

Millat Tractors Limited

Corporate Briefing Session
Financial year ended 30 June 2025

November 18, 2025

Table of contents

- ❑ Company overview
- ❑ Industry information
- ❑ Financial performance
- ❑ Future outlook
- ❑ Q&A session



Millat Tractors Limited - Company Overview

- ❑ Public Limited Company - Listed on Pakistan Stock Exchange(PSX)
- ❑ Established in 1964, Nationalized in 1972, Employee/Management buyout in 1992
- ❑ Quality Management system upgraded to ISO 9001:2000 in 2000
- ❑ Launch of Emission Compliant Diesel Engines and Export Tractor Models in 2017
- ❑ Merger of Millat Equipment Limited with and into Millat Tractors Limited
- ❑ Market capitalization of PKR 112 billion (PSX) as at June 30, 2025
- ❑ Excellence in Corporate Management award by MAP – three years consecutive
- ❑ Top 25 PSX company awarded by PSX consecutively for the years 2017, 2018, 2019 and 2022
- ❑ Best Corporate and Sustainability report 2022 award by joint committee of ICAP and ICMAP



VISION

“ Millat to be a global group of companies, recognized for a range of quality products with innovative design capabilities.”

MISSION

“ To be the market leader in agricultural tractors and machinery, building company's image through innovation and competitiveness, grow by investing into group companies, ensuring satisfaction to customers and stakeholders and to fulfill our social obligations.”



Product range MTL



- ❑ MF Tractors from 50 – 85 hp
- ❑ Agricultural implements
 - Fodder and Combine Harvesters
 - Balers, Laser Land Leveler
- ❑ Diesel Power Generators (12.50 to 500 KVA)
- ❑ Prime movers
- ❑ Forklift trucks (3 to 4 Ton)
- ❑ Spare Parts and After Sale Market
- ❑ Millat IFS Business Channel- Partner of IFS SWEDEN

TRACTORS

MTL is tractor assembling company which assembles **MASSEY FERGUSON (MF)** brand tractors for local and export market, ranging from 50 HP to 85 HP. The company also introduced **MF 375 SE** for its existing tractors. Following are the some of the main tractors:

MF 235 Tractor (2WD): "Specially designed for Orchards and Narrow Spaces."

- 50 HP Millat Engine.

MF 240 Tractor (2WD): "The Most Popular and Economical Tractor"

- 50 HP Millat Engine.

MF 385 Tractor:

MF 385 2WD "The Long Term Partner Most Powerful Yet Economical"

MF 385 2WD Deluxe "Added Safety, Road Grip, Power and Length"

MF 385 4WD "The Strongest Pakistan Made Tractor Edge Over 2WD"

MF 385 4WD Deluxe "Increased Strength, Stability, Convenience and Performance"

- 85 HP Millat Engine.



MF 260 Tractor:

MF 260 (2WD) "A Multi-Purpose Tractor"

MF 260 (2WD) Deluxe "Upgraded, Efficient, Comfortable and Multi-Purpose Tractor"

- 60 HP, Turbo Millat Engine.

MF 360 Tractor:

MF 360 2WD "Robust, Reliable & Rugged"

MF 360 4WD "The Most Powerful 4WD Tractor of Medium Horsepower Range in Pakistan"

- 60 HP, Turbo Millat Engine

MF 375 Tractor:

MF 375 2WD "Enhanced Power to Excel Progress"

MF 375 SE "Enhanced Power with Lowest Price"

MF 375 4WD "The Best Combination of Fuel Economy and High Pulling Power"

- 75 HP Millat Engine.



INDUSTRIAL PRODUCT DIVISION (IPD)

- ❑ IPD is a separate business unit (SBU) of MTL deals with Power generating sets, Fork lift trucks, Prime movers etc.

Power Generating Sets

- ❑ Following is the Generating set range
 - 12.5 kVA to 500 kVA



Electropack engines

- ❑ MTL introduced 3 and 4 cylinders locally made Electropack engines for Diesel generating sets available for sale in market.
- ❑ Following is the Electropack engines range:
 - 15kVA to 50 kVA

Forklift Trucks

- In collaboration with Heli Forklift Truck Manufacturing Company, China
- 3-Ton capacity
- Millat 3- Cylinder Engine



Prime Movers

- 3-Cylinder (50 HP)
- 4-Cylinder (75 HP)



- ❑ IPD sales during the year are **Rs. 434 million.**

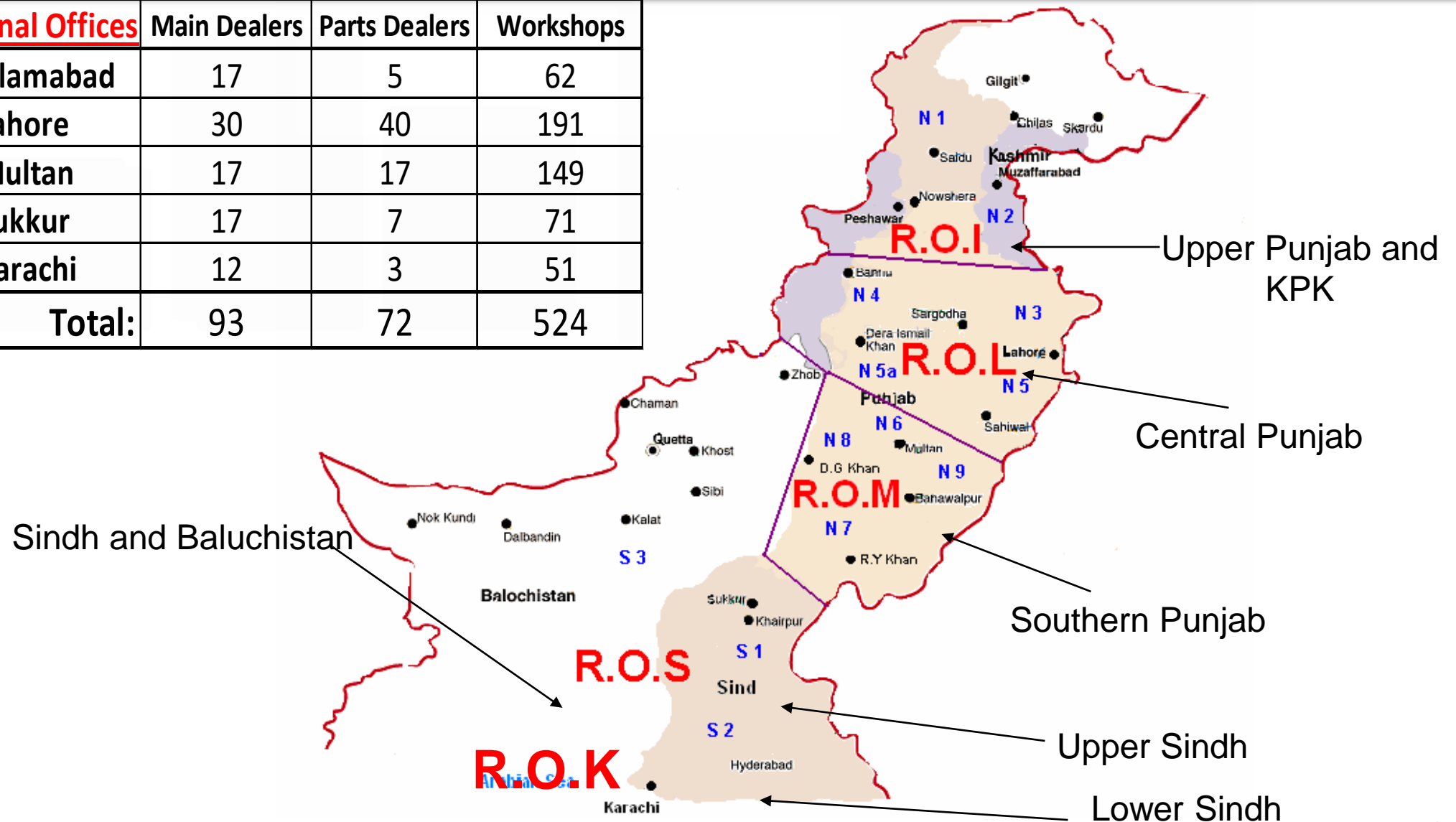
Spare Parts and After Market

- ❑ In order to meet the spare parts requirement of all products of MTL, it has developed a separate business unit.
- ❑ This segment deals in sale of all spare parts, lubricant oils, batteries, filters, grease, paint, sheet metal parts etc. of all products of MTL.
- ❑ Parts segment has a network of 72 parts dealers, which works in collaboration with 93 main dealers and 524 workshops of distribution and service department of MTL all over Pakistan.
- ❑ Sales of **Rs. 2,830 million** during 2024-25.



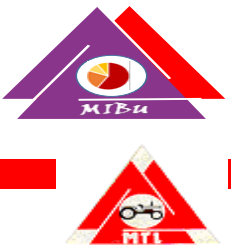
MILLAT'S DEALERS GEOGRAPHICAL COVERAGE

	Location of Regional Offices	Main Dealers	Parts Dealers	Workshops
1	Regional Office Islamabad	17	5	62
2	Regional Office Lahore	30	40	191
3	Regional Office Multan	17	17	149
4	Regional Office Sukkur	17	7	71
5	Regional Office Karachi	12	3	51
	Total:	93	72	524



Millat IFS Business Channel - Partner of IFS SWEDEN

- ❑ In line with the vision of management, considering the importance of Information Technology for industry, MTL decided to implement globally renowned ERP, IFS Applications in Millat Tractors Limited in 2009.
- ❑ Having trained and qualified human resources since 2009, MTL entered into sales and implementation partnership for IFS Applications to extend the benefits of digital transformation to other group companies and automotive industry and formed a Business unit as Millat IFS Business Unit (MIBU).
- ❑ MIBU is selling and implementing ERP solution, IFS Applications that help companies get better return on investment.



Millat IFS Business Channel- Partner of IFS SWEDEN

➤ IFS Applications (ERP Solution)

- Manufacturing
- CRM
- Supply Chain
- Quality
- Analytics
- DMS
- Projects
- Service & Maintenance
- HRM
- Financials

➤ IFS Consultancy

- Implementation
- SLA & Support
- Integration
- Trainings
- Third Party Audit/QA
- Remote Services

➤ Existing Customers

- Cybix Consulting FZ-LLC, UAE
- GAZI Tyres
- Inivos Consulting Private Limited
- MEASA Engineering Services (Pvt.) Ltd
- Synergy Computers Private Limited
- VS ONE Bangladesh Limited
- WIA Systems Inc.
- Millat Group, Pakistan
 - Millat Tractors Limited (MTL)
 - Millat Industrial Products Limited (MIPL)



MILLAT GROUP

Millat Tractors Limited

Subsidiary Companies

TIPEG Intertrade DMCC

75%

Rs. 40 million

- (Free Zone Company under Regulations of DMCC)
- Trading arm of the company

Millat Industrial Products Limited

64.09%

Rs. 57 million

- Public Limited Company – (Unlisted)
- Manufacturer of automotive & UPS batteries

Bolan Castings Limited

46.26%

Rs. 77 million

- Public Limited Company – (Listed on PSX)
- Manufacturer of casting components

Others

Hyundai Nishat Motors (Private) Limited

15.86%

* Rs. 5,824 million

Baluchistan Wheels Limited

9.62%

* Rs. 167 million

* MARKET FAIR VALUE



TIPEG Intertrade DMCC

- ❑ **TIPEG INTERTRADE DMCC** is a free zone company with limited liability registered with Dubai Multi Commodities Centre Authority. The company was incorporated in 2012.
- ❑ **TIPEG INTERTRADE DMCC**, is a trade hub established to promote locally manufactured engineering equipment and components worldwide. Based under the umbrella of Millat Tractors, TIPEG is determined to bridge distance and technical gaps between local manufactures and global markets for two way trading.
- ❑ TIPEG made sales of **AED 19 million** during the year.
- ❑ No dividend was declared during the year.



Millat Industrial Products Limited (MIPL)

- ❑ **Millat Industrial Products Limited**, a subsidiary of **MTL** is a public limited company, and mainly known as a leading Automotive Batteries manufacturer.
- ❑ Company is producing complete range of Automotive / UPS batteries with special emphasis on deep cycle series and maintenance free batteries.
- ❑ **MIPL** generally has different types of batteries in its product range i.e.
 - **Standard Range** 5 -33 Plates/Cells
 - **CNG Range** 09-13 Plates/Cells
 - **UPS Range** 13-29 Plates/Cells
 - **Deep Cycle Range** 07-23 Plates/Cells
 - **Solar Range** 5-9 Plates/Cells
 - **Maintenance-free Range** 9-15 Plates/Cells
- ❑ Dividend received by MTL from MIPL during the year was **Rs. 46 million**.



Bolan Castings Limited (BCL)

❑ **Bolan Castings Limited**, a subsidiary of **MTL**, acquired in 1994, is a listed public limited company, and mainly known as an automotive foundry with a capacity of over 16,000 tons per annum (manufacturing of casting components).

❑ **Product Range**

▪ **Grey Iron Castings**

- Tractor's Engine Blocks Engine Heads
- Centre Housings
- Transmission Case
- Axle Casing
- Oil Sump
- Bearing Caps
- Trucks / Buses / Cars, Brake Drums Pump Castings
- Spheroidal Graphite/Nodular/Ductile

▪ **Iron Castings**

- Axle Housings
- Axle Supports
- Differential Cases
- Hydraulic Boxes
- Rocker Links
- Sleeves
- Hubs and Bearing Covers etc.

❑ No dividend was declared during the year.

OTHER Group Members

□ Hyundai Nishat Motors (Private) Limited

- **15.86%** shareholding by MTL as at June 30, 2025.
- Cost of investment is **Rs. 3,103 million** as of June 30, 2025.
- Fair value as on June 30, 2025 is **Rs. 5,651 million**.
- Dividend received during the year was **Rs. 62 million**.

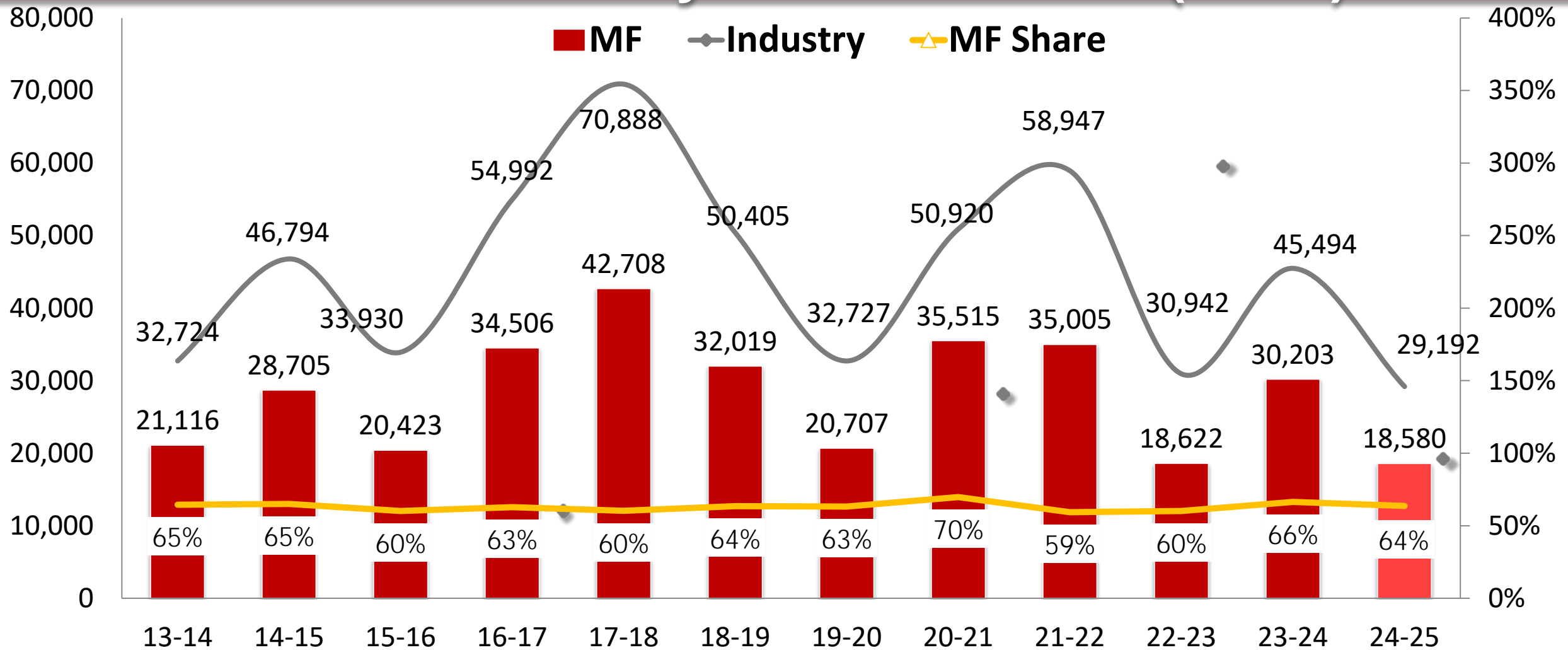
□ Baluchistan Wheels

- **9.62%** shareholding by MTL.
- Cost of investment is **Rs. 12 million**.
- Fair value as on June 30, 2025 is **Rs. 182 million**.
- Dividend received during the year was **Rs. 12 million**.

INDUSTRY OVERVIEW



Tractor Industry and MTL Sales (units)



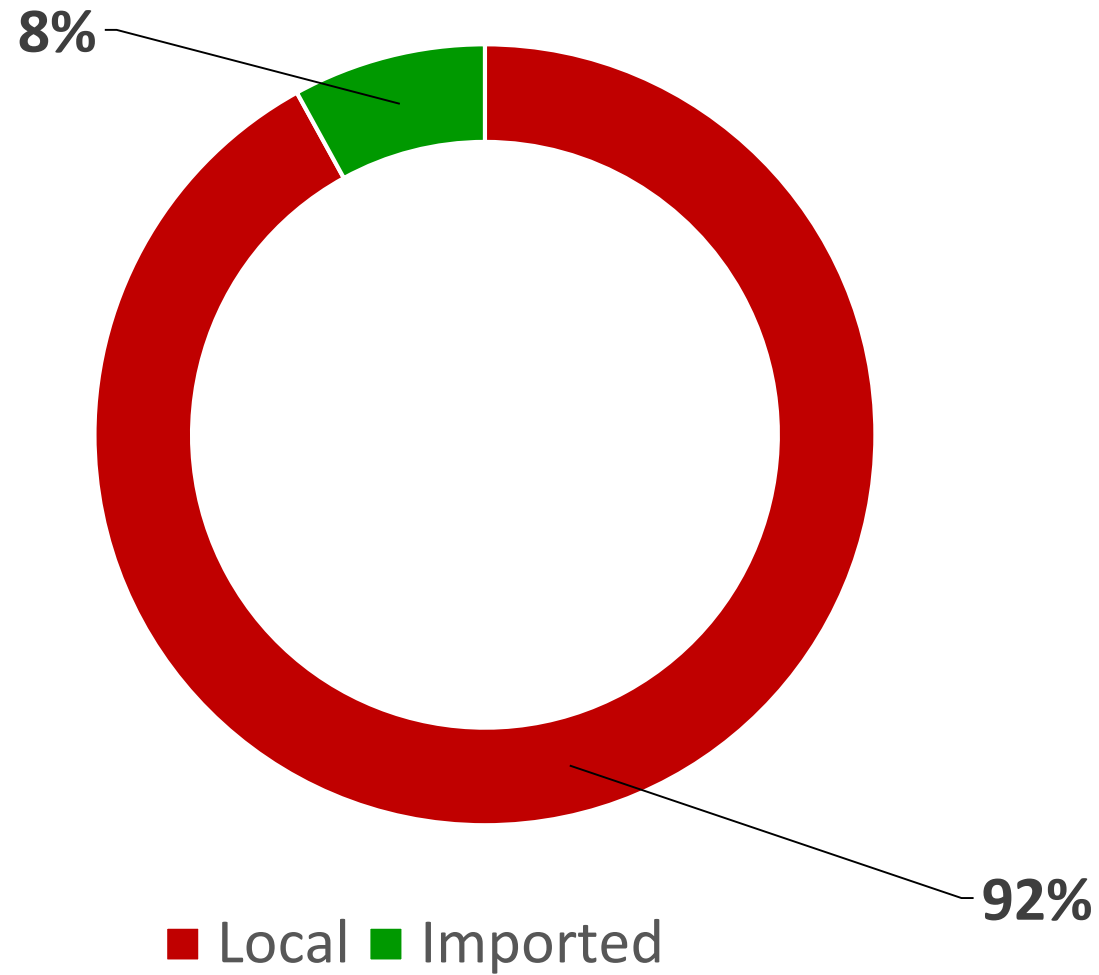
Tractor industry annual sales units 2024-25:

❖ Fiat (AGTL) 10,612

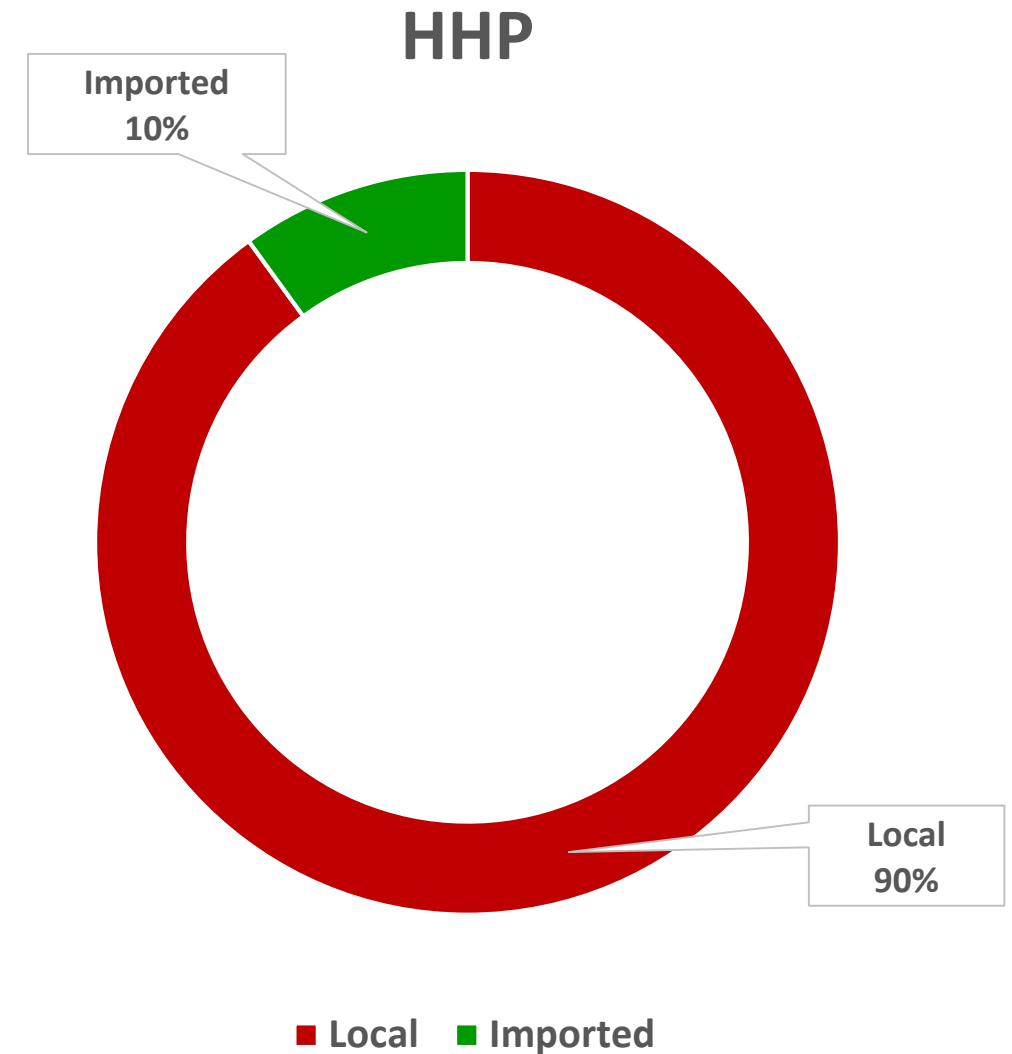
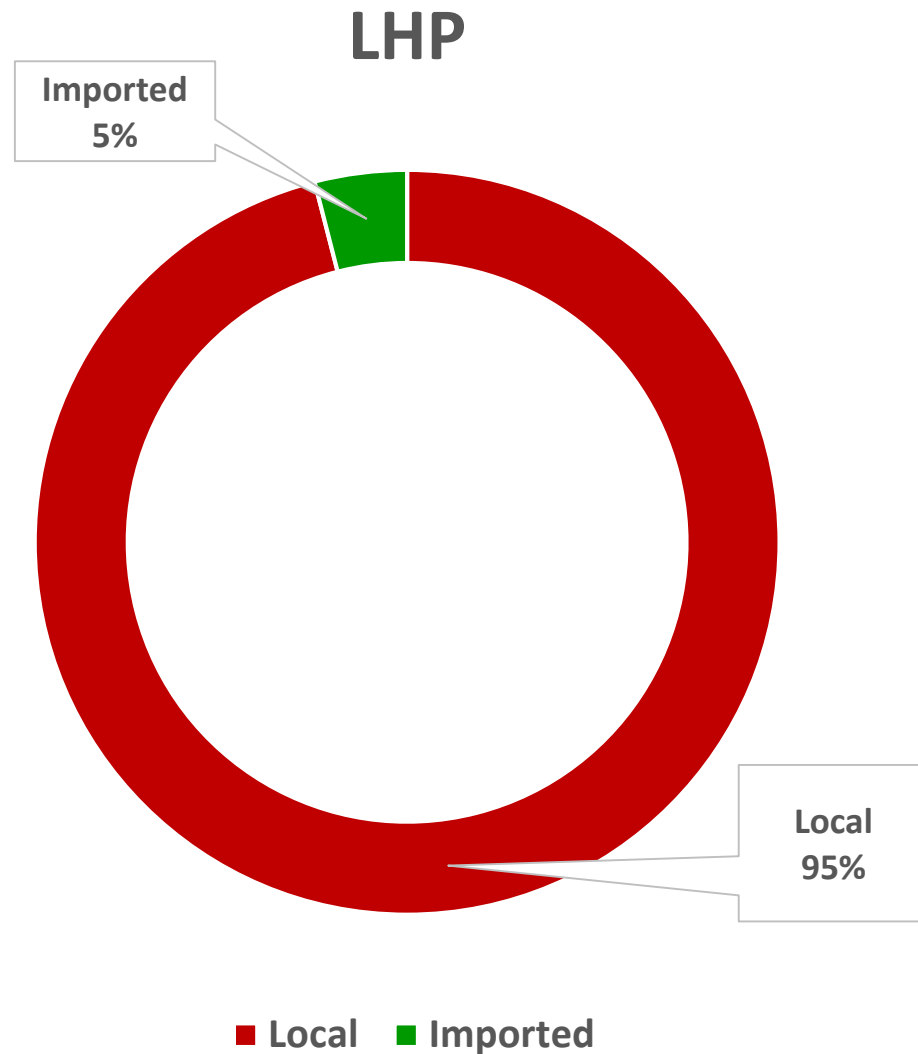
❖ Massey Ferguson (MTL) 18,580



Average Composition of Local vs Imported Components Tractors



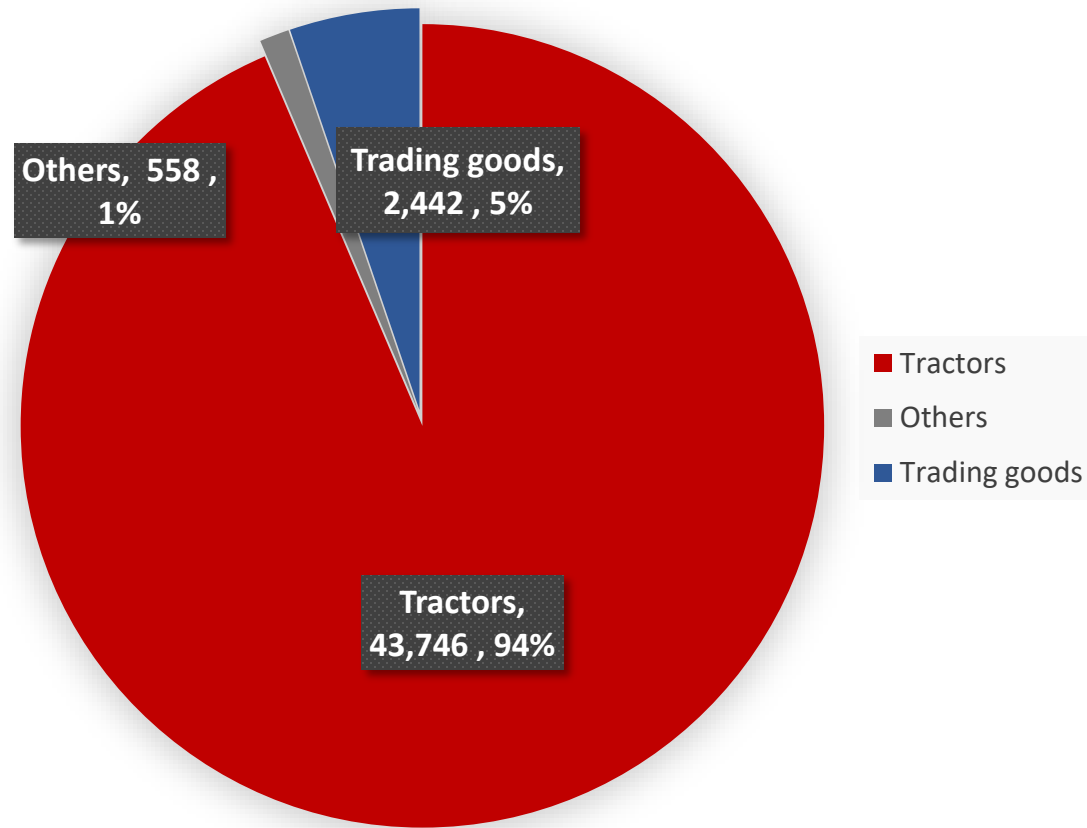
Average Composition of Local vs Imported Components Tractors LHP & HHP



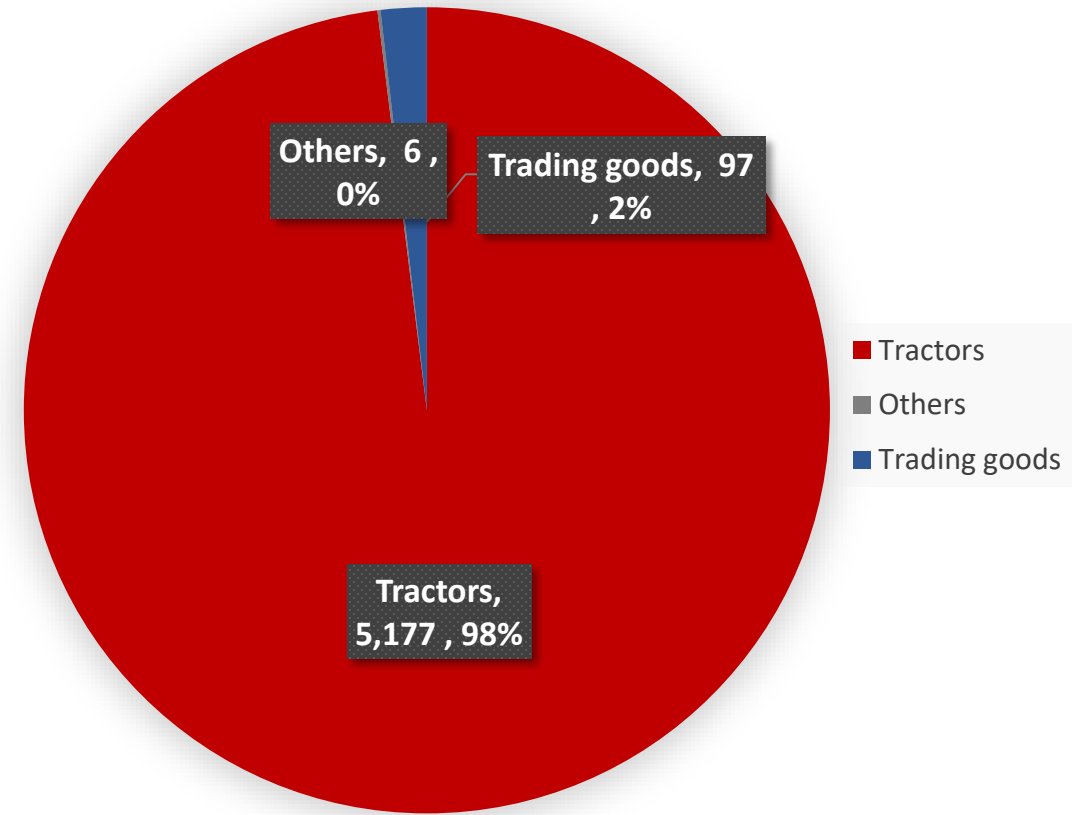
FINANCIAL PERFORMANCE



Sales (Rs. in million)



Local sales



Export sales

Tractor sales comparison 2024-25 and 2023-24

- ❑ Overall sales of the Tractor industry went down by 36% from 45,494 to 29,192 units.
- ❑ Reason for industry decrease:
Government policies and Green Tractor Scheme package have contributed in the decrease in sales as most of the farmers benefitted from this package. Further the Government announcement of providing this opportunity in the next year 2025-26 therefore impacting the overall market of this sector.
- ❑ MTL's sales decreased by 39% in terms of units sold by achieving 18,580 mark with a market share of 64%. In addition to the factors contributing to the overall industry decrease, the company's export sales have also been slightly affected.



MTL PERFORMANCE FOR THE YEAR ENDED JUNE 2025

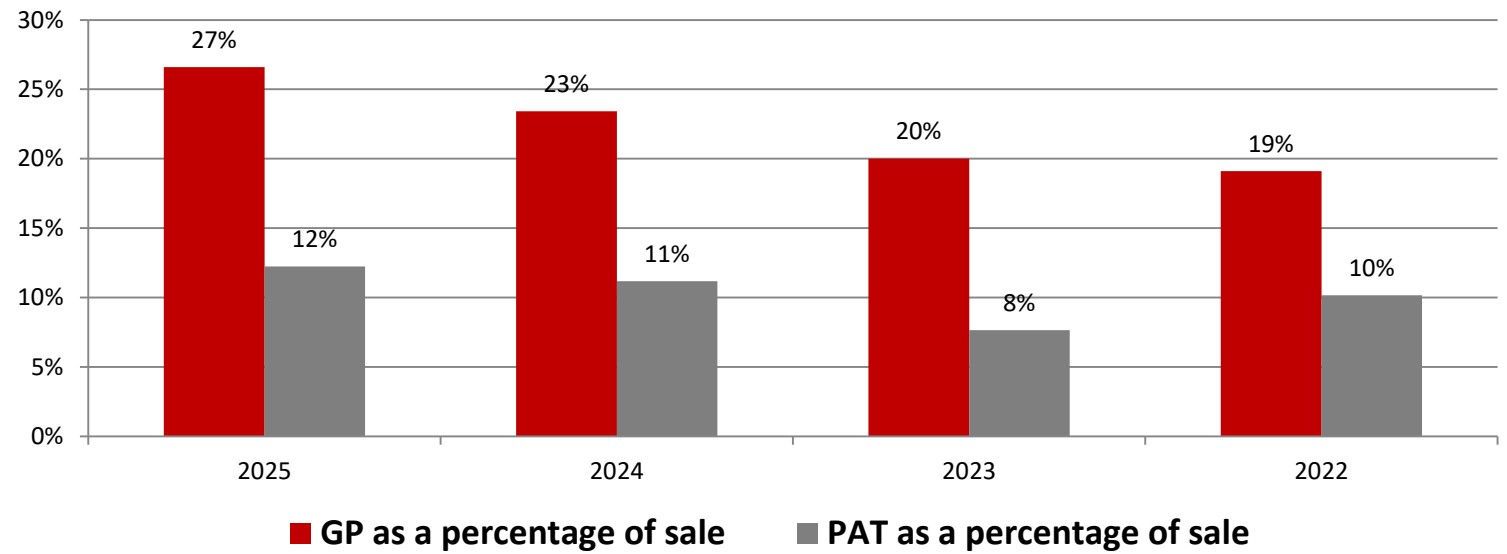
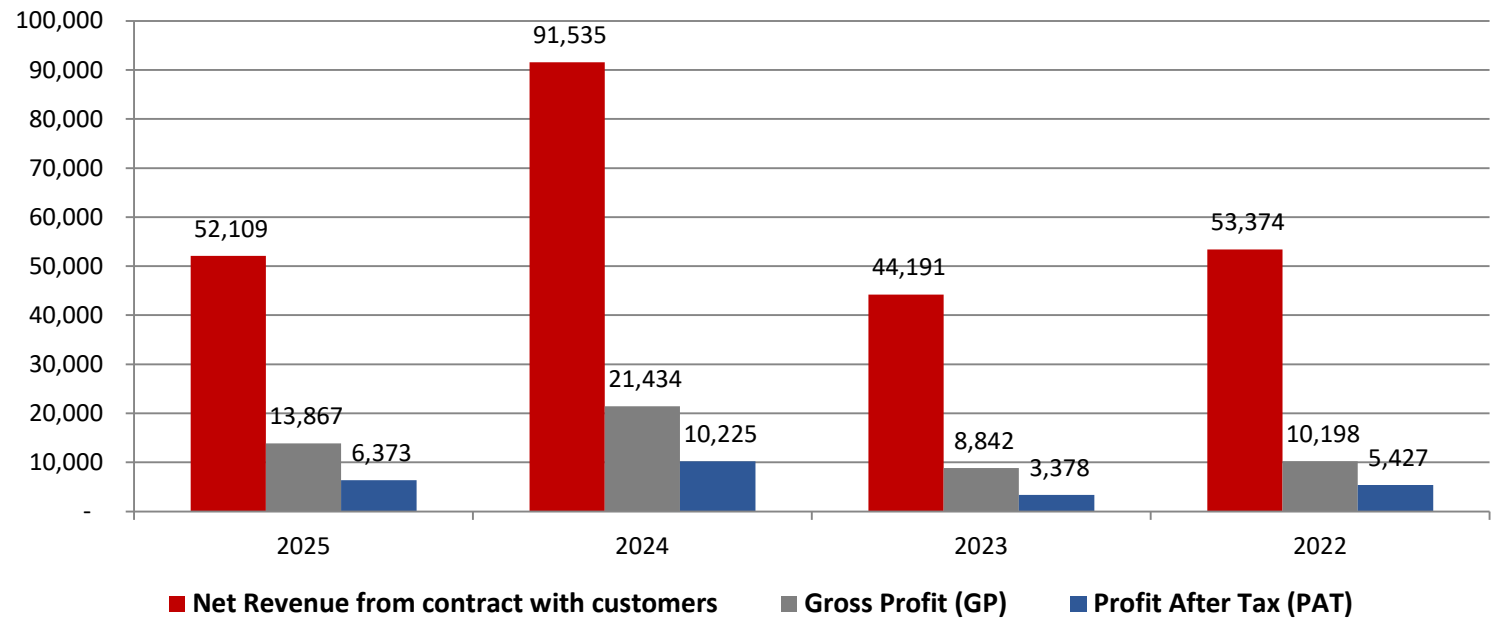
	2025	2024	Increase/ (decrease)	%
Units sold	18,580	30,620	(12,040)	39%↓
Units produced	18,637	30,479	(11,842)	39%↓

	Rs. in million	Rs. in million	Rs. in million	%
Revenues - net	52,109	91,535	(39,426)	43%↓
Gross profit	13,867	21,434	(7,567)	35%↓
Other income	639	1,142	(503)	44%↓
Finance cost	2,173	1,190	983	82%↑
Profit before tax	8,064	16,828	(8,764)	52%↓
Profit after tax	6,373	10,225	(3,852)	38%↓
EPS – basic and diluted (rupees)	31.94	52.26	(20.32)	39%↓

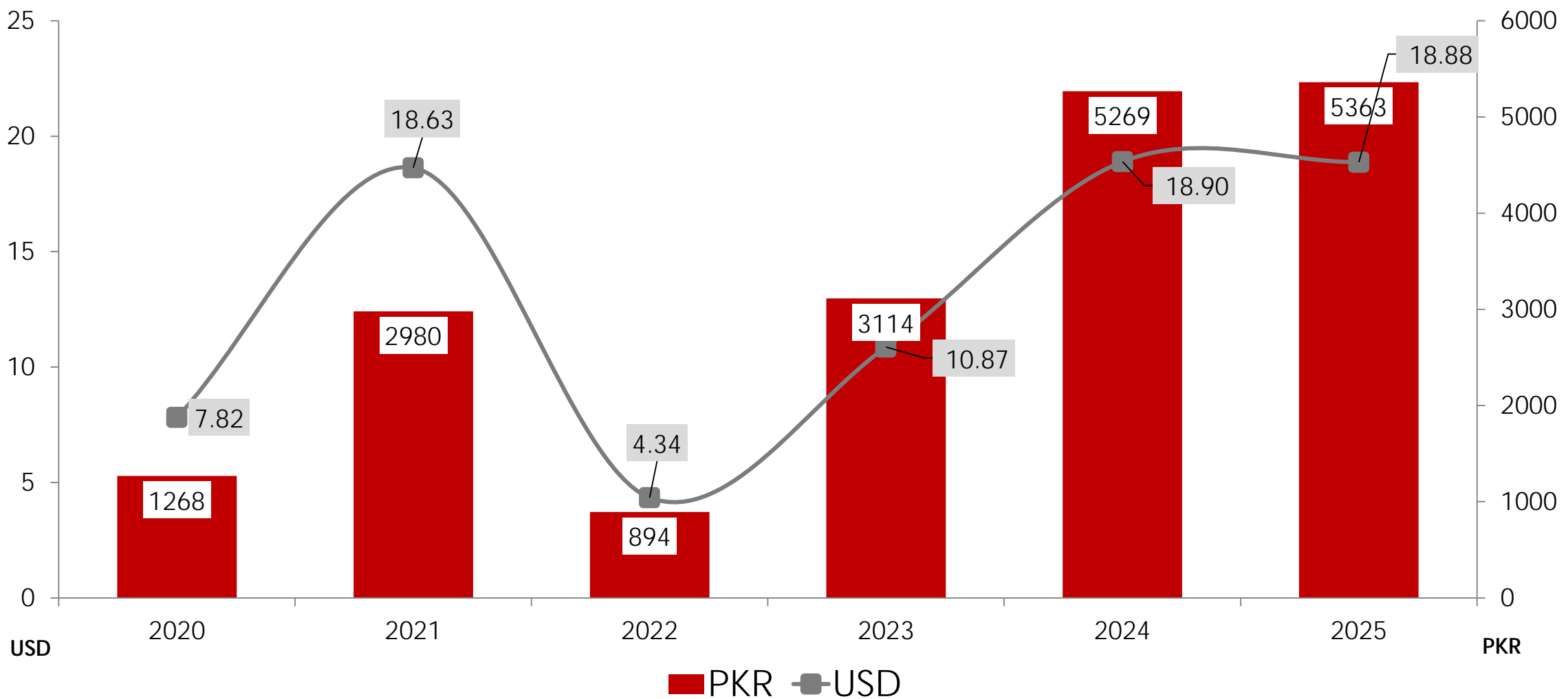


Profitability

- ❑ **Net revenues** decreased by 43.1%.
- ❑ **Gross profit ratio** increased by 4% due to effective cost control measures taken by the management.
- ❑ **Profit after tax ratio** increased by 1%, owing to cost control measures.



Exports – (million)



Export volume has decreased to 2,607 units against 2,761 units in the last year.

* Source: Annual published financial statements

Financial Position as on June 30, 2025 (Rs. in million)

	2025	2024	Change	%
Current assets	24,974	24,459	515	2%↑
Current liabilities	23,333	19,759	3,574	18%↑
Shareholders equity	8,076	10,953	(2,877)	26%↓

Reasons:

- Increase in current assets is primarily due to increase in company's inventory by Rs. 515 million in the current year.
- Increase in current liabilities is mainly due to increase in short term borrowings which were obtained to meet the working capital requirement.
- Shareholders equity decreased due to dividend declared during the year.



Market performance

Ratios		2025	2024	Increase/ (decrease)	(%)
Price Earning (PE)	Times	17.49	12.17	5.32	44%↑
Return on Capital Employed (ROCE)	Percentage	161.92	195.87	(33.95)	17%↓
Current Ratio	Times	1.07:1	1.23:1	-	-
Debt : Equity Ratio (D/E)	Times	10:90	11:89	-	-

PE has risen due to decrease in both the share price and earning per share in comparison to last year; ROCE has decreased which is in line with profitability; current ratio has decreased due to decreased inventory valuation and increased short term borrowings; and D/E has decreased owing to repayment of long term loans.

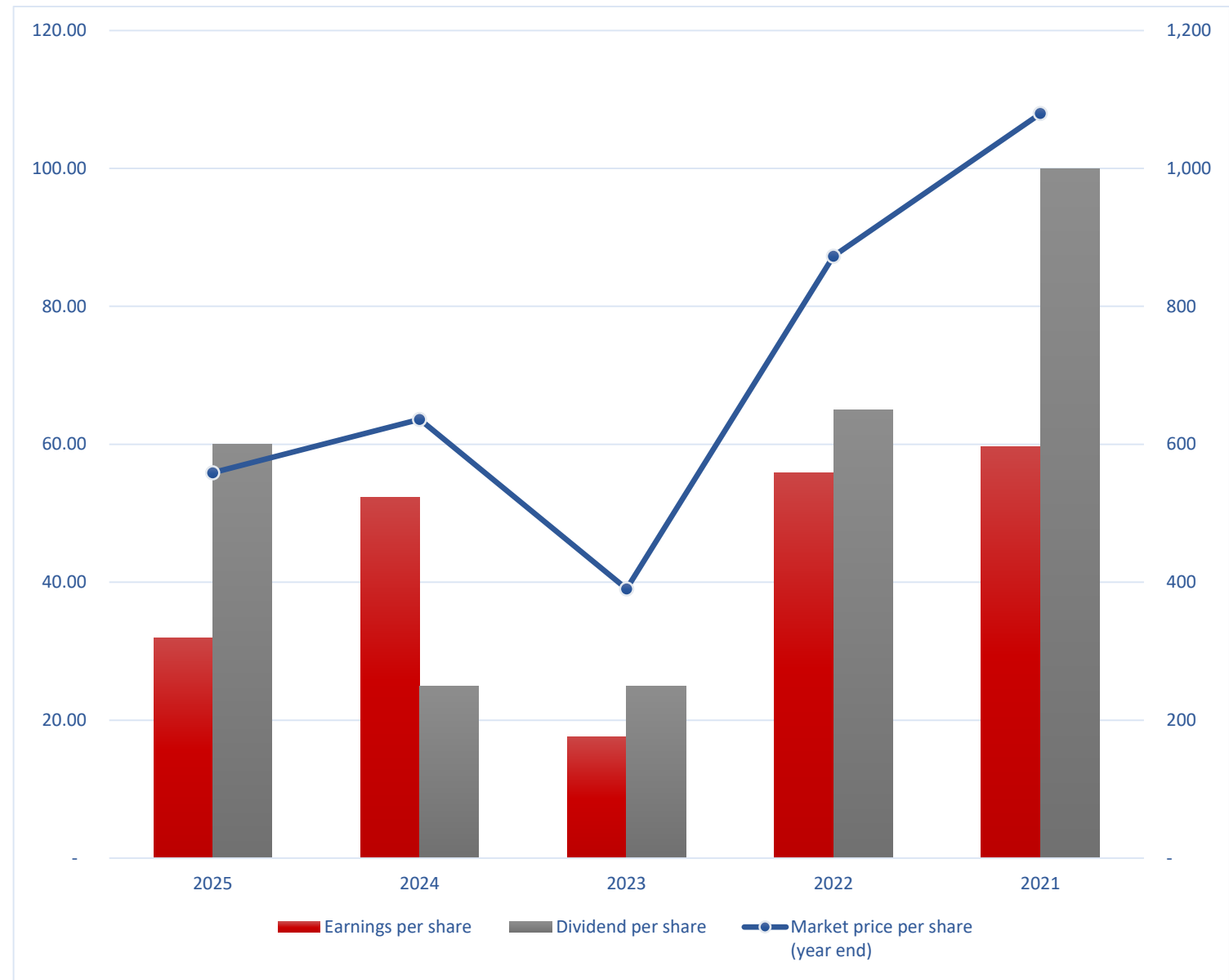
Share Performance		2025	2024	Increase/ (decrease)	(%)
Market Value per share (Year End)	Rs	558.66	636.08	(77.42)	12%↓
Market Capitalization (Year End)	Rs in million	111,462	121,999	(10,537)	9%↓

In line with market perception and decreased profitability.

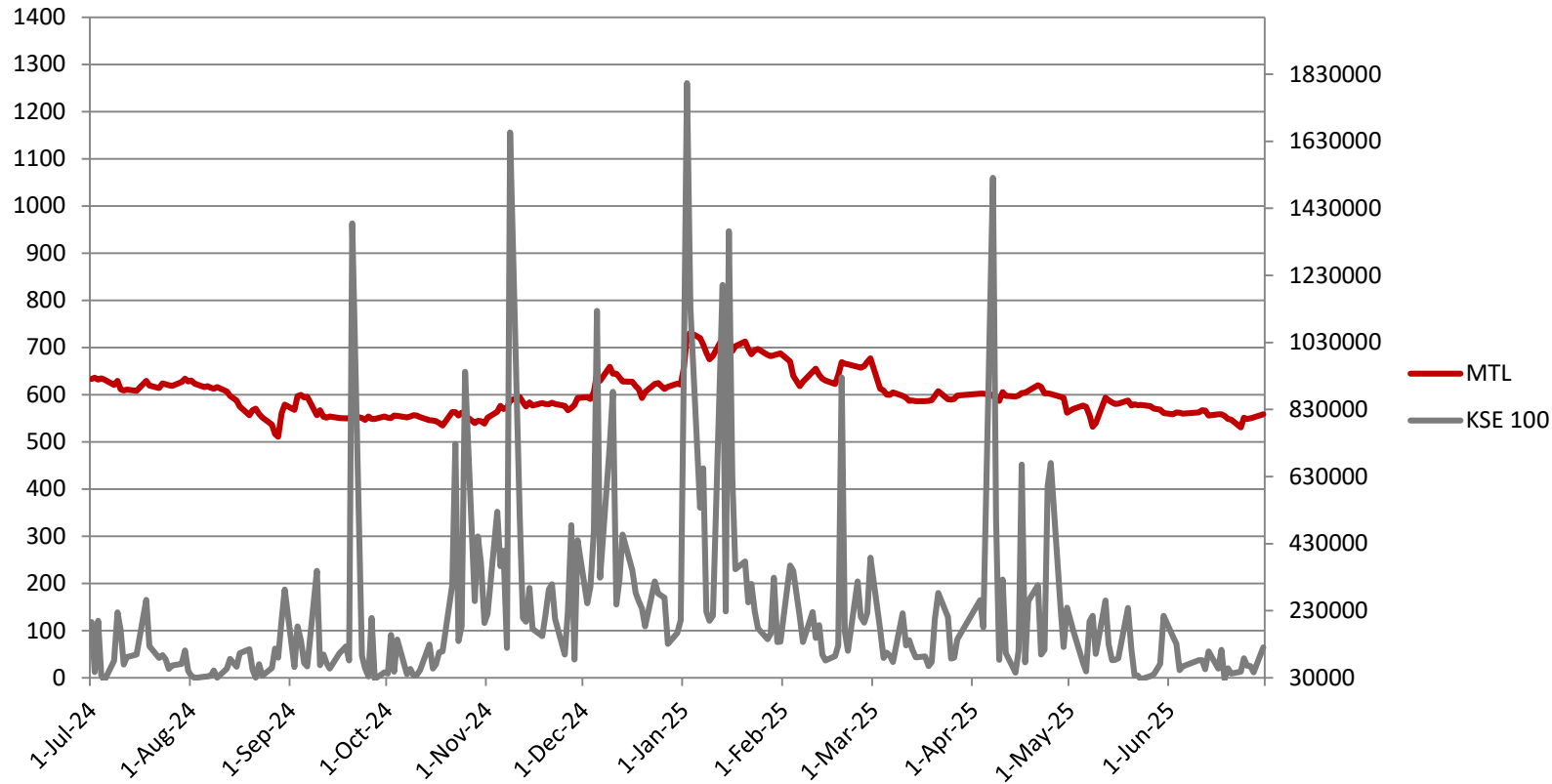


Earnings and dividend payout

- ❑ Market price performed as per profitability trend and market perception.
- ❑ EPS 2025 – Rs. 31.94 per share.
- ❑ Dividend 2025 - Rs. 60 per share.
- ❑ Market price at year end June 30, 2025 is Rs. 558.66 per share.



Share price movement 2024 - 25



Share price

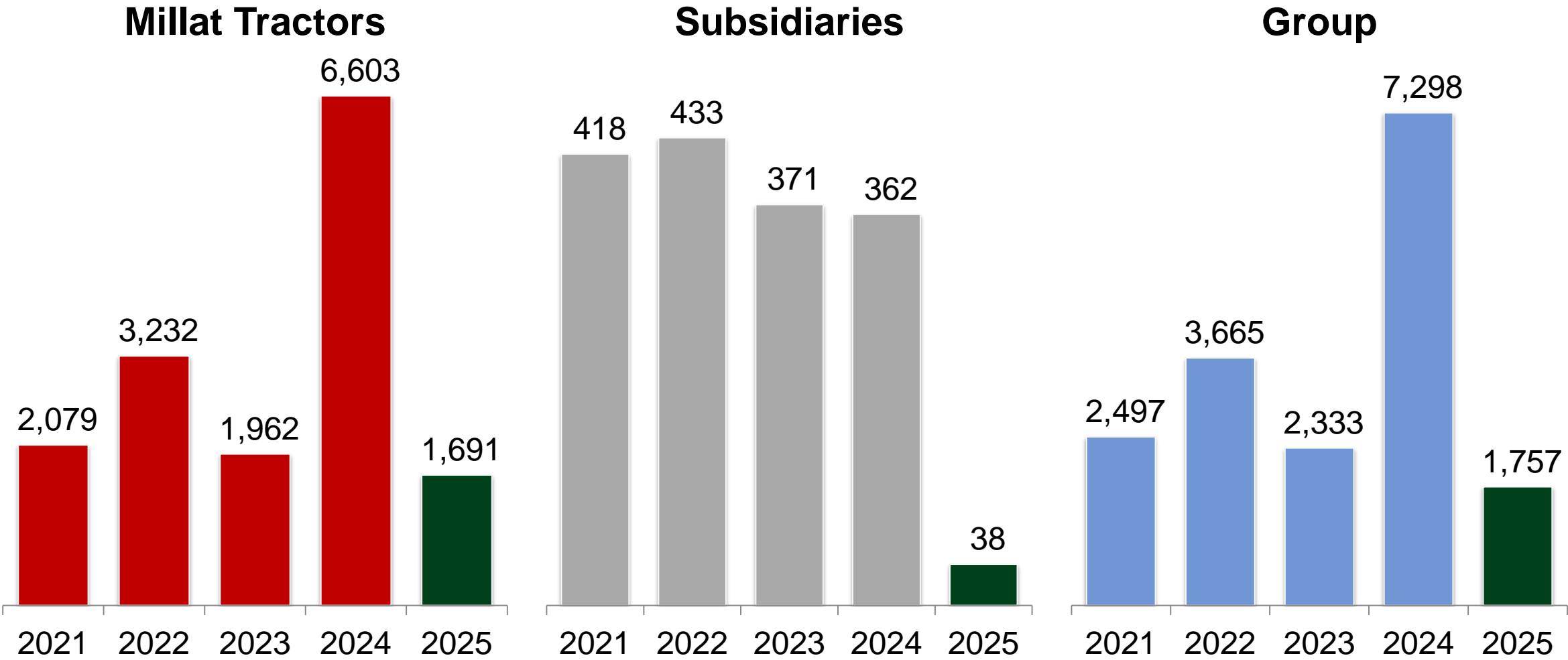
Maximum	731.29
Average	599.47
Minimum	510.73
Closing	558.66

KSE 100

MTL



Direct Income Tax Contribution to National Exchequer – Rs. Million



* Source: Annual published financial statements



BUSINESS RISK



Business risk

- ❑ Recent global awareness with respect to climate change risk, environmental harm and other sustainability related risk has increased disclosure and compliance requirements on part of the company, failure of which may result in legal action or penalties by relevant authorities or reputation loss.
- ❑ Deterioration in quality of products manufactured and assembled due to supply of low quality raw material by a single source vendor, faulty or incorrect manufacturing process resulting in product defects and failure to detect procurement of low-quality components by the quality department.
- ❑ Increase in costs due to currency devaluation as PKR has appreciated by 2% against USD during the year. The measures taken by the Government to stabilize PKR have improved the overall standing of PKR. Since the new Government is trying to cope with this situation, it is expected that PKR will further appreciate in future.



FUTURE OUTLOOK



Future outlook

- ❑ MTL is exploring the foreign markets and growing its exports, keeping in view the stagnating domestic demand of tractors.
- ❑ Ease of doing business and timely release of sales tax refunds remain key hurdles in business growth. MTL has sales tax refund claims of **Rs. 7.59 billion** as at June 30, 2025, out of which Rs. 1.3 billion relate to the FY 25.
- ❑ Sustainability and eco-friendly business measures are need of the hour to save the agriculture sector and the country as a whole. MTL is actively in pursuit of sustainable measures to reduce its environmental impact.
- ❑ Green Tractor and Kisaan Card Schemes by Punjab Government are expected to help the farmers invest in farm mechanization.



Q & A SESSION





THANK YOU

