PAEL: 3QCY26 EPS expected to clock-in at PKR 0.92

TAURUS SECURITIES LIMITED
A Subsidiary of National Bank of Pakistan

Flashnote: Cable & Electrical Goods – Pak Elektron Limited (PAEL) - Result Preview

Monday, October 26, 2026

- **Board Meeting:** Thursday, October 29, 2026
- **3QCY26: –** EPS: PKR 0.92, PAT: PKR 848Mn, up 24%YoY
- **9MCY26: –** EPS: PKR 3.75, PAT: PKR 3.5Bn, up 14%YoY.
- In 3QCY26, we expect sales to slow down on quarterly basis, as demand fueled by preparations for the summer season has cooled down. Moreover, we expect volumetric growth in PAEL's Power Division as consumers' preferences shift to smart metering and Government's interest to invest in the power infrastructure.
- Despite increase in raw material cost along with delivery delays—amid ME tensions, PAEL's top line growth is expected to be supported by its export sales of transformers with a target of USD 20Mn in CY26.
- Finally, we do not expect the Company to declare an interim cash dividend for the quarter.

PAEL Result Preview - 3QCY26 & 9MCY26

PKR Mn	3QCY26E	3QCY25A	YoY	2QCY26A	QoQ	9MCY26E	9MCY25A	YoY
Net Sales	**11,067**	**11,272**	**-2%**	**22,099**	**-50%**	**53,388**	**46,793**	**14%**
Cost of Sales	(8,226)	(8,168)	1%	(16,592)	-50%	(40,070)	(34,084)	18%
Gross Profit	**2,842**	**3,104**	**-8%**	**5,507**	**-48%**	**13,319**	**12,709**	**5%**
Other Income	15	46	-67%	36	-58%	67	92	-27%
Distribution Cost	(748)	(815)	-8%	(1,429)	-48%	(3,894)	(3,177)	23%
Administrative Cost	(374)	(682)	-45%	(740)	-49%	(1,986)	(2,021)	-2%
Finance Cost	(299)	(516)	-42%	(593)	-50%	(1,586)	(1,905)	-17%
Profit/(loss) Before Taxation	**1,346**	**1,117**	**21%**	**2,570**	**-48%**	**5,438**	**5,565**	**-2%**
Provision for Taxation	(498)	(435)	14%	(820)	-39%	(1,970)	(2,513)	-22%
Profit/(loss) After Taxation	**848**	**681**	**24%**	**1,749**	**-52%**	**3,468**	**3,051**	**14%**
EPS	**0.92**	**0.74**		**1.89**		**3.75**	**3.30**	
DPS	**-**	**-**		**-**		**-**	**-**	

Source: TSL Research & Company Reports

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- Discounted cash flow (DCF, DDM)
- Justified price to book (JPB)
- Relative Valuation (P/E, P/B, P/S, EV/EBITDA, EV/Revenue etc.)
- Equity & Asset return based methodologies (EVA, Residual Income etc.)

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Frequently Used Acronyms

TP	Target Price	**DCF**	Discounted Cash Flow	**FCF**	Free Cash Flows
FCFE	Free Cash Flows to Equity	**FCFF**	Free Cash Flows to Firm	**DDM**	Dividend Discount Model
SOTP	Sum of the Parts	**P/E**	Price to Earnings ratio	**P/BVPS**	Price to Book ratio
P/S	Price to Sales	**EVA**	Economic Valued Added	**BVPS**	Book Value per Share
EPS	Earnings per Share	**DPS**	Dividend per Share	**DY**	Dividend Yield
ROE	Return on Equity	**ROA**	Return on Assets	**JPB**	Justified Price to Book

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