VALUATION USING MULTIPLES

Company	Price	Revenue	Market Capital	Enterprise Value (EV)	Levered Free Cash Flow	P/E	Forward P/E	EPS	EV/Rev	Gross Operating Margin(	EV/EBITDA	PEG Ratio	Price/Sales
CCL (ASX)(AUD)	10.67	4.96B	8.15B	10.17B	254.48M	29.97	19.76	0.36	2.05	15	11.1	3.38	1.64
TWE(ASX)(AUD)	5.19	1.86B	3.37B	3.65B	100.03M	20.07	21.63	-0.25	1.96	10.79	13.07	1.66	1.89
WOW.AX (ASX) (AUD)	29.05	61.56B	36.56B	39.79B	612.09M	15.15	14.67	1.92	0.69	6.02	8.44	4.82	0.59
PEP(NYSE)(USD)	95.3	66.86B	141.33B	161.50B	6.81M	22.35	18.88	4.26	2.42	13.09	13.01	3.04	2.12
DPS (NYSE)(USD)	77.03	6.12B	14.86B	17.22B	837012M	21.64	18.61	3.56	2.81	19.25	12.33	2.62	2.43

INTERPRETATION

The comparably higher P/E ratio does seem to suggest that the stock is growth stock which means that the company has a high future growth prospect.

However, the higher PEG ratio debunks that and tells us that the stock is most probably overvalued. Historically, the company has been having a high P/E ratio with no considerably high growth which further confirms that the stock is overpriced.

- To provide a wholesome analysis, the EV multiples have also been provided.
- Since we're comparing stocks between 2 countries the EV/EBITDA ratio would be appropriate since it ignores the distorting effects of individual countries' taxation policies
- From the data obtained, the enterprise multiple is comparably lower compared to PEP, DPS, TWE.AX, but they aren't low enough to suggest that it is indeed under valued

EFFICIENCY AND PROFITABILITY

It is worth noting that CCL has the highest gross operating margin compared to the other stocks in the Australian market. The higher operating costs could suggest inefficiency which could lead to a drop in the stock prices.

The earnings per share also do not seem attractive compared to the other stocks