Flash Note

Monday, October 27, 2025

IGI Securities
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Pharmaceuticals

Haleon Pakistan Limited (HALEON)

Earnings: Haleon Pakistan Limited (HALEON) announced its financial results for 3QCY25, reporting earnings of PKR 1.6bn (EPS PKR 13.8/sh) compared to PKR 1.3bn (EPS PKR 11.4/sh) in the same period last year, reflecting a 21%y/y growth. The improvement in profitability was mainly driven by higher gross margins, and steady top-line growth. Cumulatively, 9MCY25 earnings rose to PKR 4.6bn (EPS Rs 39.2/sh), up 43% y/y, owing to improved operational efficiency and pricing gains.

Dividend/Payout: The Company announced a cash dividend of PKR 5.00/share along with the result taking the cumulative dividend to PKR 15.0/share.

Operating Performance: During the period under review, net sales increased by 16% y/y to PKR 10.6bn, driven by robust demand in key product categories and selective price adjustments. Gross profits improved to PKR 4.3bn, translating to a gross margin of 40%, compared to 38% in the same period last year. Selling and distribution expenses increased moderately by +5% y/y. On a 9MCY25 basis, net sales surged by 17% y/y to PKR 32.19bn vs PKR 27.51bn during the same period last year, while earnings depicted an increase of +43%y/y primarily driven by better margins. During the period under review, The Company's effective tax rate stood at 39%, slightly lower than last year's 41%, resulting in a net margin of 15% vs 14% in the same period last year.

Exhibit: Haleon Pakistan Limited (HALEON) Financial Highlights

For Period Ending: 3QCY25

PKRbn	3QCY25	3QCY24	Y/Y	2QCY25	Q/Q	9MCY25	9MCY24	Y/Y
Net Sales	10.56	9.75	8%	11.60	-9%	32.19	27.51	17%
Gross Profits	4.26	3.68	16%	4.67	-9%	19.83	9.17	1.16x
Selling and Distribution	1.36	1.30	5%	1.67	-18%	4.16	3.39	23%
Profit Before Tax	2.66	2.24	19%	2.75	-3%	7.57	5.47	38%
Taxation	1.05	0.91	15%	1.13	-7%	2.99	2.25	33%
Profit After Tax	1.62	1.33	21%	1.62	-1%	4.59	3.20	43%
EPS	13.80	11.36	-	13.87	-	39.18	27.36	-
DPS	5.00	5.00	-	10.00	-	15.00	5.00	-
Gross Margins	40%	38%	-	40%	-	62%	33%	-
Effective Tax Rate	39%	41%	-	41%	-	39%	41%	-
Net Margins	15%	14%	-	14%	-	14%	12%	-

Source: Company Accounts, IGI Research

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- Justified Price to Book
- Residual Income (RI)
- Relative Valuation (Price to Earning, Price to Sales, Price to Book)

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Basic Definitions and Terminologies used: Target Price: A price target is the projected price level of a financial security stated by an investment analyst or advisor. It represents a security's price that, if achieved, results in a trader recognizing the best possible outcome for his investment, **Last Closing:** Latest closing price, **Market Cap.:** Market capitalization is calculated by multiplying a company's shares outstanding by current trading price. **EPS:** Earnings per Share. **DPS:** Dividend per Share. **ROE:** Return on equity is the amount of net income returned as a percentage of shareholders' equity. **P/E:** Price to Earnings ratio of a company's share price to its per-share earnings. **P/B:** Price to Book ratio used to compare a stock's market value to its book value. **DY:** The dividend yield is dividend per share, divided by the price per share.

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