

Pharmaceuticals

HALEON: 9MCY25 Management Call Takeaways

- HALEON Pakistan Limited (HALEON) held an investor briefing session to discuss the 9MCY25 financial results and provide key insights on the future outlook for the Bank.
- In 9MCY25, HALEON reported strong financial results, with revenue rising +17% y/y to PKR 32.2Bn. Gross margins improved by 5ppts on better pricing and higher volumes. Profit before tax increased +22% y/y to PKR 5.4Bn, while PAT surged +43% y/y to PKR 4.6Bn (EPS: PKR 39.18/share).
- The Company's revenue mix spans FMCG, digestive and nutrition products, skin health, respiratory care, and pain management. Its top three contributors—Panadol (49%), CaC+ (22%), and Oral Care (17%)—collectively generate 80% of total sales.

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Key highlights from management conference call

- The Company's revenue mix spans FMCG, digestive and nutrition products, skin health, respiratory care, and pain management. Its top three contributors, Panadol (49%), CaC+ (22%), and Oral Care (17%), collectively generate 80% of total sales.
- Management highlighted expansion plans within the Panadol franchise, with upcoming launches such as Panadol Migraine and Panadol Menstrual Pain. The Company also sees considerable untapped potential in the growing multivitamin segment.
- Management expressed that the Company aims to broaden its geographic footprint by exporting to 18–19 countries, though regulatory clearances are expected to take time.

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- The Company currently outsources 36% of Panadol production, but this will drop significantly to around 4% once expansions at the Jamshoro plant become operational.
- Production capacity enhancements are underway: tablet (solid dose) capacity is set to expand from 30Mn to 50Mn units, while vitamin production capacity will increase from 52Mn to 79Mn by end-CY26.
- Management disclosed that Panadol Ultra, one of the recent launches, has shown exceptional traction and strong growth within 6–8 months. Meanwhile, the Company is heavily focused on expanding its oral care franchise and aims to localize Sensodyne production to enhance efficiency and availability.
- To lower operating costs and increase energy sustainability, HALEON has installed solar power at its Jamshoro facility. By Jan-2026, around 30% of the plant's electricity needs are expected to be met by solar energy.
- Within the Panadol portfolio, 45% of sales come from the essential medicine segment, while the remainder is divided between non-essential and FMCG segments. Market share remains strong, with over 40% in Panadol, more than 70% in Sensodyne, and 30–35% in CaC+, where HALEON is the category leader.
- With PKR 6Bn in cash reserves, the Company plans to allocate capital toward the Jamshoro capacity expansion while also maintaining healthy dividend payouts.
- The Company aims to export select Centrum variants in the future however, regulatory constraints currently hinder nutraceutical exports, given such products require a separate, dedicated manufacturing facility. Management believes Centrum holds substantial growth potential, and enabling exports could meaningfully enhance profitability.

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