Colgate-Palmolive (Pakistan) Limited (COLG)

Sector

FOOD & PERSONAL CARE PRODUCTS

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Symbol: **COLG**
Current Price: **PKR 1,126.00**
Market Cap (PKR bn): **273.85**
Total Shares (mn): **242.77**
Free Float (mn): **24.27**
52 Week High: **PKR 1,310.00**
52 Week Low: **PKR 1,050.00**

Colgate Palmolive (Pakistan) Limited (COLG) reported earnings per share of PKR 76.74 for FY26, compared to earnings per share of PKR 75.78 in FY25. Furthermore, in 4QFY26, the company reported earnings per share of PKR 21.20, compared to earnings per share of PKR 17.69 in the same period last year (SPLY).

The company operates three manufacturing plants, with two located at Kotri, Sindh, and one at Sundar Industrial Estate, Punjab. Home Care contributes approximately 70% of total net revenue, while Personal Care & Oral Care account for the remaining 30%. Around 70% of raw materials are imported, including palm oil, tallow, and specialty chemicals, while the remaining 30% are sourced locally.

Colgate Palmolive is the market leader in Oral Care, Fabric Care, and Dish Care.

Within the detergent portfolio, Brite is positioned in the premium segment, Express Power in the mid-tier segment, and Bonus targets the low tier. More than 300 active detergent brands operate in Pakistan. The total detergent market is estimated at approximately 300,000 tons. COLG holds an estimated 40–45% market share.

In Dish Care, the Max portfolio, comprising bars, liquids, and scrubbers, remains the dominant player in the organized dishwashing segment, with an estimated 50–55% market share, ahead of competitors such as Lemon Max and Vim.

In Oral Care, key products include Colgate Maximum Cavity Protection and Colgate Max Fresh. Pakistan's per-capita toothpaste consumption remains low at approximately 85 grams per annum, indicating significant long term volume growth potential as disposable incomes and economic conditions improve.

Within Personal Care, Palmolive remains among the top three most penetrated bar soap brands in Pakistan. The total bar soap market is estimated at approximately 100,000 tons, with a value of around PKR400bn, while the shampoo market is estimated at approximately PKR350bn.

Following Procter & Gamble's (P&G) decision to exit local manufacturing in Pakistan, Colgate Palmolive is in the final stages of acquiring P&G's manufacturing assets.

COLG is not acquiring P&G's brand names or trademarks. The acquisition is being funded entirely through internal cash reserves and is intended to expand manufacturing capacity to support future growth. However, third party parallel importers may continue to bring certain P&G products into Pakistan.

Within Fabric Care, Brite and Express Power are gaining market share previously held by Ariel. In shampoos, Palmolive bottles and sachets are capturing market share vacated by Pantene and Head & Shoulders, while in the soap category, Palmolive and Protex are gaining share following the reduced presence of Safeguard.

The company's total power requirement across all facilities is approximately 6MW. Operations are currently fully connected to the national grid, while approximately 6% of electricity requirements are met through solar.

Management is targeting double digit revenue growth of around 10% or above. However, ongoing geopolitical tensions in the Middle East have increased commodity prices, particularly for imported raw materials, while also creating supply chain disruptions. These factors have exerted pressure on margins since 4QFY26.

The company has implemented price increases to partially offset higher input costs. However, given the highly competitive operating environment, including competition from multinational companies and more than 300 local manufacturers, cost increases cannot always be passed on immediately.

COLG continues to invest in growth initiatives and has not curtailed critical capital expenditure, with ongoing investments at both the Sundar and Kotri facilities.

The company has also significantly increased its advertising and media spend to support brand visibility and market share gains. Overall toothpaste market volumes continue to grow at a low single digit rate.

The company continues to invest in de bottlenecking initiatives and high speed packaging machinery, particularly to accommodate the ongoing consumer shift toward smaller pack sizes.

PKR 'Mn	FY25	FY26	YoY	4QFY25	4QFY26	YoY
Net sales	116,001	125,220	8%	29,024	34,078	17%
Cost of sales	-75,280	-81,380	8%	-19,152	-22,908	20%
Gross profit	40,721	43,840	8%	9,872	11,170	13%
Gross Margin	**35%**	**35%**		**34%**	**33%**	
Selling/distribution expenses	-11,991	-13,370	12%	-2,834	-3,344	18%
Administrative expenses	-1,369	-1,496	9%	-341	-382	12%
Operating profit	**27,361**	**28,974**	**6%**	**6,696**	**7,445**	**11%**
Depreciation & amortisation	1,251	1,465	17%	351	378	8%
EBITDA	28,612	30,438	6%	7,047	7,823	11%
Financial charges	-166	-177	7%	-41	-58	41%
Other income	3,939	3,541	-10%	732	1,553	112%
Other charges	-2,012	-2,102	4%	-480	-567	18%
Profit before tax	29,122	30,236	4%	6,906	8,373	21%
Taxation	-10,724	-11,607	8%	-2,613	-3,226	23%
Profit after tax	18,397	18,629	1%	4,294	5,147	20%
Net Margin	**16%**	**15%**		**15%**	**15%**	
EPS - Basic	75.78	76.74		17.69	21.20	
DPS	61.5	64.0		29.5	35.0	

Important Disclosures

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