

**RATING:** 1 2 3 **4** 5

We project that growing regulatory pressures and an overall shifting sentiment among consumers create high optimism for the future of PureCycle Technologies. If executed correctly, PCT has the opportunity to capture premium pricing and increasing long-term demand.

52-Week Price Range  
**\$5.40 - \$17.37**

Market Capitalization  
**\$1.568 Billion**

Price as of 11/21/25  
**\$8.29**

Annual Dividend Rate  
**\$0.00**

Industry  
**Technology**

**Recommendation Summary: BUY**

**VSF Target Price: \$18.30**  
*(120.75% Upside)*

**Technology industry performance is VERY POSITIVE.**

As governments and global manufacturers pursue circular production and reduced plastic waste, demand for high-quality recycled materials is **rising rapidly**. The polypropylene recycling market exceeds **\$9 billion** and is poised for strong growth through 2030, but traditional mechanical recycling **cannot meet performance and contamination standards** required by many packaging, consumer goods, and automotive applications. This gap has created significant demand for **clean, eco-friendly recycled plastics** that offer high purity and consistent quality. **PureCycle Technologies (PCT)** is positioned to address this supply shortage through a **patented purification process** licensed from Procter & Gamble, capable of converting low-grade PP waste into **ultra-pure recycled resin**. Unlike most competitors, PureCycle targets premium end-markets and aims to secure multi-year off-take agreements that provide **pricing power and volume stability**. As **sustainability mandates tighten**, sentiment continues to shift toward **environmental awareness**, and brands increasingly commit to recycled content, PureCycle's expanding plant footprint and high-performance product offering provide a **strong pathway to growth** in a structurally undersupplied market.

For a comparables analysis of PureCycle Technologies, peers must be selected based on their involvement in **circular plastics, chemical recycling technologies**, and exposure to the broader sustainability transition. **Dow (DOW)** is included as a major incumbent in the sector with meaningful investments in **advanced recycling and circular feedstocks**, providing a useful benchmark for understanding how **large-scale chemical players** are approaching similar end markets. **Agilyx (AGXXF)** is selected due to its focus on converting difficult-to-recycle plastics into high-quality recycled materials, making it one of the **closest pure-play technological peers to PureCycle**. **Carbios (ALCRB)** serves as another relevant comparable given its early-stage but highly specialized depolymerization technology, which places it in a **similar commercialization phase and risk profile**. **Eastman Chemical (EMN)** rounds out the group as a well-established chemical manufacturer that has committed significant capital to molecular recycling initiatives, offering insight into **how mature companies are integrating circular solutions** into their core operations. Together, these companies provide a balanced mix of scale, technology focus, and strategic positioning that helps frame PureCycle's valuation within the broader circular plastics ecosystem.

Ticker	Company	Share Price	Shares Outstanding	Equity Value	EV/Revenue	EV/EBITDA	P/E	1 yr price change (%)
PCT	PureCycle Techn	\$ 8.69	180.2 M	1.562 B	306.55	-11.05	-5.4	-13.7
DOW	Dow Inc.	\$ 21.89	710.77 M	15.562 B	0.74	10.16	-12.9	-44.6
AGXXF	Agilyx ASA	\$ 2.1	125.34 M	285.925 M	321.81	-11.66	-9.1	-34.3
ALCRB	Carbios SAS	\$ 8.43	16.86 M	142.172 M	724.08	-9.2	-3.8	16.3
EMN	Eastman Chemi	\$ 57.52	114.07 M	6.625 B	1.23	7.03	9.6	-35

**1Y: PCT's stock has bounced around over the past year, hitting its 52-week low of \$5.40 in April and the high of \$17.37 in July. Although the stock has declined in value over the past month, the share price is currently near support levels, favoring upside in the near future.**



Fiscal Year End -	2021	2022	2023	2024	TTM
Revenue (\$M)	0.00	0.00	0.00	0.00	5.66
Net Income (\$M)	(78)	(85)	(101)	(289)	(234)
Free Cash Flow (\$M)	(192)	(353)	(249)	(200)	(195)
Cash Balance (\$M)	264	228	303	42	247

Fiscal Year End -	2021	2022	2023	2024	TTM
EPS Growth (%)	--	28.00	(14.81)	(182.26)	23.43
Gross Margin (%)	--	--	--	--	(1750.51)
Operating Margin (%)	--	--	--	--	(2781.45)
FCF Margin (%)	--	--	--	--	(3445.23)

Category	Risks	Mitigants
<b>Operational &amp; Technical</b>	The solvent-based purification process is innovative but has faced significant technical issues, delays, and cost overruns at its first commercial plant in Ironton, Ohio.	The company is focused on operational ramp-up at its Ironton facility, addressing issues such as faulty valves and integrating compounding capacity to optimize the process and reduce third-party costs.
<b>Financials</b>	The company is not yet profitable, has a high cash burn rate, and relies heavily on external funding to finance its operations and expansion, resulting in a weak financial position.	PureCycle has raised capital through the sale of revenue bonds and preferred stock to fund operations and future growth. Active management of its substantial debt obligations is critical for ongoing viability.
<b>Regulatory &amp; Reputational</b>	The process has drawn community opposition and scrutiny over its environmental impact, including potential toxic discharges (e.g., PFAS) and water usage, which can complicate permitting for new facilities.	The company emphasizes meeting regulatory requirements and obtaining necessary certifications (like the Association of Plastic Recyclers' PCR certification) to build trust and ensure compliance with environmental standards.

**Top Customers:**



**Relative valuation is Very Positive...**

This chart compares PCT's current price with various bank price targets and VSF's own. As PCT is an early-stage company, it has only been valued by 8 banks in total. **TD Cowen, Cantor Fitzgerald, and Northland Capital** have bullish price targets of **\$16 (93% upside)**. **Seaport Global**, the most recent, has an extremely bullish price target of **\$23 (177.44% upside)**. Through building a **plant/capacity-driven operating model** as a framework for our reverse DCF, we conceived a strong price target of **\$18.30 (120.75% upside)**.

