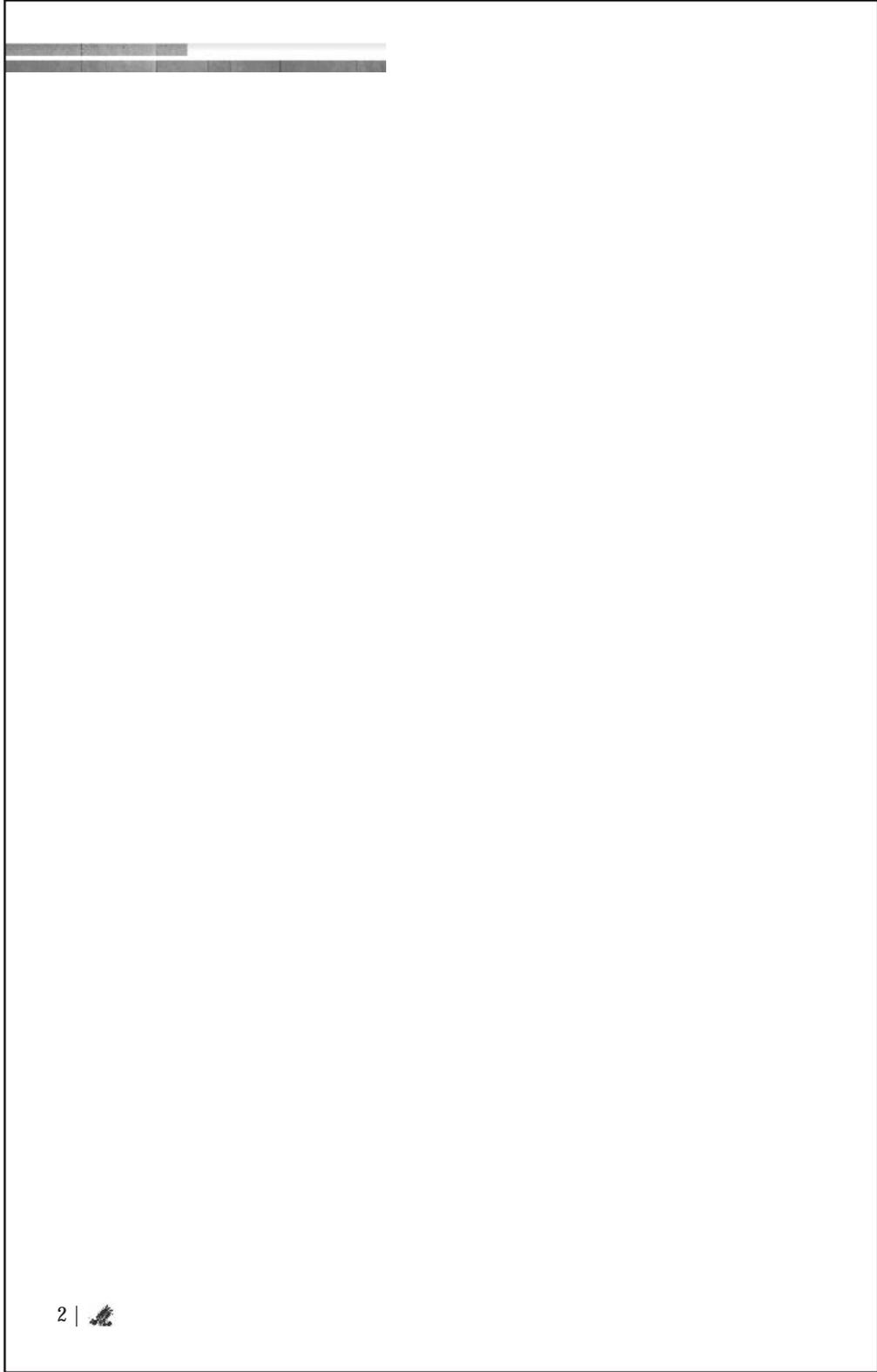


EMCO INDUSTRIES LIMITED

**INTERIM FINANCIAL
INFORMATION
(Un-audited)
FOR THE
HALF YEAR ENDED
DECEMBER 31, 2025**







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COMPANY INFORMATION

Board of Directors

Mr. Javaid Shafiq Siddiqi	Chairman / Non-Executive Director
Mr. Usman Haq	Managing Director / Executive Director
Mr. Salem Rehman	Chief Executive / Executive Director
Mr. Tariq Rehman	Executive Director
Mr. Ahsan Suhail Mannan	Company Secretary / Executive Director
Mr. Pervaiz Shafiq Siddiqi	Non-Executive Director
Mr. Salman Javaid Siddiqi	Non-Executive Director
Mr. Umair Noorani	Non-Executive Director
Mrs. Ayesha Mussadaque Hamid	Independent Director
Ch. Imran Ali	Independent Director
Syed Muhammad Mohsin	Independent Director
Mr. Osman Hameed Chaudhri	Independent Director

Chief Financial Officer

Mr. Riaz Ahmad

Company Secretary

Mr. Ahsan Suhail Mannan

Audit Committee

Mr. Osman Hameed Chaudhri	Chairman
Syed Muhammad Mohsin	Member
Mr. Javaid Shafiq Siddiqi	Member
Mr. Umair Noorani	Member

Mr. Ahsan Suhail Mannan
Is the Committee Secretary as required by the Chapter IX, 27 (1) (iv) of Code of Corporate Governance, Regulations 2019.

HR Committee

Mrs. Ayesha Mussadaque Hamid	Chairman
Mr. Pervaiz Shafiq Siddiqi	Member
Mr. Salman Javaid Siddiqi	Member
Mr. Ahsan Suhail Mannan	Member / Committee Secretary

Risk Management Committee

Syed Muhammad Mohsin	Chairman
Mr. Tariq Rehman	Member
Ch. Imran Ali	Member
Mr. Salem Rehman	Member / Committee Secretary

Nomination Committee

Ch. Imran Ali	Chairman
Mr. Javaid Shafiq Siddiqi	Member
Mr. Usman Haq	Member
Mr. Ahsan Suhail Mannan	Member / Committee Secretary

External Auditors

M/s. Crowe Hussain Chaudhry & Co.,
Chartered Accountants, Lahore.

Internal Auditors

M/s. Muhammad Ali Hussain & Co.
Chartered Accountants, Lahore.

Legal Advisers

Cornelius Lane & Mufti
Chaudhary Associates Law Inn
Rizvi & Company
Asad Ullah Khan

Bankers

Habib Bank Limited
National Bank of Pakistan
The Bank of Punjab
The Bank of Khyber
Al Baraka Bank (Pakistan) Limited
Askari Bank Limited
Soneri Bank Limited

BUSINESS ITEMS

Porcelain Insulators

- Tension Insulator
- Suspension Insulator
- Pin Insulator
- Line Post Insulator
- Cap and pin Insulator
- Station Post Insulator
- Long Road Insulator
- Insulator for Railway Electrification
- Telephone Insulator
- Low Voltage Insulator
- Dropout Cutout Insulator
- HT & LT Bushings

Switchgear

- Disconnect Switch upto 245 kv
- Metal Oxide Surge Arresters upto 245 kv
- CTs, CVTs & PTs upto 245 kv

RTV Coating

- Room Temperature Vulcanised
Silicone Rubber Coating

Chemical Porcelain

- Acid Proof Tiles
- Acid Proof Cement

Special Porcelain

- High Alumina Porcelain
- Lining Special Refractories &
Grinding Media

Metal Components

- Cross Arms for Distribution Poles
- Steel Pins for Pin Insulators/ Cross Arms
- D-Shackle Assembly

Share Registrar

Corplink (Pvt) Limited
Wings Arcade, I-K, Commercial,
Model Town, Lahore.

Registered Office

4th Floor, National Tower,
28-Egerton Road, Lahore.

Factory

19-Kilometre,
Lahore Sheikhpura Road, Lahore.



DIRECTORS' REPORT

Dear Shareholders

On behalf of the Board of Directors, we are pleased to present the performance review of your Company together with the un-audited financial statements for the half-year ended December 31, 2025.

Operations and Sales Review

During the review period, the Company produced 1,952 tons of porcelain insulators, reflecting a 34% increase compared to 1,459 tons in the same period of FY 2025. This ramp-up was undertaken in anticipation of strengthening demand in both domestic and international markets.

The domestic power sector began showing signs of normalization following the Government's restructuring and reprofiling initiatives. With improved liquidity in DISCOs and NTDC projects, maintenance activity and select new infrastructure projects have resumed.

To mitigate historical cyclicality in the domestic market, the Company accelerated its export strategy. During the first six months alone, exports reached approximately 81% of the previous full-year export value, demonstrating meaningful traction in North and Latin American markets. Introductory pricing and market penetration strategies exerted short-term pressure on margins; however, these are deliberate strategic investments aimed at building long-term recurring revenue streams.

Financial Performance

The financial performance reflects a material turnaround compared to the corresponding period last year.

Revenue: The Company reported net sales of Rs. 2,460.66 million, a 34% increase over Rs. 1,838.65 million in the prior year.

- Gross Profit: Rs. 415.90 million (+80% YoY), supported by improved export dispatches, stronger product mix and better capacity utilization.
- Net Operating Profit: Rs. 246.56 million, up from Rs. 92.43 million last year, through better absorption of fixed costs, operational efficiencies and better pricing discipline.
- Administrative & S&D Expenses: Rs. 169.33 million vs. Rs. 138.70 million, driven by export expansion costs.
- Finance Cost: Rs. 129.73 million, down 31% from Rs. 187.80 million, indicating better debt management and lower average borrowing costs.
- Profit Before Tax: Rs. 47.66 million, compared to a loss of Rs. (107.42) million same period last year.
- Net Profit After Tax: Rs. 30.75 million versus a loss of Rs. 62.70 million in the prior year, reflecting a strong recovery, and validating management's focus on disciplined execution and export-led growth

The Company fulfilled all scheduled loan repayments during the period, with no overdue liabilities, demonstrating sound financial discipline.

Earnings per Share (EPS): Rs. 0.88, compared to a loss per share of Rs. (1.79) in the corresponding period last year.

Near Term Outlook

With improving macroeconomic environment except elevated energy cost- the Company enters the second half of the fiscal year with:

- A stronger order book
- Improved export visibility
- Enhanced operating leverage
- Reduced financial pressure

Management remains cautiously optimistic that sustained export momentum, domestic power sector normalization, and disciplined cost control will further strengthen profitability during the remainder of the fiscal year, Insh'Allah.

Acknowledgments

The Board acknowledges the dedication of employees across all levels and extends sincere appreciation to suppliers, customers, and bankers for their continued confidence and support.

On behalf of board



Salem Rehman
Chief Executive Officer
February 25, 2026
Lahore



Ahsan Suhail Mannan
Director / Company Secretary



ڈائریکٹرز کا جائزہ

محرم شیئر ہولڈرز

بورڈ آف ڈائریکٹرز کی جانب سے، ہمیں 31 ستمبر 2025 کو ختم ہونے والے نصف سال کے غیر آڈٹ شدہ مالیاتی بیانات کے ساتھ آپ کی کمپنی کی کارکردگی کا جائزہ پیش کرنے پر خوشی ہے۔

آپریشن اور سیکورٹیز کا جائزہ

کمپنی نے زیرِ غور مدت کے دوران 1,952 ٹن پورٹلین انسولیڈر زیمڈ کے، جو مالی سال 2025 کے اسی عرصے میں 1,459 ٹن کے مقابلے میں 34 فیصد اضافہ ظاہر کرتا ہے۔ یہ اضافہ ملکی اور بین الاقوامی مارکیٹوں میں طلب میں اضافے کی توقع کے تحت کیا گیا تھا

حکومت کی پاور سیکورٹیز تنظیم ڈاورری پروڈکٹنگ اقدامات کے بعد مقامی بجلی کے شعبے میں معمول کی بہتری کے آثار نظر آنے لگے۔ DISCOs اور NTDC کے منسوبوں میں بہتری کے ساتھ، کچھ بھال کی سرگرمیاں اور منتخب نئے انفراسٹرکچر پراجیکٹس، دوبارہ شروع ہو گئے ہیں۔

مقامی طلب کے اجازت دہانے کے اثر کو کم کرنے کے لیے، کمپنی نے اپنی برآمدی حکمت عملی کو تیز کیا۔ صرف پہلے چھ ماہ کے دوران، برآمدات پچھلے پورے سال کی برآمدات کا تقریباً 81 فیصد تک پہنچ گئیں، جو شمالی اور لاطینی امریکہ کی منڈیوں میں نمایاں طلب کو ظاہر کرتی ہے۔ ابتدائی قیمتوں اور مارکیٹ میں رسائی کی حکمت عملیوں نے مارچ میں پر قبضہ ملتی رہا اور 11 ستمبر 2025ء تک سے کی گئی اسٹریٹیجک سرمایہ کاری ہے، جس کا مقصد طویل مدتی باڈ آؤٹس والے آمدنی کے ذرائع بنانا ہے۔

مالی کارکردگی

مالی کارکردگی پچھلے سال کے اسی عرصے کے مقابلے میں ایک نمایاں تبدیلی کی عکاسی کرتی ہے۔

- آمدنی: کمپنی نے 2,460.66 ملین روپے کی خاص فروخت رپورٹ کی، جو پچھلے سال کے 1,838.65 ملین روپے کے مقابلے میں 34 فیصد اضافہ ہے۔
- مجموعی منافع: 415.90 ملین روپے (+80 فیصد سال بہ سال)، بہتر برآمدات، مضبوط مصنوعات کے استخراج اور بہتر صلاحیت کے استعمال کی بدولت ہے۔
- خالص آپریٹنگ منافع: 246.56 ملین روپے، جو گزشتہ سال کے 92.43 ملین روپے سے زیادہ ہے، مقررہ لاگتوں کے بہتر جذب، آپریشنل کارکردگی اور بہتر قیمتوں کے نظم و ضبط کی بدولت ہے۔
- انطلاق اور فروخت اور تقسیم (نیں اینڈ ڈی) کے اخراجات: 169.33 ملین روپے، مقابلہ 138.70 ملین روپے، جو برآمدی توسیع کے اخراجات کی وجہ سے ہیں۔
- خالص لاگت: 129.73 ملین روپے، جو 187.80 ملین روپے سے 31 فیصد کم ہے، جو بہتر قرض مینجمنٹ اور کم اوسط قرض لینے کی لاگت کی نشاندہی کرتا ہے۔
- عمل زینٹس منافع: 47.66 ملین روپے، جو پچھلے سال اسی عرصے میں (107.42) ملین روپے کا نقصان تھا۔
- بعد از ٹیکس خالص منافع: 30.75 ملین روپے، جو پچھلے سال (62.70) ملین روپے کے نقصان سے مضبوط بحالی کی عکاسی کرتا ہے اور انتظامیہ کی مضبوط عمل درآمد اور برآمدات کی قیادت میں ترقی پر توجہ کی تصدیق کرتا ہے

کمپنی نے زیرِ غور مدت کے دوران تمام شعبے دل شدہ قرضوں کی ادائیگیاں مکمل کیں، کوئی قرضہ زائد ادا نہیں ہے، جو ہر مالی نظم و ضبط کی عکاسی کرتا ہے۔

نی شیئر آمدنی (CEPS): 0.88 روپے ہے، جبکہ پچھلے سال اسی عرصے میں نی شیئر کا نقصان (1.79) روپے تھا۔

مستقبل قریب کی نظر

بہتر معاشی ماحول کے ساتھ، سوائے توانائی کی بڑھتی ہوئی لاگت کے — کچھ مالی سال کے دوسرے نصف میں داخل ہو رہی ہے:

- ایک مضبوط آرڈر بک
- بہتر برآمدی مریت
- بہتر آپریٹنگ لیورج
- مالی دباؤ میں کمی

اقتصادیہ کو محتاط طور پر امید ہے کہ پائیدار برآمدی رفتار، ملکی بجلی کے شعبے کی معمول کی بحالی، اور منظم لاگت کنٹرول مالی سال کے باقی حصے میں منافع کو ان شاء اللہ مزید مضبوط کرے گا۔

اعتراف

بورڈ تمام سطحوں پر اپنے عملوں ملازمین کی گمن کو تہہ دل سے تسلیم کرتا ہے اور سپلائرز، صارفین، اور فنڈنگرز کو ان کے مسلسل اعتماد اور حمایت پر خلصانہ شکر یہ ادا کرتا ہے۔
بورڈ کی جانب سے۔



احسن سید
ڈائریکٹر / کچھنی سیکرٹری



سامیر خان
چیف ایگزیکٹو آفیسر
25 فروری، 2026
لاہور



INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF EMCO INDUSTRIES LIMITED ON REVIEW OF INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **EMCO INDUSTRIES LIMITED** ("the Company") as at December 31, 2025 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the condensed interim financial statements for the six-month period then ended (here- in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed, interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for the financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

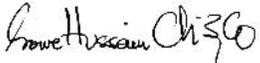
Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

Pursuant to the requirement of Section 237(1)(b) of the Companies Act, 2017, only cumulative figures for the half year, presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the Company. Accordingly, the figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three months period ended December 31, 2025 have not been reviewed by us.

The engagement partner on the review resulting in this independent auditor's report is Amin Ali.

LAHORE
Dated: February 25, 2026
UDIN: RR2025100514RcNP76ak


CROWE HUSSAIN CHAUDHURY & CO.
Chartered Accountants

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

	Note	December 31, 2025 (Un-audited) Rupees	June 30, 2025 (Audited) Rupees
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized share capital 120,000,000 (June 30, 2025: 120,000,000) ordinary shares of Rs. 10 each		1,200,000,000	1,200,000,000
Issued, subscribed and paid up capital 35,000,000 (June 30, 2025: 35,000,000) ordinary shares of Rs. 10 each		350,000,000	350,000,000
Reserves		1,145,078,441	1,101,473,324
Sponsors' loan		115,708,828	115,708,828
Surplus on revaluation of property, plant and equipment		1,731,313,096	1,744,162,885
		3,342,100,365	3,311,345,037
Non Current Liabilities			
Long term financing	4	425,761,677	464,340,306
Post employment benefits		204,850,093	189,175,068
Deferred tax liability		239,086,732	252,935,381
Long term security deposits		8,761,179	4,567,584
		878,459,681	911,018,339
Current Liabilities			
Short term borrowings	5	1,305,690,599	1,196,499,836
Trade and other payables		549,959,375	442,914,232
Accrued finance cost		56,434,399	55,041,582
Unclaimed dividends		768,578	768,578
Current portion of non-current liabilities		191,715,523	176,088,051
		2,104,568,474	1,871,312,279
Contingencies and Commitments			
	6	-	-
		6,325,128,520	6,093,675,655

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements (Un-audited).

Lahore
February 25, 2026

10 


(Salem Rehman)
Chief Executive Officer



AS AT DECEMBER 31, 2025

	Note	December 31, 2025 (Un-audited) Rupees	June 30, 2025 (Audited) Rupees
ASSETS			
Non Current Assets			
Property, plant and equipment	7	3,190,891,751	3,192,525,667
Investment properties		113,385,532	113,385,532
Intangible assets		3,328,129	3,467,504
Long term prepayments and other receivables		57,604,300	57,562,935
Long term loans		727,972	877,482
Long term deposits		5,046,916	5,096,916
		3,370,984,600	3,372,916,036
Current Assets			
Stores, spares and loose tools		101,768,655	91,903,355
Stock in trade		1,478,864,494	1,656,546,020
Trade receivables		930,249,941	562,234,255
Advances, deposits, prepayments and other receivables		110,050,491	150,786,010
Income tax refundable from the Government		258,189,362	215,298,095
Cash and bank balances		75,020,977	43,991,884
		2,954,143,920	2,720,759,619
		<u>6,325,128,520</u>	<u>6,093,675,655</u>

(Ahsan Suhail Mannan)
Director

(Riaz Ahmad)
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF PROFIT
OR LOSS (Un-audited)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2025**

	Note	Half Year Ended December 31,		Quarter Ended December 31,	
		2025 Rupees	2024 Rupees	2025 Rupees	2024 Rupees
Revenue	8	2,460,660,925	1,838,651,886	1,304,292,348	1,083,048,645
Cost of revenue	9	(2,044,754,751)	(1,607,511,745)	(1,071,230,759)	(921,499,627)
Gross Profit		415,906,174	231,140,141	233,061,589	161,549,018
Administrative expenses		(88,719,943)	(82,081,448)	(47,690,310)	(39,121,960)
Selling and distribution expenses		(80,616,435)	(56,626,626)	(40,513,241)	(28,704,237)
		(169,336,378)	(138,708,074)	(88,203,551)	(67,826,197)
Operating Profit		246,569,796	92,432,067	144,858,038	93,722,821
Other operating expenses		(77,653,075)	(21,152,314)	(58,765,928)	(20,530,006)
Other income		8,488,023	9,103,709	4,349,837	3,380,787
Finance cost		(129,739,803)	(187,806,766)	(64,377,827)	(84,671,953)
Profit / (Loss) before Minimum Tax Differential and Taxation		47,664,941	(107,423,304)	26,064,120	(8,098,351)
Minimum tax differential		(30,758,262)	(22,983,149)	(30,758,262)	(13,538,108)
Profit / (Loss) before Taxation		16,906,679	(130,406,453)	(4,694,142)	(21,636,459)
Taxation		13,848,649	67,698,629	20,117,210	27,476,772
Net Profit / (Loss) for the Period		30,755,328	(62,707,824)	15,423,068	5,840,313
Earnings / (Loss) per Share - Basic and Diluted		0.88	(1.79)	0.44	0.17

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements (Un-audited).


Lahore
February 25, 2026
(Salem Rehman)
Chief Executive Officer


(Ahsan Suhail Mannan)
Director


(Riaz Ahmad)
Chief Financial Officer



**CONDENSED INTERIM STATEMENT OF
COMPREHENSIVE INCOME (Un-audited)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2025**

	Half Year Ended December 31,		Quarter Ended December 31,	
	2025 Rupees	2024 Rupees	2025 Rupees	2024 Rupees
Net Profit / (Loss) for the Period	30,755,328	(62,707,824)	15,423,068	5,840,313
Other comprehensive income				
Items that will not be reclassified to profit or loss	-	-	-	-
Items that may be reclassified to profit or loss	-	-	-	-
Total comprehensive income / (Loss) for the period	30,755,328	(62,707,824)	15,423,068	5,840,313

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements (Un-audited).


Lahore
February 25, 2026
(Salem Rehman)
Chief Executive Officer


(Ahsan Suhail Mannan)
Director

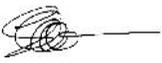

(Riaz Ahmad)
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF
CHANGES IN EQUITY (Un-audited)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

Particulars	Issued, Subscribed and Paid up Capital Rupees	Reserves			Sponsors' Loan Rupees	Surplus on revaluation of property, plant and equipment Rupees	Total Rupees	
		Capital Share Premium Rupees	General Reserve Rupees	Unappropriated Profit Rupees				Total Reserve Rupees
Balance as at June 30, 2024	350,000,000	39,898,526	90,000,000	892,411,814	1,022,310,340	115,708,828	1,458,112,397	2,946,131,565
Net loss for the period	-	-	-	(62,707,824)	(62,707,824)	-	-	(62,707,824)
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(62,707,824)	(62,707,824)	-	-	(62,707,824)
Incremental depreciation for the period on surplus on revaluation of property, plant and equipment - net	-	-	-	13,617,076	13,617,076	-	(13,617,076)	-
Effect of change in effective tax rate	-	-	-	-	-	-	51,201,704	51,201,704
Balance as at December 31, 2024	350,000,000	39,898,526	90,000,000	843,321,066	973,219,592	115,708,828	1,495,697,025	2,934,625,445
Balance as at June 30, 2025	350,000,000	39,898,526	90,000,000	971,574,798	1,101,473,324	115,708,828	1,744,162,885	3,311,345,037
Net profit for the period	-	-	-	30,755,328	30,755,328	-	-	30,755,328
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	30,755,328	30,755,328	-	-	30,755,328
Incremental depreciation for the period on surplus on revaluation of property, plant and equipment - net	-	-	-	12,849,789	12,849,789	-	(12,849,789)	-
Balance as at December 31, 2025	350,000,000	39,898,526	90,000,000	1,015,179,915	1,145,078,441	115,708,828	1,731,313,096	3,342,100,365

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements (Un-audited).

Lahore
February 25, 2026


(Salem Rehman)
Chief Executive Officer


(Ahsan Suhail Mannan)
Director


(Riaz Ahmad)
Chief Financial Officer



**CONDENSED INTERIM STATEMENT OF
CASH FLOWS (Un-audited)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

	Note	Half Year Ended December 31,	
		2025 Rupees	2024 Rupees
Profit / (Loss) before minimum tax differential and taxation		47,664,941	(107,423,304)
Adjustment for:			
- Depreciation on property, plant and equipment	7	93,628,227	90,596,233
- Provision for gratuity		21,984,624	23,630,658
- Depreciation on right of use assets		1,636,458	1,618,212
- Amortization of intangible assets		139,375	139,376
- Workers' (profit) participation fund		2,566,963	-
- Interest on workers' (profit) participation fund		196,247	2,767,106
- Workers' welfare fund		1,723,482	-
- Provision for expected credit loss allowance		3,112,567	-
- Interest on lease liabilities		187,872	622,522
- Foreign exchange loss - net		2,103,691	552,838
- Unwinding of discount on interest free loans		317,465	551,709
- Finance cost		129,234,466	186,632,535
		256,831,437	307,111,189
Operating profit before working capital changes		304,496,378	199,687,885
(Increase) / decrease in current assets			
- Stores, spares and loose tools		(9,865,300)	(26,858,234)
- Stock in trade		177,681,526	(188,494,395)
- Trade receivables		(373,231,944)	51,382,623
- Advances, deposits, prepayments and other receivables		43,903,357	5,823,979
Increase / (decrease) in current liabilities			
- Trade and other payables		103,550,414	118,671,172
		(57,961,947)	(39,474,855)
Cash generated from operations		246,534,431	160,213,030
Changes in:			
Long term prepayments and other receivables		(3,248,513)	5,261,689
Long term security deposits		4,193,595	-
Long term deposits		50,000	-
		995,082	5,261,689
Finance cost paid		(127,841,649)	(189,481,431)
Gratuity paid		(6,309,599)	(7,290,918)
Workers' profit participation fund paid		(105,190)	-
Income tax paid		(74,536,302)	(51,660,772)
		(208,792,740)	(248,433,121)
Net Cash generated/(Used in) from Operating Activities		38,736,773	(82,958,402)

**CONDENSED INTERIM STATEMENT OF
CASH FLOWS (Un-audited)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

	Note	Half Year Ended December 31,	
		2025 Rupees	2024 Rupees
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	7	(62,461,279)	(33,848,849)
Capital work in progress		-	(81,588,214)
Long term loans - net		188,820	(15,180)
Net Cash Used in Investing Activities		(62,272,459)	(115,452,243)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing		(85,724,602)	(85,827,009)
Repayment of lease liabilities		(2,147,382)	(2,147,384)
Proceeds from long term financing		33,246,000	82,521,033
Short term borrowings - net	5	109,190,763	217,837,206
Net Cash Generated from Financing Activities		54,564,779	212,383,846
Net Increase in Cash and Cash Equivalents		31,029,093	13,973,201
Cash and cash equivalents at the beginning of the period		43,991,884	10,079,931
Cash and Cash Equivalents at the End of the Period		75,020,977	24,053,132

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements (Un-audited).


Lahore
February 25, 2026
(Salem Rehman)
Chief Executive Officer


(Ahsan Suhail Mannan)
Director


(Riaz Ahmad)
Chief Financial Officer



NOTES TO AND FORMING PART OF CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) FOR THE HALF YEAR ENDED DECEMBER 31, 2025

1 The Company and its Operations

EMCO Industries Limited ("the Company") was incorporated as a Joint Stock Company in Pakistan under the repealed Companies Act, 1913, (now the Companies Act, 2017) on August 17, 1954 by the name of Electric Equipment Manufacturing Company (Private) Limited. Later, it was converted into a public company on August 20, 1983 and its name was changed to EMCO Industries Limited on September 12, 1983. The Company was listed on the PSX on December 29, 1983.

The Company is domiciled in Pakistan and is principally engaged in manufacturing and sale of high / low tension electrical porcelain insulators and switchgears.

The geographical location and address of the Company's offices / other premises are as under:

Business unit	Geographical location
Head / Registered office	4th Floor, National Tower, 28 Egerton Road, Lahore.
Manufacturing unit	19-KM, Lahore Sheikhpura Road, Lahore.

2 Basis of Preparation

2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017; and
- Provisions of, directives and notifications issued under the Companies Act, 2017.

Where the provisions of, directives and notifications issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of, directives and notifications issued under the Companies Act, 2017 have been followed.

2.2 These condensed interim financial statements should be read in conjunction with annual audited financial statements for the year ended June 30, 2025. The comparative statement of financial position presented in these condensed interim financial statements has been extracted from the audited annual financial statements of the Company for the year ended June 30, 2025, whereas comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been extracted from the un-audited condensed interim financial statements for the six months period ended December 31, 2024.

2.3 These condensed interim financial statements are unaudited and are being submitted to the shareholders as required under section 237 of the Companies Act, 2017. However, a limited scope review has been performed by the external auditors as required by the Code of Corporate Governance.

2.4 The preparation of these condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed interim financial statements, the significant judgments made by the management in applying accounting policies and key sources of estimation were the same as those that were applied to the financial statements for the year ended June 30, 2025.

2.5 These condensed interim financial statements are presented in Pak Rupees, which is the Company's functional and presentational currency. All the figures have been rounded off to the nearest rupees, unless otherwise stated.

3 Summary of Material Accounting Policy Information

The Company's accounting and methods of computation adopted in the preparation of these condensed interim financial statements (un-audited) are the same as those applied in the preparation of preceding annual financial statements of the Company for the year ended June 30, 2025.

4 Long Term Financing	December 31, 2025 (Un-audited) Rupees	June 30, 2025 (Audited) Rupees
Banking companies - secured		
The Bank of Punjab	97,878,674	117,454,409
Habib Bank Limited	177,800,177	199,982,102
National Bank of Pakistan	72,871,248	77,731,248
Askari Bank Limited	120,500,974	137,715,400
Saudi Pak Industrial and Agricultural Investment Company Limited	28,521,745	35,652,179
First Habib Modaraba - Diminishing Musharakah	110,864,224	61,158,316
	608,437,042	629,693,654
Associated companies / related parties - unsecured		
EMCO Industries Limited Provident Fund	7,898,617	7,951,117
Less: discounting / unwinding of discount	(835,821)	(1,153,286)
	7,062,796	6,797,831
	615,499,838	636,491,485
Less: current portion - banking companies	(189,738,161)	(172,151,179)
	425,761,677	464,340,306



	December 31, 2025 (Un-audited) Rupees	June 30, 2025 (Audited) Rupees
5. Short Term Borrowings		
Interest bearing		
Banking companies - secured:		
- Running finance, local bills discounting and export and import finances	1,170,646,454	1,080,455,691
Related parties - unsecured:		
- Associated company - ICC (Private) Limited	6,700,000	6,700,000
- Directors and close relatives thereof	81,997,999	69,997,999
	88,697,999	76,697,999
	1,259,344,453	1,157,153,690
Interest free		
Related parties - unsecured:		
- Directors and close relatives thereof	43,730,454	36,730,454
- Associated company - The Imperial Electric Company (Private) Limited	2,615,692	2,615,692
	46,346,146	39,346,146
	1,305,690,599	1,196,499,836

6. Contingencies and Commitments

6.1 Contingencies

There is no significant change in contingencies from the preceding annual published financial statements of the Company for the year ended June 30, 2025.

6.2 Guarantees

Guarantees amounting to Rs. 877.210 million (June 30, 2025: Rs. 734.749 million) have been issued in favour of the following:

	December 31, 2025 (Un-audited) Rupees	June 30, 2025 (Audited) Rupees
By banking companies:		
Sui Northern Gas Pipeline Limited	50,406,000	50,406,000
NTDC / DISCOS	762,804,001	684,342,764
	813,210,001	734,748,764
By insurance company:		
Collectorate of Customs	64,000,000	-
	877,210,001	734,748,764

6.3 Commitments

- Letters of credit other than for capital expenditure amount to Rs. 258.438 million (June 30, 2025: Rs. 197.420 million).

- Commitments for future minimum payments in respect of Diminishing Musharakah arrangements are as follows:

	December 31, 2025 (Un-audited) Rupees	June 30, 2025 (Audited) Rupees
Not later than one year	32,468,635	19,739,856
Later than one year but not later than five years	78,397,118	41,418,460
	<u>110,865,753</u>	<u>61,158,316</u>

	Note	December 31, 2025 (Un-audited) Rupees	June 30, 2025 (Audited) Rupees
7. Property, Plant and Equipment			
Operating fixed assets	7.1	3,189,255,298	3,189,252,756
Right of use assets		1,636,453	3,272,911
		<u>3,190,891,751</u>	<u>3,192,525,667</u>
7.1 Operating fixed assets			
Opening written down value		3,189,252,756	2,889,396,635
Additions during the period / year - cost		93,630,769	156,434,322
Revaluation adjustment		-	331,576,019
Transfer to investment property		-	(869,616)
		<u>3,282,883,525</u>	<u>3,376,537,360</u>
Depreciation charge for the period / year		(93,628,227)	(187,284,604)
Closing written down value		<u>3,189,255,298</u>	<u>3,189,252,756</u>

	Half Year Ended December 31,		Quarter Ended December 31,	
	2025 (Un-audited) Rupees	2024 (Un-audited) Rupees	2025 (Un-audited) Rupees	2024 (Un-audited) Rupees
8. REVENUE				
Gross revenue:				
Goods:				
- Local	2,420,110,923	1,929,758,170	1,363,467,604	1,162,507,375
- Export	376,650,608	202,583,913	115,880,742	102,338,985
Services - local	39,338,405	1,271,600	39,338,405	-
	<u>2,836,099,936</u>	<u>2,133,613,683</u>	<u>1,518,686,751</u>	<u>1,264,846,360</u>
Less: Sales tax	(375,439,011)	(294,961,797)	(214,394,403)	(181,797,715)
Net sales	<u>2,460,660,925</u>	<u>1,838,651,886</u>	<u>1,304,292,348</u>	<u>1,083,048,645</u>



9. COST OF REVENUE	Half Year Ended December 31,		Quarter Ended December 31,	
	2025 (Un-audited) Rupees	2024 (Un-audited) Rupees	2025 (Un-audited) Rupees	2024 (Un-audited) Rupees
Raw and packing materials consumed	1,105,384,049	1,067,612,898	543,994,910	777,508,754
Salaries, wages and benefits	346,291,353	317,210,333	178,341,563	168,695,404
Power and gas	241,886,476	237,337,909	128,046,233	133,968,925
Stores and spares consumed	59,163,118	51,983,486	34,552,623	30,594,235
Testing and inspection	27,295,015	29,333,722	15,981,044	15,966,170
Travelling and conveyance	75,382,804	56,911,957	38,567,371	20,229,330
Rent, rates and taxes	2,248,128	654,146	1,187,575	327,282
Repairs and maintenance	6,226,442	5,727,538	4,383,555	2,357,255
Entertainment	1,491,166	1,559,895	781,457	967,760
Insurance	3,542,669	3,483,180	1,747,895	1,788,744
Communication and stationery	1,592,446	1,584,390	832,858	814,184
Vehicle maintenance	759,713	208,125	302,132	148,768
Miscellaneous	31,831	2,285,586	10,471	188,202
Depreciation	87,918,683	85,703,721	45,052,989	43,279,944
	1,959,213,893	1,861,596,886	993,782,676	1,196,834,957
Work in process				
- Opening work in process	126,335,864	98,258,475	146,767,630	106,812,929
- Closing work in process	(174,912,708)	(16,121,533)	(174,912,708)	(16,121,533)
	(48,576,844)	82,136,942	(28,145,078)	90,691,396
Cost of goods manufactured	1,910,637,049	1,943,733,828	965,637,598	1,287,526,353
Finished goods				
- Opening finished goods	727,727,327	556,305,506	699,202,786	526,500,863
- Closing finished goods	(593,609,625)	(892,527,589)	(593,609,625)	(892,527,589)
	134,117,702	(336,222,083)	105,593,161	(366,026,726)
	2,044,754,751	1,607,511,745	1,071,230,759	921,499,627

10. Transactions and Balances with Related Parties

Related parties comprise associated companies, related group companies, companies where directors also hold directorship, retirement benefits fund, directors and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of that Company. The Company in the normal course of business carries out transactions with various related parties. Details of transactions with related parties during the year, other than those which have been disclosed elsewhere in these financial statements, are as follows:

Transactions during the Year

Related party	Relationship	Nature of transaction	December 31, 2025 (Un-audited) Rupees	December 31, 2024 (Un-audited) Rupees
EMCO Industries Limited Provident Fund	Associated undertaking	Principal amount repaid	52,500	9,178,701
The Imperial Electric Company (Private) Limited	Associated company	Short Term Borrowing Received	-	15,000,000
		Short Term Borrowing Repaid	-	15,000,000
		Payment for rent expense	2,147,382	2,147,382
		Interest expense on lease liability	187,872	622,522
		Markup paid on short term borrowing	912,602	155,487
		Purchases made during the period	17,284,500	-
		Payment made for purchases	17,284,500	-
		Other expense	1,557,870	4,705,315
		Payment made for other expense	6,037,669	7,094,743
ICC (Private) Limited	Associated company	Short Term Borrowing Received	-	5,000,000
		Short Term Borrowing Repaid	-	19,000,000
		Markup on short term borrowing	451,194	1,454,135
		Markup paid on short term borrowing	454,843	2,769,517
		Payment made on behalf of the Company	454,843	1,082,510
		Payment received from the Company	454,843	696,784
EBR Energy Pakistan (Private) Limited	Associated company	Short term borrowing received	118,000,000	-
		Short term borrowings repaid	118,000,000	-
		Markup on short term borrowing	54,350	-
		Markup paid on short erm borrowing	54,350	-
Directors and close family members	Associated persons	Short term borrowings obtained (Note 10.1)	20,700,000	209,459,327
		Short term borrowings repaid (Note 10.1)	1,700,000	127,769,459
		Markup on short term borrowing	5,480,793	5,795,121
		Markup on short term borrowing paid	5,119,623	6,967,878
Executive / Key Management personnel	Associated persons	Long Term Loan Recovered Amount received against car lease	- 4,193,595	60,000 -



10.1 The directors have arranged personal finance lines of Rs. 128 million from banks and from their own sources for the purpose of extending short term borrowings to the Company. During the half year ended December 31, 2025, the Company obtained short term borrowings from the directors through their aforesaid personal finance lines. The borrowed amounts were repaid and then borrowed again multiple times during the half year, by rotating the said finance lines. The maximum amount outstanding towards these directors during the half year ended December 31, 2025 was Rs. 89 million. These facilities are included in short term borrowings (Note 5) as at the reporting date and at any point of time during the period.

Outstanding Balance as at:

Related party	Nature of transaction	December 31,	June 30,
		2025 (Un-audited) Rupees	2025 (Audited) Rupees
Associated Engineers (Private) Limited	Sponsor loan - interest free	27,335,446	27,335,446
	Mark-up on long term financing	6,391,541	6,391,541
EMCO Industries Limited Provident Fund - Associated undertaking	Long term financing	7,898,617	7,951,117
Imperial Electric Company (Private) Limited	Short term borrowing - interest free	2,615,692	2,615,692
	Markup payable on long and short term financing	2,338,396	3,250,998
	Payable against rent	1,977,362	3,936,872
	Other payable	-	4,479,799
ICC (Private) Limited	Short term borrowing - interest bearing	6,700,000	6,700,000
	Markup payable on borrowing	479,968	483,617
Directors and close family members	Sponsors' loan	115,708,828	115,708,828
	Short term borrowing	125,728,453	106,728,453
	Markup on short term borrowing	2,736,159	2,374,989
	Other Payable	3,848,000	3,848,000
Executive / Key Management personnel	Other Payable	13,197,313	9,003,718

11. Shariah Screening Disclosures by Company Listed on Islamic Index	Note	December 31, 2025 (Un-audited) Rupees	June 30, 2025 (Audited) Rupees
Loans / advances obtained as per Islamic mode	4	370,742,627	333,697,398
Shariah compliant bank deposits / bank balances		14,454,568	17,998,350
Interest / markup accrued on any conventional loan or advance		51,027,614	48,452,863
		December 31, 2025 (Un-audited) Rupees	December 31, 2024 (Un-audited) Rupees
Revenue earned from a shariah compliant business segment	8	2,460,660,925	1,838,651,886
Profit earned from shariah compliant bank deposits / bank balances		292,148	-
Profit paid on Islamic mode of financing		-	-
Interest earned on any conventional loan or advance		-	-
Gain / loss or dividend earned from shariah compliant investments		-	-
Exchange gain earned from actual currency		-	-
Shariah compliant exchange gain earned		-	-
Mark up paid on Islamic mode of financing		24,431,674	10,488,997
Profits earned on any conventional loan or advance		-	-
Interest paid on any conventional loan or advance		103,409,975	178,992,434
Relationship with shariah compliant financial institute:			
- Long Term Financing - Diminishing musharakah financing arrangement	4	First Habib Modaraba	
- Short term Financing - Istisna and murabahah financing arrangement	5	Albaraka Bank Pakistan Limited	
- Cash and Bank Balances - deposits with banks		Bank of Khyber	
		Faysal Bank Limited	
		Albaraka Bank Pakistan Limited	
		Bank of Khyber	



12. Financial Risk Management

The Company's financial risk management objectives and policies are consistent with those disclosed in preceding audited financial statements for the year ended June 30, 2025.

13. Segment Reporting

There is only one reportable segment of the Company.

14. Date of Authorization for Issue

These condensed interim financial statements (un-audited) are approved by the Board of Directors of the Company for issuance on February 25, 2026.

15. General

Corresponding figures are re-arranged / reclassified, wherever necessary, to facilitate comparison. No material reclassifications have been made in these condensed interim financial statements (un-audited).

Lahore
February 25, 2026 (Salem Rehman)
Chief Executive Officer

(Ahsan Suhail Mannan)
Director

(Riaz Ahmad)
Chief Financial Officer

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UNDER POSTAL CERTIFICATE



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