

**GRAPHIC PACKAGING INTERNATIONAL BOX HOLDINGS LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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| <b>GRAPHIC PACKAGING INTERNATIONAL BOX HOLDINGS LIMITED</b> |
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**COMPANY INFORMATION**

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| <b>Directors</b>            | Stephen Richard Scherger<br>Lauren Tashma<br>Jean-Francois Roche                                   |
| <b>Registered number</b>    | 05400677   |
| <b>Registered office</b>    | 2 New Bailey<br>6 Stanley Street<br>Salford<br>Greater Manchester<br>M3 5GS                        |
| <b>Independent auditors</b> | PricewaterhouseCoopers LLP<br>Central Square<br>29 Wellington Street<br>Leeds<br>LS1 4DL           |
| <b>Bankers</b>              | Bank of America<br>London Branch<br>2 King Edward Street<br>London<br>EC1A 1HQ                     |
| <b>Solicitors</b>           | Eversheds Sutherland LLP<br>Eversheds House<br>70 Great Bridgewater Street<br>Manchester<br>M1 5ES |

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**GRAPHIC PACKAGING INTERNATIONAL BOX HOLDINGS LIMITED**

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## GRAPHIC PACKAGING INTERNATIONAL BOX HOLDINGS LIMITED

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### STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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The directors present their Strategic Report for the year ended 31 December 2022.

#### Business review

Graphic Packaging International Box Holdings Limited (the "Company") is a private company limited by shares and incorporated and domiciled in the UK.

The Company is a wholly indirectly owned subsidiary of Graphic Packaging Holding Company and operates as part of the food packaging division.

The company's principal activities are that of a holding company for operating companies involved in the manufacture and sale of cartons for the food industry in the UK and Europe. This entity now contains all centralised costs supporting Graphic Packaging International Bardon Limited, Graphic Packaging International Gateshead Limited and Graphic Packaging International Distribution Limited, these entities are then charged a service fee associated with the support received. The Company now also holds all centralised production material. The directors are not, at the date of this report, aware of any likely major changes in the company's activities in 2023 although every opportunity to reduce costs through further centralisation may occur.

#### Principal risks and uncertainties

The company's operations expose it to a variety of financial risks that include the effects of changes in cost prices, competitive pressure and Covid. The company has in place a risk management programme that seeks to limit the adverse effects. No hedge accounting is applied.

##### Price risk

The UK group is exposed to commodity price risk as a result of its operations. However, given the size of the operations and the nature of the price risks this risk is managed through the normal procurement processes within the business. The directors will revisit the appropriateness of this policy should the price risks change in size or nature.

##### Competitive Pressure

Competitive pressure in the UK and Europe is a continuing risk for the company, which could result in it losing turnover. To manage this risk, the company strives to provide added-value products and services to its customers, utilising lean manufacturing processes, with regular capital expenditure in state of the art equipment, prompt response times in the supply of products and services.

##### Liquidity risk

The company has entered into an agreement with its parent company to be provided with long term debt finance that is designed to ensure that the company has sufficient available funds for future operations (see Going Concern and the European cash pool facility).

##### Geopolitical factors

Other geopolitical events such as the war in Ukraine have impacted the inflationary environment in the UK, which in turn has driven a downturn in the UK economic outlook. It is hard to know if there will be any significant ongoing implications to the business but the directors are confident in the company's and wider group's financial risk management practices.

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**GRAPHIC PACKAGING INTERNATIONAL BOX HOLDINGS LIMITED**

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**STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**Financial key performance indicators**

The key financial and other performance indicators during the year were as follows:

|                                      | <b>2022</b>  | <b>2021</b>  | <b>Change</b> |
|--------------------------------------|--------------|--------------|---------------|
|                                      | <b>£'000</b> | <b>£'000</b> | <b>%</b>      |
| Turnover                             | 4,494        | 4,260        | 5%            |
| EBITDA                               | 297          | 203          | 46%           |
| (Loss)/profit for the financial year | -45          | 32           | -241%         |
| Net liabilities                      | -4,749       | -4,719       | 1%            |
| Average number of employees          | 59           | 58           | 2%            |

Turnover has increased by 5% due to a small increase in the service requirements for the sites that the Company serves. Turnover for the next financial year is expected to be at a similar level of that achieved this year. Profit after tax has decreased by 241% due to an increase in interest payable as a result of an increased cash pool balance. The average number of staff has increased by 2%.

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## GRAPHIC PACKAGING INTERNATIONAL BOX HOLDINGS LIMITED

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### STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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#### **Directors' statement of compliance with duty to promote the success of the Company**

The Directors of Graphic Packaging International Box Holdings Limited must act in accordance with a set of general rules detailed in the Companies Act 2006 and include Section 172, a duty to promote the success of the company:

A director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- a the likely consequences of any decision in the long term;
- b the interests of the company's employees;
- c the need to foster the company's business relationships with suppliers, customers and others;
- d the impact of the company's operations on the community and the environment;
- e the desirability of the company maintaining a reputation for high standards of business conduct;
- f the need to act fairly as between members of the company.

Each of the Directors is mindful of their duties under Section 172 to run the Company for the benefit of its owners and therefore to take into account the long term impact of any decisions on stakeholder relationships and the impact of its activities on its reputation for high standards of business conduct. The Company recognises that it cannot operate in a vacuum and so continuously interacts in a responsible manner so as to have positive relationships with all of our stakeholders.

Delegation of authority – the board believes governance of the company is best achieved by delegation of its authority for the executive management of the company to the President of Europe (a director of this company), subject to defined limits and monitoring by the board. The board routinely monitors the delegation of authority, ensuring that it is regularly updated, while retaining ultimate responsibility.

Strategy and monitoring - the annual goals and objectives are set and cascaded from the parent company board by the US President and CEO. The European Management Team meet regularly to discuss the European businesses and to review the strategic decisions in place to meet the set goals and objectives. Key members of the European Management Team report to the US Management Team (which includes a director of this company) on a regular basis, discuss risks and to plan ahead. The board satisfies itself that emerging and principal risks to the company are identified and understood, systems of risk management, compliance and controls are in place to mitigate such risks and expected conduct of the company's business and its employees is reflected in a set of values established by the President of Europe.

The directors have identified the key stakeholders in the table below together with an explanation of why the stakeholder is key, how the directors interact with the stakeholder, what is discussed with the stakeholders and the outcomes of those interactions.

## GRAPHIC PACKAGING INTERNATIONAL BOX HOLDINGS LIMITED

| WHO?<br>STAKEHOLDER GROUP  | WHY?  | HOW?   | WHAT?   | OUTCOMES AND ACTIONS  |
|--|---|--|---|---|
| <p><b><u>Our Investors</u></b></p> <p>Graphic Packaging Holding Company (GPHC) is our ultimate parent and is our main provider of capital funding.</p>   | <p>Major capital projects require prior approval from the US management team to ensure that they are aligned with the overall strategic goals and objectives of GPHC.</p> <p>GPHC are responsible for the Treasury and Dividend policy.</p>   | <p>On an annual basis, the Long-Range Plan (3 years) is prepared and submitted to GPHC for approval. This plan includes the capital requests including justification. Once the plan has been signed off, regular monthly meetings are conducted to review performance against the plan.</p> <p>The Treasury and Tax departments in the US regularly review the liquidity position in Europe.</p> | <p>Internal Audit have an independent direct reporting line to the Audit Committee in the US and formally test and report on compliance with key financial regulations applied in our company.</p> <p>These include: -</p> <ul style="list-style-type: none"> <li>⇒ Testing the design and operation of financial controls within the Sarbanes-Oxley financial control framework.</li> <li>⇒ Treasury policy.</li> <li>⇒ Dividends policy.</li> </ul>   | <ul style="list-style-type: none"> <li>⇒ Internal audits are conducted on a regular basis.</li> <li>⇒ Process improvements are documented and reviewed on a regular basis.</li> <li>⇒ The general intent is to minimise net interest expense and manage funds and loans appropriately by balancing liquidity across Europe.</li> <li>⇒ The general intent is to keep cash within Europe.</li> </ul> |
| <p><b><u>Our Suppliers</u></b></p> <p>A significant proportion of our main raw material is purchased internally from our associate companies in the US. Other materials are sourced from vendors with whom it is not uncommon for the business relationship to be mature and strategic.</p> <p>Key metrics: -</p> <ul style="list-style-type: none"> <li>⇒ Availability of sustainable certified products.</li> <li>⇒ Monitoring of the integrity of contract commitments, in particular relating to volume commitments and applicable commercial conditions.</li> </ul> | <p>Suppliers have an important role to play in the Company's success. We aim to build long term, honest, and respectful relationships with suppliers who maintain regulatory compliance and share our ethical standards and commitment to sustainability throughout the supply chain.</p> | <ul style="list-style-type: none"> <li>⇒ Direct engagement via a centralised procurement function.</li> <li>⇒ Contracts and terms of business.</li> <li>⇒ Long term business relationships.</li> </ul>   | <ul style="list-style-type: none"> <li>⇒ Impact of market availability of raw materials post Covid and significant cost inflation; working with suppliers to ensure consistent supply of materials with commercial conditions managed appropriately.</li> <li>⇒ Other topics including responsible procurement, trust, and ethics. Supplier code of conduct.</li> <li>⇒ Impact of Brexit and wider supply chain disruption: working with our suppliers to minimise business friction and manage inflation.</li> </ul> | <ul style="list-style-type: none"> <li>⇒ Maintain regular dialogue with suppliers to understand and manage supply chain and inflation risks.</li> </ul>   |
| <p><b><u>Our People</u></b></p> <p>We define workforce as the combination of employees and contractors.</p> <p>Key metrics: -</p> <ul style="list-style-type: none"> <li>⇒ Board - 50% Female (2), 50% Male (2).</li> </ul> <p>Gender Pay Gap reporting - available by in scope legal entities.</p>  | <p>Our workforce is an important asset and plays a significant role in achieving our vision. Accordingly, we are focused on ensuring we have the right talent in the right roles at the right time.</p>   | <ul style="list-style-type: none"> <li>⇒ Code of Conduct sets the culture.</li> <li>⇒ Mid-year plans critical components - talent acquisition, succession, development, and diversity and inclusion strategies.</li> <li>⇒ Performance Management System – Success Factors</li> </ul>  | <ul style="list-style-type: none"> <li>⇒ Physical working conditions and environment (Health and Safety).</li> <li>⇒ Opportunities for development and training.</li> <li>⇒ Communication.</li> <li>⇒ Health and Safety.</li> </ul>   | <ul style="list-style-type: none"> <li>⇒ The Company has an established flexible working policy and a holiday purchase scheme.</li> <li>⇒ Mental health and wellbeing programme - 24/7 confidential helpline.</li> <li>⇒ Compulsory annual Code of Business</li> </ul>  |

## GRAPHIC PACKAGING INTERNATIONAL BOX HOLDINGS LIMITED

| WHO?<br>STAKEHOLDER GROUP   | WHY?  | HOW?  | WHAT?   | OUTCOMES AND ACTIONS  |
|---|---|---|---|---|
|   |   | <ul style="list-style-type: none"> <li>with clearly defined goals.</li> <li>⇒ Engagement with unions.</li> <li>⇒ Intranet, newsletters, presentations, email, notices, and post.</li> <li>⇒ Engagement survey conducted for all sites.</li> </ul>   | <ul style="list-style-type: none"> <li>⇒ President &amp; Leadership awards and Industry Awards.</li> </ul>  | <ul style="list-style-type: none"> <li>Conduct and Ethics training.</li> <li>⇒ Talent Acceleration programme/ Early Career Development Program/Succession plan/ Standardised Training plans/ full use of the Apprenticeship Levy.</li> <li>⇒ Kudos recognition rewards, training recognition awards, BPIF &amp; Print Charity Awards and long service awards.</li> <li>⇒ Gender Pay Reporting issued on company website.</li> <li>⇒ Quarterly CEO update via internal communications.</li> </ul>  |
| <u>Our Customers</u><br><br>Our customers range from small, medium, and large food manufacturers to retailers as well as associate GPI companies. | The Company strives to provide its customers with packaging solutions designed to deliver marketing and performance benefits at a competitive cost through its commitment to quality and service and where possible allow for vertical integration benefits to exist. | <ul style="list-style-type: none"> <li>⇒ Direct engagement with our customers to support their critical business objectives.</li> <li>⇒ Website provides examples of the products we provide plus information on the company itself.</li> <li>⇒ Communication through GPI Website.</li> <li>⇒ Industry associations &amp; exhibitions.</li> </ul> | <ul style="list-style-type: none"> <li>⇒ Product innovation and development (environmental, sustainability).</li> <li>⇒ Market conditions, customer service, value optimisation and product quality.</li> </ul> | <ul style="list-style-type: none"> <li>⇒ Challenged by the market response to plastic, designed and engineered a paper-based packaging solution which reduces the plastic content of trays significantly. This development has opened adjacent markets for GPI.</li> <li>⇒ Customers are often invited to site where the Sales, Design, Customer Service and Senior Management Teams can showcase product innovation as well as reviewing business activities, market conditions and discuss value optimisation.</li> <li>⇒ Work with customers during raw material shortages to ensure sufficient allocations of Board were available to service their demands.</li> </ul> |
| <u>Our Communities and Environment</u><br><br>Our communities comprise those living and working in close geographic proximity to                  | We have a long history of environmental and social responsibility practices at the Company, and we  | <ul style="list-style-type: none"> <li>⇒ Our parent company in the US supply us with our main material - paper-</li> </ul>  | <ul style="list-style-type: none"> <li>⇒ Supporting local charities.</li> </ul>   | <ul style="list-style-type: none"> <li>⇒ Sponsorship for sports kit and equipment.</li> </ul>   |

## GRAPHIC PACKAGING INTERNATIONAL BOX HOLDINGS LIMITED

| WHO?<br>STAKEHOLDER GROUP  | WHY?   | HOW?  | WHAT?  | OUTCOMES AND ACTIONS   |
|--|--|---|--|--|
| our operations and those who represent the needs of our communities including charities. | <p>continue to improve our manufacturing processes.</p> <p>We encourage local community engagement as this is just one of the sources of future employees.</p> | <p>board - which is primarily from a renewable wood fibre, most of which is highly recyclable.</p> <p>⇒ Local school engagement.</p> <p>⇒ Charity related fundraising.</p> <p>⇒ The company plans to reduce its carbon footprint and is preparing to report on this through the Streamlined Energy and Carbon Reporting Framework (SECR).</p> | <p>⇒ Foodbank donations.</p> <p>⇒ Apprenticeships.</p> <p>⇒ Community engagement.</p> <p>⇒ SECR preparation.</p> | <p>⇒ The Company encourages employees to support local charities.</p> <p>⇒ Engagement with manufacturing plants.</p> <p>⇒ Employment opportunities as an apprentice upon leaving full time education and continue work based education.</p> <p>⇒ Software installation.</p> <p>⇒ ESOS reporting since December 2019.</p> |

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**GRAPHIC PACKAGING INTERNATIONAL BOX HOLDINGS LIMITED**

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**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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This report was approved by the board and signed on its behalf.



**Jean-Francois Roche**  
Director

Date: 13 December 2023

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## GRAPHIC PACKAGING INTERNATIONAL BOX HOLDINGS LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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The directors present their report and the audited financial statements for the year ended 31 December 2022.

#### Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

#### Results and dividends

The loss for the financial year, after taxation, amounted to £45k (2021 - profit £32k).

The directors do not recommend the payment of a dividend for the year ended 31 December 2022 (2021: £nil).

#### Directors

The directors who served during the year and up to the date of signing of the financial statements were:

Stephen Richard Scherger  
Lauren Tashma  
Eveline Maria Van de Roovaart , resigned 4 November 2022)  
Jean-Francois Roche

#### Environmental matters

Graphic Packaging International Box Holdings Limited recognises the importance of its environmental responsibilities, monitors its impact on the environment and designs and implements policies to mitigate any adverse impact that might be caused by its own, and the operating companies' activities. Initiatives aimed at minimising the company's impact on the environment include safe disposal of manufacturing waste, recycling and reducing energy and materials consumption. The company has developed a corporate social responsibility programme and is working with customers and suppliers on ways of protecting the environment, through design and innovation of new products that have an environmental benefit.

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## GRAPHIC PACKAGING INTERNATIONAL BOX HOLDINGS LIMITED

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### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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#### Going Concern

No material uncertainties that cast doubt about the ability of the company to continue as a going concern have been identified by the directors.

The current performance of the business, whose principal activity is the provision of services to its subsidiaries who in turn supply product used by suppliers to the retail food industry, remains strong.

There are no legal proceedings involving the company.

The company is part of the Graphic Packaging International (GPI) cash pool sweep arrangement. Graphic Packaging International Box Holdings Limited are a creditor in this group arrangement as they currently hold a loaned balance to the pool. Due to the size of the GPI cash reserves and continued profitability, cash availability is not deemed to be an issue or to have an effect on the availability to other companies in the arrangement.

Rising interest rates are not expected to have a significant impact on the company.

The company has commenced the budget process for 2024 in August 2023. The process of preparation is a bottom up approach and among other things draws upon marketing information gathered by our external sales teams. The directors expect financial performance in 2024 to be at least in line with the 2023 forecast.

Inflation has been significant in 2022 and the beginning of 2023 but the majority of raw material inflation has been passed on to customers. Other inflation is mitigated by operational savings. Energy inflation is significant and is also expected to be recovered. Energy reduction initiatives have been started and further opportunities explored. It is expected that inflation will level off and fall towards the end of 2023.

Our supply chain has not experienced any direct impact as a result of the Ukraine war other than global inflation. No significant price pressure is foreseen for the remainder of 2023 and into 2024. Brexit was expected to have an impact due to fluctuations in the exchange rate but at this time no discernible negative economic impact has been experienced.

GPI Gateshead and GPI Bardon, the two companies ultimately served by Graphic Packaging International Box Holdings Limited, do continue to occupy a dominant position in the UK Convenience market and services a stable customer base, most of whom it has traded with for many years.

As a consequence the directors believe that the company is well placed to manage its business risks successfully in either the current UK economic conditions or in the event of significant changes which could make the UK or world economies more uncertain.

In assessing the ability of the ultimate parent to support the company if needed the directors have received and reviewed a copy of the group going concern assessments which are produced as each set of quarterly results are released to the US market in accordance with ASC 205-40-50. The directors note that the US parent has considerable net current assets and very high levels of liquidity due to a combination of cash reserves and access to undrawn but committed facilities.

The Directors thus have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Therefore they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

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## GRAPHIC PACKAGING INTERNATIONAL BOX HOLDINGS LIMITED

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### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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#### Engagement with employees

Détails of the number of employees and related costs can be found in note 5 to the financial statements.

The company participates in Graphic Packaging Holding Company's policies and practices to keep employees informed on matters relevant to them as employees through appropriate means, such as employee meetings and newsletters.

The board remains committed to ensuring that the working environment within the company is one where differences in people are recognised and valued. Equality is the fundamental principle that determines how the company treats its employees and this is reflected in the company's employment policies.

The board understands its responsibilities to encourage and assist in the employment, training, personal and career development of disabled people, and employs them whenever suitable vacancies arise.

For additional detail regarding 'Engagement with employees', please refer to the Strategic Report - Directors' statement of compliance with duty to promote the success of the Company from page 3.

#### Engagement with suppliers, customers and others

For detail regarding 'Engagement with suppliers, customers and others', please refer to the Strategic Report - Directors' statement of compliance with duty to promote the success of the Company from page 3.

#### Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

#### Independent auditors

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



**Jean-Francois Roche**  
Director

Date: 13 December 2023

# Independent auditors' report to the members of Graphic Packaging International Box Holdings Limited

## Report on the audit of the financial statements

### Opinion

In our opinion, Graphic Packaging International Box Holdings Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2022; the profit and loss account and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

## Independent auditors' report to the members of Graphic Packaging International Box Holdings Limited (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

### **Strategic report and Directors' report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

## **Responsibilities for the financial statements and the audit**

### **Responsibilities of the directors for the financial statements**

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation, health and safety legislation and employment law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006.

## Independent auditors' report to the members of Graphic Packaging International Box Holdings Limited (continued)

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions. Audit procedures performed by the engagement team included:

- discussions with management and those charged with governance, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- evaluation of management's controls designed to prevent and detect fraudulent financial reporting;
- testing accounting estimates that we deemed to present a risk of material misstatement, including assessing the data, methods and assumptions applied by management in the development of each estimate;
- identifying and testing journal entries using a risk-based targeting approach for unexpected account combinations or unusual words or phrases in the journal description; and
- reviewing financial statement disclosures and testing to supporting documentation, where appropriate, to assess compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

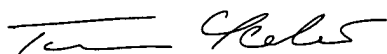
## Other required reporting

### Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Tom Yeates (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Leeds  
13 December 2023

**GRAPHIC PACKAGING INTERNATIONAL BOX HOLDINGS LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2022**

|   | Note | 2022<br>£000 | 2021<br>£000 |
|---|------|--------------|--------------|
| Turnover                                    | 3    | 4,494        | 4,260        |
| <b>Gross profit</b>                         |      | <b>4,494</b> | <b>4,260</b> |
| Administrative expenses                     |      | (4,197)      | (4,057)      |
| <b>Operating profit</b>                     | 4    | <b>297</b>   | <b>203</b>   |
| Interest receivable and similar income      | 7    | -            | 2            |
| Interest payable and similar expenses       | 8    | (342)        | (173)        |
| <b>(Loss)/profit before tax</b>             |      | <b>(45)</b>  | <b>32</b>    |
| Tax on (loss)/profit                        | 9    | -            | -            |
| <b>(Loss)/profit for the financial year</b> |      | <b>(45)</b>  | <b>32</b>    |

There were no other gains and losses other than those presented above in either the current or prior year and therefore no separate statement of other comprehensive income is presented.


The above results all derive from continuing operations.

**GRAPHIC PACKAGING INTERNATIONAL BOX HOLDINGS LIMITED**  
**REGISTERED NUMBER: 05400677**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2022**

|  | Note | 2022<br>£000   | 2021<br>£000   |
|--|------|----------------|----------------|
| <b>Fixed assets</b>                            |      |                |                |
| Investments                                    | 10   | 4,081          | 4,081          |
|  |      | <u>4,081</u>   | <u>4,081</u>   |
| <b>Current assets</b>                          |      |                |                |
| Stocks   | 11   | 1,097          | 723            |
| Debtors: amounts falling due within one year   | 12   | 2,938          | 1,904          |
|  |      | <u>4,035</u>   | <u>2,627</u>   |
| Creditors: amounts falling due within one year | 13   | (12,874)       | (11,421)       |
| <b>Net current liabilities</b>                 |      | <u>(8,839)</u> | <u>(8,794)</u> |
| <b>Total assets less current liabilities</b>   |      | <u>(4,758)</u> | <u>(4,713)</u> |
| <b>Net liabilities</b>                         |      | <u>(4,758)</u> | <u>(4,713)</u> |
| <b>Capital and reserves</b>                    |      |                |                |
| Called up share capital                        | 15   | 1              | 1              |
| Share premium account                          |      | 102            | 102            |
| Profit and loss account                        |      | (4,861)        | (4,816)        |
| <b>Total equity</b>                            |      | <u>(4,758)</u> | <u>(4,713)</u> |

The financial statements on pages 14 to 27 were approved and authorised for issue by the board and were signed on its behalf by:



**Jean-Francois Roche**  
Director

Date: 13 December 2023

The notes on pages 17 to 28 form part of these financial statements.

**GRAPHIC PACKAGING INTERNATIONAL BOX HOLDINGS LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022**

|   | Called up<br>share capital<br>£000 | Share<br>premium<br>account<br>£000 | Profit and<br>loss account<br>£000 | Total equity<br>£000 |
|---|------------------------------------|-------------------------------------|------------------------------------|----------------------|
| <b>At 1 January 2021</b>                        | <b>1</b>                           | <b>102</b>                          | <b>(4,848)</b>                     | <b>(4,745)</b>       |
| <b>Comprehensive income for the year</b>        |                                    |                                     |                                    |                      |
| Profit for the financial year                   | -                                  | -                                   | 32                                 | 32                   |
| <b>Total comprehensive income for the year</b>  | <b>-</b>                           | <b>-</b>                            | <b>32</b>                          | <b>32</b>            |
| <b>31 December 2021</b>                         | <b>1</b>                           | <b>102</b>                          | <b>(4,816)</b>                     | <b>(4,713)</b>       |
| <b>Comprehensive income for the year</b>        |                                    |                                     |                                    |                      |
| Loss for the financial year                     | -                                  | -                                   | (45)                               | (45)                 |
| <b>Total comprehensive expense for the year</b> | <b>-</b>                           | <b>-</b>                            | <b>(45)</b>                        | <b>(45)</b>          |
| <b>At 31 December 2022</b>                      | <b>1</b>                           | <b>102</b>                          | <b>(4,861)</b>                     | <b>(4,758)</b>       |

*Profit and Loss account*

This reserve comprises the balance of the retained earnings carried forward.

*Share Premium*

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

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## GRAPHIC PACKAGING INTERNATIONAL BOX HOLDINGS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1. Accounting policies

##### 1.1 Basis of preparation of financial statements

Graphic Packaging International Box Holdings Limited (the "Company") is a private company limited by shares and incorporated and domiciled in the UK. The registered office is 2 New Bailey, 6 Stanley Street, Salford, Greater Manchester, M3 5GS.

The Company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

The Company's ultimate parent undertaking, Graphic Packaging Holding Company includes the Company in its consolidated financial statements. The consolidated financial statements of Graphic Packaging Holding Company are prepared in accordance with US Generally Accepted Accounting Principles available to the public and may be obtained from Graphic Packaging International Limited, Filwood Road, Fishponds, Bristol, BS16 3SB. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Graphic Packaging Holding Company include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The Company proposes to continue to adopt the reduced disclosure framework in its next financial statements. The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements:

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 2).

The amounts are rounded to the nearest £,000.

The following principal accounting policies have been applied:

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## GRAPHIC PACKAGING INTERNATIONAL BOX HOLDINGS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1. Accounting policies (continued)

##### 1.2 Going concern

No material uncertainties that cast doubt about the ability of the company to continue as a going concern have been identified by the directors.

The current performance of the business, whose principal activity is the provision of services to its subsidiaries who in turn supply product used by suppliers to the retail food industry, remains strong.

There are no legal proceedings involving the company.

The company is part of the Graphic Packaging International (GPI) cash pool sweep arrangement. Graphic Packaging International Box Holdings Limited are a creditor in this group arrangement as they currently hold a loaned balance to the pool. Due to the size of the GPI cash reserves and continued profitability, cash availability is not deemed to be an issue or to have an effect on the availability to other companies in the arrangement.

Rising interest rates are not expected to have a significant impact on the company.

The company has commenced the budget process for 2024 in August 2023. The process of preparation is a bottom up approach and among other things draws upon marketing information gathered by our external sales teams. The directors expect financial performance in 2024 to be at least in line with the 2023 forecast.

Inflation has been significant in 2022 and the beginning of 2023 but the majority of raw material inflation has been passed on to customers. Other inflation is mitigated by operational savings. Energy inflation is significant and is also expected to be recovered. Energy reduction initiatives have been started and further opportunities explored. It is expected that inflation will level off and fall towards the end of 2023.

Our supply chain has not experienced any direct impact as a result of the Ukraine war other than global inflation. No significant price pressure is foreseen for the remainder of 2023 and into 2024. Brexit was expected to have an impact due to fluctuations in the exchange rate but at this time no discernible negative economic impact has been experienced.

GPI Gateshead and GPI Bardon, the two companies ultimately served by Graphic Packaging International Box Holdings Limited, do continue to occupy a dominant position in the UK Convenience market and services a stable customer base, most of whom it has traded with for many years.

As a consequence the directors believe that the company is well placed to manage its business risks successfully in either the current UK economic conditions or in the event of significant changes which could make the UK or world economies more uncertain.

In assessing the ability of the ultimate parent to support the company if needed the directors have received and reviewed a copy of the group going concern assessments which are produced as each set of quarterly results are released to the US market in accordance with ASC 205-40-50. The directors note that the US parent has considerable net current assets and very high levels of liquidity due to a combination of cash reserves and access to undrawn but committed facilities.

The Directors thus have a reasonable expectation that the company has adequate resources to

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**GRAPHIC PACKAGING INTERNATIONAL BOX HOLDINGS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**1. Accounting policies (continued)****1.2 Going concern (continued)**

continue in operational existence for the foreseeable future. Therefore they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

**1.3 Foreign currency translation****Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

**1.4 Turnover**

Turnover represents the amounts generated from management fee charges to related entities excluding value added tax and is recognised when the provision of the service is complete.

**1.5 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**1.6 Interest receivable & similar income**

Interest income is recognised in profit or loss using the effective interest method.

**1.7 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

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## GRAPHIC PACKAGING INTERNATIONAL BOX HOLDINGS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1. Accounting policies (continued)

##### 1.8 Pensions

###### Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

##### 1.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

The group arrangement for corporation tax, for which this company is a part of, has expanded to include other Graphic Packaging entities and their accumulated tax losses which will reduce the current and future tax liability of this company. The tax losses utilised under this group arrangement are not paid for by the entities benefiting from a reduced tax position.

##### 1.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

##### 1.11 Stocks

Stocks are stated at the lower of cost and net realisable value. Provision is made for obsolete slow moving and defective stocks. Stock of internally purchased material is held and managed on behalf of and sold to subsidiary manufacturing companies.

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**GRAPHIC PACKAGING INTERNATIONAL BOX HOLDINGS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**1. Accounting policies (continued)****1.12 Debtors**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**1.13 Creditors**

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2. Judgments in applying accounting policies and key sources of estimation uncertainty**

The only key accounting estimate relates to the carrying value of investments. The performance of the applicable subsidiaries are reviewed to check for any indicators of impairment. Where indicators of impairment are identified an impairment review is performed to determine the recoverable amount of the relevant investment, being the higher of value in use or fair value less costs of disposal.

**3. Turnover**

The whole of the turnover is attributable to the provision of shared services to other UK Graphic Packaging businesses.

Analysis of turnover by country of destination:

|                | <b>2022</b>  | <b>2021</b>  |
|----------------|--------------|--------------|
|                | <b>£000</b>  | <b>£000</b>  |
| United Kingdom | <b>4,494</b> | <b>4,260</b> |
|                | <b>4,494</b> | <b>4,260</b> |

**4. Operating profit**

The operating profit is stated after charging:

|  | <b>2022</b> | <b>2021</b> |
|--|-------------|-------------|
|  | <b>£000</b> | <b>£000</b> |
| Fees payable to the Company's auditors and their associates for the audit of the Company's annual financial statements | <b>20</b>   | <b>14</b>   |
| Other operating lease rentals  | <b>160</b>  | <b>173</b>  |

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**GRAPHIC PACKAGING INTERNATIONAL BOX HOLDINGS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**5. Employees and Directors**

Staff costs were as follows:

|                       | <b>2022</b>  | <b>2021</b>  |
|-----------------------|--------------|--------------|
|                       | <b>£000</b>  | <b>£000</b>  |
| Wages and salaries    | 2,715        | 2,870        |
| Social security costs | 410          | 413          |
| Other pension costs   | 219          | 173          |
|                       | <u>3,344</u> | <u>3,456</u> |

The average monthly number of employees, including the directors, during the year was as follows:

|                        | <b>2022</b> | <b>2021</b> |
|------------------------|-------------|-------------|
|                        | <b>No.</b>  | <b>No.</b>  |
| Manufacturing          | 24          | 24          |
| Sales and distribution | 28          | 27          |
| Administration         | 7           | 7           |
|                        | <u>59</u>   | <u>58</u>   |

**6. Directors' remuneration**

The Directors' apportionment of emoluments for the year for services to all UK companies was £28k (2021: £38k) which was paid out of Graphic Packaging International Europe UK Limited. In 2022 all the directors are also directors of other group companies. Their remaining emoluments are paid by other group companies. The qualifying services provided by the directors to this Company during the year were negligible compared to their total group wide responsibilities and so no value has been apportioned to those services.

**7. Interest receivable and similar income**

|                        | <b>2022</b> | <b>2021</b> |
|------------------------|-------------|-------------|
|                        | <b>£000</b> | <b>£000</b> |
| Foreign exchange gains | -           | 2           |
|                        | <u>-</u>    | <u>2</u>    |

**GRAPHIC PACKAGING INTERNATIONAL BOX HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**8. Interest payable and similar expenses**

|   | <b>2022<br/>£000</b> | <b>2021<br/>£000</b> |
|---|----------------------|----------------------|
| Foreign exchange losses                           | 1                    | -                    |
| Interest payable on intercompany banking facility | 341                  | 173                  |
|   | <u>342</u>           | <u>173</u>           |

**9. Taxation on profit/(loss)**

|                             | <b>2022<br/>£000</b> | <b>2021<br/>£000</b> |
|-----------------------------|----------------------|----------------------|
| <b>Total current tax</b>    | <u>-</u>             | <u>-</u>             |
| <b>Deferred tax</b>         |                      |                      |
| <b>Total deferred tax</b>   | <u>-</u>             | <u>-</u>             |
| <b>Tax on profit/(loss)</b> | <u>-</u>             | <u>-</u>             |

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2021 - *lower than*) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

|  | <b>2022<br/>£000</b> | <b>2021<br/>£000</b> |
|--|----------------------|----------------------|
| (Loss)/profit before taxation  | <u>(46)</u>          | <u>32</u>            |
| (Loss)/profit multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%) | (9)                  | 6                    |
| <b>Effects of:</b>   |                      |                      |
| Expenses not deductible for tax purposes, other than goodwill amortisation and impairment  | 6                    | -                    |
| Group relief surrendered / (claimed)   | 3                    | (6)                  |
| <b>Total tax charge for the year</b>   | <u>-</u>             | <u>-</u>             |

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**GRAPHIC PACKAGING INTERNATIONAL BOX HOLDINGS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**9. Taxation on profit/(loss) (continued)****Factors that may affect future tax changes**

An increase in the UK corporation tax rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. Deferred tax at 31 December 2022 has been calculated based on the rate that will be in force when the timing differences are expected to reverse.

**10. Investments**

|                                | Investments<br>in<br>subsidiary<br>companies<br>£000 |
|--------------------------------|--|
| <b>Cost and net book value</b> |  |
| At 1 January 2022              | 4,081  |
| At 31 December 2022            | <u>4,081</u>   |

**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

| Name   | Principal<br>activity | Class of shares   | Holding |
|--|-----------------------|-------------------|---------|
| Graphic Packaging International Bardon Limited       | Trading               | Ordinary £1 share | 100%    |
| Graphic Packaging International Gateshead Limited    | Trading               | Ordinary £1 share | 100%    |
| Graphic Packaging International Distribution Limited | Trading               | Ordinary £1 share | 100%    |
| Print Design & Graphic Limited                       | Dormant               | Ordinary £1 share | 100%    |

The registered office for all investments is the same as Graphic Packaging International Box Holdings Limited - 2 New Bailey, 6 Stanley Street, Salford, Greater Manchester, M3 5GS.

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**GRAPHIC PACKAGING INTERNATIONAL BOX HOLDINGS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**11. Stocks**

|                               | <b>2022</b>  | <b>2021</b> |
|-------------------------------|--------------|-------------|
|                               | <b>£000</b>  | <b>£000</b> |
| Raw materials and consumables | <b>1,097</b> | <b>723</b>  |
|                               | <b>1,097</b> | <b>723</b>  |

**GRAPHIC PACKAGING INTERNATIONAL BOX HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**12. Debtors**

|   | <b>2022</b>  | <i>As restated*</i><br><b>2021</b> |
|---|--------------|------------------------------------|
|   | <b>£000</b>  | <b>£000</b>                        |
| Amounts owed by parent company          | 708          | 29                                 |
| Amounts owed by own subsidiaries        | 1,667        | 1,567                              |
| Amounts owed by subsidiary undertakings | 519          | 164                                |
| Other debtors                           | 27           | 61                                 |
| Prepayments and accrued income          | 9            | 75                                 |
| Deferred taxation                       | 8            | 8                                  |
|   | <b>2,938</b> | <b>1,904</b>                       |

All amounts owed by group undertakings are payable on demand and non-interest bearing.

\*Upon review of the presentation of the 2021 figures it was noted that amounts owed by subsidiary undertakings totaling £1,567k had been included, in error, within Other debtors in the prior year financial statements. This error has been corrected in these financial statements by way of a restatement of the comparative figures.

**13. Creditors: Amounts falling due within one year**

|   | <b>2022</b>   | <b>2021</b>   |
|---|---------------|---------------|
|   | <b>£000</b>   | <b>£000</b>   |
| Trade creditors                               | 284           | 114           |
| Amounts owed to subsidiary undertakings       | 47            | 25            |
| Amounts owed to parent undertakings           | 12,006        | 10,774        |
| Amounts owed to associated group undertakings | 49            | 12            |
| Other taxation and social security            | 116           | 105           |
| Accruals and deferred income                  | 372           | 391           |
|   | <b>12,874</b> | <b>11,421</b> |

All amounts owed to group undertakings are payable on demand and non-interest bearing.

**14. Deferred taxation**

**GRAPHIC PACKAGING INTERNATIONAL BOX HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**14. Deferred taxation (continued)**

|                       | <b>2022</b><br><b>£000</b> | <b>2021</b><br><b>£000</b> |
|-----------------------|----------------------------|----------------------------|
| At beginning of year  | 8                          | 8                          |
| <b>At end of year</b> | <b>8</b>                   | <b>8</b>                   |

The deferred tax asset is made up as follows:

|                                | <b>2022</b><br><b>£000</b> | <b>2021</b><br><b>£000</b> |
|--------------------------------|----------------------------|----------------------------|
| Accelerated capital allowances | 4                          | 4                          |
| Short term timing differences  | 4                          | 4                          |
|                                | <b>8</b>                   | <b>8</b>                   |

The net reversal of the deferred tax asset expected to occur in the year ended 31 December 2022 is not expected to be material.

**15. Called up share capital**

|   | <b>2022</b><br><b>£000</b> | <b>2021</b><br><b>£000</b> |
|---|----------------------------|----------------------------|
| <b>Allotted, called up and fully paid</b>                     |                            |                            |
| 133,375 (2021: 133,375) Ordinary Shares of £0.01 each         | 1                          | 1                          |
| 15,000 (2021: 15,000) Preferred Ordinary Shares of £0.01 each | -                          | -                          |
|   | <b>1</b>                   | <b>1</b>                   |

**16. Pension commitments**

There is a defined contribution scheme operated in the UK. The charge for the year amounts to £219k (2021: £173k) and represents the contributions payable by the company to the fund.

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**GRAPHIC PACKAGING INTERNATIONAL BOX HOLDINGS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**17. Commitments under operating leases**

At 31 December 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

|  | <b>2022</b> | <b>2021</b> |
|--|-------------|-------------|
|  | <b>£000</b> | <b>£000</b> |
| Not later than 1 year                        | <b>115</b>  | <b>106</b>  |
| Later than 1 year and not later than 5 years | <b>93</b>   | <b>159</b>  |
|  | <b>208</b>  | <b>265</b>  |

**18. Related party transactions**

The Company has taken advantage of the exemption, as permitted by paragraph 1(A) of chapter 33 of FRS 102, not to disclose related party transactions between fellow wholly owned subsidiaries within the group. There have been no related party transactions in the year other than those with wholly owned subsidiaries within the group.

**19. Ultimate parent company and controlling party**

Shoo 553 Limited is the immediate parent company, incorporated in England.

The ultimate parent company and ultimate controlling party is Graphic Packaging Holding Company, a company incorporated in the United States of America. The smallest and largest group of which the company is a member and for which group financial statements are prepared is Graphic Packaging Holding Company. A copy of the consolidated financial statements can be obtained from:

Graphic Packaging Holding Company  
1500 Riveredge PARKway,  
Suite 100,  
Atlanta,  
Georgia 30328,  
USA