



Pfizer [NYSE: PFE]

Binghamton Investment Fund | Healthcare Sector

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BUY : PFE

Price : \$27.57

PT : \$36

Upside : 30%

Company Overview



Background and Strategy



Albert Bourla
CEO since 2019

Pfizer is in its 175th year of operation

- #1 Pharmaceutical company in terms of revenue from pharma-only products (\$58.5B in 2023)
- #4 Pharmaceutical R&D (\$10.7B in 2023)
- Products available in >185 countries
- 9 products with sales greater than \$1B in 2023

Core Blockbuster Drugs



Prevents the invasion of bacterial pneumonia in babies and adults



Used to delay nerve damage caused by transthyretin amyloidosis, a hereditary nerve disease



Prevent blood clots and stroke in people with a type of irregular heartbeat called atrial fibrillation

Business Segments

Primary Care

- Common disease vaccine portfolio, with bulk of core products

Specialty Care

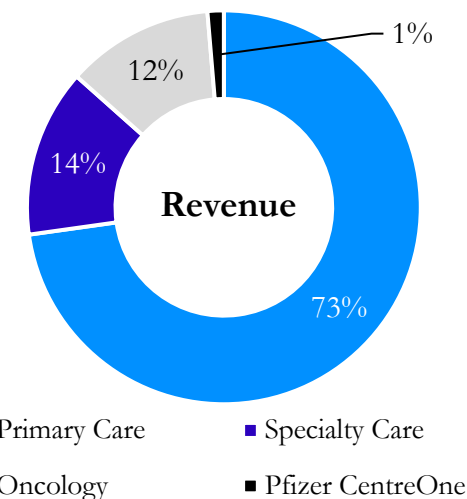
- Rare disease product portfolio

Oncology

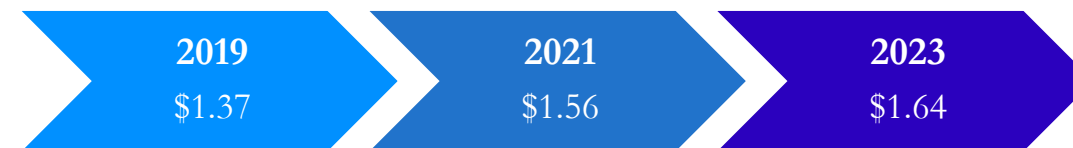
- Biologics for range of cancers

CentreOne

- Contract development and manufacturing arm



Dividend Strength



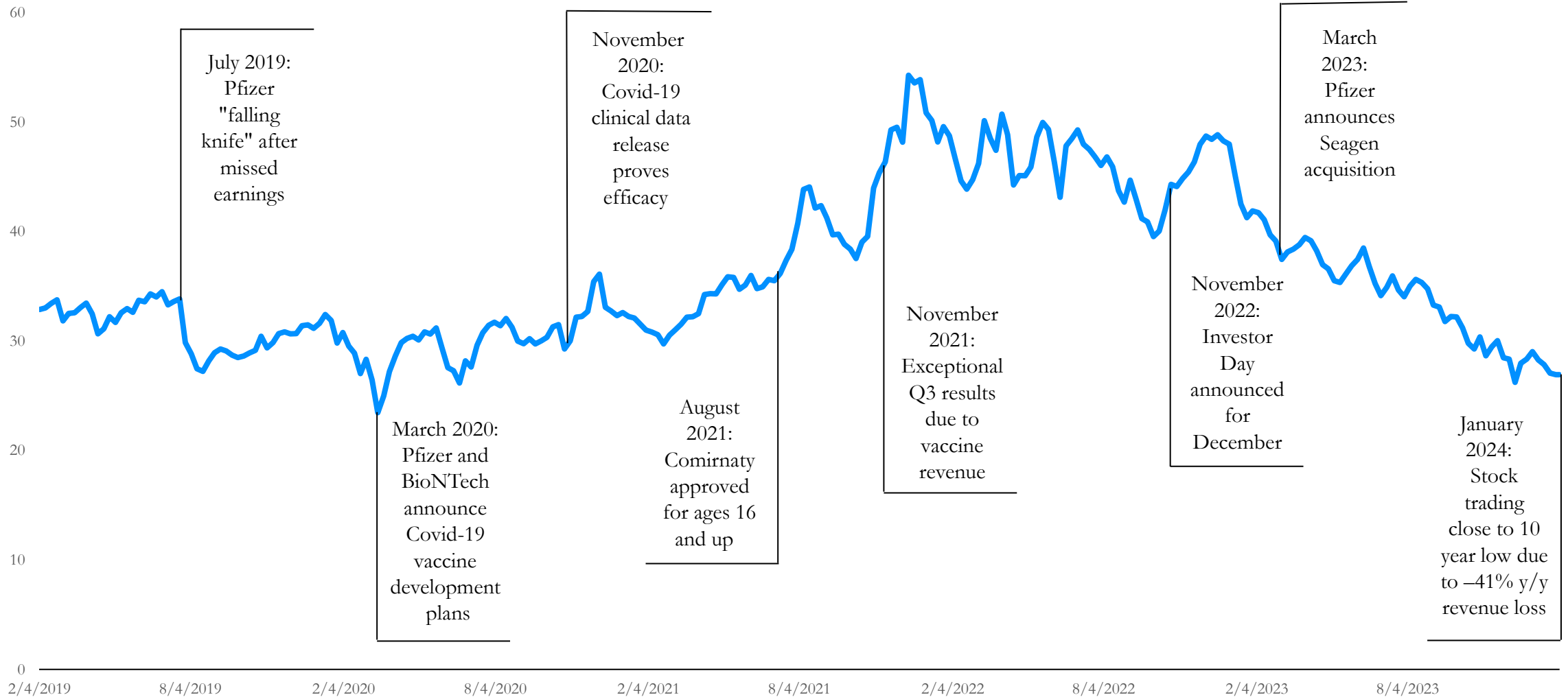
6.24% annual dividend yield

- **2nd highest** dividend for all drug manufacturers
- 2023 marks **15th year** of consecutive dividend hikes
- Management will **grow dividend again** in 2024

Why Now?



Historical Stock Performance 2019-2024



Oncology Leadership

Pfizer will have an Oncology Innovation Day on February 29th where they will unveil pipeline developments and plans through 2030, showcasing strength from Seagen acquisition

Pipeline Development

Building off a record year for FDA approvals in 2023, Pfizer has multiple drugs in phase 4 and Fast-Track FDA registration, some of which are first-in-class status

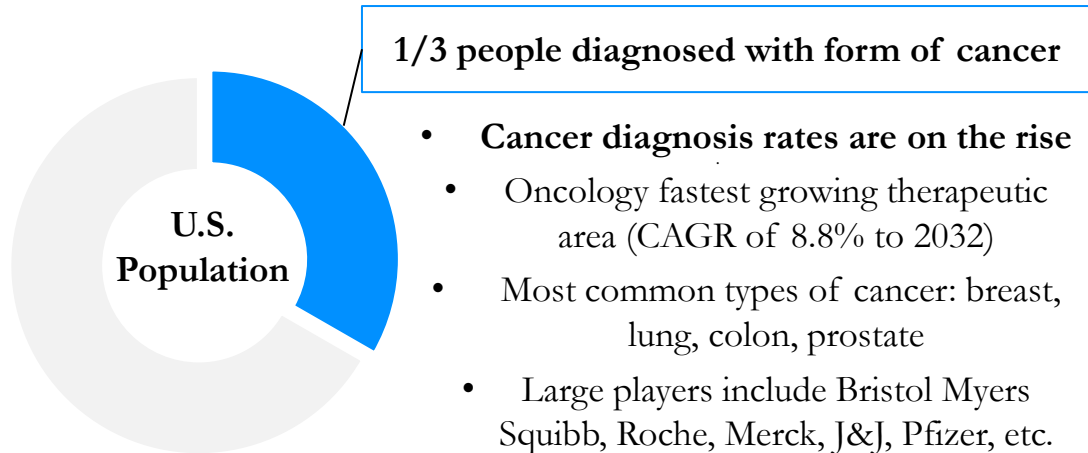
Overreaction to Covid-19 Falloff

Noteworthy successes were overlooked by investors focusing on the decreasing Paxlovid/Comirnaty sales and missed expectations, resulting in a selloff overreaction

Growing Oncology Leadership



Oncology Market Size



Current Oncology Segment Status

Product	Phase 1	Phase 2	Phase 3	Phase 4
TIVDAK (product enhancement)	→			
IBRANCE (product enhancement/new entity)	→			
TALZENNA (product enhancement)	→			
PADCEV (product enhancement)	→			
(PF-06801591) + Bacillus Calmette-Guerin (new entity)	→			
BRAFTOVI+ ERBITUX + chemotherapy (product enhancement)	→			
ELREXFIO (product enhancement)	→			

Upcoming Innovation Day

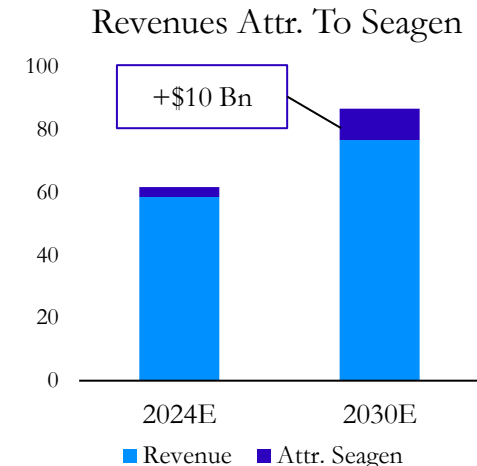


February 29
Oncology Innovation Day

Unveil vision of the new Pfizer Oncology Division, paving the way for Pfizer to expand its market share

Pfizer expects 2024 launches of new products for advanced/metastatic bladder cancer and prostate cancer

Leveraging Seagen Acquisition

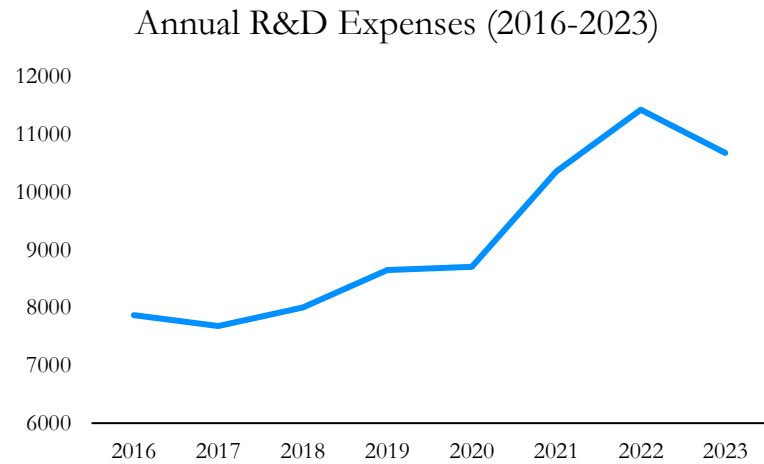


- Oncology **pipeline has doubled** with 60 programs spanning multiple modalities
- Pfizer's protein engineering and Seagen's ADC technology will **reshape next-generation biologics**
- **8 potential blockbuster** drug launches by 2030

Pipeline Development



Continued Investment into R&D



2023 was a record year with 9 FDA approvals and previous launches have still yet to reach peak sales (estimated 2025-2028)

New Drug Development

Product	Phase 1	Phase 2	Phase 3	Phase 4
Covid-19 Vaccine (product enhancement)	→	→	→	→
PF-07926307 Combo (new entity)	→	→	→	
fordadistrogene movaparvovec (new entity)	→	→	→	
Oxbryta (product enhancement)	→	→	→	
danuglipron (new entity/ product enhancement)	→	→		
VELSIPITY (new entity/ product enhancement)	→	→		
VTX-801 (new entity)	→			
PF-06821497 + enzalutamide (new entity)	→			

Future of Covid-19 Vaccine



Pfizer and BioNTech announce positive topline data for mRNA-based combination vaccine program against Influenza and Covid-19

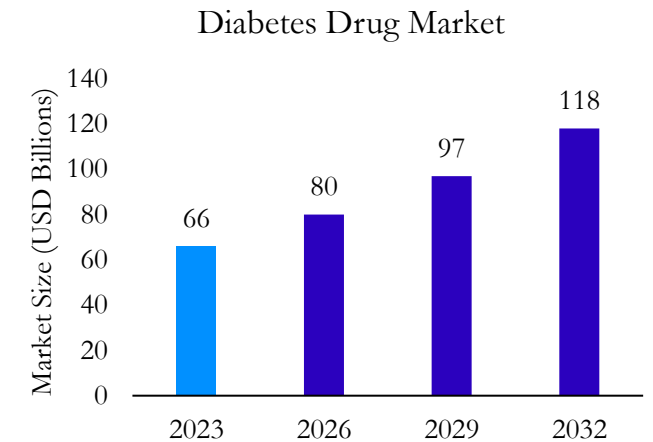
**Comirnaty +
Influenza
Combo
Vaccine**

Full launch expected by 2030, partial launch in 2024 in order to achieve first-mover advantage over Moderna

Entry into GLP-1 Market

GLP-1 market is booming for ~700M adults will have diabetes by 2045

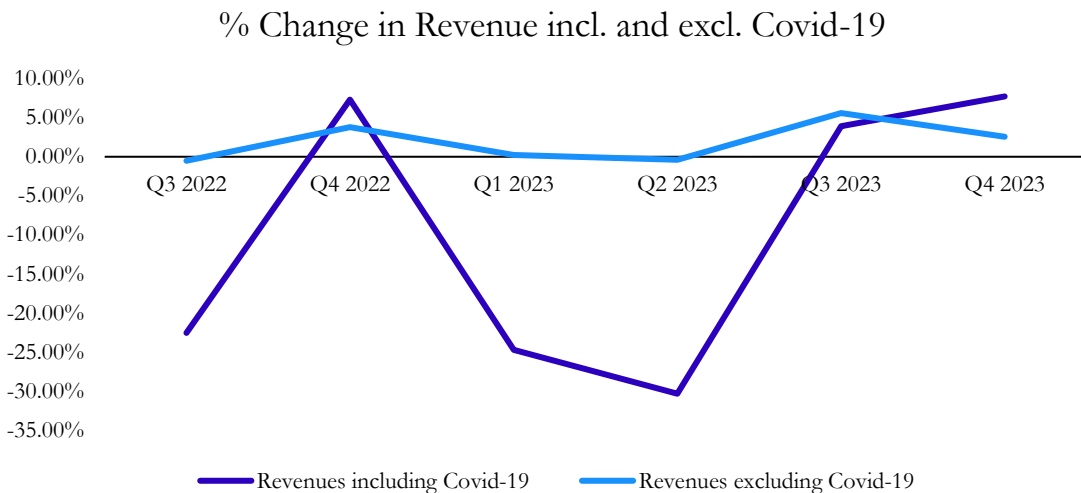
Pfizer key competitor in race to launch first oral GLP-1, Danuglipron



Overreaction to Covid-19 Falloff



Recent Quarterly Revenue



Missed Expectations

	Consensus		Reported	
	Rev.	EPS	Rev.	EPS
Q1 23	16.49B	0.99	10.88%	24.68%
Q2 23	13.40B	0.58	-4.96%	15.28%
Q3 23	13.43B	(0.34)	-1.47%	49.96%
Q4 23	14.40B	(0.18)	-1.02%	154.70%

String of missed expectations overshadowed positive momentum for the underlying pipeline and operations

Attractive Discount Opportunity

Pfizer Multiples	2018	2019	2020	2021	2022	2023	2024
P/Book	3.94x	3.43x	3.24x	4.30x	3.01x	1.56x	1.60x
P/Sales	4.78x	5.33x	4.88x	4.07x	2.86x	2.78x	2.64x
EV/Sales	5.09x	6.38x	5.59x	4.21x	3.03x	2.54x	2.99x
EV/EBITDA	13.38x	12.26x	17.56x	13.63x	7.48x	10.53x	11.39x
EV/EBIT	19.49x	17.56x	28.54x	17.57x	8.69x	16.74x	18.73x

Runway for Growth

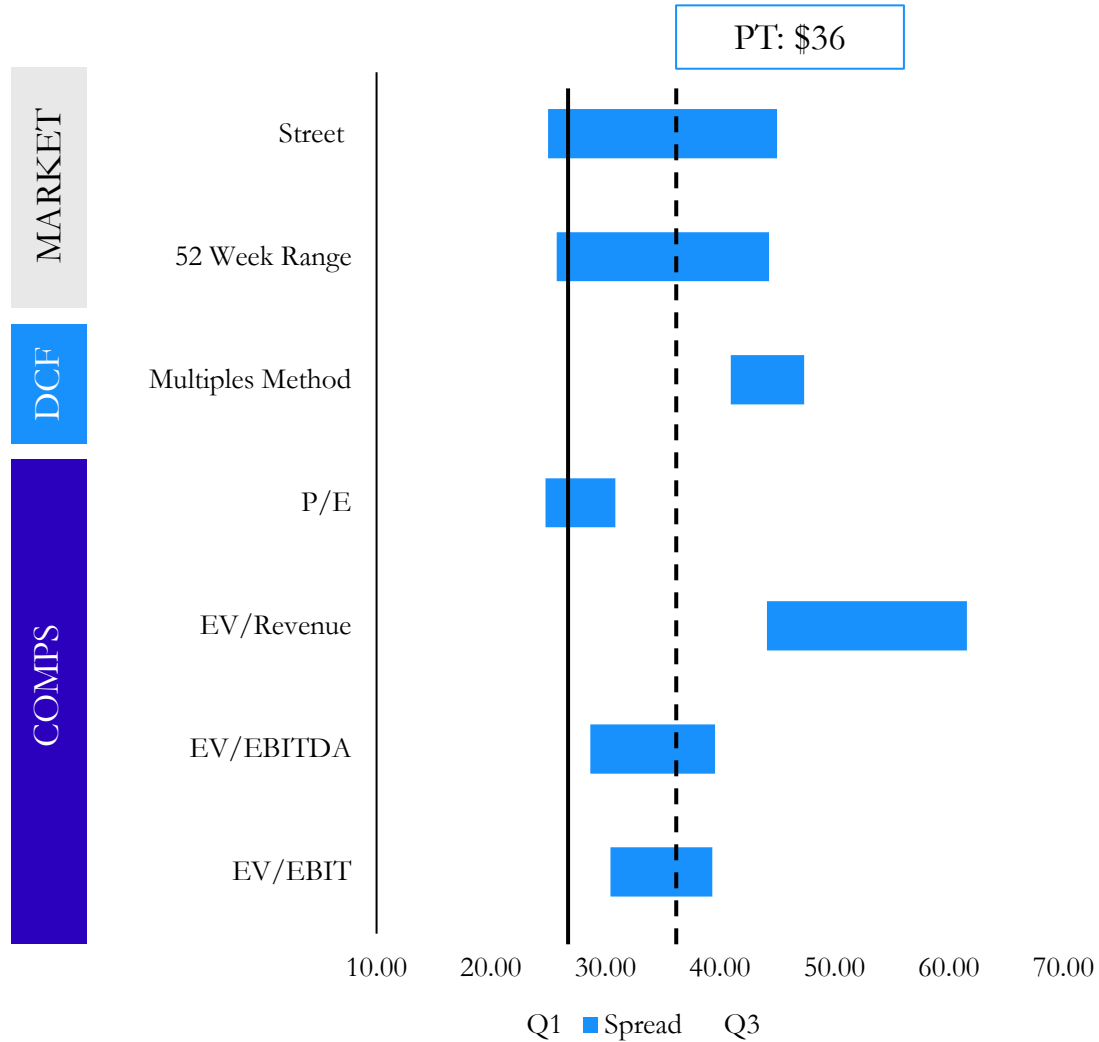
2024	2027	2030
Operational growth 8-10% (excl. Covid)	Sickle-cell treatment (GBT-601) approval expected	Add \$25 billion to revenue

Strategy positions Pfizer well for significant growth in the next few years

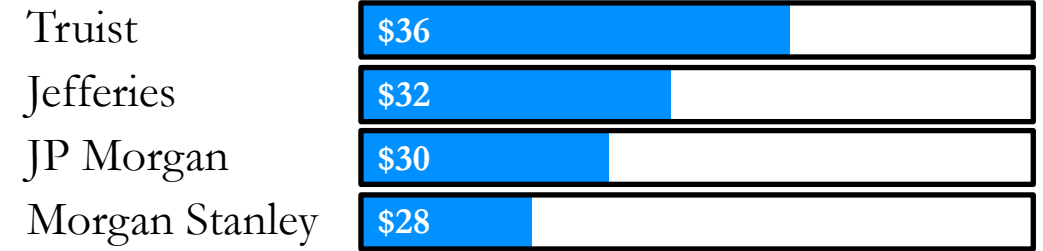
Valuation



Football Field



Breakdown



EV/ EBITDA 25%	EV/ EBIT 25%	EV/ Revenue 5%	P/E 25%	DCF MM 20%
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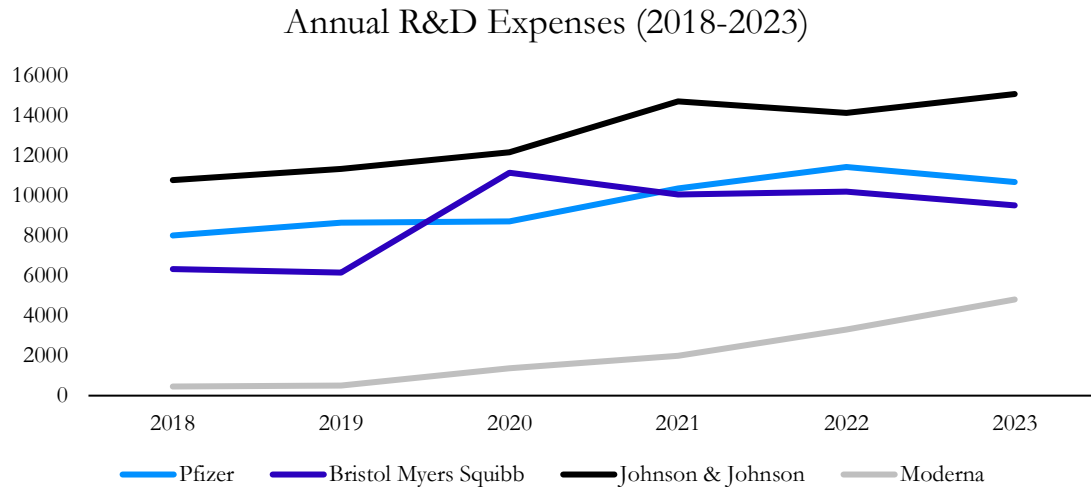
Multiple Method Sensitivity Table

	13.00	14.00	15.00	16.00	17.00
4.72%	42.10	44.27	46.44	48.61	50.77
5.22%	41.01	43.12	45.22	47.33	49.44
5.72%	39.95	42.00	44.05	46.09	48.14
6.22%	38.93	40.92	42.91	44.90	46.89
6.72%	37.93	39.87	41.80	43.73	45.67

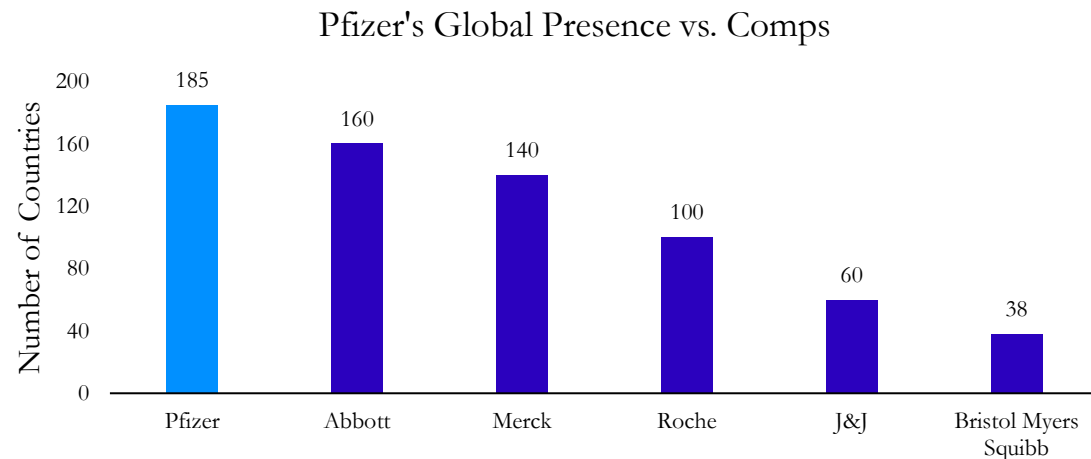
Performance Relative to Industry



Key Metric: R&D Expense



Unmatched Global Reach



Key Metrics

	EV/ EBITDA	EV/ Revenue
	10.53x	2.99x
	6.43x	2.90x
	9.05x	3.88x
	11.97x	5.81x
	11.34x	4.54x

Portfolio Assessment

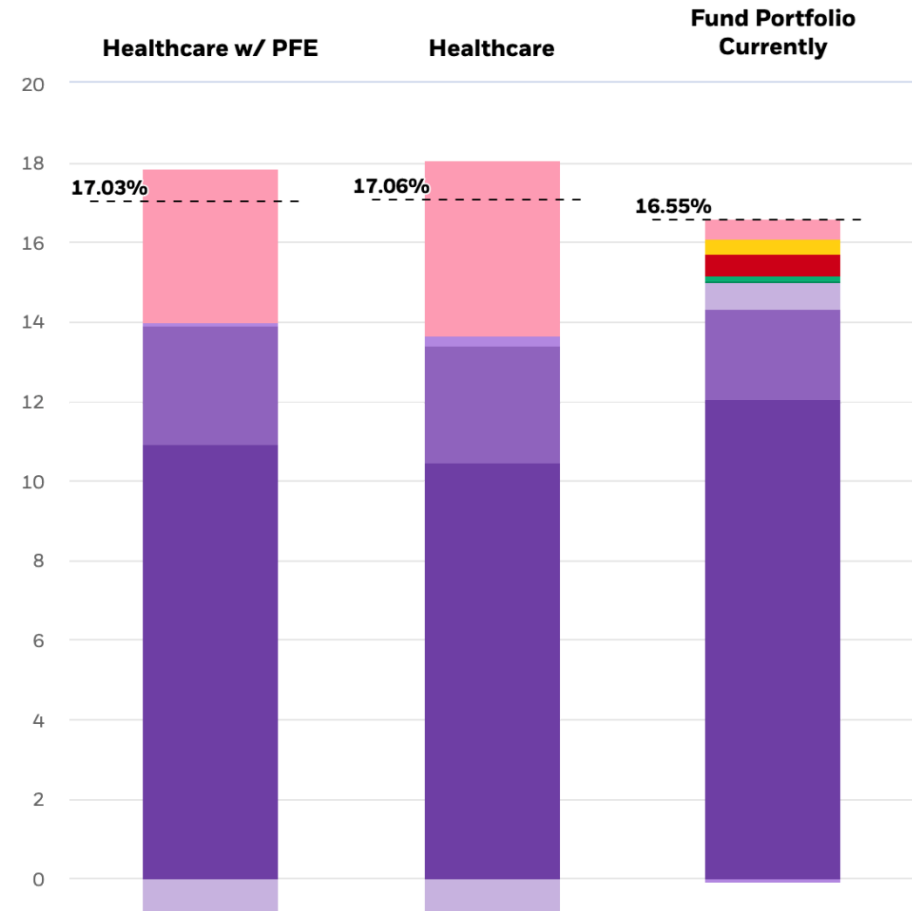


Performance Commentary

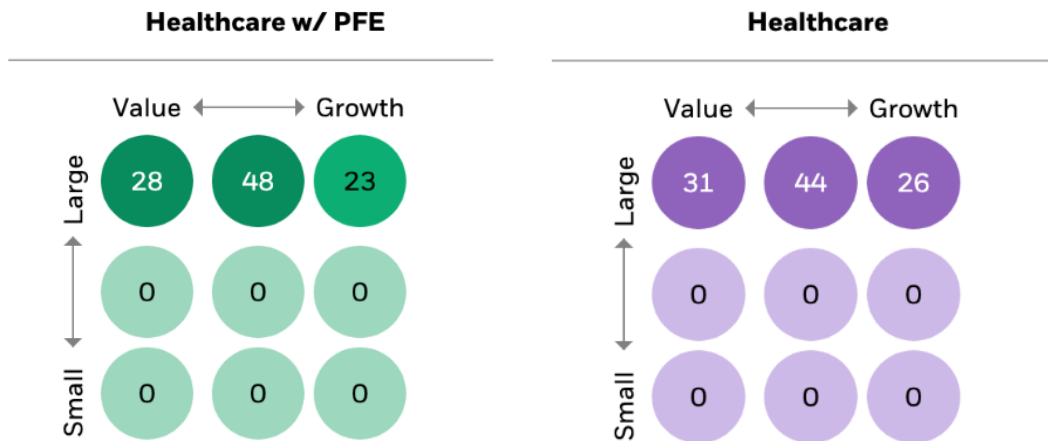
Portfolio	Performance Type	Last Month	Last Quarter	Year To Date
Healthcare w/ PFE	Gross of an advisory fee	6.82%	9.12%	5.23%
Healthcare	Gross of an advisory fee	7.84%	11.05%	10.50%
Fund Portfolio Currently	Gross of an advisory fee	4.95%	9.19%	24.60%

Even with CVS and PFE being down the past month/quarter, healthcare still performs well if not outperforms the general Fund portfolio

Diversification of Risk



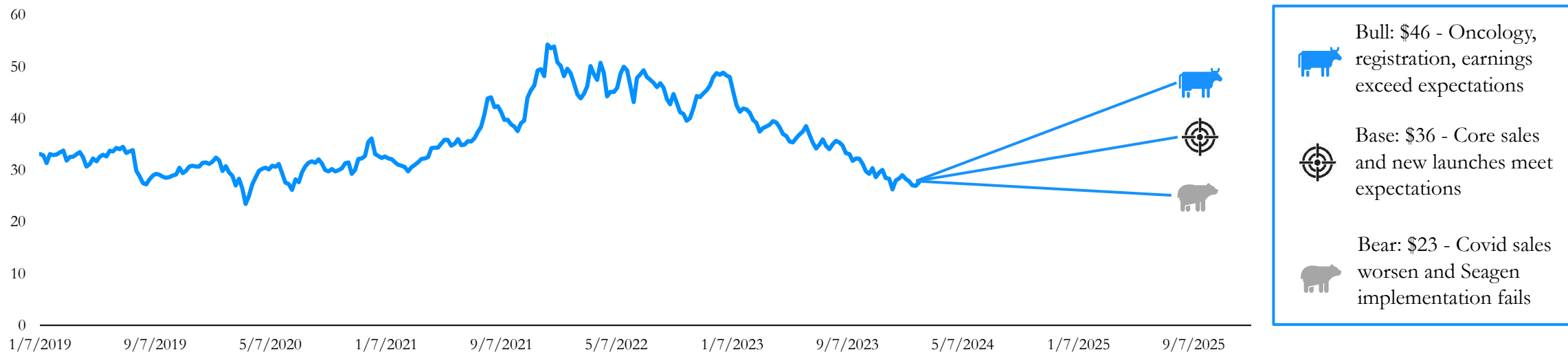
Value Distribution



Risks and Mitigations



Bear, Base, Bull Case



Covid-19 Impact

Pfizer's revenue has been taking significant hits with decreasing Covid-related sales

As less vaccines are on the shelves, revenue will not take as much of a cut and peaking sales will aid operational growth

Missed Expectations

Pfizer may continue to miss expectations pertaining to revenue loss from Covid-19 sales

The company has indicated they are being more conservative on guidance

Delays and Expirations

Delays in FDA approval and upcoming patent expirations can impact revenue

Many core drugs are unthreatened in the near-term regarding patent expirations and company has successful track record of approvals

Thank You!

Questions?

Appendix Overview



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- Appendix P: Oncology Pipeline Drugs
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Appendix A: IS



Pfizer INC										
Figures in Millions	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024E	FY 2025E	FY 2026	FY 2027	FY 2028	FY 2029
Total Revenue	41858	81288	100330	58497	57368	61083	62628	62816	61954	59760
Costs and Expenses:										
COGS	8484	30821	34344	24657	17211	17714	17536	17589	16728	16135
Gross Profit	33374	50467	65986	33840	40158	43369	45092	45228	45227	43625
<i>Gross Margin</i>	80%	62%	66%	58%	70%	71%	72%	72%	73%	73%
R&D	8709	10360	11428	10248	10900	11606	11899	11935	11771	11354
SG&A	11597	12703	13677	15765	15489	16492	16910	16960	16728	16135
Restructuring Costs	579	802	1375	406	-	-	-	-	-	-
I-Acquired R&D	684	3469	953	141	-	-	-	-	-	-
Intangible Amortization	3348	3700	3609	4606	4589	4887	5010	5025	4956	4781
Other Income	1213	(4878)	217	(285)	-	-	-	-	-	-
Pre-Tax Income	7244	24311	34727	2959	9179	10384	11273	11307	11771	11354
Less: Taxes	477	1852	3328	1317	1928	2181	2367	2374	2472	2384
Tax Rate	7%	8%	10%	45%	21%	21%	21%	21%	21%	21%
Plus: Discontinued Operations	2631	(434)	6	(4)	-	-	-	-	-	-
NCI	(86)	45	35	(3)	-	-	-	-	-	-
Net Income	10266	25774	38096	4270	7251	8203	8906	8932	9299	8970
Cost of revenue	8,484.0	30,821.0	34,344.0	24,657.0	17,210.5	17,714.1	17,535.8	17,588.6	16,727.6	16,135.2
<i>As a % of Revenue</i>	20.3%	37.9%	34.2%	42.2%	30%	29%	28%	28%	27%	27%
R&D	8,709.0	10,360.0	11,428.0	10,247.8	10,900.0	11,605.8	11,899.3	11,935.1	11,771.3	11,354.4
<i>As a % of Revenue</i>	20.8%	12.7%	11.4%	17.5%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%
SG&A	11,597.0	12,703.0	13,677.0	15,764.7	15,489	16,492	16,910	16,960	16,728	16,135
<i>As a % of Revenue</i>	27.7%	15.6%	13.6%	26.9%	27%	27%	27%	27%	27%	27%
Intangible Amortization	3,348	3,700	3,609	4,606	4,589	4,887	5,010	5,025	4,956	4,781
<i>As a % Revenue</i>	8.00%	4.55%	3.60%	7.87%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%

Appendix B: BS



PFIZER (NYSE: PFE)				
Consolidated Balance Sheets (in millions \$USD, except share amounts)				
	FY 2019	FY 2020	FY 2021	FY 2022
Assets				
Cash and cash equivalents	\$ 1,121	\$ 1,786	\$ 1,944	\$ 416
Short-term investments	8,525	10,437	29,125	22,316
Trade accounts receivable, less allowance for doubtful accounts: 2021—\$492; 2020—\$508	6,772	7,913	11,479	10,952
Inventories	7,068	8,020	9,059	8,981
Current tax assets	2,736	3,264	4,266	3,577
Other current assets	2,357	3,646	3,820	5,017
Total current assets	37,027	35,067	59,693	51,259
Equity-method investments	17,133	16,856	16,472	11,033
Long-term investments	3,014	3,406	5,054	4,036
Property, plant and equipment	12,969	13,745	14,882	16,274
Identifiable intangible assets	33,936	28,337	25,146	43,370
Goodwill	48,202	49,556	49,208	51,375
Noncurrent deferred tax assets and other noncurrent tax assets	1,911	2,383	3,341	6,693
Other noncurrent assets	17,626	4,879	7,679	13,163
Total assets	167,594	154,229	181,476	197,205
Liabilities and Equity				
Short-term borrowings, including current portion of long-term debt: 2021—\$1,636; 2020—\$2,002	16,195	2,703	2,241	2,945
Trade accounts payable	3,887	4,283	5,578	6,809
Dividends payable	2,104	2,162	2,249	2,303
Income taxes payable	980	1,049	1,266	1,587
Accrued compensation and related items	2,390	3,049	3,332	3,407
Deferred revenues	9,334	1,113	3,067	2,520
Other current liabilities	2,413	11,561	24,939	22,568
Total current liabilities	37,304	25,920	42,671	42,138
Long-term debt	35,955	37,133	36,195	32,884
Pension benefit obligations	5,291	4,766	3,489	2,250
Postretirement benefit obligations	926	645	235	1,023
Noncurrent deferred tax liabilities	5,652	4,063	349	9,812
Other taxes payable	12,126	11,560	11,331	13,180
Other noncurrent liabilities	6,894	6,669	9,743	101,288
Total liabilities	104,148	90,756	104,013	101,288
Commitments and Contingencies				0
Preferred stock, no par value, at stated value; 27 shares authorized; no shares issued or outstanding at December 31, 2021 and December 31, 2020	17	0	0	476
Common stock, \$0.05 par value; 12,000 shares authorized; issued: 2021—9,471; 2020—9,407	468	470	473	91,802
Additional paid-in capital	87,428	88,674	90,591	(113,969)
Treasury stock, shares at cost: 2021—3,851; 2020—3,840	(110,801)	(110,988)	(111,361)	125,656
Retained earnings	97,670	90,392	103,394	(8,304)
Accumulated other comprehensive loss	(11,640)	(5,310)	(5,897)	95,661
Total Pfizer Inc. shareholders' equity	63,143	63,238	77,201	256
Equity attributable to noncontrolling interests	303	235	262	95,916
Total equity	63,447	63,473	77,462	\$ 197,205
Total liabilities and equity	\$ 167,594	\$ 154,229	\$ 181,476	\$ 298,493

Appendix C: CFS



PFIZER (NYSE: PFE) Consolidated Statements of Cash Flows - USD (\$)'s in Millions	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023E	FY 2024E	FY 2025E	FY 2026E	FY 2027E	FY 2028E
Operating Activities										
Net income before allocation to noncontrolling interests	\$ 16,056	\$ 9,195	\$ 22,025	\$ 31,407						
Discontinued operations—net of tax	5,318	2,529	(434)	6						
Net income from continuing operations before allocation to noncontrolling interests	10,738	6,666	22,459	31,401						
Adjustments to reconcile net income before allocation to noncontrolling interests to net cash provided by operating activities:										
Depreciation and amortization	5,755	4,681	5,191	5,064	4387	4016	3970	3758	3455	3253
Asset write-offs and impairments	2,889	2,049	276	550						
Deferred taxes from continuing operations	(323)	(1,575)	(4,293)	(3,764)						
Share-based compensation expense	(8,254)	755	1,182	872						
Benefit plan contributions in excess of expense/income	561	(1,242)	(3,123)	(1,188)						
Other adjustments, net	687	(485)	(1,573)	758						
Other changes in assets and liabilities, net of acquisitions and divestitures:										
Trade accounts receivable	(1,080)	(1,275)	(3,811)	261						
Inventories		(778)	(1,125)	592						
Other assets	(1,124)	(137)	(1,057)	(4,506)						
Trade accounts payable	(1,071)	355	1,242	1,191						
Other liabilities	847	2,768	18,721	(1,449)						
Other tax accounts, net	(341)	(1,240)	(1,166)	(545)						
Net cash provided by operating activities from continuing operations	861	10,540	32,922	29,267						
Net cash provided by/(used in) operating activities from discontinued operations	(3,074)	3,863	(343)	0						
Net cash provided by operating activities	7,015	14,403	32,580	29,267						
Investing Activities										
Purchases of property, plant and equipment	12,588	(2,226)	(2,711)	(3,236)	2925	2868	3054	3131	3141	3098
Purchases of short-term investments		(13,805)	(38,457)	(36,384)						
Proceeds from redemptions/sales of short-term investments	(2,046)	11,887	27,447	44,821						
Net (purchases of)/proceeds from redemptions/sales of short-term investments with original maturities of three months or less	(6,835)	920	(8,088)	(483)						
Purchases of long-term investments	9,183	(597)	(1,068)	(1,913)						
Proceeds from redemptions/sales of long-term investments	6,925	723	649	641						
Acquisitions of businesses, net of cash acquired	(201)	0	0	(22,997)						
Dividend received from the Consumer Healthcare JV	232	0	0	3,960						
Other investing activities, net	(10,861)	(265)	(305)	(192)						
Net cash provided by/(used in) investing activities from continuing operations	(223)	(4,162)	(22,534)	(15,785)						
Net cash provided by/(used in) investing activities from discontinued operations	(3,825)	(109)	(12)	0						
Net cash provided by/(used in) investing activities	(120)	(4,271)	(22,546)	(15,785)						
Financing Activities										
Proceeds from short-term borrowings		12,352	0	3,891						
Payments on short-term borrowings	16,455	(22,197)	0	(3,887)						
Net (payments on)/proceeds from short-term borrowings with original maturities of three months or less	(8,378)	(4,129)	(96)	(222)						
Proceeds from issuances of long-term debt	2,551	5,222	997	0						
Payments on long-term debt	4,942	(4,003)	(2,004)	(3,298)						
Purchases of common stock	(6,806)	0	0	(2,000)						
Cash dividends paid	(8,865)	(8,440)	(8,729)	(8,983)						
Other financing activities, net	(8,043)	(444)	16	(335)						
Net cash provided by/(used in) financing activities from continuing operations	(342)	(21,640)	(9,816)	(14,834)						
Net cash provided by/(used in) financing activities from discontinued operations	(8,485)	11,991	0	0						
Net cash provided by/(used in) financing activities	0	(9,649)	(9,816)	(14,834)						
Effect of exchange-rate changes on cash and cash equivalents and restricted cash and cash equivalents	(8,485)	(8)	(59)	(165)						
Net increase/(decrease) in cash and cash equivalents and restricted cash and cash equivalents	(32)	475	159	(1,515)						
Cash and cash equivalents and restricted cash and cash equivalents, at beginning of period	125	1,350	1,825	1,983						
Cash and cash equivalents and restricted cash and cash equivalents, at end of period	1,225	1,825	1,983	468						
Cash paid/(received) during the period for:										
Income taxes	1,350									
Interest paid	3,664	3,153	7,427	7,867						
Interest rate hedges	1,587	1,641	1,467	1,442						
Non-cash transaction:										
Right-of-use assets obtained in exchange for lease liabilities			(2)	54						
Consumer Healthcare JV [Member]	314	\$ 410	\$ 1,943	\$ 752						
Adjustments to reconcile net income before allocation to noncontrolling interests to net cash provided by operating activities:										
Gain on completion of Consumer Healthcare JV transaction, net of cash conveyed	(8,300)									
Non-cash transactions:										
Equity investment in exchange for Pfizer's assets	\$ 15,711	\$ -	\$ -	\$ -						

Appendix D: Revenue Build



Pfizer INC										
Figures in Millions	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024E	FY 2025E	FY 2026E	FY 2027E	FY 2028E	FY 2029E
Primary Care	13428	50969	73023	30588	27225	29131	29713	29713	29119	27954
% Change		280%	43%	-58%	-11%	7%	2%	0%	-2%	-4%
% Total revenue	32%	63%	73%	52%	47%	48%	47%	47%	47%	47%
Specialty Care	16488	15711	13834	14971	15723	16824	17497	17672	17672	17319
% Change		-5%	-12%	8%	5%	7%	4%	1%	0%	-2%
% Total revenue	39%	19%	14%	26%	27%	28%	28%	28%	29%	29%
Oncology	11016	12877	12131	11628	13141	13798	14074	14074	13793	13103
% Change		17%	-6%	-4%	13%	5%	2%	0%	-2%	-5%
% Total revenue	26%	16%	12%	20%	23%	23%	22%	22%	22%	22%
Business Innovation	926	1731	1342	1310	1279	1330	1343	1357	1370	1384
% Change		87%	-22%	-2%	-2%	4%	1%	1%	1%	1%
% Total revenue	2%	2%	1%	2%	2%	2%	2%	2%	2%	2%
Total revenue	41858	81288	100330	58497	57368	61083	62628	62816	61954	59760
% Change		94%	23%	-42%	-2%	6%	3%	0%	-1%	-4%

Appendix E: WACC



Weighted Average Cost of Capital	
Market Value of Debt	61,048.0
Weight of Debt	28.2%
Pre-Tax Cost of Debt	5.07%
Tax Rate	21.00%
Tax Effect Cost of Debt	4.01%
Market Value of Equity	155,660.2
Weight of Equity	71.8%
Risk-free rate	4.15%
Equity Risk Premium	8%
Beta	0.58
Cost of Equity	6.39%
Weighted Average Cost of Capital	5.72%

Appendix F: CapEx



PFIZER (NYSE: PFE)										
CapEx & Depreciation	FY 2020	FY 2021	FY 2022	FY 2023E	FY 2024E	FY 2025E	FY 2026E	FY 2027E	FY 2028E	FY 2029E
Capital Expenditures	2,226	2,711.0	3,236.0	2,924.9	2,868.4	3,054.2	3,131.4	3,140.8	3,097.7	2,988.0
Revenue	41858	81,288.0	100,330.0	58,497.0	57,368.5	61,083.1	62,627.9	62,816.3	61,954.2	59,760.0
<i>As a % of Revenue</i>	<i>5.3%</i>	<i>3.3%</i>	<i>3.2%</i>	<i>5.0%</i>	<i>5.0%</i>	<i>5.0%</i>	<i>5.0%</i>	<i>5.0%</i>	<i>5.0%</i>	<i>5.0%</i>
Depreciation & Amortization	4,681	5,191	5,064	4,387.3	4,015.8	3,970.4	3,757.7	3,454.9	3,252.6	2,928.2
<i>As a % of CapEx</i>	<i>210.3%</i>	<i>191.5%</i>	<i>156.5%</i>	<i>150.0%</i>	<i>140.0%</i>	<i>130.0%</i>	<i>120.0%</i>	<i>110.0%</i>	<i>105.0%</i>	<i>98.0%</i>

Appendix G: NWC



PFIZER (NYSE: PFE)										
<i>Net Working Capital (in millions of USD)</i>	FY 2020	FY 2021	FY 2022	FY 2023E	FY 2024E	FY 2025E	FY 2026E	FY 2027E	FY 2028E	FY 2028E
Accounts Receivable	7,913.0	11,479.0	10,952.0	3,738	3,666.3	3,903.7	4,002.4	4,014.5	3,959.4	3,819.1
Revenue	41,858.0	81,288.0	100,330.0	58,497.0	57,368.5	61,083.1	62,627.9	62,816.3	61,954.2	59,760.0
<i>Days Sales Outstanding</i>	<i>17.0</i>	<i>12.7</i>	<i>39.3</i>	<i>23.0</i>	<i>23.0</i>	<i>23.0</i>	<i>23.0</i>	<i>23.0</i>	<i>23.0</i>	<i>23.0</i>
Inventory	8,020.0	9,059.0	8,981.0	6,847.5	4,779.6	4,919.4	4,869.9	4,884.6	4,645.5	4,480.9
COGS	8,484.0	30,821.0	34,344.0	24,657.0	17,210.5	17,714.1	17,535.8	17,588.6	16,727.6	16,135.2
<i>Days Sales in Inventory</i>	<i>340.3</i>	<i>105.8</i>	<i>94.1</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>
Other Current Assets	3,646.0	3,820.0	5,017.0	3,589.8	3,520.6	3,748.5	3,843.3	3,854.9	3,802.0	3,667.3
Revenue	41,858.0	81,288.0	100,330.0	58,497.0	57,368.5	61,083.1	62,627.9	62,816.3	61,954.2	59,760.0
<i>As a % of Revenue</i>	<i>8.7%</i>	<i>4.7%</i>	<i>5.0%</i>	<i>6.1%</i>	<i>6.1%</i>	<i>6.1%</i>	<i>6.1%</i>	<i>6.1%</i>	<i>6.1%</i>	<i>6.1%</i>
Accounts Payable	4,283.0	5,578.0	6,809.0	7,166.7	5,002.3	5,148.7	5,096.9	5,112.2	4,861.9	4,689.8
COGS	8,484.0	30,821.0	34,344.0	24,657.0	17,210.5	17,714.1	17,535.8	17,588.6	16,727.6	16,135.2
<i>Days Payables Outstanding</i>	<i>181.7</i>	<i>65.2</i>	<i>71.4</i>	<i>106.1</i>	<i>106.1</i>	<i>106.1</i>	<i>106.1</i>	<i>106.1</i>	<i>106.1</i>	<i>106.1</i>
Accrued Compensation	3,049.0	3,332.0	3,407.0	4,657.6	3,251.0	3,346.1	3,312.5	3,322.4	3,159.8	3,047.9
COGS	8,484.0	30,821.0	34,344.0	24,657.0	17,210.5	17,714.1	17,535.8	17,588.6	16,727.6	16,135.2
<i>As a % of COGS</i>	<i>35.9%</i>	<i>10.8%</i>	<i>9.9%</i>	<i>18.9%</i>	<i>18.9%</i>	<i>18.9%</i>	<i>18.9%</i>	<i>18.9%</i>	<i>18.9%</i>	<i>18.9%</i>
Other Current Liabilities	11,561.0	24,939.0	22,568.0	6,899.0	4,815.5	4,956.4	4,906.5	4,921.3	4,680.4	4,514.6
COGS	8,484.0	30,821.0	34,344.0	24,657.0	17,210.5	17,714.1	17,535.8	17,588.6	16,727.6	16,135.2
<i>As a % of COGS</i>	<i>136.3%</i>	<i>80.9%</i>	<i>65.7%</i>	<i>28.0%</i>	<i>28.0%</i>	<i>28.0%</i>	<i>28.0%</i>	<i>28.0%</i>	<i>28.0%</i>	<i>28.0%</i>
Net Working Capital	686.0	(9,491.0)	(7,834.0)	(4,547.5)	(1,102.4)	(879.6)	(600.2)	(602.0)	(295.3)	(284.9)
Change in Net Working Capital		(10,177.0)	1,657.0	3,286.5	3,445.1	222.8	279.4	(1.8)	306.7	10.5

Appendix H: Comps



PFIZER (NYSE: PFE)									LTM				2025E			
Comparable Companies	Ticker	Share Price	Shares Outstanding	Market Cap	Debt	Cash	Enterprise Value	Revenue	EBITDA	EBIT	EPS	Revenue	EBITDA	EBIT	EPS	
Pfizer Inc	PFE	27.57	5,646	155,660.2	61,048	33,684.0	183,024.2	57,368.5	17,784.2	13,768.4	1.28	61,083.1	19,241.2	15,270.8	1.45	
Amgen	AMGN	300.14	535	160,628.9	59,040.0	34,741.0	184,927.9	28,190.0	13,446.0	10,029.0	12.95	34,000.0	17,948.0	15,595.0	21.24	
Bristol-Myers Squibb	BMJ	48.66	2,057	100,093.6	32,137.0	7,685.0	124,545.6	45,006.0	19,303.0	9,027.0	4.54	46,474.0	19,662.0	17,096.2	7.21	
Merck & Co	MRK	127.47	2,537.0	323,391.4	33,972.0	8,773.0	348,590.4	60,114.0	24,499.0	20,256.0	0.77	67,794.0	32,381.0	29,040.0	9.70	
AbbVie	ABBV	175.01	1,767.0	309,242.7	55,631.0	13,290.0	351,583.7	54,318.0	29,770.0	21,303.0	8.69	57,458.0	28,917.0	27,277.0	12.00	
Johnson & Johnson	JNJ	157.89	2,407.2	380,069.3	26,051.0	23,511.0	382,609.3	85,159.0	37,287.0	30,317.0	8.31	90,774.0	34,541.0	30,136.0	11.05	
Regeneron Pharmaceuticals	REGN	943.81	109.0	102,828.1	2,703.0	9,914.0	95,617.1	13,117.0	4,770.0	4,348.6	38.75	14,982.0	6,038.0	5,753.0	47.08	
								EV/Revenue	EV/EBITDA	EV/EBIT	P/E	EV/Revenue	EV/EBITDA	EV/EBIT	P/E	
Pfizer	PFE							3.2x	10.3x	13.3x	21.5x					
Amgen	AMGN							6.6x	13.8x	18.4x	23.2x	5.4x	10.3x	11.9	14.1x	
Bristol-Myers Squibb	BMJ							2.8x	6.5x	13.8x	10.7x	2.7x	6.3x	7.3	6.7x	
Merck & Co	MRK							5.8x	14.2x	17.2x	165.5x	5.1x	10.8x	12.0	13.1x	
AbbVie	ABBV							6.5x	11.8x	16.5x	20.1x	6.1x	12.2x	12.9	14.6x	
Johnson & Johnson	JNJ							4.5x	10.3x	12.6x	19.0x	4.2x	11.1x	12.7	14.3x	
Regeneron Pharmaceuticals	REGN							7.3x	20.0x	22.0x	24.4x	6.4x	15.8x	16.6x	20.0x	

Appendix I: Comps Pt. 2



Comps Output	EV	Debt	Cash	Equity	Shares	Per Share	
EBIT	13,768.4						
Min	12.6x	173,761.7	61,048.0	33,684.0	146,397.7	5,646.0	25.93
Q1	14.5x	199,280.9	61,048.0	33,684.0	171,916.9	5,646.0	30.45
Med	16.9x	232,089.0	61,048.0	33,684.0	204,725.0	5,646.0	36.26
Q3	18.1x	249,646.5	61,048.0	33,684.0	222,282.5	5,646.0	39.37
Max	22.0x	302,740.7	61,048.0	33,684.0	275,376.7	5,646.0	48.77
EBITDA	17,784.2						
Min	6.5x	114,746.3	61,048.0	33,684.0	87,382.3	5,646.0	15.48
Q1	10.6x	189,373.6	61,048.0	33,684.0	162,009.6	5,646.0	28.69
Med	12.8x	227,312.5	61,048.0	33,684.0	199,948.5	5,646.0	35.41
Q3	14.1x	250,934.0	61,048.0	33,684.0	223,570.0	5,646.0	39.60
Max	20.0x	356,494.1	61,048.0	33,684.0	329,130.1	5,646.0	58.29

Appendix J: Comps Pt. 3



Revenue	57,368.5							
Min	2.8x	158,756.5	61,048.0	33,684.0	131,392.5	5,646.0		23.27
Q1	4.8x	276,479.8	61,048.0	33,684.0	249,115.8	5,646.0		44.12
Med	6.1x	351,999.1	61,048.0	33,684.0	324,635.1	5,646.0		57.50
Q3	6.5x	375,087.4	61,048.0	33,684.0	347,723.4	5,646.0		61.59
Max	7.3x	418,190.8	61,048.0	33,684.0	390,826.8	5,646.0		69.22
P/E	1.28							
Min	10.7x							13.77
Q1	19.3x							24.77
Med	21.7x							27.82
Q3	24.1x							30.90
Max	165.5x							212.62

Appendix K: DCF



PFIZER (NYSE: PFE)											
<i>Discounted Cash Flow (in millions of USD)</i>	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024E	FY 2025E	FY 2026E	FY 2027E	FY 2028E	FY 2029E	
Revenue	41,858.0	81,288.0	100,330.0	58,497.0	57,368.5	61,083.1	62,627.9	62,816.3	61,954.2	59,760.0	
EBIT	10,592.0	28,011.0	38,336.0	8,819.0	13,768.4	15,270.8	16,283.3	16,332.2	16,727.6	16,135.2	
NOPAT	10,115.0	26,159.0	35,008.0	7,501.6	11,840.9	13,090.1	13,915.9	13,957.8	14,255.7	13,750.8	
Plus: D & A	4,681.0	5,191.0	5,064.0	4,387.3	4,015.8	3,970.4	3,757.7	3,454.9	3,252.6	2,928.2	
Less: CapEx	2,226.0	2,711.0	3,236.0	2,924.9	2,868.4	3,054.2	3,131.4	3,140.8	3,097.7	2,988.0	
Less: Change in NWC	686.0	(9,491.0)	(7,834.0)	(4,547.5)	(1,102.4)	(879.6)	(600.2)	(602.0)	(295.3)	(284.9)	
FCFF	16,336.0	43,552.0	51,142.0	19,361.2	19,827.5	20,994.2	21,405.2	21,155.5	20,901.3	19,951.9	
PV of Cash Flows					18,755.2	18,784.9	18,116.9	16,937.2	15,828.7	14,292.6	
Discount factor (years)					1.0	2.0	3.0	4.0	5.0	6.0	

Appendix L: Seagen Acquisition



Description of Seagen & relevant tech



- Seagen is a biotech focused on monoclonal antibody treatments for treating cancer
- Known for industry leading Antibody-Drug Conjugate (ADC) technology, holding 4 of the 12 FDA-approved ADCs
- Four blockbuster drugs known for solid tumors and hematologic malignancies: Padcev, Tuksya, Tivdak, and Adcetris

Breakdown of Cost & Acquisition specifics



Acquired Seagen December 2023 for \$43 billion- largest M&A deal in biopharma since AbbVie acquired Allergan in 2019



Pfizer created a new oncology division to include the acquisition in early 2024- an end-to-end business



Due to FTC concerns about the acquisition, Pfizer donated the development and commercialization rights of cancer drug Bavencio to Merck

How it Benefits Pipeline

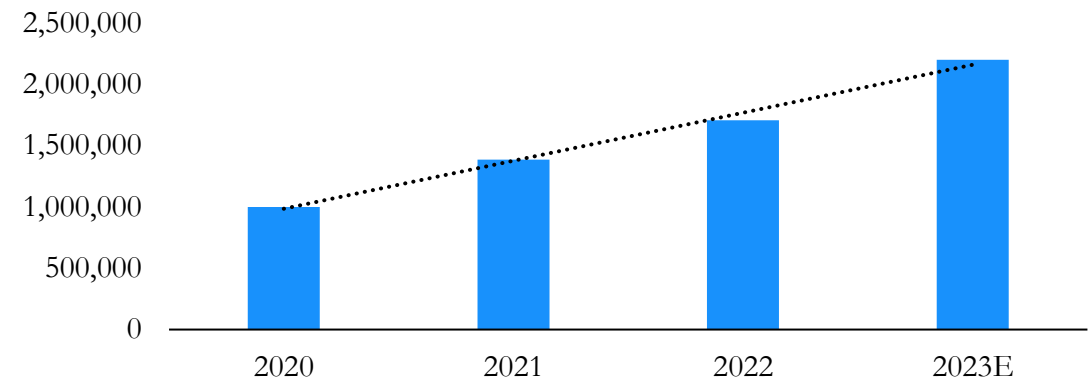
Acquisition doubled Pfizer's oncology pipeline- totaling 60 programs, 25 approved medicines, and 49 in development

ADC technology, a less aggressive alternative to chemotherapy, is revolutionary in killing cancer cells and saving healthy ones

American Cancer Society expects cancer deaths will grow to 16.3 million by 2040- oncology drug market growing at 13.8% CAGR

How it Benefits Revenue

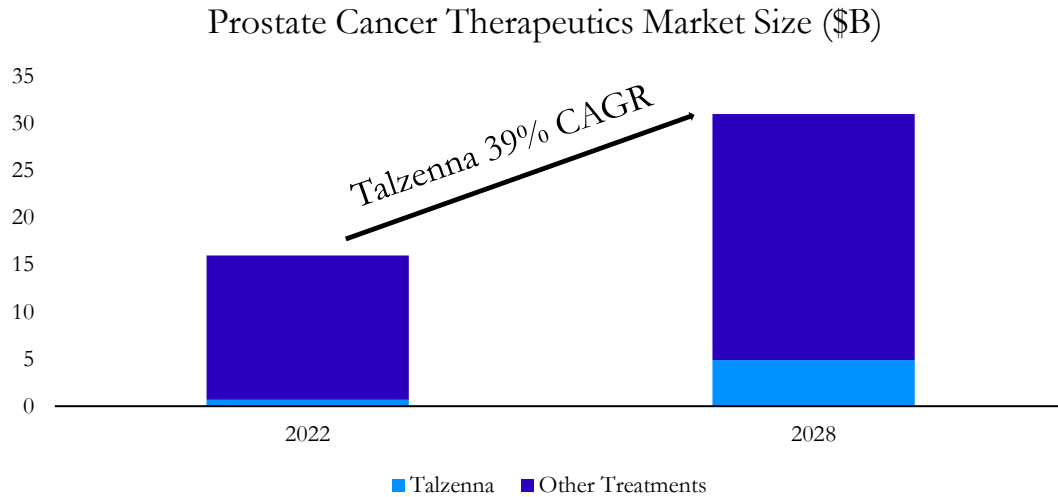
Seagen Revenue (\$ in thousands)



Appendix M: 2022 Analyst Day Insight



Talzenna Market Potential



Pfizer's Entrance into GLP-1 Market

Market Size	Oral GLP-1	Ongoing Tests
Projected market size of over \$90 billion by 2030, current CAGR of 30%	Pfizer currently developing oral GLP-1, projected to capture 30% of total market	Currently in phase 2b for oral GLP-1, expected to finish by 1Q24

Major 2023 Drug Releases



Used to treat adults with moderately to severe ulcerative colitis



Vaccine used to prevent RSV in adults over 60 and pregnant women



Prescription medicine used to treat severe alopecia in adolescents and adults

Other Developments

2023	2027	2030
Revenue increase of 7-9% (excl. Covid-19)	Development of sickle-cell disease treatment	Combo vaccine to be developed by 2030

Pfizer has **strong plans** and a timeline for future treatments

Appendix N: Covid-19 Vaccine



Comirnaty



Vaccine used for active immunization to prevent Covid-19 in people 12 years of age and older

Developed by BioNTech, Pfizer carried out the clinical trials, manufacturing, and delivery

First Covid-19 vaccine approved for both emergency (2020) and regular use (2021). Given in a series of two doses

Paxlovid

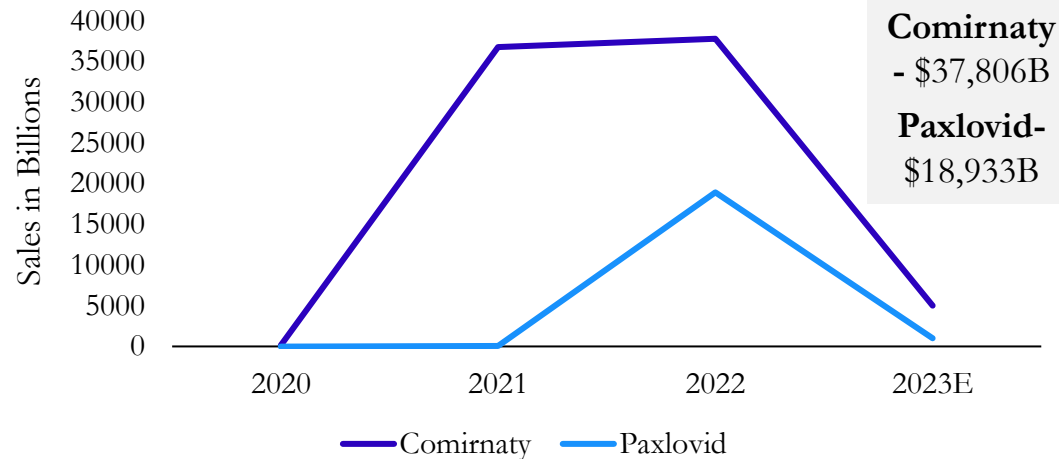


Medication used for treatment of mild cases of Covid-19 over the course of five-days, listed at \$1,39

Found to decrease hospitalization and death from Covid-19 by 86% in unvaccinated patients

Pill combination of antiviral medications nirmatrelvir and ritonavir, currently labeled emergency use only

Sales since Launch



2024 Expectations

Due to declining Covid-19 infection rates, Pfizer expects Comirnaty and Paxlovid to contribute \$8 billion in revenue in 2024

Paxlovid will no longer be labeled emergency use in March

Paxlovid now available at commercial distributors instead of government

Comirnaty received FDA approval for emergency use in individuals 6 months through 11 years old

Appendix O: General Pipeline Drugs



Comirnaty

Industry leading covid-19 vaccine used to treat people with Sars CoV-2

PF-07926307

Vaccine in phase one of the pipeline, combines Covid-19 and Influenza

Fordadistrogene Movaparvovec

Gene therapy to prevent progression of muscular dystrophy, currently in phase three

Oxbryta

Prescription medicine used for treatment of sickle cell disease by changing red blood cell shape

Velsipity

Recently FDA approved revolutionary ulcerative colitis pill taken once-daily

VTX-801

Clinical stage gene therapy for Wilson Disease

Enzalutamide

Non-steroid medication used in the treatment of metastatic prostate cancer

Danuglipron

Medication currently in phase two trial to treat diabetes mellitus

Appendix P: Oncology Pipeline Drugs



Tivdak

First-and-only injection of its kind for advanced cervical cancer during or after chemotherapy

Ibrance

Hormone based capsule medicine meant to treat metastatic breast cancer

Talzenna

Prescription medicine that treats gBRCA-mutated metastatic breast cancer as an alternative to chemotherapy

Padcev

Injection to treat advanced urothelial cancer, most mainly used for bladder cancer

Erbitux

Treatment for colorectal, head, and neck cancer with KRAS mutation tumors

Elrexfio

Medication used for the treatment of multiple myeloma who have received at least four previous lines of therapy

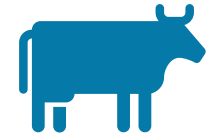
PF-06821497

EZH2 inhibitor aimed at follicular lymphoma, castration-resistant prostate cancer, and small-cell lung cancer

Braftovi

Used with Mektovi for the treatment of adult patients with non-small metastatic lung cancer with BRAF V600E mutation

Appendix Q: Bear, Base, Bull



	3.00	4.00	5.00	6.00	7.00
4.72%	20.43	22.60	24.77	26.94	29.10
5.22%	19.95	22.06	24.17	26.27	28.38
5.72%	19.48	21.53	23.58	25.63	27.67
6.22%	19.03	21.02	23.01	25.00	26.99
6.72%	18.59	20.52	22.46	24.39	26.32

	10.50	11.00	11.50	12.00	12.50
4.72%	36.69	37.77	38.85	39.94	41.02
5.22%	35.75	36.80	37.85	38.91	39.96
5.72%	34.84	35.86	36.88	37.91	38.93
6.22%	33.95	34.95	35.94	36.94	37.93
6.72%	33.09	34.06	35.03	36.00	36.96

	14.00	15.00	16.00	17.00	18.00
4.72%	44.27	46.44	48.61	50.77	52.94
5.22%	43.12	45.22	47.33	49.44	51.54
5.72%	42.00	44.05	46.09	48.14	50.19
6.22%	40.92	42.91	44.90	46.89	48.88
6.72%	39.87	41.80	43.73	45.67	47.60