

# Farmaforce Ltd FFC ★★★<sup>Q</sup> 14 Jul 2017 02:00 UTC

**Last Close**  
14 Jul 2017  
0.13

**Fair Value<sup>Q</sup>**  
14 Jul 2017 02:00 UTC  
0.15

**Market Cap**  
14 Jul 2017  
16.6 Mil

**Sector**  
Industrials

**Industry**  
Staffing & Outsourcing Services

**Country of Domicile**  
AUS Australia

There is no one analyst in which a Quantitative Fair Value Estimate and Quantitative Star Rating are attributed to; however, Mr. Lee Davidson, Head of Quantitative Research for Morningstar, Inc., is responsible for overseeing the methodology that supports the quantitative fair value. As an employee of Morningstar, Inc., Mr. Davidson is guided by Morningstar, Inc.'s Code of Ethics and Personal Securities Trading Policy in carrying out his responsibilities. For information regarding Conflicts of Interests, visit <http://global.morningstar.com/equitydisclosures>

## Company Profile

Farmaforce Ltd is a contract sales organization catering to the Australian Pharmaceutical Industry. It provides clients with sales force solutions from the provision of supported or syndicated sales teams.

## Quantitative Scores

		Scores		
		All	Rel Sector	Rel Country
Quantitative Moat	Narrow	77	67	84
Valuation	Undervalued	85	83	75
Quantitative Uncertainty	Very High	16	17	18
Financial Health	Moderate	55	46	38



Source: Morningstar Equity Research

Valuation	Current		Sector Median	Country Median
	5-Yr Avg			
Price/Quant Fair Value	0.87	—	1.00	0.90
Price/Earnings	—	—	20.6	17.1
Forward P/E	—	—	17.7	14.3
Price/Cash Flow	—	—	11.2	11.1
Price/Free Cash Flow	—	—	18.0	17.3
Trailing Dividend Yield %	—	—	2.03	4.91
Price/Book	6.9	—	1.9	1.6
Price/Sales	4.5	—	1.1	2.4

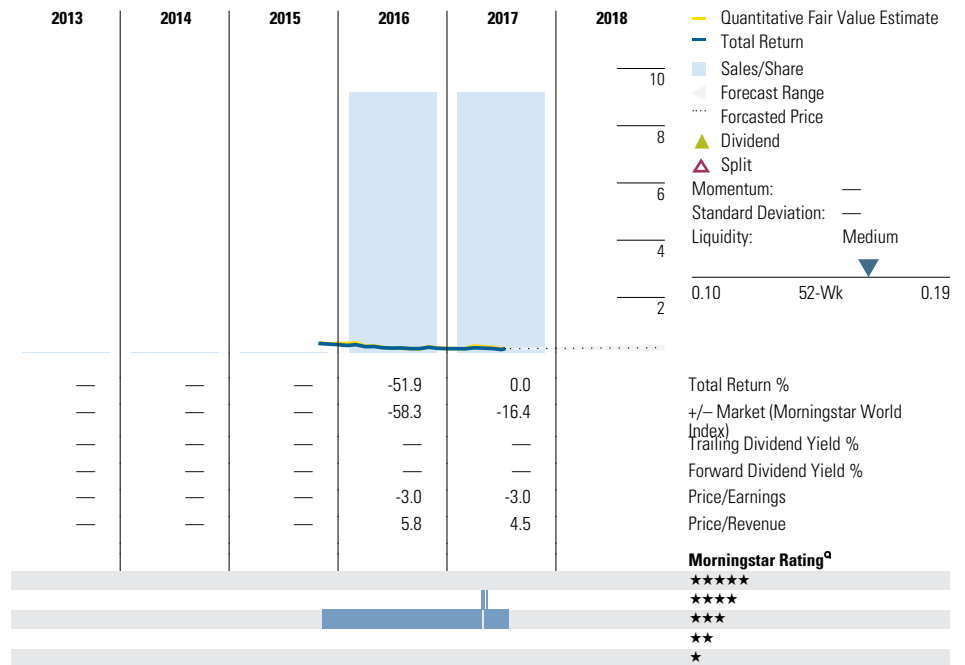
Profitability	Current		Sector Median	Country Median
	5-Yr Avg			
Return on Equity %	-209.3	—	10.6	11.4
Return on Assets %	-159.1	—	4.5	5.6
Revenue/Employee (K)	—	—	463.7	435.2

Financial Health	Current		Sector Median	Country Median
	5-Yr Avg			
Distance to Default	0.6	—	0.6	0.6
Solvency Score	—	—	495.4	514.7
Assets/Equity	1.3	—	1.8	1.3
Long-Term Debt/Equity	—	—	0.2	0.3

## Growth Per Share

	1-Year	3-Year	5-Year	10-Year
Revenue %	—	—	—	—
Operating Income %	—	—	—	—
Earnings %	—	—	—	—
Dividends %	—	—	—	—
Book Value %	-85.0	—	—	—
Stock Total Return %	-23.5	—	—	—

## Price vs. Quantitative Fair Value



	2012	2013	2014	2015	2016	TTM	Financials (Fiscal Year in K)
Revenue	—	—	—	—	1,951	2,219	Revenue
% Change	—	—	—	—	—	13.8	% Change
Operating Income	—	—	0	—	-3,838	-3,872	Operating Income
% Change	—	—	—	—	—	—	% Change
Net Income	—	—	0	—	-3,799	-3,851	Net Income
Operating Cash Flow	—	—	0	—	-3,588	-2,925	Operating Cash Flow
Capital Spending	—	—	—	—	-126	-32	Capital Spending
Free Cash Flow	—	—	0	—	-3,714	-2,956	Free Cash Flow
% Sales	—	—	—	—	-190.4	-133.2	% Sales
EPS	—	—	0.00	—	-0.04	-0.04	EPS
% Change	—	—	—	—	—	—	% Change
Free Cash Flow/Share	—	—	—	—	0.00	-0.04	Free Cash Flow/Share
Dividends/Share	—	—	—	—	—	—	Dividends/Share
Book Value/Share	—	—	—	—	0.06	0.01	Book Value/Share
Shares Outstanding (K)	—	30,375	127,501	127,501	127,501	127,501	Shares Outstanding (K)
Profitability	—	—	0.0	—	-206.5	-209.3	Profitability
Return on Equity %	—	—	0.0	—	-157.0	-159.1	Return on Equity %
Return on Assets %	—	—	—	—	-194.7	-173.5	Return on Assets %
Net Margin %	—	—	—	—	0.81	0.92	Net Margin %
Asset Turnover	—	—	—	—	1.3	1.3	Asset Turnover
Financial Leverage	—	—	—	—	-36.9	-38.6	Financial Leverage
Gross Margin %	—	—	—	—	-196.8	-174.5	Gross Margin %
Operating Margin %	—	—	—	—	—	—	Operating Margin %
Long-Term Debt	—	—	—	—	—	—	Long-Term Debt
Total Equity	—	—	7,503	—	1,840	—	Total Equity
Fixed Asset Turns	—	—	—	—	8.1	9.2	Fixed Asset Turns

## Annual Revenue & EPS

Revenue (K)	Sep	Dec	Mar	Jun	Total
2016	—	—	—	—	1,950.8
2015	—	—	—	—	—
2014	—	—	—	—	—
2013	—	—	—	—	—
Earnings Per Share (I)					
2016	—	—	—	—	-0.04
2015	—	—	—	—	—
2014	—	—	—	—	—
2013	—	—	—	—	—

## Revenue Growth Year On Year %

	2008	2009	2010	2011	2012	2013	2014	2015	2016
	—	—	—	—	—	—	—	—	—

# Quantitative Equity Reports Overview

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The Quantitative Ratings are calculated daily and derived from the analyst-driven ratings of a company's peers as determined by statistical algorithms. Morningstar, Inc. ("Morningstar", "we", "our") calculates Quantitative Ratings for companies whether or not it already provides analyst ratings and qualitative coverage. In some cases, the Quantitative Ratings may differ from the analyst ratings because a company's analyst-driven ratings can significantly differ from other companies in its peer group.

i. **Quantitative Fair Value Estimate:** Intended to represent Morningstar's estimate of the per share dollar amount that a company's equity is worth today. Morningstar calculates the Quantitative Fair Value Estimate using a statistical model derived from the Fair Value Estimate Morningstar's equity analysts assign to companies. Please go to <http://global.morningstar.com/equitydisclosures> for information about Fair Value Estimate Morningstar's equity analysts assign to companies.

ii. **Quantitative Economic Moat:** Intended to describe the strength of a firm's competitive position. It is calculated using an algorithm designed to predict the Economic Moat rating a Morningstar analyst would assign to the stock. The rating is expressed as Narrow, Wide, or None.

**Narrow** – assigned when the probability of a stock receiving a "Wide Moat" rating by an analyst is greater than 70% but less than 99%.

**Wide** – assigned when the probability of a stock receiving a "Wide Moat" rating by an analyst is greater than 99%.

**None** – assigned when the probability of an analyst receiving a "Wide Moat" rating by an analyst is less than 70%.

iii. **Quantitative Star Rating:** Intended to be the summary rating based on the combination of our Quantitative Fair Value Estimate, current market price, and the Quantitative Uncertainty Rating. The rating is expressed as One-Star, Two-Star, Three-Star, Four-Star, and Five-Star.

**One-Star** – the stock is overvalued with a reasonable margin of safety.

*Log (Quant FVE/Price) < -1\*Quantitative Uncertainty*

**Two-Star** – the stock is somewhat overvalued.

*Log (Quant FVE/Price) between (-1\*Quantitative Uncertainty, -0.5\*Quantitative Uncertainty)*

**Three-Star** – the stock is approximately fairly valued.

*Log (Quant FVE/Price) between (-0.5\*Quantitative Uncertainty, 0.5\*Quantitative Uncertainty)*

**Four-Star** – the stock is somewhat undervalued.

*Log (Quant FVE/Price) between (0.5\*Quantitative Uncertainty, 1\*Quantitative Uncertainty)*

**Five-Star** – the stock is undervalued with a reasonable margin of safety.

*Log (Quant FVE/Price) > 1\*Quantitative Uncertainty*

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**Low** – the interquartile range for possible fair values is less than 10%

**Medium** – the interquartile range for possible fair values is less than 15% but greater than 10%

**High** – the interquartile range for possible fair values is less than 35% but greater than 15%

**Very High** – the interquartile range for possible fair values is less than 80% but greater than 35%

**Extreme** – the interquartile range for possible fair values is greater than 80%

v. **Quantitative Financial Health:** Intended to reflect the probability that a firm will face financial distress in the near future. The calculation uses a predictive model designed to anticipate when a company may default on its financial obligations. The rating is expressed as Weak, Moderate, and Strong.

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**Moderate** – assigned when Quantitative Financial Health is between 0.2 and 0.7

**Strong** – assigned when Quantitative Financial Health > 0.7

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**Fairly Valued – Last Price** is in line with Morningstar's quantitative fair value estimate.

**Overvalued – Last Price** is above Morningstar's quantitative fair value estimate.

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