

Key Statistics (USD)

Price	16.05
Market Cap	19.40 B
Enterprise Value	43.33 B
PEG	-
52 weeks high	19.24
52 weeks low	12.94
Beta (5Y-monthly)	1.48
Dividend yield %	2.75
EPS (TTM)	-
DPS	0.44
One year stock performance	0%

Growth Rates	Company	Sector
Revenue (Q/Q last year)	69.15%	7.36%
Net earnings (YTD/YTD last year)	-4087.50%	13.64%
Net earnings (Q/Q last year)	-5088.46%	-21.59%

Margins	Company	Sector
Gross Profit margin	38.02%	61.59%
EBITDA margin	-	-
EBT margin	-6.04%	11.56%
Net Profit margin	-5.61%	9.17%
Gross Profit margin (5Y average)	40.67%	62.15%
EBT margin (5Y average)	1.31%	14.25%

Key Ratios	Company	Sector
Current Ratio	1.23	1.48
Quick Ratio	0.70	1.13
Cash Ratio	-	-
ROE	-10.58	10.52
ROA	-3.88	5.39
ROC	-4.68	5.75
D/E	1.03	0.75

Valuation Metrics	Company	Sector (median)
P/E (NTM)	4.45	-3.31
P/E (TTM)	-	28.15
P/B (TTM)	0.84	4.27
P/Sales (TTM)	1.62	6.38

Firm's Brief Description.

Viatrix Inc., formerly Upjohn Inc., is a healthcare company. It is a scientific, manufacturing and distribution company that is specialized in delivering medicines to patients in over 165 countries and territories. It provides access to medicines, advance sustainable operations, develop solutions and leverage it's specialization to connect people to products and services through it's Global Healthcare Gateway. It's portfolio comprises of more than 1,400 molecules across a wide range of therapeutic areas, spanning both non-communicable and infectious diseases, global brands, complex generic and branded medicines, portfolio of biosimilars and a variety of over-the-counter consumer products. It produces medicines for patients across a broad range of therapeutic areas, spanning both noncommunicable and infectious diseases, which include cardiovascular, oncology, immunology, women's healthcare, diabetes and metabolism, gastroenterology, respiratory and allergy and dermatology.

Sector Overview

- The global generic drugs market is expected to grow at a compound annual growth rate (CAGR) of 5.7% over forecast period 2021 to 2030 and was valued at USD 387.92 billion in 2020.
- The US Biosimilars market was worth USD 737.2 million in 2019 and will exhibit a CAGR of 46.2% during the forecast period, 2020-2027.
- Spending for home healthcare services is projected to exhibit the most rapid growth among discrete expenditure segments, with expected annual increases of 6.6% through 2023.

Fundamental Analysis

Viatrix Inc. stock price remained the same during the last year by coincidence. Taking into consideration the last 12 months, the company significantly underperformed its competitors on net earnings while outperformed them on revenue growth. Moreover, gross profit 38.02% and net profit margin -5.61% are lower than the sector average which are 61.59% and 9.17% respectively. We can observe the same also for the 5 year averages. Furthermore, the company with a negative Return on Equity (ROE) ratio of 10.58 underachieved the sector's average which stands at 10.52. Since, the net earnings are negative both Return on Assets (ROA) and Return on Capital (ROC) are worse than the sector's average. Another weak point of the company is the higher Debt to Equity ratio compared to the sector's average. This comes in contrast with the 2.75% dividend yield. Finally, VTRS has a P/E ratio for the next 12 months higher than the sector's median and below 10, which can indicate an undervalued stock. But with significant low growth rates, margins and key ratios we can't see how this company can go on. Therefore, we suggest a possible short position.

Target Price (1 year forward): 13.83 \$

DISCLAIMER

THE FINANCE CLUB OF UNIVERSITY OF MACEDONIA, THESSALONIKI, GREECE

The Finance Club of University of Macedonia - www.financeclub.gr is an independent non-profitable student organization founded by students of the University of Macedonia, Greece (UoM - www.uom.gr) that aims to build strong relations between the market and the University. Though based in the University of Macedonia, it also operates via associates in Aristotle University of Thessaloniki, Greece and other institutions. The Club's goal is to give its members the chance to view the market in a more practical approach rather than solely relying on the abstract knowledge offered by the university. In order to achieve this goal, the Club organizes various events like conferences, workshops and seminars. Moreover, its members are able to cooperate with companies by taking up real case projects to work on along with the managers of the associated companies. In addition, the Club is trying to build and expand its network among students, market professionals and professors therefore giving its members a very broad pool of potential partners and employers.

This report has been compiled by the authors mentioned above and published by them via the Finance Club UoM site and many other platforms. The club confirms that the authors are active members at the time this article is published but emphasizes the fact that opinions and views given by the authors in this article are their own views. Finance Club UoM takes no responsibility for the completeness or correctness of information provided. No investment advice is given with the text above and the reader should not take any financial position based on the information published in this article. The Club recommends extensive research by the reader before investing in any financial asset. General this report may be based on the information extracted from various sources including but not limited to various companies' and statistical agencies' websites, online portals, third-party research, annual reports etc. No representation or warranty of any kind is or may be made with respect to the accuracy or completeness of, and no representation or warranty should be inferred from, any projections or futuristic statement contained herein or any underlying assumptions. This article may include descriptions, statements, estimates and projections/futuristic statements with respect to current and anticipated performance of the underlying. Such statements, estimates and projections reflect various assumptions and best estimates made by the participants concerning anticipated results, whose assumptions and estimates may or may not prove to be accurate or correct. There are no assurances whatsoever that any statements, estimates or projections contained in this article, including without limitation any financial or business projections, accurately present in all material respects the underlying's financial and/or business position as of the respective dates specified and the results of its operations for any respective periods indicated. No copyright or trademark infringement is intended in any form.

© Copyright 2020. Finance Club UoM