

Company Name : Pharmaniaga Berhad
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Pharmaniaga Is Poised To Benefit From Vaccine, Says Kenanga Research

KUALA LUMPUR (Oct 2): Kenanga Research said Pharmaniaga Bhd is poised to benefit from the vaccine with its (i) well-integrated logistics and distribution network nationwide, and (ii) already existing Small Volume Injectable (SVI) plant located in Puchong which is suitable for the “fill and finish” of inactivated/kill vaccine.

In a daily technical highlights note today, the research house said the stock has recently found support at its 50-Day SMA while forming a bullish “pennant” pattern after retracing from an all-time high of RM6.69 (on August 25).

“Thus, should the buying interest persist, our overhead resistances are set at RM5.30 (R1:+13% upside potential) and RM5.60 (R2: +19% upside potential).

“Meanwhile our stop loss is pegged at RM4.20 (or 11% downside risk).

“Based on consensus estimates, the company is projected to turn from a loss to a net profit of RM70.2m in FY20E and RM71.6m (+2%, YoY) in FY21E. “This translates to a forward PER of 17x in both years respectively,” it said.