

WESTPEAK RESEARCH ASSOCIATION

Sealed Air Corporation (NYSE: SEE)

Consumer Cyclical – Containers & Packaging

Can Sealed Air Seal the Deal?

March 5, 2024

Sealed Air Corporation (“Sealed Air” or the “Company”) provides various packaging products and equipment in the Americas, Europe, Africa, and Asia. The Company operates through two segments: Food, and Protective. While the Food segment focuses on providing food safety and extending shelf life, the Protective segment offers solutions designed to protect goods during transportation and storage.

Thesis

Historically, Sealed Air’s razor-and-blade model has allowed it to achieve low levels of customer turnover, and strong pricing power. Moving forward, the Company is seeking to expand their portfolio of automated solutions, all while continuing to reduce stranded costs and drive market share in existing and adjacent markets. Although Sealed Air has strategically positioned themselves to capitalize on growing automated labour trends, we expect low levels of growth in the near future.

Drivers

Successful acquisitions, likely within the automated equipment market, will allow Sealed Air to achieve their desired goal of expanding their operations, and will help to propel company growth. In addition, higher than expected consumer spending levels may assist in eliminating current inventory destocking trends, by revitalizing demand for packaging products within the industrial and fulfillment sectors.

Valuation

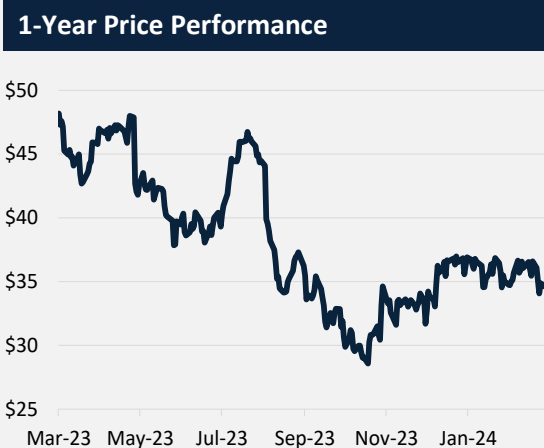
We are initiating a HOLD rating for Sealed Air. We have derived a target share price of \$39.00, providing a return of 9.4%, which was calculated using both a DCF and Comparable Company analysis. The DCF analysis included a perpetuity growth and exit multiple implied price, while the Comparable Company analysis used EV/EBITDA and P/E multiples. Each individual implied price received an equal weight of 25%, resulting in the DCF and Comparable Company valuations each receiving an overall equal weight of 50%.

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Equity Research	US
Price Target	USD\$ 39.00
Rating	Hold
Share Price (Mar. 5 Close)	USD\$ 35.31
Total Return	9.4%

Key Statistics	
52 Week H/L	\$48.17/\$28.58
Market Capitalization	\$5.10B
Average Daily Trading Volume	1.83M
Net Debt	\$4.44B
Enterprise Value	\$9.54B
Net Debt/EBITDA	4.2x
Diluted Shares Outstanding	144.9M
Free Float	99.1%
Dividend Yield	2.3%

WestPeak’s Forecast			
	2024E	2025E	2026E
Revenue	\$5.58B	\$5.77B	\$6.14B
EBITDA	\$1.02B	\$1.18B	\$1.26B
Net Income	\$390M	\$502M	\$550M
EPS	\$2.69	\$3.46	\$3.80
P/E	13.1x	10.2x	9.3x
EV/EBITDA	8.6x	7.2x	6.4x



Business Overview/Fundamentals

Company Overview

Incorporated in 1960 and headquartered in Charlotte, North Carolina, Sealed Air Corporation is a leading global provider of packaging solutions. Serving customers across 120 countries/territories both directly and through their diversified distribution network, Sealed Air's packaging solutions help to preserve food, protect goods, and automate packaging processes. The solutions are delivered through their vast portfolio of brands, which include CRYOVAC®, SEALED AIR®, AUTOBAG®, BUBBLE WRAP®, and others. Spanning a wide variety of end markets such as foods, industrials, and healthcare, the Company operates within two segments: Food and Protective.

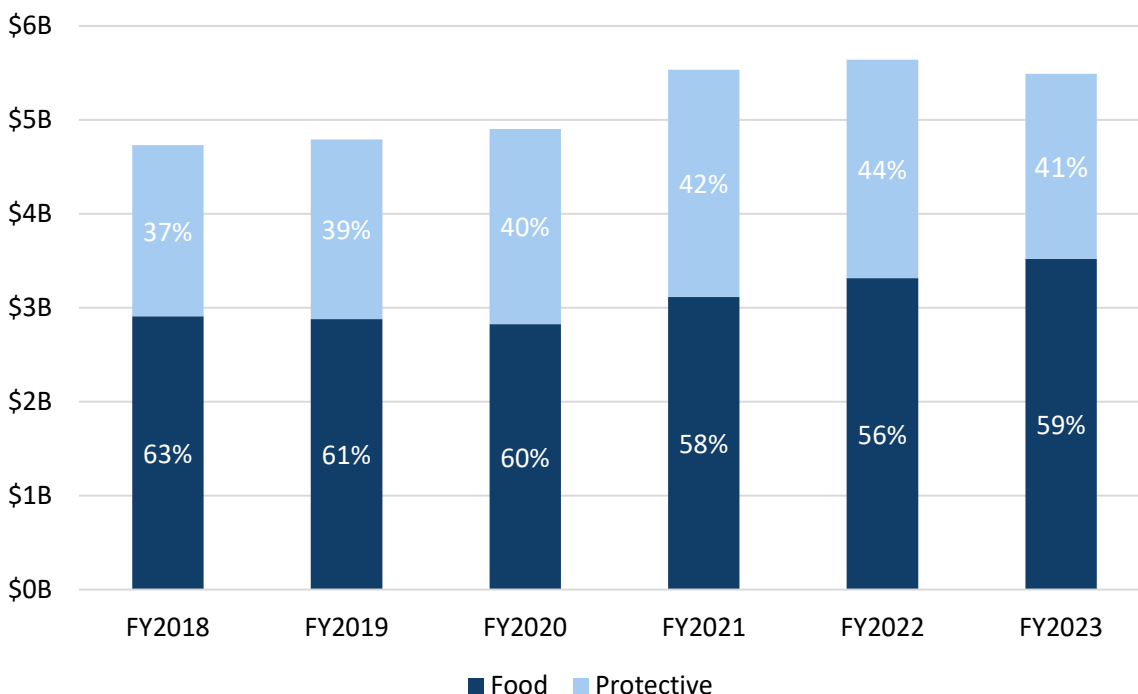
Revenue Segments

Food

The food segment accounts for roughly 60% of revenues, serving various food processors in the fresh red meat, processed meats, poultry, seafood, fluids and liquids, and cheese markets. These solutions aim to increase food safety, extend shelf life, and automate packaging processes, and they are utilized by food service businesses (such as restaurants), and food retailers (such as grocery stores). The majority of products served within the food segment are part of the CRYOVAC® brand, which includes barrier bags, pouches, and form-fill-seal films. Food applications are sold directly to customers, with no single customer or affiliated group of customers representing more than 10% of segment revenue in 2022.

Revenue by Segments

FY18 – FY23



Protective

The protective segment focuses on providing packaging solutions that protect goods during transit, and it makes up the remaining 40% of revenues. These solutions are offered to various markets, such as e-commerce, consumer goods, pharmaceutical and medical devices, and industrials. Protective solutions are mainly delivered through the SEALED AIR®, AUTOBAG®, and BUBBLE WRAP® brands, and products include shrink films, bagging systems, inflatable packaging, and foam packaging. The materials and services, along with the automated equipment, help customers to increase their packaging speed, minimize packaging waste, and reduce packaging labour. Unlike the food segment, sales in the protective segment are made both through Sealed Air's network of distributors, and directly to end customers.

Key Brands

CRYOVAC®

The CRYOVAC® brand deals with all things food related, helping processors and retailers to extend their product shelf life and improve food safety. Key products offered include barrier bags which protect perishable foods from oxygen and moisture, overwrap films which pair with a bottom tray to protect meats, and forming films which are two-part packages that seal together and are compatible with a variety of forms. Additionally, the CRYOVAC® brand also offers food packaging equipment, such as bag loading machinery, vacuum systems, and custom conveyors.



BUBBLE WRAP®

The BUBBLE WRAP® brand is Sealed Air's flagship brand, as the Company was originally established after the two founders accidentally invented bubble wrap. This brand is used predominantly within the protective segment, and it's used for items that require bracing, cushioning, void fill, or surface protection during their shipping process. Customers are served with various products, such as pre-inflated cushioning (bubble wrap), inflatable pillows, and cushioned paper mailers.



SEALED AIR®

The SEALED AIR® brand builds upon the BUBBLE WRAP® brand, offering additional protective packaging solutions. Through products like shrink films, paper cushioning, and fabricated foams, along with equipment like shrink tunnels and paper systems, the SEALED AIR® brand helps customers increase product shipment safety and optimize packaging labour.



AUTOBAG®

The AUTOBAG® brand deals exclusively with equipment, offering automated systems that quicken the packing process. Specifically designed to be seamlessly integrated into existing operations, the equipment is ideal for businesses seeking to automate their manual processes. Automated systems include bagging, textile, and side pouch systems.



Company Strategy

On May 2, 2023, Sealed Air Corporation announced that it had officially changed their corporate brand to SEE. The new brand represents Sealed Air's commitment to being a market-driven and customer-first company, and it is a direct reflection of the Company's growth and evolution from what it once was. Moving forward, the Company's strategy is focused on three main pillars: automation, digitalization, and sustainability.

Increased Focus on Automated Packaging Systems

In recent years, Sealed Air has strategically increased their focus on automated equipment systems, reflecting their bullish outlook on the potential growth of the automated packaging sector. The Company's commitment towards automation is fueled by the various advantages it brings, such as a reduction in labour costs, simplified processes, and improved efficiency. As food demand increases due to a growing population, the Company expects demand for automated packaging solutions to increase, and believes that automation presents a \$5B growth opportunity. Looking ahead, Sealed Air has set a goal of doubling the size of their equipment sales to over \$1B by 2027, in hopes of solidifying its position as a key player within the growing automated packaging market.

Development of Digital Packaging Solutions

During 2022, Sealed Air introduced their latest portfolio brand prismiq™. The brand revolves around digital packaging, and it aims to help companies drive customer savings, generate demand, and improve brand image. While the brand offers various digital packaging solutions, such as design services and digital printing, the main focus is centered around smart packaging. Smart packaging incorporates scannable codes into your packaging, which allows customers to use their phone to receive relevant product and/or brand information (such as recommended recipes and preparation instructions for food products). Through their digital printing service, the prismiq™ brand can also assist with supply chain optimization, as digital printing enables every product to be easily serialized, which allows individual packages to be easily tracked throughout their life cycle. With the digital packaging market being estimated to grow at a CAGR of approximately 9.8% from 2023 to 2032, Sealed Air has set its sights on capitalizing on this growing service, while simultaneously becoming an industry leader.

Sustainability Oriented Customer Approach

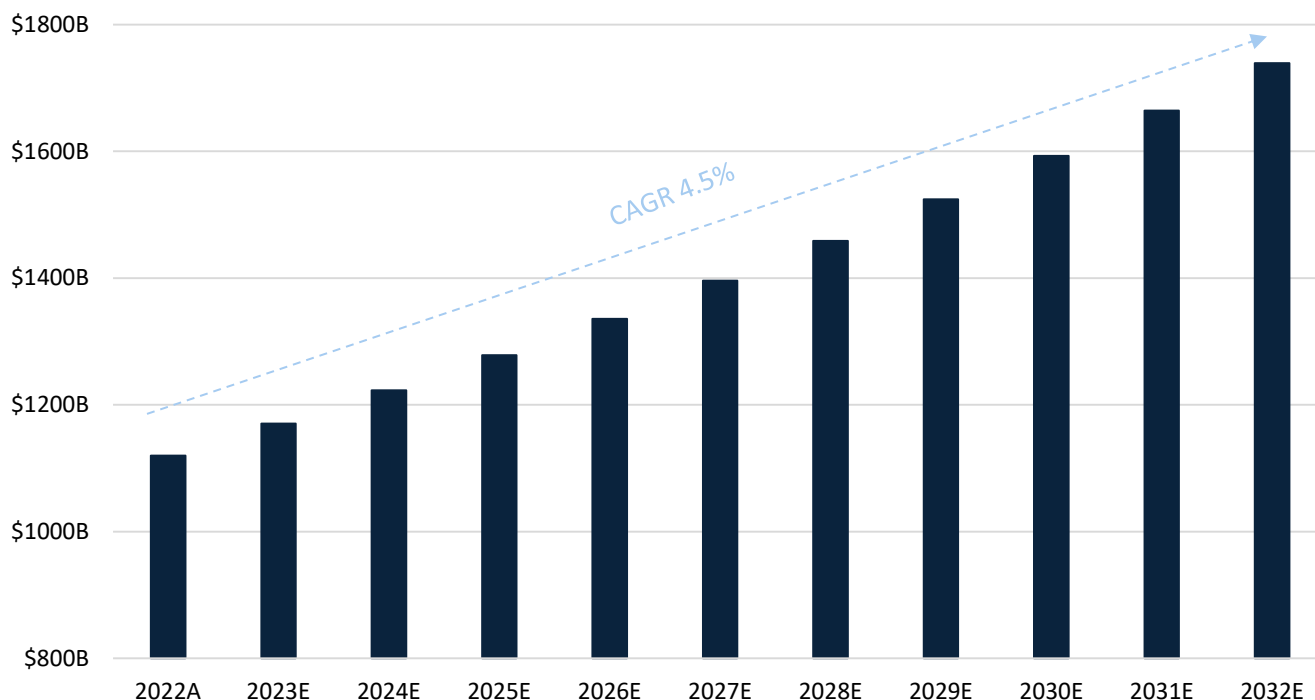
Sealed Air places a high value on ensuring that sustainability is kept top of mind when developing their products and operating their business. More importantly, the Company also focuses on engaging with their customers to meet or exceed all of their sustainability goals. By taking a holistic approach, Sealed Air can make sustainable products more affordable, reduce carbon impacts, and enable circularity of packaging. In addition, this focus on sustainability is also complemented by the Company's automation solutions, as the automated equipment can help reduce waste through simplifying processes and improving efficiency. Looking ahead, by 2025 Sealed Air has pledged to design 100% of its packaging products to be recyclable or reusable, incorporate an average of 50% recycled or renewable content into their solutions, and collaborate on researching and developing recycling technology and infrastructure.

Industry Analysis

Sealed Air Corporation operates within the containers and packaging industry, which includes companies engaged in the manufacturing of containers and packaging products, along with companies offering packaging services. The objectives of the industry go far beyond the standard needs of enclosure, offering various other services such as physical protection from shocks and vibrations during transportation, barrier protection from oxygen and dust, portion control by regulating the amount of product packaged, and marketing communications by conveying desired information to consumers. Within the broader global economy, the containers and packaging industry plays a crucial role, helping virtually every sector to transport and protect their goods. Its extreme importance, along with its global impact, results in the containers and packaging industry having a market value of roughly \$1,120B in 2022, and being expected to grow at a CAGR of 4.5% from 2023 to 2032.

Containers & Packaging Industry Revenue

FY22 – FY32



Market Segments

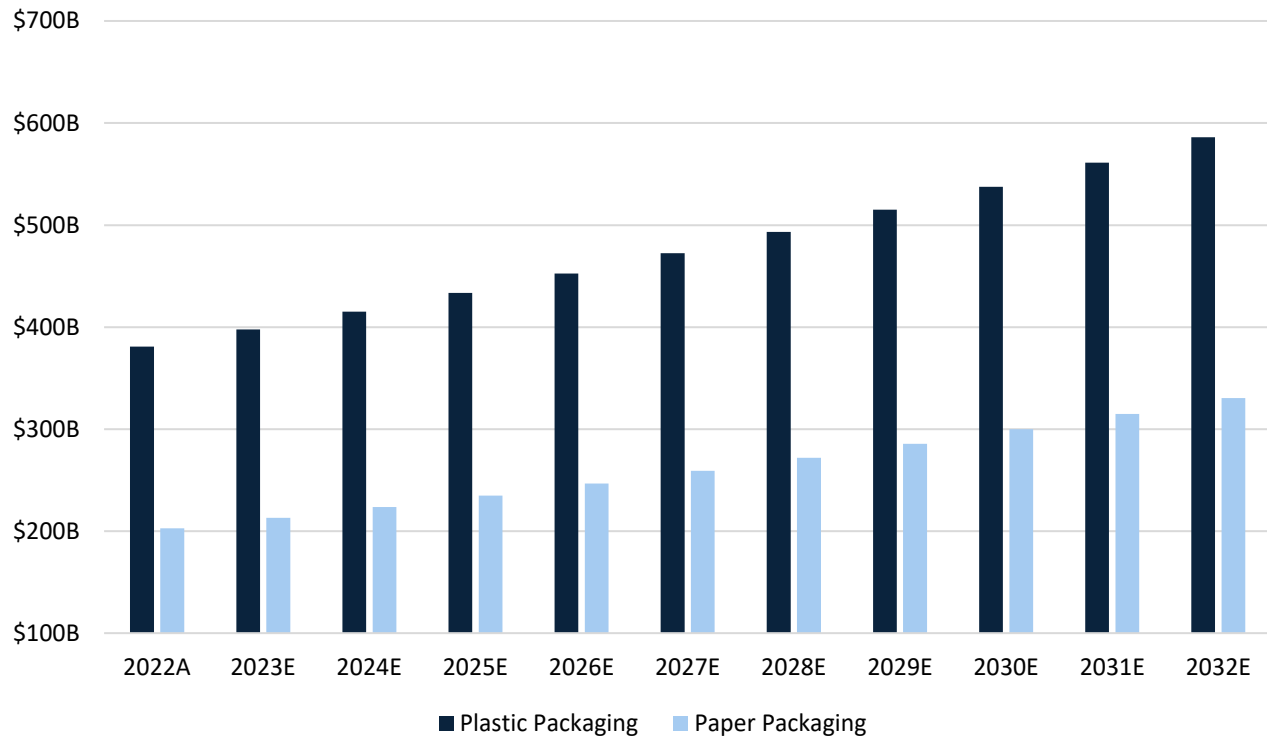
Within the larger containers and packaging industry, Sealed Air's activities are concentrated within two main market niches: plastic packaging, and paper packaging.

The plastic packaging market includes all packaging products derived from polymer materials. These products include plastic film, sheets, bags, containers, bottles, and more. The food manufacturing sector exhibits the largest demand for plastic packaging, which is used to maintain product quality, prevent contamination, and extend shelf life. The plastic packaging market had a value of roughly \$381B in 2022, and it's expected to progress at a CAGR of 4.4% from 2023 to 2032.

Paper packaging offers corrugated boxes, bags, wrapping paper, folding cartons, cups, and more, and these products are utilized in various industries, such as food and beverage, personal care and cosmetics, healthcare, and electronics. Similarly to plastic packaging, the food and beverage industry accounts for the most demand. The global paper packaging market was valued at \$203B in 2022, and from 2023 to 2032 it's estimated to grow at a CAGR of approximately 5%.

Paper vs. Plastic Packaging Industry Revenue

FY22 – FY32



Competitive Landscape

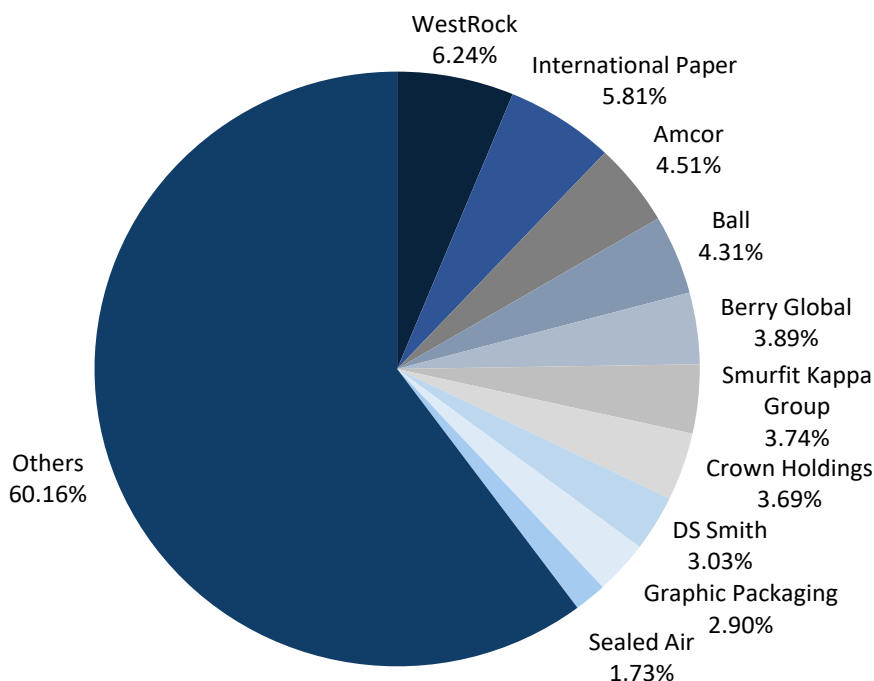
Many customers require specific and customized packaging solutions, and this variability can make it difficult to achieve economies of scale and high market share. As such, the containers and packaging industry is highly fragmented, made up of numerous small and medium-sized companies. It is worth noting, however, that there has been an increase in acquisitions within the last decade, with many larger and more established companies choosing to fuel their growth inorganically by acquiring smaller players. Apart from high competition and differentiation difficulties, new entrants must also face the challenges of legal barriers such as environmental and product safety regulations, high start-up costs that include equipment, materials, and labour, and strong relationships between existing packaging companies and product manufacturers, which makes sourcing new clients difficult.

Key competitors for Sealed Air include Westrock, International Paper, Amcor, Ball, and Berry Global. These companies are the five largest by market share, and together they represent roughly 25% of the total market. Sealed Air trails at 1.73%, and while this percentage is only the 18th largest within the industry, it's important to consider the broadness of the containers and packaging industry. This industry includes companies that offer products that Sealed Air does not directly compete with, such as metal and glass packaging, and when looking at a sub-sector that Sealed Air specializes in, such as

plastic packaging, we see that the Company has a much larger presence, having the second largest share of the market at 24%.

Global Containers & Packaging Industry Market Share

FY22



Industry Trends

Growth within E-commerce

The continuous increase in the popularity of online shopping has been a significant driver behind the growth of the containers and packaging industry. E-commerce has resulted in an increase in demand for packaging products and services, and this trend is likely to continue, with the e-commerce market being positioned to benefit from an increase in internet penetration, growth in the adoption of smartphones and personal computers, and the integration of online shopping into social media. The global e-commerce market is currently valued at \$5,300B, and it's expected to grow to \$8,100B by 2027, resulting in a CAGR of 11%.

Sustainability Concerns

Concerns regarding the environmental impact of plastic packaging, fueled in part by the growth of e-commerce, has led towards consumers and companies pushing for more sustainable packaging. This has forced the industry to drive innovation in sustainable packaging solutions, and companies have begun focusing on using compostable packaging, biodegradable plastics, and recycled materials. The demand from consumers, paired with the execution from manufacturers, has resulted in the sustainable packaging market growing from \$230B in 2019 to \$269B in 2023, exhibiting a CAGR of 4%. Given that

more than 60% of Americans are willing to pay extra for a product that has sustainable packaging, as per a McKinsey study, this growth is likely to persist moving forward, and may even increase.

Growth within the APAC Region

A growing population, rise in disposable incomes, and an increase in urbanization has resulted in the Asia-Pacific region experiencing large growth over the last few years. Economic growth in the APAC region was up 4.5% in 2023, compared to 3.3% in 2022, being fueled primarily by large Asian emerging markets such as China, India, Indonesia, and Malaysia. Looking ahead, this strong growth trajectory is expected to persist, with the region benefiting from low labour costs, a growing middle class that fuels demand for consumer goods, and favourable government policies that exist to stimulate the economy by encouraging investment. Furthermore, the region is also expected to have the highest growth in disposable income per capita until 2050, with an estimated annual growth rate of 3.3%. This will provide a significant opportunity for packaging providers to capitalize on discretionary spending, and overall, it will contribute towards the region's developing economic landscape and future growth prospects.

Investment Thesis

Focus on Margin Improvement

Within the last few years, Sealed Air has placed a strong focus on reducing their operating costs and improving their margins. In 2018, the Company launched a new restructuring program called Reinvent SEE, which aimed to drive profitable growth and earnings power. The program had an estimated cost of \$190M to \$220M, and it was expected to produce total annualized savings of \$215M to \$235M by 2022. The program was recently completed, and so far, it has generated incremental cost benefits of \$87M, which are primarily due to reductions in operating costs. Following the successful completion of the Reinvent SEE program, in 2023 Sealed Air launched Reinvent SEE 2.0 to continue building off their previous improvements. As part of Reinvent SEE 2.0, the Board of Directors approved a new cost take-out to grow restructuring program (CTO2Grow Program). The total cost of the CTO2Grow Program is estimated to be between \$140M and \$160M, and it's expected to drive annualized savings of the same amount by 2025.

We believe these programs are a sign that Sealed Air is shifting their focus back on growing organically, and that the Company is set on operational improvement. Through the Reinvent SEE programs, the Company has already improved their SG&A margin from 14.1% in 2018 to 11.2% in 2022, and in that same timeframe their EBITDA margin has grown from 16.6% to 20%. Moving forward, we believe that Sealed Air will not hesitate to continue implementing new cost reduction programs, and that the company will maintain their focus on SG&A productivity and product cost efficiency.

Strong Pricing Power

Under both of their segments, Food and Protective, Sealed Air supplies their customers with both packaging materials and packaging equipment. Under this model, the Company's equipment becomes embedded within the production process of their clients, and their packaging products are the only ones that are compatible with their equipment. As a result, once a customer has integrated Sealed Air's equipment within their production process, switching to a new system becomes very costly and time consuming, as production is typically required to be halted. Due to this dynamic, the Company can achieve low levels of customer turnover, and is able to benefit from strong pricing power.

With Sealed Air planning on increasing their sales of automated equipment, we believe that the Company will continue to have strong pricing power in the future. By 2027, Sealed Air plans to double their equipment sales to over \$1B, and we believe that this will result in new and existing customers becoming more dependent on the Company's complementary packaging products. With more customers integrating Sealed Air's equipment into their production process, the Company is well-positioned to benefit from being able to change their prices whenever needed, as this will help with minimizing losses in the highly cyclical Protective segment.

Market Undervaluation of Liquibox Acquisition

On February 1, 2023, Sealed Air acquired Liquibox, which specializes in manufacturing packaging solutions for fluids and liquids within the food, beverage, consumer goods, and industrial markets. This acquisition was done in part to complement Sealed Air's existing Cryovac Fluids & Liquids business, and it was expected to contribute roughly \$350M in sales and \$85M in EBITDA in 2023. However, these estimates have since been reduced to \$300M and \$66M respectively, due to inventory destocking trends limiting sales and difficulties related to the integration of Liquibox into Sealed Air.

An overemphasis on this poor short-term performance may result in investors underestimating the true value of the potential synergies that can stem from this acquisition, and we believe the full benefits that Liquibox can offer have yet to be realized. As inventory destocking trends begin to fade, and inventory orders return to normal levels, sales for Liquibox can be expected to gain momentum. Considering that Liquibox has been a part of Sealed Air for under a year, we believe that the current operational issues will soon fade, as there is a strong possibility that the Company simply needed some time to grow accustomed to their new acquisition. Considering these factors, we believe there is significant potential for Liquibox-related synergies to outperform current market expectations, and we believe that the original estimates of additional revenues and EBITDA of \$350M and \$85M, respectively, are both plausible and can be achieved within the next few years.

Catalysts

Inorganic Growth of Automated Solutions Portfolio

With inorganic growth playing a key role in business expansion within the packaging industry, along with Sealed Air's plans of leveraging acquisitions to drive 2-4% of revenue growth, we believe that the Company may pursue a strategic acquisition in the near future. Although Sealed Air does not currently have any targets, the Company has previously completed 28 acquisitions, with the latest being completed on February 1, 2023, after Sealed Air acquired LB Holdco, Inc., the parent company of Liquibox.

In 2018 Sealed Air launched a new restructuring program called Reinvent SEE, which focused on growing market share, moving into adjacent markets with greater speed and efficiency, and reducing costs. Following a successful completion of the program, Sealed Air has now recently launched Reinvent SEE 2.0. This new initiative seeks to advance the next phase of the Company's transformation by building on the existing success of Reinvent SEE, and it aims to achieve this by increasing sales within the Fluids & Liquids market and growing the automated solutions portfolio. Given that Sealed Air's last acquisition will help to drive sales within the Fluids & Liquids market, we believe that the next acquisition will likely be within the automated equipment market.

Higher than Expected Consumer Spending

While some indicators point towards a slowing in consumer spending, such as record high amounts of credit card debt, others point towards the opposite, such as persistently low employment rates. The market is currently expecting a decline in consumer spending in 2024, and better than expected results could help to propel Sealed Air's growth. A surge in consumer expenditure would not only increase the demand for goods, but it would also amplify the consumption of packaging products. As a result, Sealed Air would be able to capitalize on this opportunity by increasing their sales, and by having higher pricing power.

Higher levels of consumer spending would also contribute towards eliminating the recent inventory destocking trends. This recent trend has had significant negative impacts on Sealed Air's Protective segment, causing Protective sales to decrease by 15.3% in 2023. If consumer spending were to increase, inventories would move towards their normal levels, allowing Sealed Air to see positive Protective sales growth.

Management Team

Emile Chammas – Interim Co-President and Co-CEO, COO

Emile Chammas has served as Senior Vice President and Chief Operating Officer since January 2022, and he was appointed Interim Co-President and Interim Co-CEO in late October 2023. From February 2019 to January 2022, Chammas previously served as Senior Vice President and Chief Transformation and Manufacturing/Supply Chain Officer, and from 2010 to 2019 he served as Senior Vice President and Chief Supply Chain Officer. Chammas also spent nine years at Wrigley, where he rose to Vice President of Worldwide Supply Chain before coming to Sealed Air. Chammas holds a bachelor's degree in mechanical engineering from Vanderbilt University, and he also



obtained a master's degree in mechanical engineering from the Massachusetts Institute of Technology. His total compensation for 2022 was \$3.05M, which consisted of a base salary of \$745K, stock awards of \$1.63M, performance plan compensation of \$643K, and other compensation of \$31K. With stock and performance-related compensation making up roughly 75% of his total pay, a strong incentive exists for Chammas to prioritize the growth and performance of Sealed Air.

Dustin Semach – Interim Co-President and Co-CEO, CFO

Dustin Semach is the current Chief Financial Officer of Sealed Air, having served since April 2023, and he was also appointed Interim Co-President and Co-CEO in October 2023. Before joining Sealed Air, from 2020 to 2023 Semach served as Chief Financial Officer of TTEC, a global customer experience and services provider, and from 2019 to 2020 he served as Chief Financial Officer of global services provider Rackspace Technology, where he helped lead the company through their initial public offering in 2020. Semach graduated from Clemson University with a bachelor's degree in computer science, and he also holds a master's degree in business administration



from Northeastern University. When joining Sealed Air in April 2023, Semach agreed to the following compensation: a sign-on bonus of \$300K, an annual salary of \$640K, and new hire equity awards consisting of RSUs and PSUs both valued at \$1.5M. Similarly to Chammas, Semach is strongly incentivized to focus on growing and advancing Sealed Air, as stock awards comprise approximately 75% of his total compensation.

Management Findings

On October 23, 2023, Sealed Air’s Board of Directors and former CEO Ted Doheny both mutually agreed that a change in leadership was due. Doheny served as Sealed Air’s CEO from 2018, and the decision for change arose out of a goal to better position the Company for long-term profitable growth. In accordance with terms provided in his existing Letter Agreement, Doheny will continue to support Sealed Air until January 18, 2024, where he will serve in an advisory capacity to assist in the transition. Upon Doheny’s departure, Emile Chammas, Senior Vice President and Chief Operating Officer, along with Dustin Semach, Chief Financial Officer, have been appointed as Interim Co-Presidents and Interim Co-Chief Executive Officers. Chammas and Semach will hold these positions until a permanent replacement is named, in addition to their current roles, and as such Sealed Air’s Board approved an adjustment to the compensation for both executives. Beginning October 23, 2023, both Chammas and Semach will receive a monthly cash stipend of \$25,000 during the period of service in the interim role. In addition, on December 8, 2023, each executive was also granted 20,994 restricted stock units (“RSUs”). The amount of RSUs was calculated by dividing \$600,000 by Sealed Air’s closing share price on the day Chammas and Semach assumed their new roles (October 23, 2023), and these RSUs will vest annually over three years beginning on the first anniversary of the grant date.

Shareholder Base, Liquidity, Market Depth

Shareholder Base

Sealed Air currently has 144,493,719 shares outstanding, of which 99.1% are free float. Institutions are by far the largest owners of Sealed Air, owning 96.45% of total outstanding shares. The majority of these institutional holders are traditional investment managers, who represent 81.04% of institutional ownership, with hedge fund managers representing the second largest ownership percentage at 12.39%.

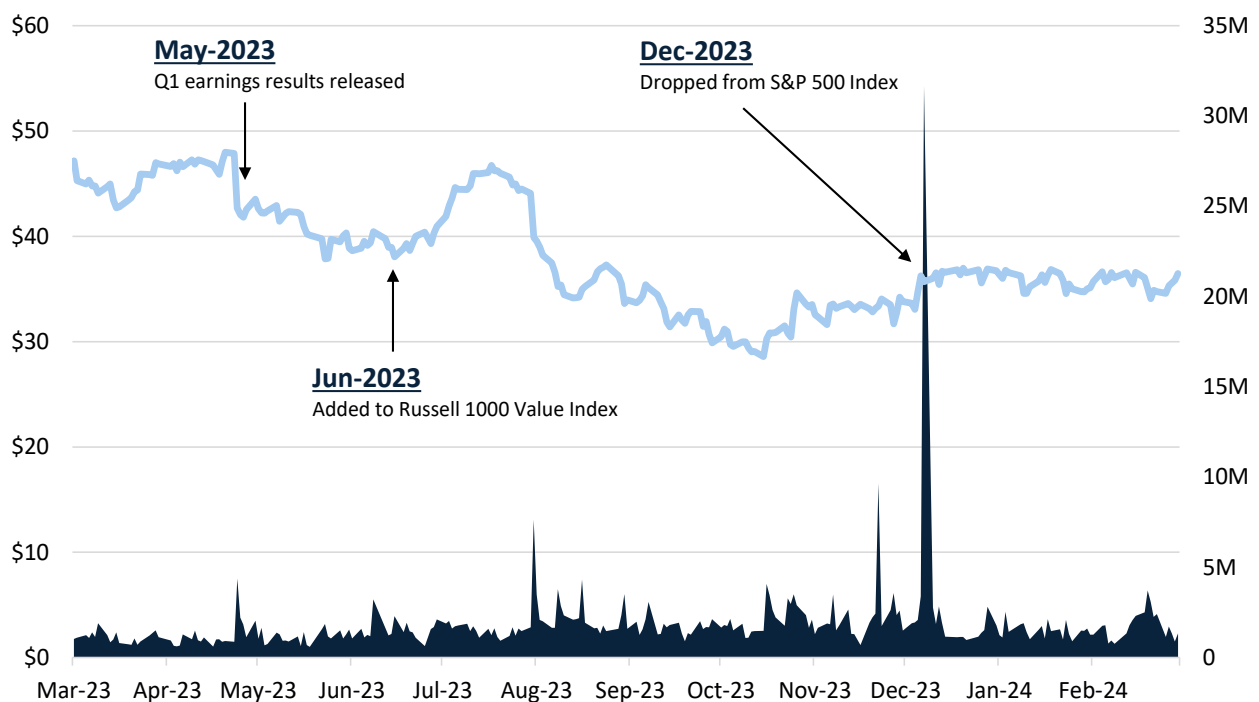
Shareholder	Position	% of Shares Outstanding	Market Value (USD in mm)	Insider (Y/N)
BlackRock, Inc.	26,517,957	18.36%	\$973.7	N
The Vanguard Group, Inc.	16,853,598	11.67%	\$618.9	N
T. Rowe Price Group, Inc.	10,470,600	7.25%	\$384.5	N
Harris Associates L.P.	6,072,646	4.20%	\$223.0	N
State Street Global Advisors, Inc.	5,896,168	4.08%	\$216.5	N
Janus Henderson Group plc	3,553,076	2.46%	\$130.5	N
Millennium Management LLC	3,331,811	2.31%	\$122.3	N
Geode Capital Management, LLC	3,191,989	2.21%	\$117.2	N
Invesco Capital Management LLC	2,946,747	2.04%	\$108.2	N
Invesco Ltd.	2,291,593	1.59%	\$84.1	N
Top 10 Shareholders	81,126,185	56.17%	\$2,978.9	

Liquidity

Sealed Air had an average trading volume of 1,826,448 in the last twelve months, with a high of 31,655,133 and a low of 595,146. The large spike in December corresponds to Sealed Air being removed from the S&P 500, which would have caused mutual funds and exchange traded funds that mimic the S&P 500 to sell their shares. The average trading volume of over 1M, paired with the Company's high free float percentage of 99.1% indicates healthy liquidity, and investors should not face any issues when seeking to trade Sealed Air's shares.

LTM Stock Price & Trading Volume (NYSE: SEE)

FY23 – FY24



Valuation

Discounted Cashflow (DCF) Assumptions

Revenue Forecast

When forecasting revenue growth, we focused on two main variables: supply chain disruptions, and inventory destocking.

In 2022, Sealed Air experienced various supply chain disruptions, such as reduced availability of certain raw materials and equipment components. These issues have continued to persist in 2023, and although the supply of many raw materials has returned close to normal levels, the shortage of certain equipment components remains. Consequently, Sealed Air has

faced long lead times relating to the procurement of these equipment components, resulting in a hindrance to the Company's ability to manufacture and sell equipment. This issue is expected to persist in 2024, and both the Food and Protective segments may be adversely impacted as a result.

In addition, throughout the first three quarters of 2023 Sealed Air's Protective segment was heavily impacted by inventory destocking trends, particularly within the industrial and fulfillment sectors. Reduced consumer demand and high interest rates have increased inventory carrying costs and caused Sealed Air's Protective sales to fall by double digits in the first three quarters of 2023. Moving forward, inventory destocking trends are expected to dwindle, with normal inventory levels expected to be achieved in the second half of 2024.

Considering these factors, for 2024 we are forecasting a slight decrease in Food sales, at 2%, paired with an increase in Protective sales, at 1%, resulting in an overall growth in total revenue of 1.6%. Over time, we expect total revenue growth to rise to 6.3%, with Food sales growing at 7% and Protective sales growing at 5%.

Cost of Goods Sold (COGS)

The cost of goods sold has historically ranged from 67-70% of revenue, with the annual mean being 68.2%. We are forecasting a rate of 69.3% of revenue for 2024, and 68.2% for all remaining years, as we expect that the prices of raw materials will decrease over the next few years as inflationary pressures dwindle.

Selling, General, & Administrative Expenses (SG&A)

We forecasted a 12.4% SG&A rate as a percentage of revenue for 2024, and 11.3% for 2025 onwards. The 2024 rate was derived from calculating the average rate of the first three quarters of 2023, as we believe the inflationary effect on prices will persist. For 2025 onwards, we expect the SG&A rate to taper down to the historical mean of 11.3%.

Capital Expenditures (CAPEX)

Sealed Air aims at having capital expenditures equate to roughly 4-5% of sales, and historically they have managed to achieve this. Moving forward, we are forecasting a CAPEX as a percentage of beginning PP&E rate of 18%, which would result in Sealed Air's desired CAPEX/sales ratio.

Weighted Average Cost of Capital (WACC)

We calculated a weighted average cost of capital of 8.1%, which consisted of a cost of equity of 13.1%, and a cost of debt of 2.6%. The cost of equity was calculated using a risk-free rate of 4.02%, which was based on the U.S. 5-year Treasury yield, an expected market return of 12.02%, based on the average annual return of the S&P 500 over the last 10 years, and a beta of 1.14. The cost of debt consisted of a pre-tax cost of debt of 4.2%, and an effective tax rate of 37%. The weightings for the market value of equity and debt were 52% and 48%, respectively.

Perpetuity Growth Rate

We used a perpetuity growth rate of 2%, as we believe this rate is a good reflection of the industry's future growth prospects, and Sealed Air's market position.

Terminal EV/EBITDA Multiple

A terminal EV/EBITDA multiple of 9.1x was used, and this was derived from taking the average EV/EBITDA multiple of five comparable companies.

Comparable Company Analysis

The selection of comparable companies was dependent on various factors such as market capitalization, customer demographics, international presence, and product offerings. Our analysis provided an EV/EBITDA implied price of \$31.43 and a P/E implied price of \$32.26.

Packaging Corporation of America (NYSE: PKG)

Packaging Corporation of America is the third largest producer of containerboard products in North America. The company operates within three reportable segments: Packaging, which offers various corrugated packaging products, Paper, which sells commodity and specialty papers, and Corporate and Other, which provides corporate staff services.

Sonoco Products Company (NYSE: SON)

Founded in 1899 and headquartered in Hartsville, South Carolina, Sonoco manufactures and sells numerous packaging products in the Americas, Europe, Australia, and Asia. The company's offerings include plastic, paper, and steel-based packaging materials and products, such as containers and cores. The products are sold in various markets, such as food, paper, and construction, with roughly 52% of sales coming from the Consumer Packaging segment, and the Industrial Paper Packaging segment accounting for the remainder.

Berry Global Group, Inc. (NYSE: BERY)

Berry Global Group develops and supplies both rigid and flexible packaging solutions to consumer and industrial end markets in the United States, Canada, Europe, and internationally. The company's operations are organized into four segments, which include Consumer Packaging International, Consumer Packaging North America, Engineered Materials, and Health, Hygiene & Specialties. Sales are close to evenly split between these segments, and the company reaches their large and diversified customer base through both a direct sales force, and distributors.

Amcor plc (NYSE: AMCR)

Headquartered in Zurich, Switzerland, Amcor is a global leader in producing packaging solutions for food, medical, and personal-care, and they conduct business in North America, Latin America, Europe, and the APAC regions. In addition to plastic, paper, and aluminum-based packaging products, such as snack food bags, the company also offers equipment, such as vacuum packaging machines.

Crown Holdings, Inc. (NYSE: CCK)

Crown is an international supplier of rigid packaging products. The majority of their sales are derived from their global beverage can operations, where the company manufactures recyclable aluminum beverage cans and glass bottles, and the

remainder of their sales come from producing food cans and closures, such as caps and lids. The company operates 199 plants throughout 40 countries, and roughly 63% of sales are from operations outside the United States.

Recommendation

Hold

We are initiating a HOLD rating for Sealed Air. We have derived a target share price of \$39.00, providing a return of 9.4%. This was calculated by applying a 50% weighting to both the DCF and Comparable Company analysis. The weightings were then further split between the perpetuity growth and exit multiple methods in the DCF analysis, and between the EV/EBITDA and P/E implied price methods in the Comparable Company analysis, where each method received an overall equal weight of 25%.

Sealed Air holds a strong market position within the packaging industry, especially in the fresh meat subsector, and they have a clear plan for future growth which mainly revolves around automation (Reinvent SEE 2.0). However, the Company is currently encountering volume headwinds related to material shortages and recent inventory destocking trends. In addition, while the Food segment benefits from being defensive in nature, the Protective segment is sensitive to economic downturns, and has recently begun to be affected by an increase in the popularity of fiber-based packaging solutions. Overall, we believe that the Company will experience relatively slow growth in the near future but will be able to defend its market leadership position.

Risks

Plastic Regulations

The use of plastic and its associated environmental impact continues to receive ever-increasing attention. Recently, some jurisdictions have imposed regulations that govern the registration, labeling, and taxation of some of Sealed Air's products. For instance, the Plastic Packaging Tax (PPT), which was introduced in the UK on April 1, 2022, applies to plastic packaging components manufactured or imported into the UK with less than 30% recycled plastic. Although certain Sealed Air products are excluded, such as the BUBBLE WRAP® Cushioning which is made from 90% recycled content, some products are still subject to this tax. Other countries have followed suit, with Italy and Spain imposing their own plastic tax, and some countries have even fully banned certain plastics. Where these bans currently exist, they mainly apply to single-use plastics, such as in Canada where the manufacturing, import, and sale of grocery bags, cutlery, and beverage straws are all prohibited.

Currently, all Sealed Air's products comply with all applicable laws and regulations, however the future surrounding the development of government policies related to plastic use is uncertain. Various factors, including consumer perceptions, preferences, and buying habits, can all have a significant effect on future regulations, and should plastic tax policies increase, Sealed Air would experience an adverse effect on its business, financial condition, and cash flows.

Reputational Risks

Sealed Air is subject to numerous federal, state, and foreign laws and regulations that are intended to govern the environmental, health, and safety effects of their products. Many of these regulations are extremely strict, particularly the ones pertaining to Sealed Air's food segment, such as the various product requirements administered by the FDA which are intended to control microbial growth on humans, animals, and processed foods. The food packaging industry is characterized by this extreme importance of effective packaging that can comply with various strict food safety requirements. If a company's food were to become spoiled due to inadequate packaging supplied by Sealed Air, the associated effect on Sealed Air's reputation would be detrimental. Not only could the company expect significant loss of customers, but they could also experience fines, temporary closures, and a cancellation of operating licenses. With the Food segment accounting for approximately 60% of Sealed Air's revenue, the company is forced to constantly dedicate significant resources towards improving the safety of their food packaging, to maintain their current strong track record with food safety.

Changes in Raw Material Pricing

To manufacture their products, Sealed Air uses a variety of raw materials, such as petrochemical-based raw materials, secondary fiber, and wood. The prices for these raw materials are highly cyclical, being driven by market demand and global trade, and as a result the Company faces a permanent risk of having their costs increased. Although crude oil prices are expected to remain relatively flat over the next few years, with secondary fiber and wood following a similar path, it is difficult to accurately predict what will happen. Should raw material prices see huge fluctuations, such as crude oil in 2022, then Sealed Air may see unfavourable changes to their margins.

Within the Food segment, sales prices in North America and the APAC region are determined using a formula that aims to reflect the changes in raw material prices. On average, this formula lags the actual raw material price movements by roughly six months, meaning that the Company is always adversely impacted whenever prices increase, as they are not able to update their selling prices quickly enough. If Sealed Air is unable to manage the impact of higher raw material costs through pricing, sourcing, or other areas of their business, then the Company may experience negative effects on their financial condition and cash flows.

Appendix 1: Summary Page

Summary Page															
	Dec-18	Dec-19	Dec-20	Dec-21	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Dec-23	Dec-24	Dec-25	Dec-26	Dec-27	Dec-28
(Figures in mm USD)	FY2018	FY2019	FY2020	FY2021	FY2022	Q1-2023	Q2-2023	Q3-2023	Q4-2023	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028
Income Statement															
Revenue	4,732.7	4,791.1	4,903.2	5,533.8	5,641.9	1,348.8	1,380.8	1,381.8	1,377.5	5,488.9	5,579.0	5,772.3	6,135.6	6,522.3	6,933.9
EBITDA	787.5	729.3	962.3	1,087.3	1,129.4	225.4	275.2	217.5	269.9	988.0	1,021.0	1,183.3	1,257.8	1,337.1	1,421.4
Net Income	193.1	263.0	502.9	506.8	491.6	61.9	99.1	56.6	124.0	341.6	390.4	501.7	550.1	601.7	656.8
Earnings Per Share	\$ 1.21	\$ 1.69	\$ 3.22	\$ 3.33	\$ 3.34	\$ 0.43	\$ 0.68	\$ 0.39	\$ 0.86	\$ 2.36	\$ 2.69	\$ 3.46	\$ 3.80	\$ 4.15	\$ 4.53
Cash Flow Statement															
Capital Expenditures	(168.6)	(189.7)	(181.1)	(213.1)	(237.3)	(64.9)	(58.8)	(61.3)	(59.2)	(244.2)	(257.2)	(261.1)	(267.3)	(273.6)	(280.1)
Acquisitions	(68.4)	(452.8)	1.2	(0.1)	(9.6)	(1,148.0)	(15.0)	0.1	2.2	(1,160.7)	-	-	-	-	-
Divestitures	(8.5)	(2.4)	12.4	89.4	9.4	0.6	0.1	1.2	8.3	10.2	-	-	-	-	-
Dividend Payment	(104.1)	(99.1)	(100.4)	(115.6)	(118.5)	(31.1)	(28.9)	(28.9)	(29.0)	(117.9)	(115.5)	(115.5)	(115.5)	(115.5)	(115.5)
Dividend Per Share	\$ 0.64	\$ 0.64	\$ 0.64	\$ 0.76	\$ 0.80	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.80	\$ 0.80	\$ 0.80	\$ 0.80	\$ 0.80	\$ 0.80
Dividend Payout to Earnings	53.9%	37.7%	20.0%	22.8%	24.1%	50.2%	29.2%	51.1%	23.4%	34.5%	29.6%	23.0%	21.0%	19.2%	17.6%
Dividend Payout to Core FCF	19.1%	14.7%	10.1%	11.7%	11.5%	13.6%	13.8%	11.9%	10.4%	12.3%	13.3%	11.7%	11.0%	10.4%	9.8%
Dividend Yield	1.6%	1.6%	2.0%	1.4%	1.4%	0.4%	0.5%	0.5%	0.6%	1.9%	2.3%	2.3%	2.3%	2.3%	2.3%
Balance Sheet															
Current Assets	1,554.8	1,564.0	1,881.5	2,069.6	2,116.8	2,067.1	2,213.9	2,122.8	1,963.3	1,963.3	2,424.3	2,815.8	3,310.3	3,861.6	4,473.7
Non-Current Assets	3,495.4	4,201.2	4,202.3	4,159.7	4,097.9	5,289.1	5,310.5	5,244.9	5,237.3	5,237.3	5,271.2	5,305.7	5,340.9	5,377.1	5,414.0
Assets	5,050.2	5,765.2	6,083.8	6,229.3	6,214.7	7,356.2	7,524.4	7,367.7	7,200.6	7,200.6	7,695.5	8,121.5	8,651.2	9,238.6	9,887.7
Current Liabilities	1,488.6	1,436.2	1,367.4	2,007.3	2,081.8	1,732.8	1,850.0	1,719.9	1,509.0	1,509.0	1,729.1	1,768.9	1,864.0	1,965.3	2,073.1
Non-Current Liabilities	3,910.2	4,525.2	4,543.9	3,973.3	3,788.8	5,276.9	5,262.0	5,239.4	5,142.1	5,142.1	5,142.1	5,142.1	5,142.1	5,142.1	5,142.1
Liabilities	5,398.8	5,961.4	5,911.3	5,980.6	5,870.6	7,009.7	7,112.0	6,959.3	6,651.1	6,651.1	6,871.2	6,911.0	7,006.1	7,107.4	7,215.2
Shareholders' Equity	(348.6)	(196.2)	172.5	248.7	344.1	346.5	412.4	408.4	549.5	549.5	824.3	1,210.5	1,645.1	2,131.2	2,672.5
Cash	271.7	262.4	548.7	561.0	456.1	303.1	285.1	281.3	346.1	346.1	801.8	1,145.9	1,548.9	2,002.9	2,511.4
Debt	3,474.2	3,906.1	3,838.4	3,773.8	3,752.1	4,915.4	5,066.1	4,964.4	4,786.2	4,786.2	4,513.9	4,513.9	4,513.9	4,513.9	4,513.9
Net Debt	3,202.5	3,643.7	3,289.7	3,212.8	3,296.0	4,612.3	4,781.0	4,683.1	4,440.1	4,440.1	3,712.1	3,368.0	2,965.0	2,511.0	2,002.5
Minority Interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt/EBITDA	4.1 x	5.0 x	3.4 x	3.0 x	2.9 x	-	-	-	-	4.5 x	3.6 x	2.8 x	2.4 x	1.9 x	1.4 x
Operating Metrics															
Return on Equity (ROE)	-55.4%	-134.0%	291.5%	203.8%	142.9%	-	-	-	-	62.2%	47.4%	41.4%	33.4%	28.2%	24.6%
Return on Assets (ROA)	3.8%	4.6%	8.3%	8.1%	7.9%	-	-	-	-	4.7%	5.1%	6.2%	6.4%	6.5%	6.6%
Return on Invested Capital (ROIC)	11.1%	13.7%	15.8%	18.6%	19.5%	-	-	-	-	12.8%	9.2%	10.3%	10.3%	10.2%	10.1%
Valuation Metrics															
Stock Price (High)	\$ 49.64	\$ 46.84	\$ 46.24	\$ 67.55	\$ 70.17	\$ 56.22	\$ 47.99	\$ 46.73	\$ 36.97	\$ 56.22	\$ 35.31	\$ 35.31	\$ 35.31	\$ 35.31	\$ 35.31
Stock Price (Low)	\$ 30.74	\$ 34.73	\$ 17.55	\$ 41.90	\$ 41.41	\$ 42.69	\$ 37.85	\$ 31.41	\$ 28.58	\$ 28.58	\$ 35.31	\$ 35.31	\$ 35.31	\$ 35.31	\$ 35.31
Stock Price (Average)	\$ 40.19	\$ 40.79	\$ 31.90	\$ 54.73	\$ 55.79	\$ 49.46	\$ 42.92	\$ 39.07	\$ 32.78	\$ 42.40	\$ 35.31	\$ 35.31	\$ 35.31	\$ 35.31	\$ 35.31
Diluted Shares Outstanding (Average)	160.2	155.2	156.0	152.4	147.4	144.8	144.8	144.9	144.9	144.9	144.9	144.9	144.9	144.9	144.9
Market Capitalization (Average)	6,438.4	6,329.8	4,975.6	8,340.1	8,223.4	7,161.1	6,214.8	5,661.2	4,749.1	6,143.8	5,116.4	5,116.4	5,116.4	5,116.4	5,116.4
Enterprise Value (Average)	9,640.9	9,973.5	8,265.3	11,552.9	11,519.4	11,773.4	10,995.8	10,344.3	9,189.2	10,583.9	8,828.5	8,484.4	8,081.4	7,627.4	7,118.9
P/E	33.3 x	24.1 x	9.9 x	16.5 x	16.7 x	-	-	-	-	18.0 x	13.1 x	10.2 x	9.3 x	8.5 x	7.8 x
EV/EBITDA	12.2 x	13.7 x	8.6 x	10.6 x	10.2 x	-	-	-	-	10.7 x	8.6 x	7.2 x	6.4 x	5.7 x	5.0 x
FCF Yield to Market Capitalization	5.7%	7.7%	11.4%	7.0%	5.7%	-	-	-	-	7.4%	13.4%	11.0%	12.0%	12.9%	13.9%
FCF Yield to Enterprise Value	3.8%	4.9%	6.9%	5.0%	4.1%	-	-	-	-	4.3%	7.7%	6.6%	7.6%	8.7%	10.0%
Free Cash Flow															
EBIT	656.3	578.5	788.1	900.9	944.8	169.5	216.3	157.6	211.2	754.6	797.7	956.7	1,025.8	1,099.6	1,178.3
Tax Expense	(307.5)	(76.6)	(142.1)	(225.0)	(238.0)	(33.8)	(45.3)	(20.3)	9.0	(90.4)	(295.1)	(354.0)	(379.5)	(406.8)	(436.0)
D&A	131.2	150.8	174.2	186.4	184.6	55.9	58.9	59.9	58.7	233.4	223.3	226.6	232.0	237.5	243.1
Capital Expenditures	(168.6)	(189.7)	(181.1)	(213.1)	(237.3)	(64.9)	(58.8)	(61.3)	(59.2)	(244.2)	(257.2)	(261.1)	(267.3)	(273.6)	(280.1)
Changes in NWC	52.6	27.3	(72.8)	(68.4)	(184.1)	(112.6)	(209.4)	17.2	103.1	(201.7)	214.8	(7.7)	3.7	4.0	4.2
Unlevered Free Cash Flow	364.0	490.3	566.3	580.8	470.0	14.1	(38.3)	153.1	322.8	451.7	683.4	560.6	614.7	660.6	709.6
Valuation Summary															
Current Price	\$ 35.31														
Target Price	\$ 38.64														
Total Return	9.4%														
Recommendation	HOLD														
DCF Valuation															
Perpetuity Growth Implied Price	\$ 43.08														
Exit Multiple Implied Price	\$ 47.80														
Comps Valuation															
Comps - EV/EBITDA Implied Price	\$ 31.43														
Comps - P/E Implied Price	\$ 32.26														

Appendix 2: Discounted Cash Flow Analysis

	Dec-18	Dec-19	Dec-20	Dec-21	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Dec-23	Dec-24	Dec-25	Dec-26	Dec-27	Dec-28
(Figures in mm USD)	FY2018	FY2019	FY2020	FY2021	FY2022	Q1-2023	Q2-2023	Q3-2023	Q4-2023	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028
WACC Calculations															
Cost of Equity															
Risk-free rate	4.0%														
Expected market return	12.0%														
Market Risk Premium	8.0%														
Beta	1.14														
Cost of Equity	13.1%														
Cost of Debt															
Pre-tax cost of debt	4.2%														
Effective tax rate	37.0%														
Cost of Debt	2.6%														
WACC															
Market value of equity	5,116.4														
Market value of debt	4,786.2														
Total Capitalization	9,902.6														
Cost of equity	13.1%														
Cost of debt	2.6%														
WACC	8.1%														
Free Cash Flow															
EBIT	656.3	578.5	788.1	900.9	944.8	169.5	216.3	157.6	211.2	754.6	797.7	956.7	1,025.8	1,099.6	1,178.3
Less: Tax expense	(307.5)	(76.6)	(142.1)	(225.0)	(238.0)	(33.8)	(45.3)	(20.3)	9.0	(90.4)	(295.1)	(354.0)	(379.5)	(406.8)	(436.0)
Add: Depreciation and amortization	131.2	150.8	174.2	186.4	184.6	55.9	58.9	59.9	58.7	233.4	223.3	226.6	232.0	237.5	243.1
Less: Capital expenditures	(168.6)	(189.7)	(181.1)	(213.1)	(237.3)	(64.9)	(58.8)	(61.3)	(59.2)	(244.2)	(257.2)	(261.1)	(267.3)	(273.6)	(280.1)
Less: Change in net working capital	52.6	27.3	(72.8)	(68.4)	(184.1)	(112.6)	(209.4)	17.2	103.1	(201.7)	214.8	(7.7)	3.7	4.0	4.2
Unlevered Free Cash Flow	364.0	490.3	566.3	580.8	470.0	14.1	(38.3)	153.1	322.8	451.7	683.4	560.6	614.7	660.6	709.6
Discount factor											1.00	2.00	3.00	4.00	5.00
Present Value of Unlevered Free Cash Flow											657.1	480.0	487.1	484.3	481.4
Discounted Cash Flow Valuations															
Perpetuity Growth Method															
Perpetuity Growth Rate	2.0%														
PV sum of unlevered FCF	2,589.9														
Terminal value	8,092.3														
Enterprise Value	10,682.2														
Add: Cash	346.1														
Less: Debt	4,786.2														
Less: Other EV adjustments	-														
Equity Value	6,242.1														
Shares outstanding	144.9														
Implied Share Price	\$ 43.08														
Exit Multiple Method															
Terminal EV/EBITDA Multiple	9.1 x														
PV sum of unlevered FCF	2,589.9														
Terminal value	8,775.8														
Enterprise Value	11,365.8														
Add: Cash	346.1														
Less: Debt	4,786.2														
Less: Other EV adjustments	-														
Equity Value	6,925.7														
Shares outstanding	144.9														
Implied Share Price	\$ 47.80														
WACC															
Perpetuity Growth Rate		WACC													
		9.07%	8.57%	8.07%	7.57%	7.07%									
	1.00%	\$ 26.51	\$ 30.33	\$ 34.71	\$ 39.75	\$ 45.63									
	1.50%	\$ 29.34	\$ 33.63	\$ 38.57	\$ 44.34	\$ 51.14									
	2.00%	\$ 32.58	\$ 37.43	\$ 43.08	\$ 49.75	\$ 57.74									
2.50%	\$ 36.30	\$ 41.85	\$ 48.39	\$ 56.23	\$ 65.79										
3.00%	\$ 40.64	\$ 47.06	\$ 54.75	\$ 64.13	\$ 75.82										
Terminal EV/EBITDA Multiple		WACC													
		9.07%	8.57%	8.07%	7.57%	7.07%									
	7.1 x	\$ 31.91	\$ 33.18	\$ 34.49	\$ 35.82	\$ 37.20									
	8.1 x	\$ 38.27	\$ 39.69	\$ 41.14	\$ 42.63	\$ 44.17									
	9.1 x	\$ 44.63	\$ 46.19	\$ 47.80	\$ 49.45	\$ 51.14									
	10.1 x	\$ 50.98	\$ 52.69	\$ 54.45	\$ 56.26	\$ 58.11									
11.1 x	\$ 57.34	\$ 59.20	\$ 61.11	\$ 63.07	\$ 65.09										
Summary															
Current Price	\$ 35.31														
Implied Price	\$ 43.08														
Total Return	22.0%														
Current Price															
Current Price	\$ 35.31														
Implied Price	\$ 47.80														
Total Return	35.4%														

Appendix 3: Comparable Company Analysis



Comparable Company Analysis

(Figures in mm USD)

Company	Ticker	Equity Value	Enterprise Value	EV/EBITDA Multiple			P/E Multiple				
				2023A EV/EBITDA	2024E EV/EBITDA	2025E EV/EBITDA	2023A P/E	2024E P/E	2025E P/E		
Packaging Corporation of America	(NYSE: PKG)	16,409.5	18,377.1	11.3 x	11.2 x	10.4 x	21.8 x	20.9 x	18.3 x		
Sonoco Products Company	(NYSE: SON)	5,570.1	8,829.0	8.5 x	8.2 x	7.7 x	11.8 x	10.9 x	10.2 x		
Berry Global Group, Inc.	(NYSE: BERY)	6,840.4	15,951.4	7.8 x	7.6 x	7.3 x	12.7 x	9.7 x	8.4 x		
Arcor plc	(NYSE: AMCR)	13,244.2	20,516.2	10.6 x	10.0 x	9.7 x	20.8 x	14.6 x	12.7 x		
Crown Holdings, Inc.	(NYSE: CCK)	8,905.7	15,749.7	8.7 x	8.6 x	8.1 x	19.9 x	12.5 x	10.9 x		
Sealed Air Corporation	(NYSE: SEE)	5,116.4	9,556.5	8.5 x	9.7 x	9.4 x	10.6 x	15.0 x	13.1 x		
Median					8.6 x	8.1 x		12.5 x	10.9 x		
Mean					9.1 x	8.6 x		13.7 x	12.1 x		
High					11.2 x	10.4 x		20.9 x	18.3 x		
Low					7.6 x	7.3 x		9.7 x	8.4 x		
					EV/EBITDA Implied Price		P/E Implied Price				
Median				\$	27.77	\$	26.25	\$	29.38 \$	29.27	
Mean				\$	31.43	\$	30.08	\$	32.26	\$	32.58
High				\$	45.76	\$	42.36	\$	49.20	\$	49.30
Low				\$	21.00	\$	20.46	\$	22.77	\$	22.62

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