

## Pharmaceutical

### HALEON: Earnings for 4QCY24 to increase by 3.95xy/y owing to better margins

- HALEON board is set to announce the 4QCY24 result on 30-Jan-25, we expect HALEON earnings to post an increase of 3.95xy/y to PKR 12.42/share compared to PKR 3.15/share during SPLY, and up by 9%q/q compared to PKR 11.36/share during the last quarter.
- We expect this quarterly/yearly increase in earnings owing to better margins, deregulation of non-essential drugs, and new product launches.
- We expect the company to announce annual dividend of PKR 5.0/share this would be in addition to the interim dividend of PKR 5.0/share already paid by the company, this expectation roots from significant improvement in the cash position of the company and better earnings. The company currently has the capacity to pay dividends, with PKR 7.7bn in cash as of Sep-24, allowing them to continue payout to shareholders.

#### HALEON earnings to increase by 3.95xy/y during 4QCY24

For the 4QCY24, we expect HALEON earnings to post an increase of 3.95xy/y to PKR 12.42/share compared to PKR 3.15/share during the SPLY, and up by 9%q/q compared to PKR 11.36/share during the last quarter. We expect an increase in earnings driven by volumetric sales growth, improved gross margins from price increases in the essential segment and deregulation of non-essential drugs, along with new product launches.

We also expect the Company to announce annual cash dividend of PKR 5.0/share this would be in addition to the interim dividend of PKR 5.0/share already paid by the company, this expectation roots from significant improvement in the cash position of the Company and better earnings. HEALEON currently has the capacity to pay dividends, with PKR 7.7bn in cash as of Sep-24, allowing them to continue payout to shareholders.

Exhibit: HALEON Earnings Preview 4QCY24E							
PKRMn	4QCY24E	3QCY24	q/q	4QCY23	y/y	12MCY24	y/y
Sales	11,477	9,755	18%	7,894	45%	38,990	23%
Gross Profits	4,361	3,683	18%	1,976	121%	25,456	295%
Profit After Tax	1,454	1,330	9%	368	295%	4,656	368%
EPS (PKR)	12.42	11.36	9%	3.15	295%	39.78	368%
DPS (PKR)	5.00	5.00	-	-	-	10	-
Gross Margin	38%	38%	-	25%	-	34%	-
Net Margin	13%	14%	-	5%	-	12%	-

Source: Company Accounts, IGI Research

#### IGI Research

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