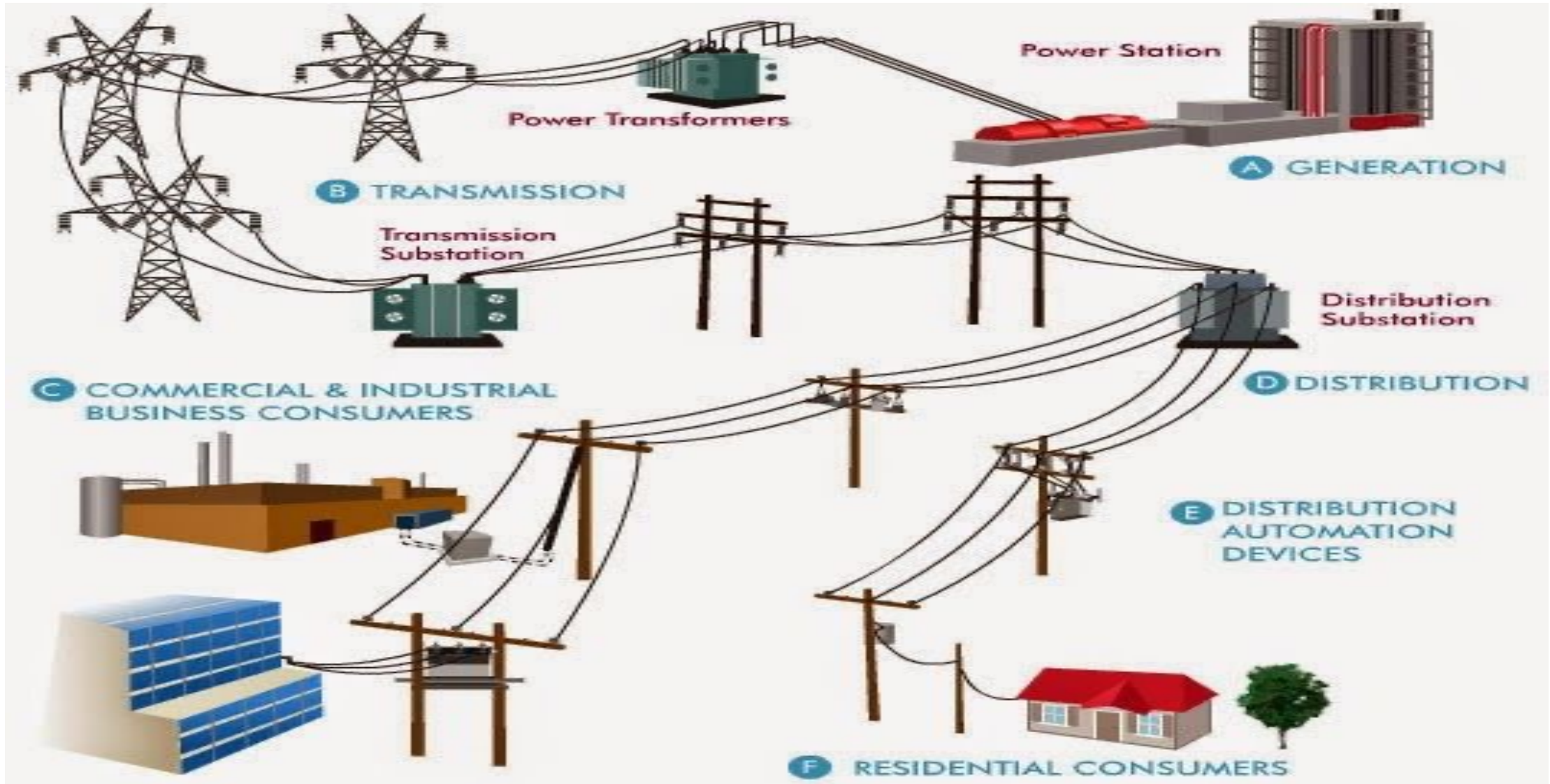
Metal Work Division

RTV Coating Division

High level insulator manufacturing process



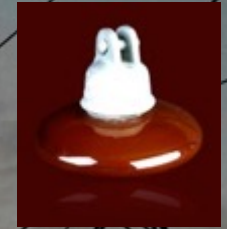
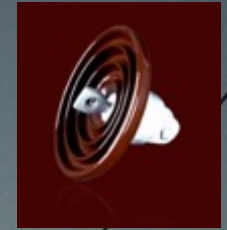
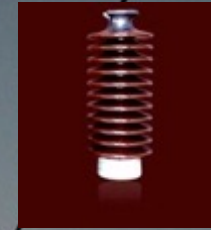
Energy System Overview





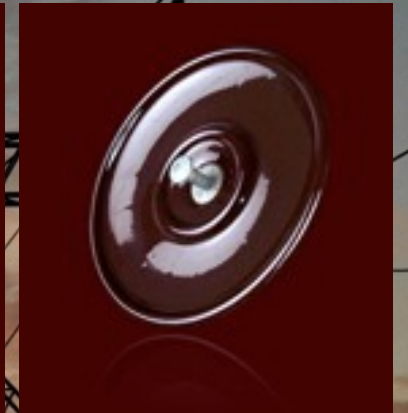
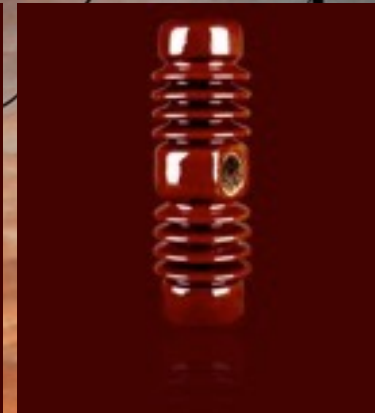
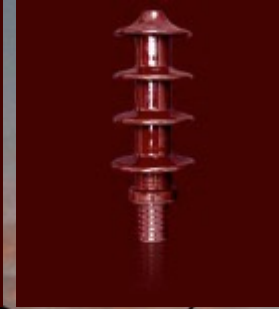
EMCO Industries

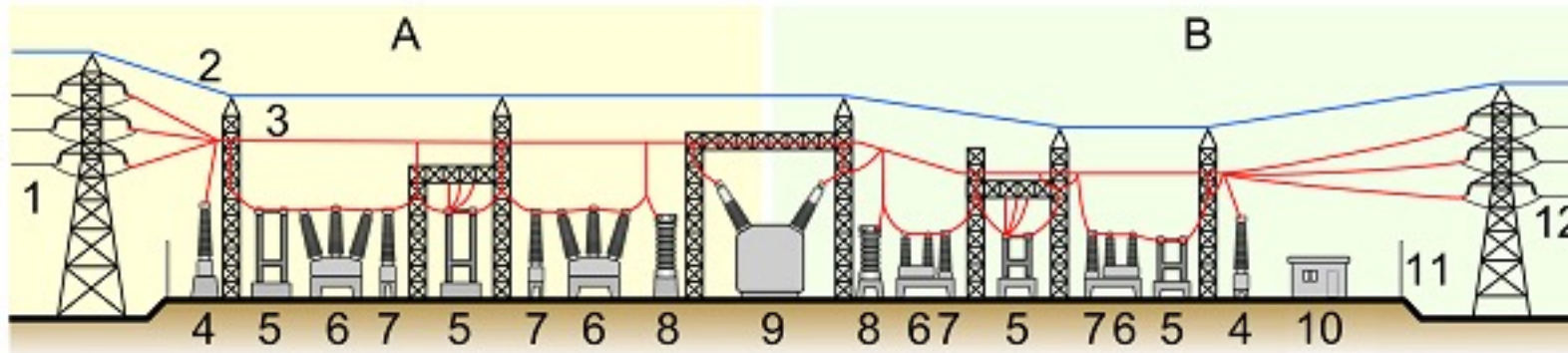
Product Portfolio Overview





Core Insulator Division: Transmission & Distribution Line Insulators





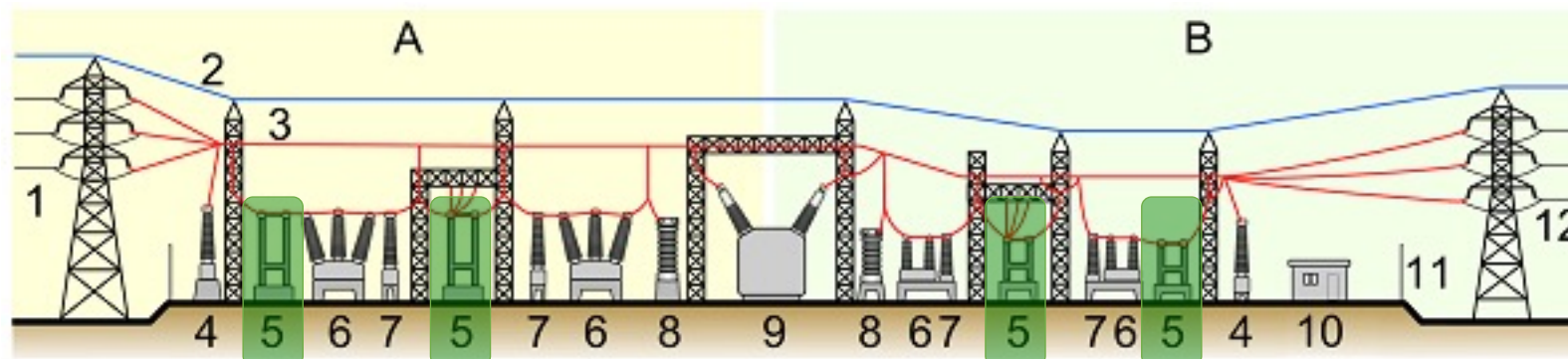
Elements of a substation A: Primary power lines' side B: Secondary power lines' side

1. Primary power lines (EMCO Existing: Transmission Line Insulators)
2. Ground wire
3. Overhead lines & Gantry (EMCO: Substation support Insulators & Interconnect Insulators)
4. Voltage Transformer – VT (EMCO VT)
5. Disconnect switch – EMCO Disconnect Switch)
6. Circuit breaker
7. Current Transformer – (EMCO CT)
8. Lightning Arrester (EMCO: Lightning Arrestors)
9. Main transformer
10. Control building
11. Security fence
12. Secondary power lines (EMCO Existing: Transmission & Distribution Line Insulators)

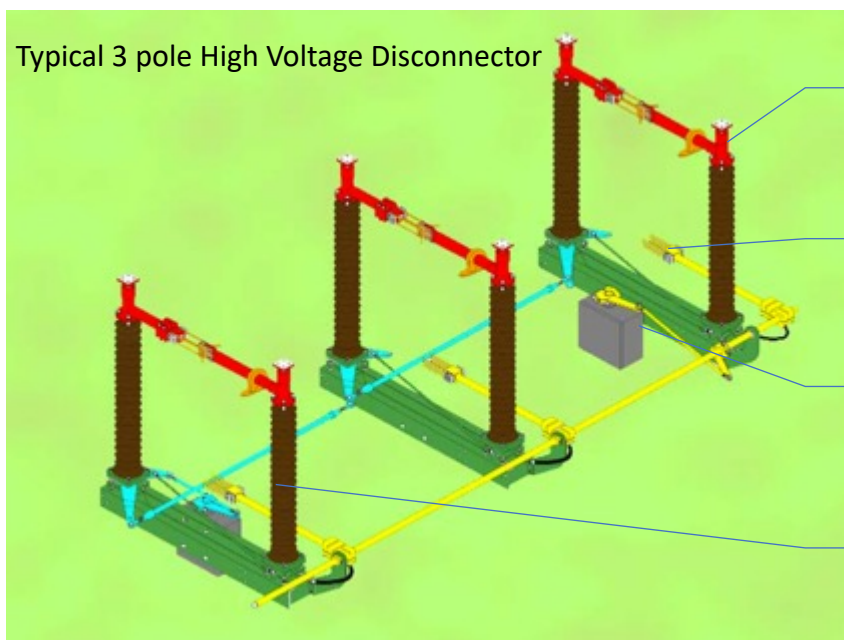


HV DISCONNECT SWITCHES





Typical 3 pole High Voltage Disconnecter



Current Carrying Arm

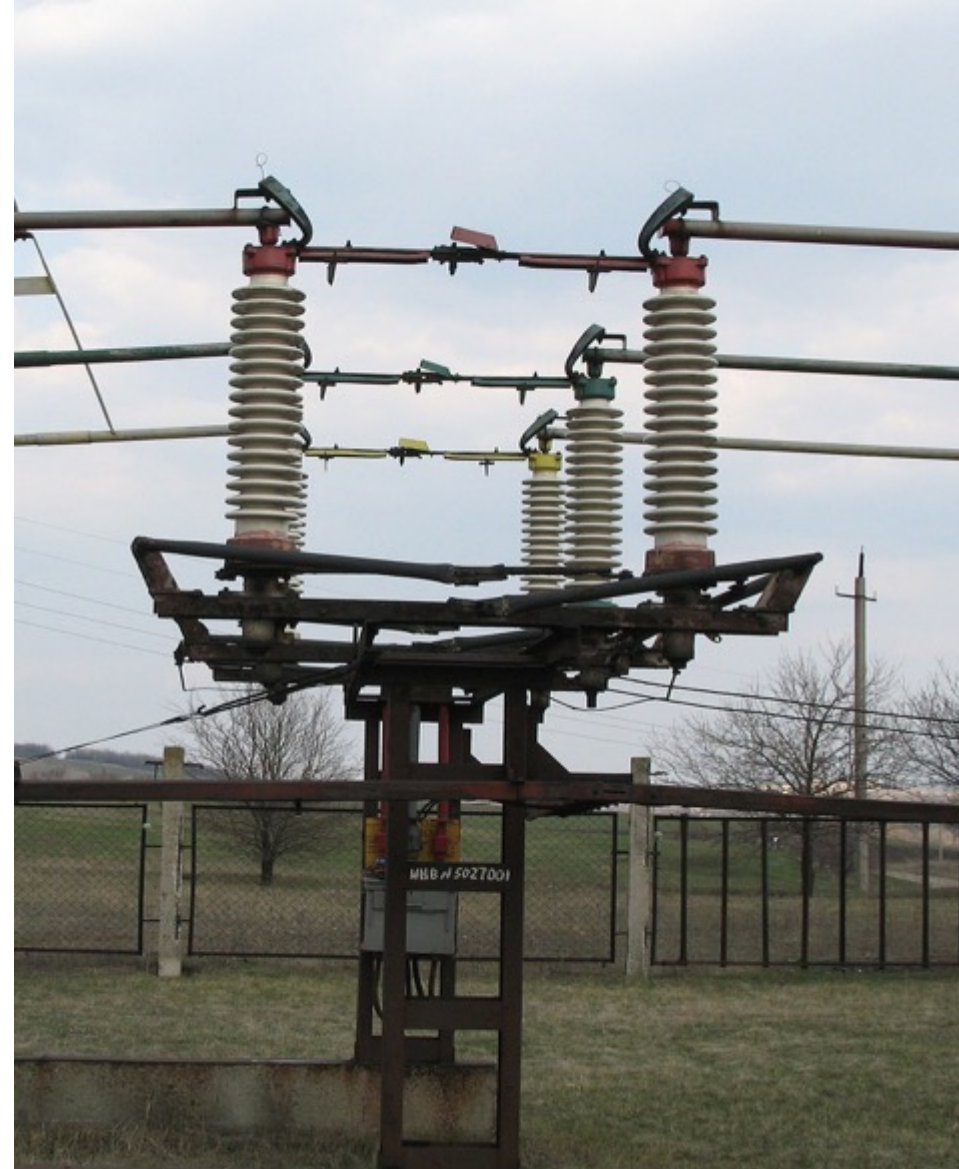
Earthing Switch

Base Frame, Operating Mechanism &
Steel Structure (not shown)

Local EMCO Manufactured Insulators x 6

FUNCTIONALITY OF A DISCONNECTOR

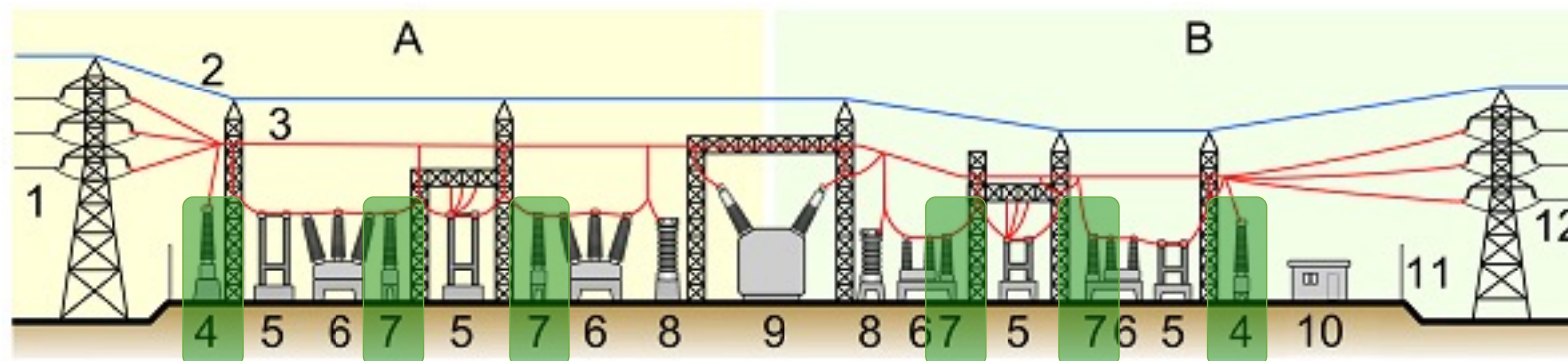
Disconnect switches rapidly **disconnect** circuits from power supplies in the event of an emergency. **Disconnect switches** can **function** in conjunction with circuit breakers, devices which interrupt the flow of electricity along a circuit when the current exceeds the circuit's capacity.



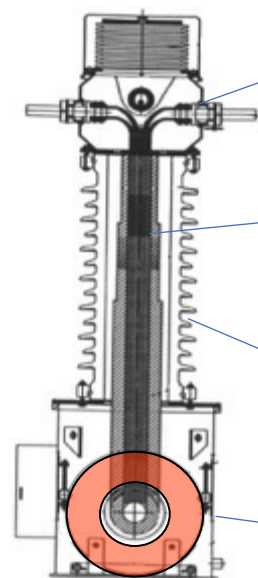


HV INSTRUMENT TRANSFORMERS





Typical Current Transformer Configuration



Local Tank, Connectors & Bellows

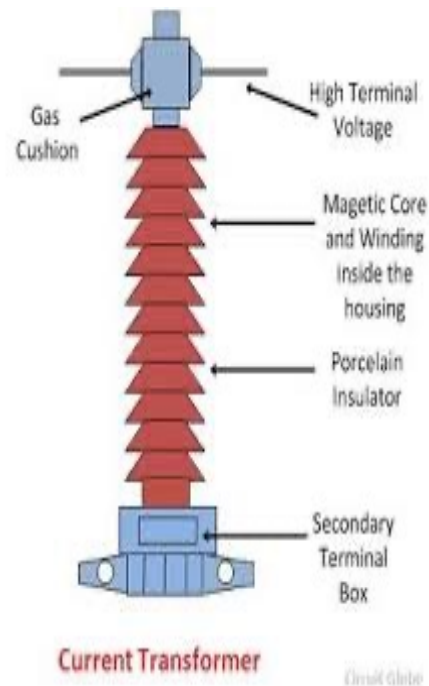
Imported Primary Core & Secondary Cores

Local EMCO Manufactured Insulator

Local Bottom Tank

FUNCTIONALITY OF A CURRENT/ POTENTIAL TRANSFORMER

A **current/ potential transformer** (CT/ PT) is a type of **transformer** that is used to reduce or multiply an alternating **current** (AC). It produces a **current** in its secondary which is proportional to the **current** in its primary.



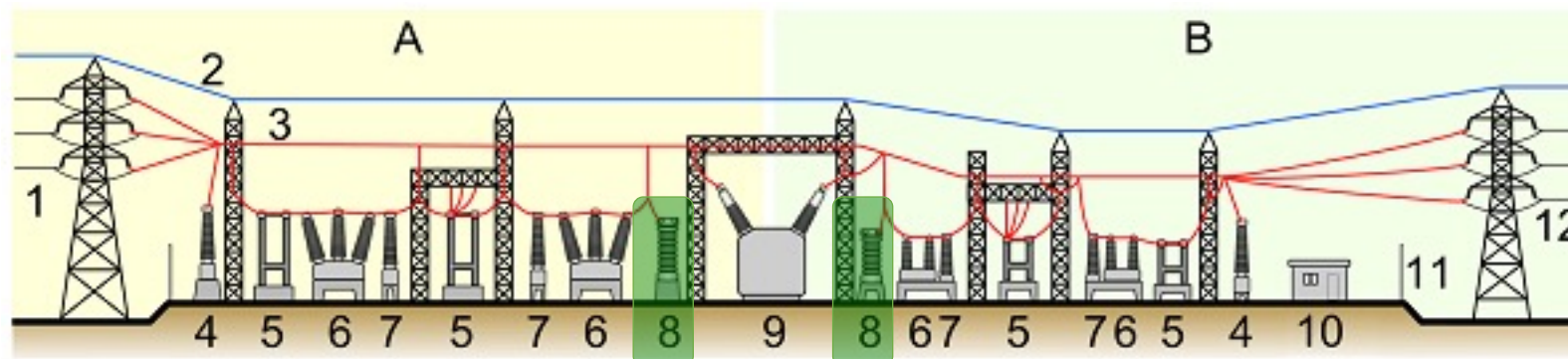
Instrument Transformer/CTPT Production EMCO Workshop



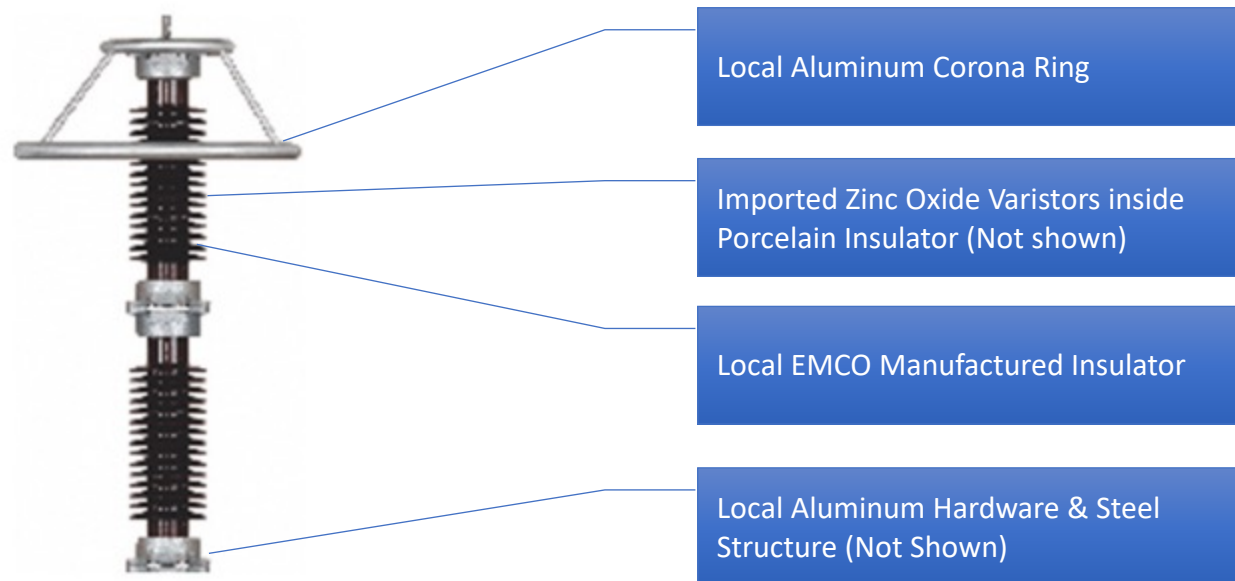


SURGE ARRESTOR RE-CERTIFICATION





Typical Surge Arrester Configuration



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) COATING PROJECT



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 dipping coat 5000-6000 insulators per day

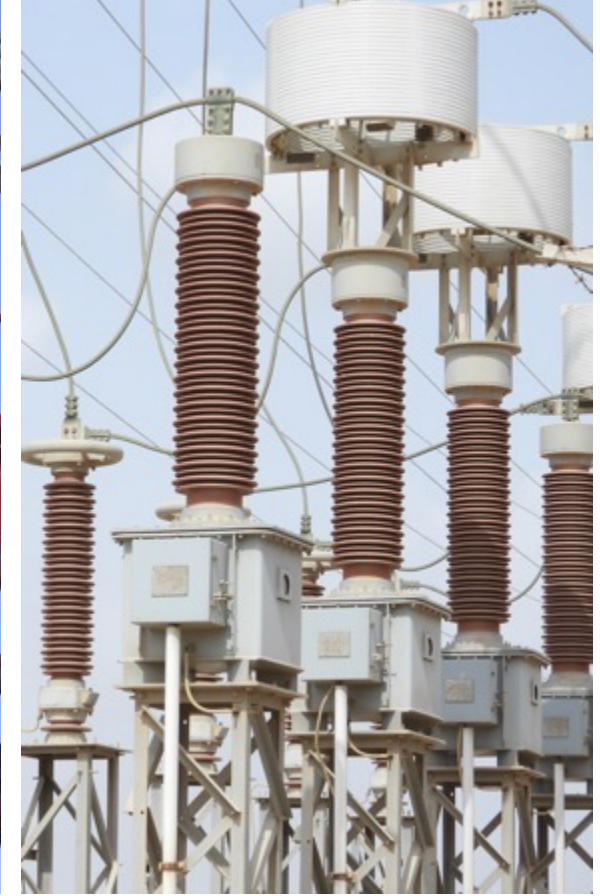
Quality Control Lab

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



RTV Coating Project – EMCO Workshop photos with visit from NTDC & NESPAK Representatives:





Metal Works Section



Metal Works Division: Forging, Fabrication, Galvanizing Facility



Major
Achievement:
DISCO
prequalification
Achieved for
M11 & M13
Metal
Hardware
product
manufacturing



State of the Art High Voltage Laboratory





EMCO's Second High Voltage Lab.

ISO 17025 Independent Accreditation Lab Status Achieved



High Level Operational Review

EMCO: High Level Overview

Managing Macroeconomic & Operational Volatility Through Strategic Adaption



Challenges & Headwinds



- Fiscal tightening and slow DISCO procurement in local Market
- Margin pressure from new lower-priced export lines & Metal Div
- Volatility in Metal input costs during the period impacting Metal Div, but positive contribution margin sustained

Performance Snapshot



- Revenue: Rs 3.61B (↓14% YoY); PBT Rs 42M; EPS Rs 1.59
- Exports: +174% YoY (Rs 463M / US\$1.8M).
- New Lines: Metal Hardware, HV Switchgear, Instrument Transformers

Strategic Response



- Export diversification: U.S., Brazil, Turkey, LATAM
- Localization: Reduced import reliance/improve costs
- Operational efficiency: Reconfigured production
- Finance cost reduced significantly YoY
- Strived to maintain viable production capacity utilization
- Governance: Credit rating A-/A-2 (Stable) Reaffirmed

Outlook & Next Steps (FY 2025-26)

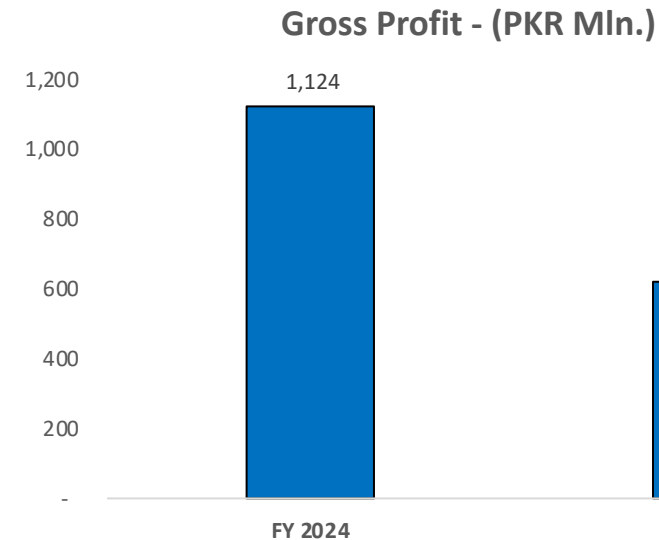
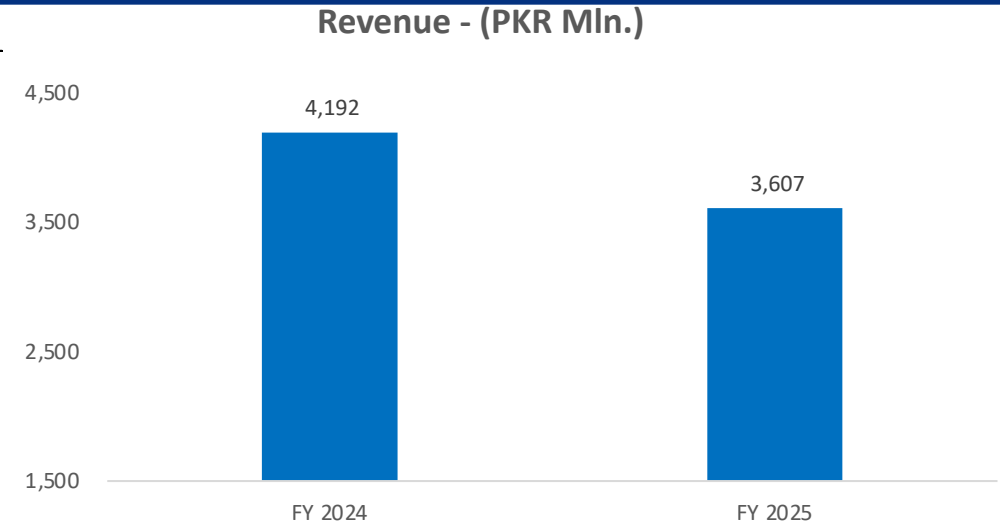


- Target additional export growth
- Initial signs of Rebound in DISCO procurement
- ISO 17025 certification & new testing services/relevance for Intl market
- Optimization to enhance operational efficiencies & resource utilization
- Expecting enhancement of GP Margins & improved capacity utilization

Financial Review

STATEMENT OF PROFIT OR LOSS

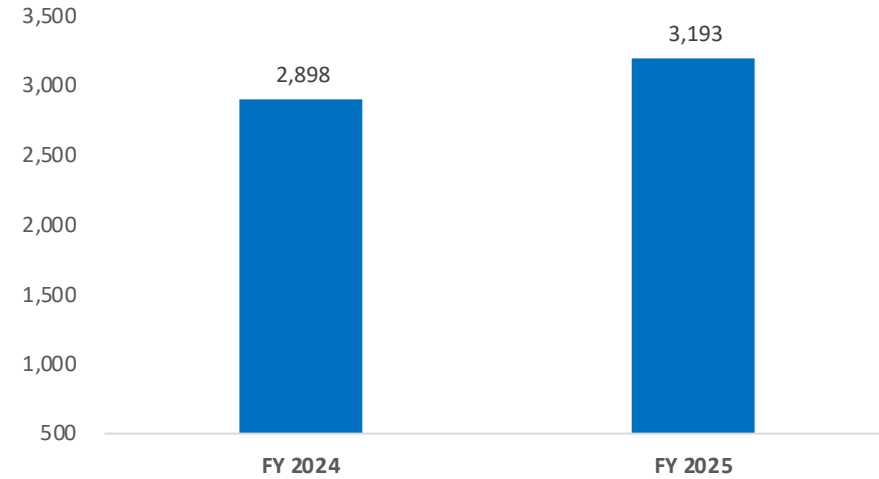
	2025		2024	
	Rupees	%	Rupees	%
Revenue	3,607,041,808		4,192,404,621	
Cost of revenue	(2,986,556,249)		(3,068,698,361)	
Gross Profit	620,485,559	17%	1,123,706,260	27%
Administrative expenses	(169,436,293)		(155,550,921)	
Selling and distribution expenses	(99,570,145)		(114,566,919)	
Operating Profit	351,479,121	10%	853,588,420	20%
Other operating expenses	(26,787,316)		(129,329,895)	
Other income	42,890,486		25,891,823	
Finance cost	(325,492,747)		(392,711,005)	
Profit before levy and taxation	42,089,544	1%	357,439,343	9%
Levy / final taxation	(43,378,796)		(1,491,826)	
(Loss) / Profit before income tax	(1,289,252)	0%	355,947,517	8%
Charge for taxation				
Current tax-				
For the year	(1,709,227)		(128,559,178)	
Prior year	13,936,202		(1,148,496)	
Deferred tax	44,802,651		(7,242,022)	
	57,029,626		(136,949,696)	
Net Profit for the Year	55,740,374	2%	218,997,821	5%
Earnings per Share - Basic and Diluted	1.59		6.26	



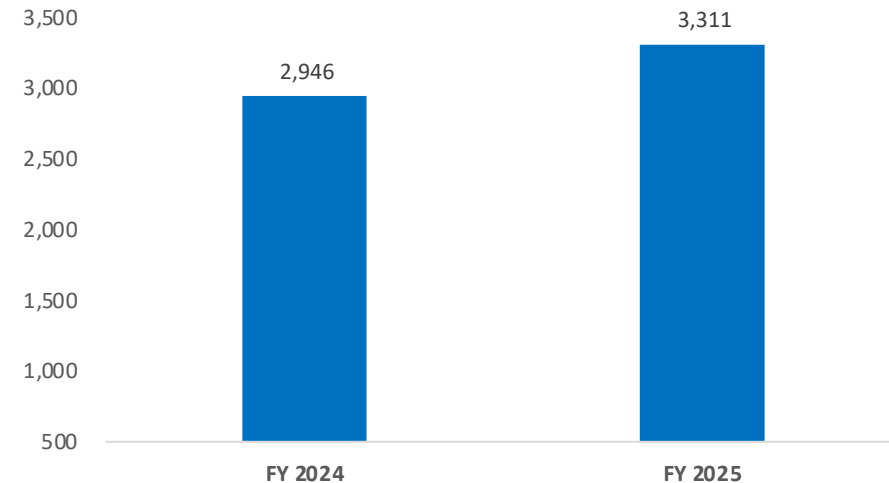
STATEMENT OF FINANCIAL POSITION

	2025 Rupees	2024 Rupees
EQUITY AND LIABILITIES		
35,000,000 (2024: 35,000,000) ordinary shares of Rs. 10 each	350,000,000	350,000,000
Reserves	1,101,473,324	1,022,310,340
Sponsors' loan	115,708,828	115,708,828
Surplus on revaluation of property, plant and equipment	1,744,162,885	1,458,112,397
	3,311,345,037	2,946,131,565
Non Current Liabilities		
Long term financing	464,340,306	550,558,968
Lease liabilities	-	2,850,000
Post employment benefits	189,175,068	163,701,914
Deferred tax liability	252,935,381	277,958,286
Long term security deposits	4,567,584	4,567,584
	911,018,339	999,636,752
Current Liabilities		
Trade and other payables	442,914,232	514,373,092
Unclaimed dividends	768,578	768,578
Accrued finance cost	55,041,582	90,446,234
Short term borrowings	1,196,499,836	1,054,965,902
Current portion of non-current liabilities	176,088,051	162,669,833
	1,871,312,279	1,823,223,639
Total Equity and Liabilities	6,093,675,655	5,768,991,956
ASSETS		
Non Current Assets		
Property, plant and equipment	3,192,525,667	2,897,920,987
Investment properties	113,385,532	91,138,800
Intangible assets	3,467,504	3,746,254
Long term prepayments	57,562,935	58,156,456
Long term loans	877,482	1,135,282
Long term deposits	5,096,916	4,091,616
	3,372,916,036	3,056,189,395
Current Assets		
Stores, spares and loose tools	91,903,355	106,992,488
Stock in trade	1,656,546,020	1,175,579,958
Trade receivables	562,234,255	1,242,405,524
Advances, deposits, prepayments and other receivables	150,786,010	92,631,271
Income tax refundable from the Government	215,298,095	85,113,389
Cash and bank balances	43,991,884	10,079,931
	2,720,759,619	2,712,802,561
Total Assets	6,093,675,655	5,768,991,956

PPE- (PKR Mln.)



Share holder Equity - (PKR Mln.)





Q&A

Thank You