Corporate Briefing Session

Annual results for the year ended 30 June 2026 and first quarter ended 30 September 2026

EMCO Industries Limited
PSX symbol: EMCO | Lahore | 12 November 2026

Disclaimer

Please read before relying on this presentation

This presentation has been prepared by EMCO Industries Limited ("the Company") for its Corporate Briefing Session under the PSX Rule Book. It is based on the audited financial statements for the year ended 30 June 2026 and the un-audited condensed interim financial statements for the quarter ended 30 September 2026, both of which have been disseminated to PSX through PUCARS.

Some statements are forward-looking, including those on demand, the order book, exports, costs and profitability. They reflect management's current expectations and assumptions, such as stable energy supply, timely customer delivery schedules, prevailing exchange and interest rates, and the pace of public-sector power investment. Actual results may differ materially from these statements.

Nothing in this presentation is an offer, recommendation or solicitation to buy or sell the Company's securities. Investors should read it together with the published financial statements and make their own assessment. Figures are in Pakistani Rupees (Rs) million unless stated otherwise and may not add due to rounding.

Company at a glance

Pakistan's established manufacturer of high-voltage insulators and switchgear

- **Incorporated 1954** as Electric Equipment Manufacturing Company; listed on the stock exchange in December 1983
- **Principal business:** manufacture and sale of high-tension porcelain insulators, switchgear and related products for power transmission and distribution
- **Customers:** NTDC, distribution companies (DISCOs), EPC contractors, industry and export buyers in seven countries
- **Factory:** 19-km Lahore–Sheikhupura Road; registered office at National Tower, Egerton Road, Lahore
- **Certifications:** ISO 14001:2015 renewed; ISO 50001 energy-management framework in use

72 years

of operations

Since 1954

6,500 t

Rated capacity

3,900 t

Configuration capacity

Porcelain insulators per year

416

Employees

As at 30 June 2026

A- / A-2

VIS entity rating

Reaffirmed, Stable outlook

7

Export markets

Supplied in FY2026

Rs 929m

Paid to exchequer

Duties and taxes, FY2026

Product portfolio

From porcelain insulators to high-voltage switchgear and metal components

Porcelain insulators

Tension, suspension, pin, line post, cap & pin, station post, long rod, railway and HT/LT bushings

Switchgear

Disconnect switches, metal oxide surge arresters, CTs, CVTs and PTs up to 245 kV

RTV coating

Room-temperature vulcanised silicone rubber coating for insulator protection

Chemical porcelain

Acid-proof tiles and acid-proof cement for industrial use

Special porcelain

High-alumina porcelain, lining special refractories and grinding media

Metal components

Cross arms for distribution poles, steel pins and D-shackle assemblies

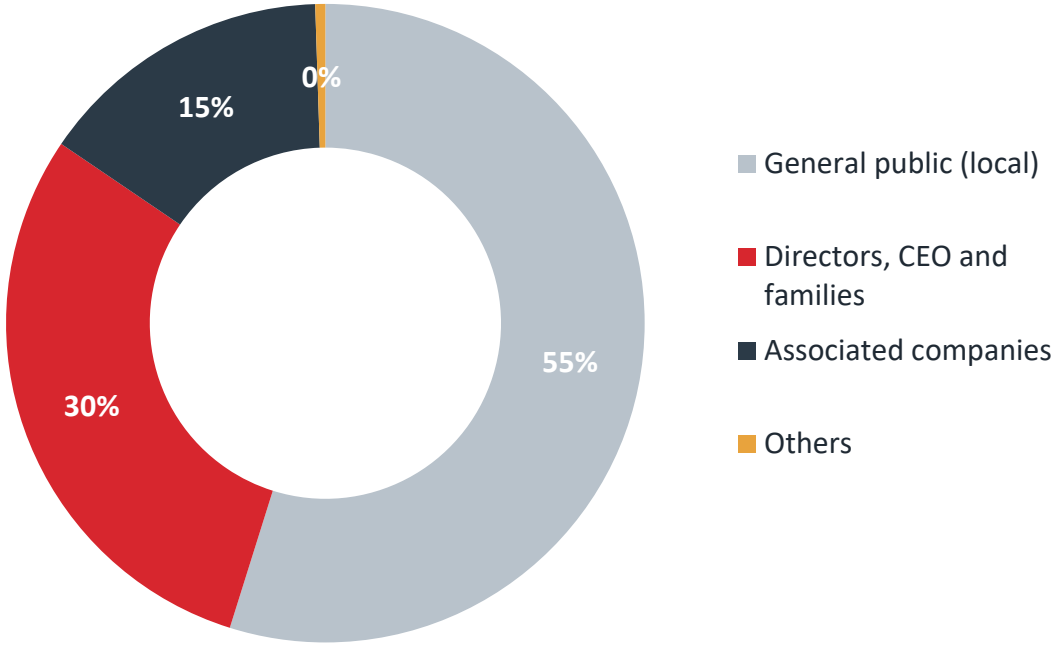
Governance and shareholding

Board reconstituted on 29 June 2026 for a three-year term to 30 June 2029

3	3	3
Executive	Non-executive	Independent

- **Chairman:** Mr. Javaid Shafiq Siddiqi (non-executive); CEO: Mr. Salem Rehman
- **Board committees:** Audit and Nomination (chaired by Mr. Osman Hameed Chaudhri), HR & Remuneration (Mrs. Ayesha Mussadaque Hamid), Risk Management (Mr. Muhammad Farooq Naseem)
- **Compliance:** Code of Corporate Governance Regulations, 2019 complied with; one female independent director
- **External auditors:** Crowe Hussain Chaudhury & Co.; unmodified opinion on FY2026 accounts

Pattern of shareholding, 30 June 2026 (35.0m shares)



FY2026 financial highlights

Record net sales and stronger operating profit

Rs 4,679m

Net sales

+29.7% (FY25: Rs 3,607m)

Rs 849m

Gross profit

+36.9%; margin 18.1% (FY25: 17.2%)

Rs 504m

Operating profit

+43.5%; margin 10.8% (FY25: 9.7%)

Rs 257m

Finance cost

−21.1% (FY25: Rs 325m)

Rs 69m

Profit after tax

+24.6% (FY25: Rs 56m)

Rs 1.98

Earnings per share

FY25: Rs 1.59

Statement of profit or loss

Year ended 30 June, Rs million

	FY2026	FY2025	Change
Net sales	4,679.4	3,607.0	+29.7%
Cost of revenue	(3,830.2)	(2,986.6)	+28.2%
Gross profit	**849.2**	**620.5**	**+36.9%**
Administrative expenses	(182.6)	(169.4)	+7.8%
Selling and distribution expenses	(162.1)	(99.6)	+62.8%
Operating profit	**504.4**	**351.5**	**+43.5%**
Other operating expenses	(157.3)	(26.8)	
Other income	22.3	42.9	
Finance cost	(256.7)	(325.5)	–21.1%
Profit before levy and tax	**112.7**	**42.1**	**+167.7%**
Minimum tax differential and taxation	(43.3)	13.7	
Profit after tax	**69.4**	**55.7**	**+24.6%**
Earnings per share (Rs)	**1.98**	**1.59**	**+24.5%**

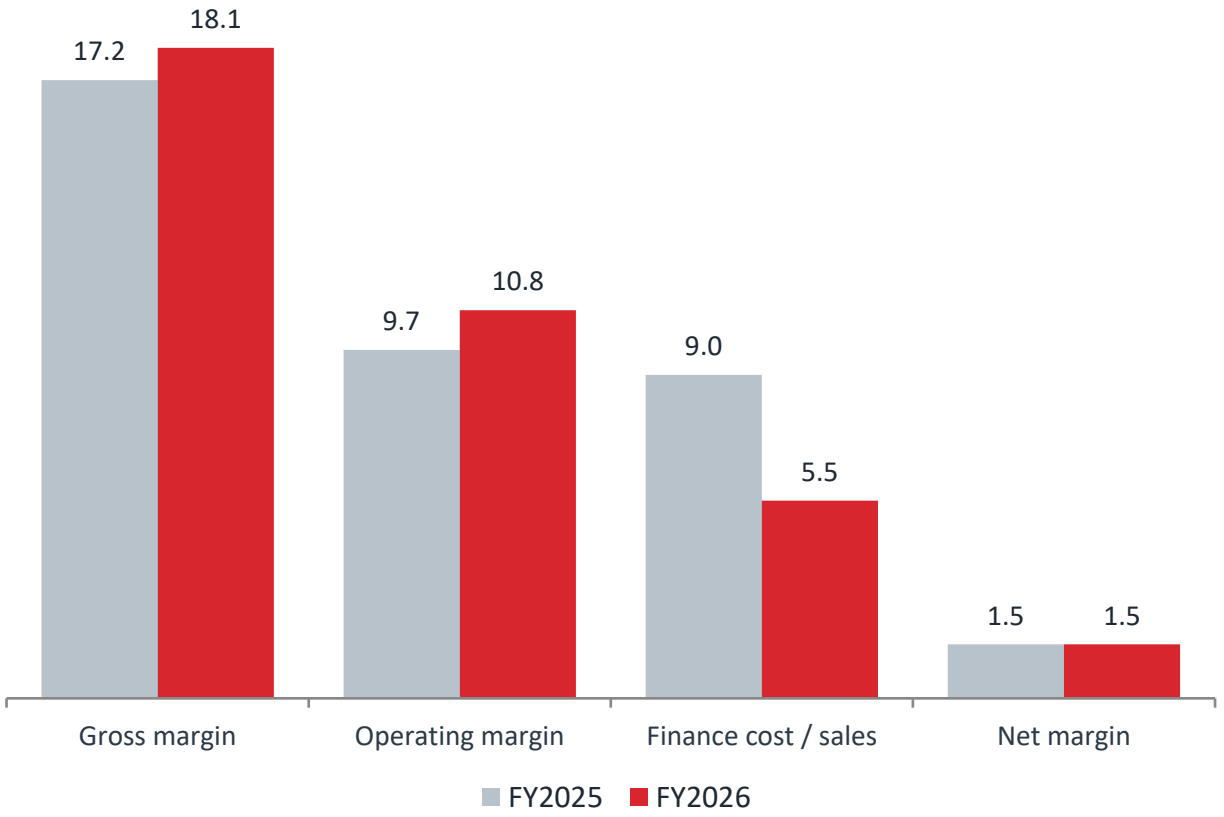
What drove the year

- Higher volumes and exports lifted sales by Rs 1,072m
- Selling costs rose with exports: freight, sales promotion and export travel
- Other operating expenses include Rs 99.2m of liquidated damages from delayed deliveries
- Finance cost fell by Rs 69m, or 21%

Profitability analysis

Core margins improved; one-off charges held back net profit

Key ratios, % of net sales



Items below operating profit in FY2026

Rs 99.2m — Liquidated damages (2.1% of sales), mainly from regional supply-chain and transshipment delays

Rs 34.6m — Provisions for slow-moving stock and stores, now 3.4% of gross stock

38% — Effective tax and levy rate on pre-tax profit under the minimum tax regime

Statement of financial position

As at 30 June, Rs million

Assets	2026	2025
Property, plant and equipment	3,231.7	3,192.5
Other non-current assets	204.4	180.4
Stock-in-trade	1,428.0	1,656.5
Trade receivables	945.5	562.2
Tax refundable	265.5	215.3
Other current assets and cash	203.1	286.7
Total assets	**6,278.2**	**6,093.7**

Equity and liabilities	2026	2025
Share capital and reserves	1,547.3	1,451.5
Sponsors' loan (subordinated)	115.7	115.7
Revaluation surplus	1,768.5	1,744.2
Total equity	**3,431.5**	**3,311.3**
Long-term financing (incl. current)	541.7	636.5
Short-term borrowings	1,362.0	1,196.5
Other liabilities	943.0	949.3
Total equity and liabilities	**6,278.2**	**6,093.7**

Stock-in-trade down Rs 229m (–13.8%); long-term debt down Rs 95m. Receivables rose with strong dispatches in the final quarter; 91% were under 90 days old.

Cash flows and key ratios

Operating cash flow up 19%; debt repaid on schedule

Rs million	FY2026	FY2025
Cash generated from operations	550.6	692.2
Finance cost, tax and other payments	(415.1)	(578.5)
Net cash from operating activities	**135.5**	**113.7**
Capital expenditure	(165.7)	(156.4)
Other investing inflows	10.1	12.7
Long-term financing repaid	(174.9)	(170.9)
New long-term financing	–	97.7
Short-term borrowings (net) and leases	161.2	137.2
Net change in cash	**(33.8)**	**33.9**

2.2x

EBITDA / finance cost

FY25: 1.7x

35.6%

Gearing

FY25: 35.1%

1.36x

Current ratio

FY25: 1.45x

Rs 98.0

Book value per share

Rs 47.5 excl. surplus

136 days

Inventory holding

FY25: 202 days

4.3%

Return on equity

FY25: 3.6%

First quarter FY2027 results

Quarter ended 30 September 2026 (un-audited), Rs million

	Q1 FY27	Q1 FY26	Change
Production (tons)	924	780	+18.4%
Sales volume (tons)	998	937	+6.5%
Net sales	914.0	1,156.4	−21.0%
Gross profit	**168.7**	**182.8**	**−7.7%**
Gross margin	18.5%	15.8%	+2.7 pts
Admin, selling and distribution	(94.6)	(81.1)	+16.6%
Operating profit	**74.1**	**101.7**	**−27.1%**
Other expenses	(6.0)	(18.9)	−68.1%
Finance cost	(65.4)	(65.4)	0.0%
Profit after tax	**0.7**	**15.3**	
Earnings per share (Rs)	**0.02**	**0.44**	

+18.4%

Production

924 tons

18.5%

Gross margin

Q1 FY26: 15.8%

- Lower sales value reflects product mix and introductory pricing in new export markets
- Price escalations on new orders under active consideration
- All long-term loan instalments paid on schedule; nothing overdue

Financial position at 30 September 2026

Production built ahead of dispatches; receivables collected

Rs million	30 Sep 2026	30 Jun 2026	Change
Stock-in-trade	1,701.7	1,428.0	+273.7
Trade receivables	853.5	945.5	–92.0
Trade and other payables	524.6	469.5	+55.1
Short-term borrowings	1,538.0	1,362.0	+176.0
Long-term financing (non-current)	288.0	336.5	–48.5
Total equity	**3,432.2**	**3,431.5**	**+0.7**
Total assets	**6,486.4**	**6,278.2**	**+208.2**

Net cash used in operating activities in Q1 was Rs 68.5m, mainly from the Rs 273.7m increase in stock-in-trade. Long-term loans of Rs 48.1m were repaid during the quarter.

Faster dispatch

Convert kiln output into dispatch-ready stock through timely assembly and packing

Debottlenecking

Improve drying and firing recoveries, kiln loading and cycle times

Working capital

Turn the stock build into deliveries, receivables and cash

Outlook and strategic priorities

Cautiously optimistic: broader portfolio, growing export base, stronger order book

Grow exports

Deepen North and Latin American customers; target the US as a leading market and win repeat orders

Execute the order book

Deliver on time to reduce liquidated damages and protect margins

Restore margins

Price escalations on new orders and cost-efficiency initiatives within FY2027

Debottleneck capacity

Improve kiln loading, cycle times and recoveries; invest where economically justified

New capabilities

ISO/IEC 17025 laboratories for external testing; switchgear, instrument transformers and foundry products

Financial discipline

Convert stock and receivables into cash and reduce debt; no dividend for FY2026 to conserve funds

Feedback Form

Dear Participants,

Thank you for attending our Corporate Briefing Session.

As part of our continuous improvement efforts, we invite you to share your feedback on the ***Corporate Briefing Session 2026****. Your feedback will assist the Company in evaluating the effectiveness of the session and enhancing future engagement with investors, analysts, shareholders and other stakeholders.*

Feedback may be submitted through either of the following channels:

1. *Email your comments directly to* ***cbs@emco.com.pk****; OR*
2. *Complete the Feedback Form and send it to* ***cbs@emco.com.pk****.*
3. *Feedback Form is available in the Presentation uploaded on PUCARS and Company website. You can download presentation and feedback form using the link https://emco.com.pk/index.php/investor-relations*

We highly value your input and appreciate your time in helping us enhance the quality and relevance of future briefing sessions.

Thank you for your support.

Questions and answers

Thank you for your interest in EMCO Industries Limited

Investor relations
Mr. Ahsan Suhail Mannan, Company Secretary
4th Floor, National Tower, 28-Egerton Road, Lahore
www.emco.com.pk | info@emco.com.pk

EMCO INDUSTRIES LIMITED

Corporate Briefing Session (CBS) held Online On 12-Nov-2026

Feedback Form

Dear Attendee,

Thank you for attending our Corporate Briefing Session. Your feedback will assist the Company in evaluating the effectiveness of the session and enhancing future engagement with investors, analysts, shareholders and other stakeholders.

Consent and Confidentiality Notice

By submitting this form, you acknowledge and consent to the collection, processing and use of the information provided herein solely for the purpose of assessing the effectiveness of the CBS and improving future stakeholder engagement activities. All responses will be treated in a confidential manner and, unless expressly authorized by the respondent, will be analyzed and reported only on an aggregated and anonymized basis. Submission of this form constitutes your agreement to the foregoing terms.

Participant Information (Optional)

Name: _____

Organization / Institution: _____

Area	Excellent	Good	Average	Fair	Poor
Overall organization					
Quality of presentations					
Clarity of information shared					
Financial & operational disclosures					
Management responsiveness during Q&A					
Overall satisfaction					

	Agree	Neutral	Disagree
The session improved my understanding of the Company performance and outlook			
The information presented was relevant and useful			
The briefing met my expectations			

Most valuable aspect of the briefing: _____

_____

Additional information desired in future sessions: _____

_____

Suggestions for improvement: _____

_____