Day Break

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Pharmaceuticals

GLAXO: CY25 Corporate Briefing Takeaways

- In CY25, GLAXO recorded a 52%y/y increase in net profit, with EPS reaching PKR 31.48. This performance was largely supported by price hikes, a favorable product mix, effective cost controls, and robust tender-driven sales in the final quarter.
- The Company witnessed a notable 51%q/q surge in revenue during 4QCY25, primarily due to strong procurement by provincial governments and seasonal demand patterns.
- Although overall volumes declined by around 10–15%y/y—mainly due to weaker demand in Balochistan and KPK, a consumer shift toward lower-priced local alternatives, and reduced trade incentive however, the Company maintained its strong market positioning.

GlaxoSmithKline Pakistan Limited (GLAXO) held a corporate briefing session to provide key insights on the financial performance and future outlook for the Company.

Key highlights from Corporate Briefing

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- GLAXO continues to lead the pharmaceutical sector, holding approximately 9% share in volume terms and 6% in revenue. Its flagship brands remain dominant, with Augmentin and Velosef commanding 46% and 68% shares in their respective segments.

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- Despite some softness in antibiotic sales and a growing contribution from dermatology products, antibiotics still form the backbone of the business, contributing about 48% of total revenues. The Company also retains leadership in key antibiotic categories.

- During the year, GLAXO introduced Shingrix, a vaccine targeting shingles (herpes zoster). While initial marketing efforts have generated encouraging awareness and response, meaningful revenue contribution from this product is expected to materialize gradually over time.

- A sharp reduction in promotional support from the parent company—declining to PKR 0.6bn in CY25 from PKR 2.1bn in the previous year—signals improved internal profitability and reduced dependence on external backing.

- On the risk front, escalating energy costs linked to geopolitical tensions could disrupt API supply chains and impact pricing. While margins have so far remained stable, with only freight costs increasing and base API prices largely unchanged, prolonged instability could pressure both the broader economy and the pharmaceutical sector.

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