

WESTPEAK RESEARCH ASSOCIATION

Graphic Packaging Holding Company (GPK)

Packaging Company – Paperboard Manufacturer

Unpacking the Future

March 20, 2023

Graphic Packaging Holding Company (“the Company”) was incorporated in 2007 and is headquartered in Atlanta, Georgia. The Company provides fiber-based packaging solutions to food, beverage, foodservice, healthcare, and other consumer products companies. It operates through three segments: Paperboard Mills, Americas Paperboard Packaging, and Europe Paperboard Packaging.

Thesis

We believe that General Packaging Holding Company will continue to grow through their innovation in paperboard packaging products and by effectively differentiating their brand as sustainable. Additionally, the Company plans to continue to inorganically grow through acquisitions of smaller businesses. Specifically, management’s goal is to continue expansion outside of the America’s market.

Drivers

An increasing number of countries are placing bans on single-use plastics, which is forcing businesses to find a new sustainable packaging alternative. Furthermore, consumers are preferring sustainable packaging options and are even willing to pay more for them. This will drive growth in revenue over the next five years by increasing consumers and businesses demand for paperboard packaging products.

Valuation

We initiate a BUY rating on Graphic Packaging Holding Company. Our target share price is \$26.83 based on our EV/EBITDA Exit Multiple and the Perpetuity Growth Multiple from our Discounted Cash Flow Analysis both weighted at 40%. Additionally, we used P/E and the EV/EBITDA Multiple from our Company Comparables Analysis, both weighted at 10%.

Analyst: Caleigh Kuramoto, BCom. ‘24
contact@westpeakresearch.com

Equity Research

US

Price Target USD\$29.08

Rating Buy

Share Price (Mar. 20 Close) USD\$ 23.31

Total Return 24.8%

Key Statistics

52 Week H/L \$25.17/\$19.08

Market Capitalization \$7.251B

Average Daily Trading Volume 2.24M

Net Debt \$5.5B

Enterprise Value \$12.61B

Net Debt/EBITDA 3.7x

Diluted Shares Outstanding 307.12M

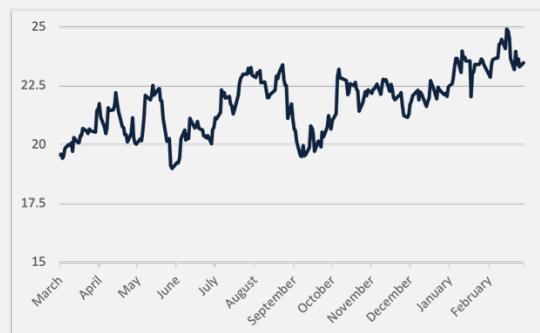
Free Float 98.8%

Dividend Yield 1.69%

WestPeak’s Forecast

	2023E	2024E	2025E
Revenue	\$9.99B	\$10.6B	\$11.1B
EBITDA	\$1.6B	\$1.8B	\$1.9B
Net Income	\$707M	\$767M	\$820M
EPS	\$2.30	\$2.50	\$2.67
P/E	9.0x	9.3x	8.7x
EV/EBITDA	3.6x	3.7x	3.2x

1-Year Price Performance



Business Overview

Company Overview

Graphic Packaging Holding Company, headquartered in Atlanta, Georgia, provides fiber-based packaging solutions to food, beverage, foodservice, healthcare, and other consumer products companies. The company operates through three segments: Paperboard Mills, Americas Paperboard Packaging and Europe Paperboard Packaging. The company markets its products through sales offices and broker arrangements with third parties on the global basis.

Revenue Segments

Paperboard Mills

This segment includes eight paperboard mills that produce coated recycled paperboard (CRB), coated unbleached kraft paperboard (CUK) and solid bleached sulfate paperboard (SBS). The paperboard is then printed, cut, folded and glued into folding cartons and containers. The company uses most of the paperboard to create finished products and 72% of combined mill sales went towards the company's paperboard packaging segment. In 2021, this segment generated 14% of the company's sales. CUK is manufactured from pine-based wood fiber. It is a specialized high-quality grade of coated paperboard with wet and dry tear strength characteristics and printability for high resolution graphics. SBS is manufactured from bleached pine and hardwood-based wood fiber. It is the highest quality paperboard substrate with wet and dry strength characteristics and good printability for high-end packaging. CRB is manufactured from recycled fibers, primarily old, corrugated containers (OCC), doubled-lined kraft cuttings from corrugated box plants (DLK), old newspapers (ONP), and box cuttings.

Types of Paperboards



Solid Bleached Sulfate (SBS)



Coated Recycled (CRB)



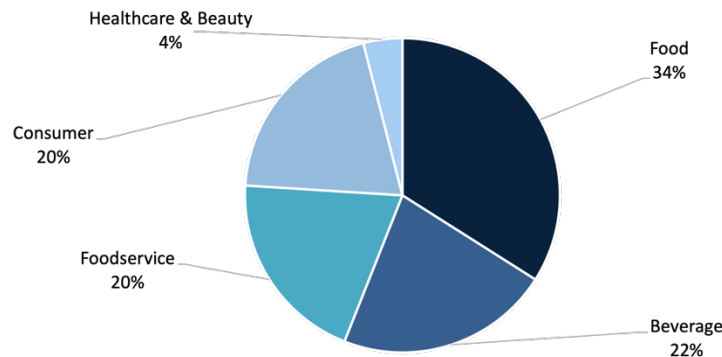
Coated Unbleached Kraft (CUK)

Americas and Europe Paperboard Packaging

Graphic Packaging Holding Company produces paperboard packaging finished products such as folding cartons, cups, lids, and food containers primarily to consumer-packaged goods, quick-service restaurants, and foodservice companies. In 2021, this segment generated 84% of the company's \$7.4 billion net sales. The company markets its products primarily through sales offices and broker arrangements and third parties in the Americas, Europe, and the Asia Pacific. In the Americas, the Company has 63 converting locations and around sixteen thousand employees. The Americas make up 74% of all

paperboard packaging sales and they are leading in market share in fiber-based consumer packaging. In Europe and the rest of the world, the Company has 43 converting locations and around eight thousand employees.

General Packaging Holdings Company's Customer Portfolio (2022)



Source: Company's Earning Presentation

Business Strategy

Innovation for Sustainability

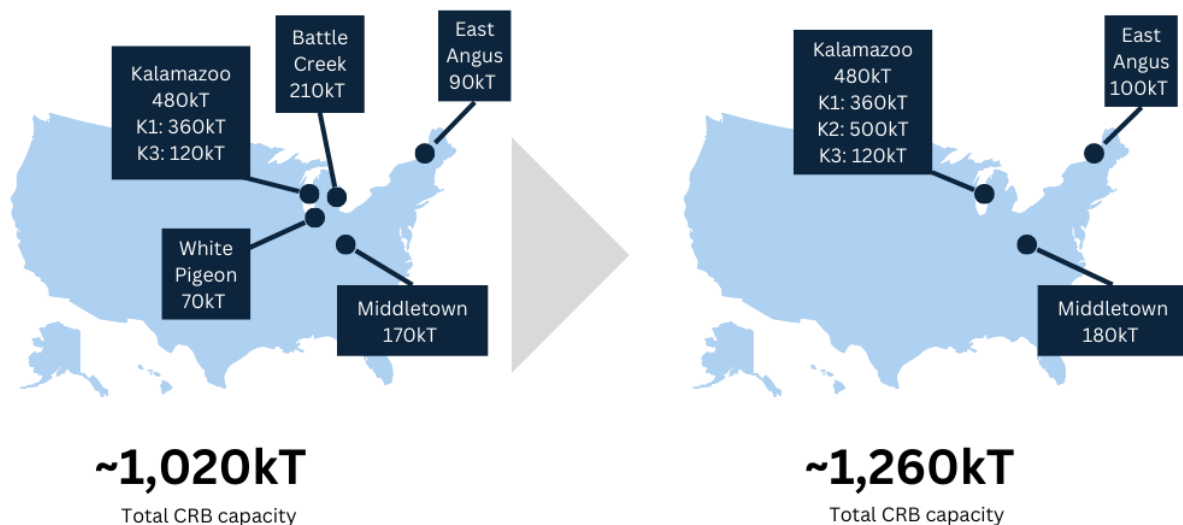
As single-use plastic bans are becoming very common around the world, the Company is continuing to innovate their sustainability and environmentally friendly solutions to address these market demands. In 2021, the Single Use Plastic Directive took effect in Europe, and numerous municipalities in the United States implemented regulations banning specific plastic packaging. To eliminate shrink wrap and plastic rings in beverage packaging, the Company has created a fiber-based alternative called *KeelClip* and *Cap-it*. This is just one of the Company's new technologies that provide sustainable solutions for their plastic counterparts. General Packaging Holding Company is consistently recognized by the global packaging community for their innovations and design and have won more than 40 prestigious awards in 2021.



CRB Optimization

Due to the company's past strong financial performance, they were able to exercise a balanced approach to capital allocation and invest back into the business. The Company has recently invested in a K2 machine and CRB optimization

project. These investments are expected to return \$130 million of incremental annual adjusted EBITDA over three years through fixed and variable cost reduction and demand growth. Additionally, this investment also reduces greenhouse gasses, water usage, and purchased energy. Finally, management has announced the construction of a new CRB mill in Waco, Texas with a planned start up in 2026. The project is expected to cost \$1B, generate an incremental \$160M of annualized EBITDA savings, add 200k tons of incremental CRB capacity, and further increase the company's low-cost advantage.



Source: Company's Earning Presentation

Mergers and Acquisitions

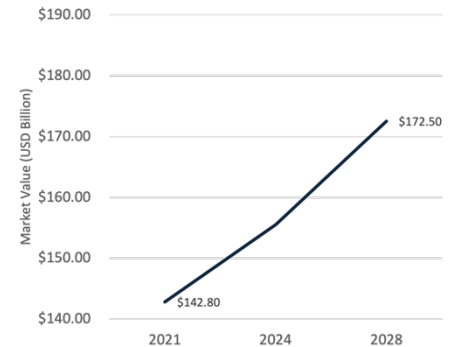
Over the past five years, the Company has successfully completed over ten acquisitions, and plans in the future to pursue strategic acquisition opportunities as part of its overall growth strategy. After acquiring AR packaging in November 2021, the Company's sales increased by approximately \$1.2 billion and added 26 converting plants. Furthermore, this acquisition strengthens organic growth opportunities by adding new market segments such as Healthcare and Beauty and by expanding their presence in Eastern Europe. This strategic allocation of capital has allowed the company to expand their global footprint, strengthen their innovation capabilities and enter new growth market segments.



Industry Analysis

General Packaging Holdings Company operates in the paperboard packaging industry, but it is affected by a number of other industries that are considered substitutes, such as plastics. In 2021, the global paperboard packaging industry has a value of USD \$142.8 Billion. From 2017- 2021, the industry has grown at an annualized rate of 1.1%; due to the fact of rising environmental concerns and increasing demand for sustainable and reusable packaging. The Global Paperboard Packaging Market size is forecasted to reach USD 172.5 Billion by the year 2028 and is expected to grow exhibiting a compound annual growth rate of 3.2% during the forecast period; states Vantage Market Research.

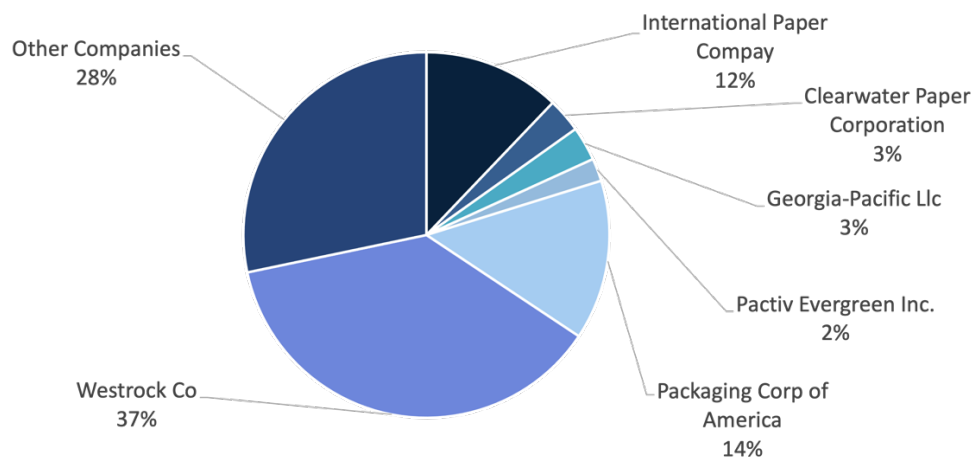
Projected Growth in the Paperboard Packaging Industry



Competition

The industry has a relatively small number of large companies that hold a significant portion of the paperboard packaging market. Therefore, The Company faces strong competition. In the international CUK business, WestRock Company ("WestRock"), Klabin Company, and Stora Enso are the largest producers. There are a large number of producers in the paperboard markets. Suppliers of paperboard compete primarily on the basis of price, strength and printability of their paperboard, quality and service. In addition to competing with producers in paperboard, The Company competes with substitutes such as plastics and corrugated packaging for packaging glass or plastic bottles, cans, and other primary containers. Other competitors include International Paper Company, Georgia-Pacific Llc and Clearwater Paper.

Market Share of the Paperboard Packaging Industry in the United States (2023)



Source: IBIS World

Substitutes

major competitor to the paperboard industry in the plastic packaging industry. In 2021, it reached \$489.2B and it expected to grow exhibiting a compound annual growth rate of 2.1% from 2021-2026. There are currently 133k businesses and the major players are Saudi Basic Industries Corporation, AMCOR PLC, Evonik Industries AG, and Illinois Tool Works Inc. A wide variety of industries use plastic products including but not limited to, food and beverages, household chemical, furniture, and household appliances. Environmental concerns are limiting this industry's growth potential as several countries have placed additional taxes or even bans on certain types of single-use plastic products. Additionally, the industry has faced volatile raw material prices that can weigh on industry profit, including the recent jump in world of crude oil prices as demand outpaces supply.

Key Growth Drivers in the Industry

In recent years, consumers are preferring products that are sustainable. The packaging industry is observing similar consumer trends in their analysis. Environment-conscious consumers choose paper or paperboard over less eco-friendly options like plastic. Paperboard packaging is biodegradable, reusable, saves energy and saves natural resources. Therefore, the environmental benefits associated with paperboard will increase adoption of the product by enterprises in several industries, such as retail and wholesale. The rising environmental concern related to landfills and degradation of packaging material is augmenting the growth of the Paperboard packaging Market in the coming years. The increasing demand will be a driver in growth for the entire industry.

Catalysts

Governments Continue to Place Strict Bans on Single-Use Packaging

Effective on December 20, 2022, the manufacturing and importing for sale of many single use plastics in Canada is prohibited. This includes checkout bags, cutlery, stir sticks, foodservice ware and straws. This has forced many large quick food services businesses to find a new supplier for packaging. If other large countries were to implement similar laws, the demand for recyclable packaging would increase greatly. In the United States, several states like California, Vermont, and New Jersey, have regulations or acts that restrict or ban the use of single use plastics. If these regulations were implemented at the federal level, there would be a major increase to demand as the market size of quick service restaurant in the US is around \$322.05B. Looking at Europe, the EU has imposed a ban on single-use plastic plates, cutlery, straws, cups, and food and beverage containers made of expanded polystyrene since July 3, 2021. Additionally, Graphic Packaging Holding Company is committed to growing their quick service restaurant segment, as it makes up \$3.5B of the fiber-based packaging market.

The Company Pursues a Strategic Acquisition into Asia-Pacific

In the past, Graphic Packaging Holdings Company has completed many successful acquisitions to enter new market segments and expand their global footprint. The company currently operates and sells in the Asia-Pacific region but has a very small market share. The Asia-Pacific paper and paperboard market achieved a total revenues of \$170.8B in 2021 and

it has an estimated value of \$195.35B by 2026. The major players include Nine Dragons Paper (Holdings) Ltd, Man Paper Manufacturing Ltd, Paper Co Ltd, and Nippon Paper Industries Co Ltd. This will allow the company to increase market share, strengthen their innovation capabilities, and increase the amount of converting plants and employees.

Management Team

Michael P. Doss – President and CEO

Before he was appointed as CEO on January 1st, 2016, he held positions in Graphic Packaging Holding Company as Chief Operating Officer and Executive Vice President of Commercial Operations. He has been with the company for fifteen years and has a total of 33 years of experience in executive management roles in the packaging industry. He holds a Bachelor of Science in industrial marketing and a Master of Business Administration in finance, both from Western Michigan University. Additionally, he is a graduate of Harvard University's General Manager Program. In 2022, his total compensation was \$7,309,269, and he owns 0.54% of the company (1.6M shares).



Stephen R. Scherger – Executive Vice President and Chief Financial Officer

Stephen R. Scherger has been Chief Financial Officer at Graphic Packaging Holding Company since January 1, 2015. He has also held positions as Executive Vice President, and Senior Vice President at the Company. Stephen joined Graphic Packaging Holding Company in April of 2012 from MeadWestvaco Corporation, where he served as President, Beverage and Consumer Electronics. In 2022, his total compensation was \$2.55M and he owns 0.16% of the company (505.9k shares).



Maggie Bidlingmaier – Executive Vice President and President, Americas

Maggie Bidlingmaier joined Graphic Packaging Holding Company as Executive Vice President and President, Americas business unit on January 28th, 2022. Her last role was at Invista, a subsidiary of Koch Industries, as President, Performance Solutions, where she led a number of multimillion-dollar businesses. She holds a Bachelor of Science in Economics from the University of Wisconsin and a Master of Business Administration from Cornell University.



Michael Farrell – Executive Vice President and President, Mills Division

Prior to being the Executive Vice President, Mills Division, Michael Farrell was Senior Vice President, Supply Chain since January 2018. He has served as Vice President, Recycled Board Mills of Graphic Packaging International, LLC since January 1, 2013. He has a total of fifteen years of experience in management of packaging manufacturing mills. In 2022, his total compensation equaled \$1.59M and he owns 0.015% of the company (44.9k shares).



Joseph P. Yost – Executive Vice President and President, International

Joseph has been the Executive Vice President and President, International since January 5th, 2022. Prior to his current role, Joseph was Executive Vice President and President, Americas since 2017. He has been in management roles in the packaging industry since 1997 and has been with the Company since 2003. In 2022, his total compensation was \$2.29M and he owns 0.073% of the company (224k shares).



Compensation Table

Name	Position	Tenure	Compensation	Ownership
Michael P. Doss	President and CEO	7.08 years	US\$7.31m	0.54% (\$38.7m)
Stephen R. Scherger	Executive Vice President and CFO	8.08 years	US\$2.55m	0.16% (\$11.9m)
Maggie Bidlingmaier	Executive Vice President and President, Americas	1.08 years	no data	no data
Michael Farrell	Executive Vice President and President, Mills Division	5.08 years	US\$1.59m	0.015% (1.1m)
Joseph P. Yost	Executive Vice President and President, International	14.08 years	US\$2.29m	0.073% (5.3m)

Shareholder Base, Liquidity, Market Depth

Shareholder Base

General Packaging Holdings Company currently has 307.1M shares outstanding and a free float of 303.7M, representing a 98.9% free float. Institutions own most of the total shares at 97.32%.

Top 10 Largest Shareholders

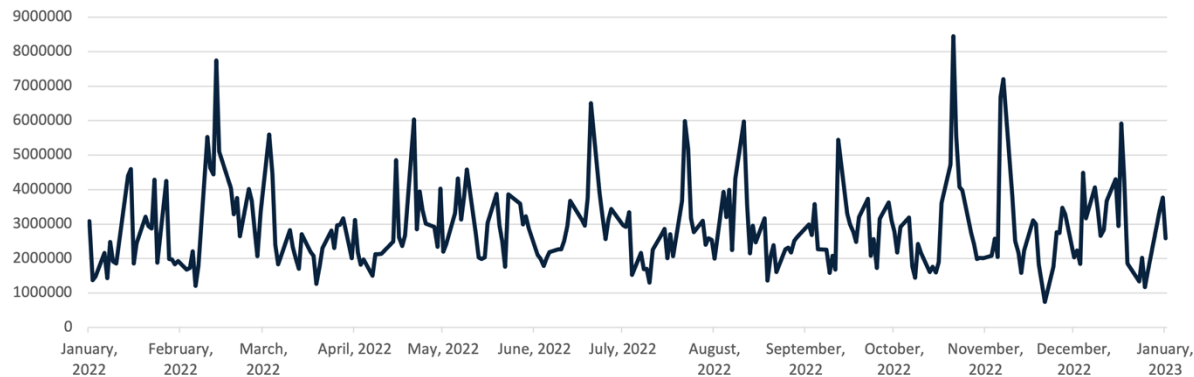
Shareholder	Position	% Of Outstanding	Insider (Y/N)	Country
The Vanguard Group, Inc.	29,127,808	9.48%	N	United States
Fuller & Thaler Asset Management, Inc.	20,615,622	6.71%	N	United States
BlackRock, Inc.	17,310,833	5.64%	N	United States
Norges Bank Investment Management	15,864,130	5.17%	N	Norway
Wellington Management Group LLP	9,767,481	3.18%	N	United States
Massachusetts Financial Services Company	9,705,168	3.16%	N	United States
Shapiro Capital Management LLC	8,980,425	2.92%	N	United States
Impax Asset Management Group plc	7,977,877	2.60%	N	United Kingdom
Handelsbanken Asset Management	7,789,559	2.54%	N	Sweden
Dimensional Fund Advisors LP	7,678,048	2.50%	N	United States
Top 10 Shareholders	134,816,951			

Source: S&P Capital IQ

Liquidity

The daily trading volume of shares during the last twelve months over January 1st, 2022, to 2023 averaged 3.3M shares per day. The last twelve months daily trading volume, and the shares outstanding of 307.1M, indicate a healthy liquidity.

1-Year Trading Volume (NYSE: GPK)

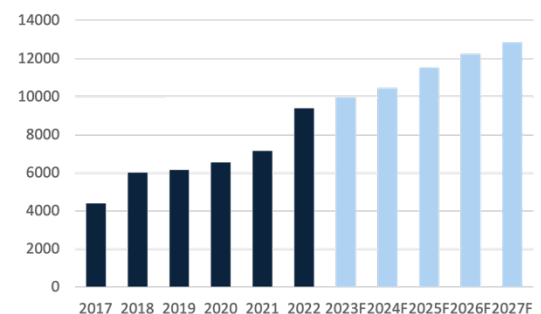


Valuation

Discounted Cash Flow Assumptions

Revenue Forecast

In the past year, the Company has experienced significant growth in revenue as they recover from the COVID-19 impacts. The Company's revenue is projected through its main operating segments: paperboard mills, Americas paperboard packaging and Europe paperboard packaging. The Company significant revenue increases in all three quarters of 2022 with an average growth rate of 36.5%. This massive increase is due to the successful acquisition of AR packaging in November 2021, which caused an increase to sales of approximately \$1.2B. We believe that the Company's paperboard mills, and Americas paperboard packaging segment's revenue will grow at a stable 5%. This growth will mainly come from the increasing demand and need for sustainable packaging options. For the Europe paperboard packaging segment, we believe it will drop to a 10% growth rate in 2023. Management has stated that strategic mergers and acquisitions is a top priority when it comes to capital allocation. We predict the Company will acquire another smaller business in the Europe paperboard packaging segment. This will cause significant revenue increases at a rate of 30% in 2025.



Cost of Goods Sold

In the past, the Company's COGS have remained stable between 80% and 85% as a percentage of total revenue. We have projected for COGS to stay around the lower end of this range at 80%, due to the fact they have been investing in new CRB production technologies that improve efficiency.

Sales, General, Administrative Expenses

From 2017-2021, SG&A has grown from 0.3% to 0.5% of revenue. As the company continues to expand their operations globally, we estimate a stable 1.5% of revenue for SG&A.

Capital Expenditures

As the Company plans to continue to expand globally, we estimate capital expenditures at a consistent 17% of beginning property plant and equipment in 2022. In the following years, we predict this percentage will drop to 15% as management plans to increase optimization of paperboard production. These percentages were found using the Company's historical trends.

Weighted Average Cost of Capital

The Company's weighted average cost of capital of 6.2% was calculated using a cost of equity of 7.6% and a cost of debt of 4.6%. To calculate the cost of equity, we used a risk-free rate of 3.5%, an expected market return of 8%, and a Beta of 0.90. The cost of debt was calculated based on the pre-tax cost of debt of 7.0%, an effective tax rate of 35%.

Perpetuity Growth Rate

For the perpetuity growth rate, we used a 2% growth rate. This is due to the fact the average GDP growth rate in the United States in 6.171% and the average inflation rate is 3.03% between 1980 - 2022. We believe this is reasonable as the Company has a large market share and competitive advantage within the industry.

Terminal Multiple

We applied a 9X EV/EBITDA exit multiple for the five-year terminal value projection. This multiple was found using comparable companies in the industry.

Comparable Companies Analysis

We selected the comparable companies based on similar target demographics, geographics, and market capitalization. Furthermore, we looked beyond the paperboard industry at other packaging option. We found an EV/EBITDA implied price of \$9.50 and P/E implied price of \$14.10.

WestRock Company (NYSE: WRK)

WestRock provides fiber-based paper and packaging solutions in the Americas, Europe, Asia, and Australia. It operates in for segments: corrugated packaging, consumer packaging global paper, and distribution. WestRock has a market cap of 9.562B.

Packaging Corporation of America (NYSE: PKG)

Packaging Corporation of America manufactures and sells containerboard and corrugated packaging products in the United States. It operates through packaging and paper segments. The company has a market cap of 12.529B.

International Paper Company (NYSE: IP)

International Paper Company operates as a packaging company in the United States, the Middle East, Europe, Africa, Pacific Rim, Asia, and the Americas. It operates in two segments: industrial packaging and global cellulose fibers. The company has a market cap 13.604B.

Sonoco Products Company (NYSE: SON)

Sonoco Products Company manufactures and sells industrial and consumer packaging products in the Americas, Europe, Australia, and Asia. The company operates in two segments: consumer packaging and industrial paper packaging. The company has a market cap of 5.967B.

Amcor plc (NYSE: AMCR)

Amcor plc develops, produces, and sells packaging products in Europe, the Americas, Africa, and Asia Pacific regions. The company operates through two segments, flexible and rigid packaging. The company has a market cap of 18.062B.

Crown Holdings, Inc. (NYSE: CCK)

Crown Holdings, Inc. designs, manufactures, and sells packaging products and equipment for consumers goods and industrial products in the Americas, Europe, and the Asia Pacific region. The company has a market cap of 10.504B.

Recommendation – Buy

We believe that Graphic Packaging Holding Company is undervalued by the market. Our implied share price weightings are an 80% weighting on the DCF Analysis and an 20% weighting on the comparable valuation. This weighting has resulted in a target share price of \$29.08 with a total return of 24.8%. These weightings were chosen as we believe the comparable companies are not an accurate predictor of Graphic Packaging Holding Company's future value. First, the Company has strong a competitive advantage over others in the paperboard industry. Secondly, many packaging companies produce very different products, as they all use different inputs.

Investment Thesis – Shift towards Recyclable Packaging

As more consumers demand for sustainable, environmentally friendly packaging options, businesses are being forced to find new innovative solutions for their packaging. Many companies are even pledging to use 100% recycled packaging in the next few years. Consumers are concerned about their own plastic waste and this change in attitude has accelerated growth within the sustainable packaging industry. We expect the sustainable packaging market to grow at a compound annual growth rate (CAGR) of 6% through 2027. Looking a recent study done by McKinsey & Company, nearly 70% of consumers said they would pay more for a product in sustainable packaging, and 35% said they would buy more sustainably

packaged products if they could find them. Additionally, many countries around the world are implementing regulations and bans on single-use plastics. Due to this trend, Graphic Packaging Holding Company can expect growth of demand and sales. Furthermore, the company can potentially expect new market segments, as more industries are being forced to switch to sustainable packaging.

Investment Thesis – Innovation in Operations and Products

Graphic Packaging Holding Company values innovation and they are consistently finding new solutions in their operations and products. The Company's development efforts in products include, but not limited to, developing sustainable packaging; extending the shelf life, reducing producing and waste cost; improving strength; and refining packaging appearance through new printing techniques. The company currently holds more than 2700 active patents. A notable invention is the PaperSeal, a paperboard alternative that reduces plastic usage by up to 90%. It has won multiple awards including ECEA Save the Planet Award and PPC Excellence Award in Sustainability. By staying ahead of the industry Graphic Packaging Holding Company can expect future growth and higher market share. Looking into innovation in operations, the Company has recently invested in a new CRB machine. This has allowed the company to produce CRB at \$130 per ton, whereas the competitors average is at \$540 per ton. This reduction in both fixed and variable cost will improve the companies bottom and allow for more opportunities within operational innovation.

Environmental, Social, and Corporate Governance (ESG)

Environmental, Social, and Governance is valued deeply at General Packaging Holding Company. The Company has implemented ESG programs and has embed ESG more formally into their practices. In 2021, they recently hired Michelle Fitzpatrick as Chief Sustainability Officer to oversee their ESG strategy. In November 2021, the Company became a signatory to United Nations Global Compact, committing to incorporate the 10 principles of the compact into their business. Additionally, the Company has won numerous awards for their practices including Forbes World's Top Female Friendly Employer of 2021 and a gold sustainability rating.



Risks

Global Events: COVID-19 Pandemic and Political Unrest

As a result of global events such as the COVID-19 pandemic and political unrest, there could unforeseen disruptions to the Company's operations. This could lead to reducing production and future revenue and causing negative effect to the Company's financial condition. Furthermore, these events could cause supply chain and transportation disruptions resulting in a lack of ability to distribute products in a timely fashion. Finally, consumer's buying habits are negatively affected by volatility in the capital markets and loss of employment.

Markets Price of Inputs Increases

Increases in the costs of raw materials could have adverse effects on the Company's financial results. This includes secondary fiber, petroleum-based material, energy, wood, and transportation. The costs of these materials are subject to worldwide supply and demand factors, supply chain disruptions that can affect availability and result in increased prices, and trade regulation and tariffs. Due to pre-existing negotiated sales contracts and the market price for products, the Company has limited ability to raise prices. Therefore, the Company would incur any inflationary or other cost increases causing an adverse effect on financial results.

Changes in Consumer Buying Habits and Preferences

The Company packages many well-known food and beverage products like McDonalds, Kraft, Kellogg's and many more. Changing consumer dietary habits and preferences can impact sales and growth for these products. Preferences are constantly changing based on convenience, cost, health consideration, and environmental concerns. The Company may be unable to adapt quickly to incoming new trends and financial results could be negatively impacted.

Shortages of Skilled Workforce

The Company's ability to attract, train and retain a skilled workforce will impact the expansion of the business. Current experienced workers may retire or resign resulting in a loss of knowledge and skills throughout the workforce. Additionally, the Company may incur higher costs to hire and retain new workers. There will be operational inefficiencies if the Company cannot attract and retain sufficient skilled worker. These factors will impact the company's financials negatively.

Appendix 1: Model Summary

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	6,023.0	6,160.1	6,559.9	7,156.0	9,440.0	2,380.3	2,499.4	2,596.7	2,511.5	9,987.9	10,590.9	11,115	12,293	13,065	13,713
EBITDA	888.8	981.3	1,000.3	896.0	1,459.0	404.7	424.9	441.4	427.0	1,697.9	1,800.5	1,889.6	2,089.8	2,221.0	2,331.2
Net Income	294.0	278.1	203.3	216.0	522.0	163.8	177.7	188.8	176.6	706.7	766.9	819.5	955.1	906.3	969.2
Earnings Per Share	\$ 0.95	\$ 0.94	\$ 0.73	\$ 0.72	\$ 1.70	\$ 0.53	\$ 0.58	\$ 0.61	\$ 0.57	\$ 2.30	\$ 2.50	\$ 2.67	\$ 3.11	\$ 2.95	\$ 3.16
Cash Flow Statement															
Capital Expenditures	(378.8)	(330.9)	(616.1)	(775.0)	(522.0)	(194.6)	(197.1)	(199.6)	(202.1)	(793.4)	(835.1)	(761.1)	(785.7)	(1,036.1)	(1,070)
Acquisitions	(89.4)	(54.5)	(120.6)	(1,704.0)	-	-	-	-	-	-	-	-	(1,500)	-	-
Divestitures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend Payment	(111.0)	(112.7)	(102.8)	(92.0)	(92.0)	(30.7)	(30.7)	(30.7)	(30.7)	(122.8)	(122.8)	(122.8)	(122.8)	(122.8)	(122.8)
Dividend Per Share	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40
Dividend Payout to Earnings	37.8%	40.5%	50.6%	42.6%	17.6%	18.8%	17.3%	16.3%	17.4%	17.4%	16.0%	15.0%	12.9%	13.6%	12.7%
Dividend Payout to Core FCF	9.9%	9.6%	7.0%	5.7%	5.0%	6.2%	6.0%	5.8%	5.9%	6.0%	5.6%	5.6%	5.2%	4.5%	4.3%
Dividend Yield	2.2%	2.2%	2.2%	2.3%	1.7%	0.5%	0.5%	0.5%	0.4%	1.9%	1.7%	1.7%	1.7%	1.7%	1.7%
Balance Sheet															
Current Assets	1,763.8	1,805.6	2,020.0	2,502.0	2,706.0	2,694.0	2,854.2	3,011.6	3,045.1	3,045.1	3,524.5	4,127.0	3,468.8	4,146.2	4,860.3
Non-Current Assets	5,295.4	5,484.3	5,785.0	7,955.0	7,622.0	7,680.3	7,739.4	7,799.2	7,859.8	7,859.8	8,117.0	8,281.1	9,950.6	10,174.1	10,405
Assets	7,059.2	7,289.9	7,805.0	10,457.0	10,328	10,374	10,594	10,811	10,905	10,905	11,641	12,408	13,419	14,320	15,265
Current Liabilities	1,172.3	1,198.7	1,856.0	2,049.0	1,933.0	1,846.2	1,918.6	1,977.8	1,926.0	1,926.0	2,018.5	2,088.5	2,267.5	2,384.9	2,483.4
Non-Current Liabilities	3,868.4	4,033.2	4,109.0	6,515.0	6,245.0	6,245.0	6,245.0	6,245.0	6,245.0	6,245.0	6,245.0	6,245.0	6,245.0	6,245.0	6,245.0
Liabilities	5,040.7	5,231.9	5,965.0	8,564.0	8,178.0	8,091.2	8,163.6	8,222.8	8,171.0	8,171.0	8,263.5	8,333.5	8,512.5	8,629.9	8,728.4
Shareholders' Equity	1,579.5	1,570.2	1,424.0	1,891.0	2,149.0	2,282.1	2,429.0	2,587.1	2,732.9	2,732.9	3,377.0	4,073.6	4,905.9	5,689.4	6,535.7
Cash	70.5	152.9	179.0	172.0	150.0	52.2	83.9	136.2	261.7	261.7	576.7	1,054.9	78.8	547.6	1,086.8
Debt	(70.5)	(152.9)	(179.0)	(172.0)	(150.0)	(52.2)	(83.9)	(136.2)	(261.7)	(261.7)	(576.7)	(1,054.9)	(78.8)	(547.6)	(1,086.8)
Net Debt	439.0	487.8	416.0	2.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Minority Interests	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Debt/EBITDA	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Operating Metrics															
Return on Equity (ROE)	18.6%	17.7%	14.3%	11.4%	24.3%	7.2%	7.3%	7.3%	6.5%	25.9%	22.7%	20.1%	19.5%	15.9%	14.8%
Return on Assets (ROA)	4.2%	3.8%	2.6%	2.1%	5.1%	1.6%	1.7%	1.7%	1.6%	6.5%	6.6%	6.6%	7.1%	6.3%	6.3%
Return on Invested Capital (ROIC)	15.1%	14.8%	11.9%	10.6%	25.4%	8.0%	8.6%	9.2%	8.6%	34.4%	37.3%	39.9%	46.5%	44.1%	47.2%
Valuation Metrics															
Stock Price (High)	\$ 15.85	\$ 16.74	\$ 16.95	\$ 16.50	\$ 20.94	\$ 20.35	\$ 22.72	\$ 23.61	\$ 23.31	📈\$ 23.61	📈\$ 23.31	\$ 23.31	\$ 23.31	\$ 23.31	\$ 23.31
Stock Price (Low)	\$ 12.00	\$ 10.04	\$ 10.54	\$ 10.13	\$ 15.24	\$ 18.00	\$ 19.16	\$ 19.67	\$ 23.31	📈\$ 18.00	📈\$ 23.31	\$ 23.31	\$ 23.31	\$ 23.31	\$ 23.31
Stock Price (Average)	\$ 13.93	\$ 13.39	\$ 13.75	\$ 13.32	\$ 18.09	\$ 19.18	\$ 20.94	\$ 21.64	\$ 23.31	📈\$ 20.81	📈\$ 23.31	\$ 23.31	\$ 23.31	\$ 23.31	\$ 23.31
Diluted Shares Outstanding (Average)	310.1	294.8	280.0	298.0	307.1	307.1	307.1	307.1	307.1	307.1	307.1	307.1	307.1	307.1	307.1
Market Capitalization (Average)	4,318.1	3,947.4	3,848.6	3,967.9	5,555.4	5,888.6	6,430.7	6,645.6	7,158.5	6,389.2	7,158.5	7,158.5	7,158.5	7,158.5	7,158.5
Enterprise Value (Average)	4,686.6	4,282.3	4,085.6	3,797.9	5,406.4	5,837.4	6,347.8	6,510.5	6,897.8	6,128.6	6,582.8	6,104.6	7,080.7	6,611.9	6,072.7
P/E	14.7 x	14.2 x	18.9 x	18.4 x	10.6 x	-	-	-	-	9.0 x	9.3 x	8.7 x	7.5 x	7.9 x	7.4 x
EV/EBITDA	5.3 x	4.4 x	4.1 x	4.2 x	3.7 x	-	-	-	-	3.6 x	3.7 x	3.2 x	3.4 x	3.0 x	2.6 x
FCF Yield to Market Capitalization	-15.4%	10.1%	8.4%	-4.6%	9.4%	-	-	-	-	4.2%	6.5%	8.7%	9.1%	8.4%	9.3%
FCF Yield to Enterprise Value	-14.2%	9.4%	7.9%	-4.8%	9.6%	-	-	-	-	4.4%	7.1%	10.2%	9.2%	9.1%	10.9%
Free Cash Flow															
EBIT	458.2	534.1	524.3	407.0	906.0	268.4	286.9	301.7	285.4	1,142.3	1,222.5	1,292.7	1,473.5	1,408.4	1,492.2
Tax Expense	(54.7)	(76.3)	(41.6)	(74.0)	(194.0)	(93.9)	(100.4)	(105.6)	(99.9)	(399.8)	(427.9)	(452.4)	(515.7)	(492.9)	(522.3)
D&A	430.6	447.2	476.0	489.0	553.0	136.3	138.0	139.8	141.6	555.6	577.9	596.9	616.3	812.7	839.0
Capital Expenditures	(378.8)	(330.9)	(616.1)	(775.0)	(522.0)	(194.6)	(197.1)	(199.6)	(202.1)	(793.4)	(835.1)	(761.1)	(785.7)	(1,036.1)	(1,069.7)
Changes in NWC	(1,120.8)	(173.5)	(19.4)	(229.0)	(223.0)	(172.5)	(56.2)	(45.9)	40.2	(234.4)	(71.8)	(54.4)	(138.9)	(91.1)	(76.5)
Unlevered Free Cash Flow	(665.5)	400.6	323.2	(182.0)	520.0	(56.4)	71.2	90.3	165.1	270.3	465.7	621.7	649.4	600.8	662.8
Valuation Summary															
Current Price	\$ 23.31														
Target Price	\$ 29.08														
Total Return	24.8%														
Recommendation	BUY														
DCF Valuation															
Perpetuity Growth Implied Price	\$ 27.51														
Exit Multiple Implied Price	\$ 39.22														
Comps Valuation															
Comps - EV/EBITDA Implied Price	\$ 10.11														
Comps - P/E Implied Price	\$ 13.77														


Appendix 2: Operating Model

Operating Model																				
	Dec-18	Dec-19	Dec-20	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	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	Q1-2022	Q2-2022	Q3-2022	Q4-2022	FY2022	Q1-2023	Q2-2023	Q3-2023	Q4-2023	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	
Revenue Analysis - Growth																				
Paperboard Mills (%)		1.7%	-9.7%	1.9%	24.9%	19.7%	37.5%	29.8%	28.1%	5.0%	5.0%	5.0%	5.0%	3.6%	5.0%	5.0%	5.0%	5.0%	5.0%	
Americas Paperboard Packaging (%)		3.4%	9.8%	7.4%	21.6%	24.0%	22.2%	14.1%	20.4%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	
Europe Paperboard Packaging (%)		-0.9%	10.9%	29.7%	135.9%	132.5%	146.5%	34.6%	98.9%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	5.0%	30.0%	10.0%	5.0%	
Corporate/Other/Eliminations (%)		-9.4%	10.4%	2.5%	10.8%	-11.4%	-2.4%	7.9%	0.6%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	
Total Revenue Growth, %		2.3%	6.5%	9.1%	36.1%	35.8%	37.5%	20.0%	31.9%	6.0%	6.0%	5.9%	5.3%	5.8%	6.0%	5.0%	10.6%	6.3%	5.0%	
Revenue Analysis - Segmented Breakdown																				
Paperboard Mills Revenue	1,076.5	1,094.8	988.1	1,007.0	296.0	292.0	345.0	357.0	1,290.0	310.8	306.6	362.3	357.0	1,336.7	1,403.5	1,473.7	1,547.3	1,624.7	1,705.9	
Americas Paperboard Packaging Revenue	4,093.9	4,233.7	4,650.1	4,996.0	1,422.0	1,534.0	1,577.0	1,482.0	6,015.0	1,493.1	1,610.7	1,655.9	1,556.1	6,315.8	6,631.5	6,963.1	7,311.3	7,676.8	8,060.7	
Europe Paperboard Packaging Revenue	695.5	689.3	764.6	992.0	486.0	493.0	488.0	506.0	1,973.0	534.6	542.3	536.8	556.6	2,170.3	2,387.3	2,506.7	3,258.7	3,584.6	3,763.8	
Corporate/Other/Eliminations Revenue	157.1	142.3	157.1	161.0	41.0	39.0	41.0	41.0	162.0	41.8	39.8	41.8	41.8	165.2	168.5	171.9	175.4	178.9	182.4	
Total Revenue, mm	6,023.0	6,160.1	6,559.9	7,156.0	2,245.0	2,358.0	2,451.0	2,386.0	9,440.0	2,380.3	2,499.4	2,596.7	2,511.5	9,987.9	10,590.9	11,115.4	12,292.7	13,065.0	13,712.9	
Schedules - Property and Equipment																				
Property and Equipment, beginning		3,239.7	3,253.8	4,677.0	4,677.0	4,675.0	4,601.0	4,509.0	4,579.0	4,579.0	4,637.3	4,696.4	4,756.2	4,579.0	4,816.8	5,074.0	5,238.1	6,907.6	7,131.1	
Add: Capital expenditures		330.9	616.1	775.0	221.0	130.0	78.0	93.0	522.0	194.6	197.1	199.6	202.1	793.4	835.1	761.0962	785.7199	1036.14	1069.662	
Add: Acquisitions		54.5	120.6	1,704.0	-	-	-	-	-	-	-	-	-	-	-	-	1,500.0	-	-	
Less: Divestitures		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Less: Depreciation		(447.2)	(475.8)	(489.0)	(139.0)	(139.0)	(137.0)	(138.0)	(553.0)	(136.3)	(138.0)	(139.8)	(141.6)	(555.6)	(577.9)	(596.9)	(616.3)	(812.7)	(839.0)	
Less: Other adjustments		75.9	45.3	(1,990.0)	(84.0)	(65.0)	(33.0)	115.0	31.0	-	-	-	-	-	-	-	-	-	-	
Property and Equipment, ending	3,239.7	3,253.8	3,560.0	4,677.0	4,675.0	4,601.0	4,509.0	4,579.0	4,579.0	4,637.3	4,696.4	4,756.2	4,816.8	4,816.8	5,074.0	5,238.1	6,907.6	7,131.1	7,361.8	
Capex, % of Beginning P&E, %		10.2%	18.9%	16.6%	18.9%	11.1%	6.8%	8.3%	11.4%	17.0%	17.0%	17.0%	17.0%	17.3%	17.3%	15.0%	15.0%	15.0%	15.0%	
Estimated P&E Useful Life, years		7.2	6.8	9.6	8.4	8.4	8.4	8.2	8.3	8.4	8.4	8.4	8.4	8.2	8.3	8.5	8.5	8.5	8.5	
Schedules - Retained Earnings																				
Retained Earnings, beginning		10.0	56.4	66.0	66.0	150.0	188.0	346.0	469.0	469.0	602.1	749.0	907.1	469.0	1,052.9	1,697.0	2,393.6	3,225.9	4,009.4	
Add: Net income		278.1	203.3	216.0	107.0	66.0	193.0	156.0	522.0	163.8	177.7	188.8	176.6	706.7	766.9	819.5	955.1	906.3	969.2	
Less: Dividends paid		(112.7)	(102.8)	(92.0)	(23.0)	(23.0)	(23.0)	(23.0)	(92.0)	(30.7)	(30.7)	(30.7)	(30.7)	(122.8)	(122.8)	(122.8)	(122.8)	(122.8)	(122.8)	
Less: Other adjustments		(119.0)	(204.9)	(124.0)	-	(5.0)	(12.0)	(10.0)	(430.0)	-	-	-	-	-	-	-	-	-	-	
Retained Earnings, ending	10.0	56.4	(48.0)	66.0	150.0	188.0	346.0	469.0	469.0	602.1	749.0	907.1	1,052.9	1,052.9	1,697.0	2,393.6	3,225.9	4,009.4	4,855.7	
Dividend Per Share, \$/share	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.30	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	
Margin Analysis																				
COGS, % of revenue, %	84.3%	82.3%	83.2%	85.0%	82.8%	81.3%	79.2%	79.4%	80.6%	80.0%	80.0%	80.0%	80.0%	80.0%	83.0%	80.0%	80.0%	80.0%	80.0%	
Gross Profit, % of revenue, %	15.7%	17.7%	16.8%	15.0%	17.2%	18.7%	20.8%	20.6%	19.4%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	
SG&A, % of revenue, %	0.6%	1.0%	0.6%	0.5%	1.9%	2.0%	2.7%	2.8%	2.3%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	
R&D, % of revenue, %	-	-	-	-	-	-	-	-	1.8%	-	-	-	-	-	-	-	-	-	-	
OPEX, % of revenue, %	0.4%	0.8%	1.0%	1.9%	0.6%	4.4%	0.6%	0.8%	1.6%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	
EBITDA, % of revenue, %	14.8%	15.9%	15.2%	12.5%	14.8%	12.3%	17.5%	17.0%	15.5%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	
Income Tax Rate, % of EBT, %	15.7%	21.5%	17.0%	25.5%	30.1%	37.1%	20.2%	27.8%	27.1%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	
Working Capital Analysis																				
Current Assets																				
Accounts receivable, % of revenue, %	9.5%	8.2%	10.0%	12.0%	10.5%	10.1%	9.1%	9.2%	9.3%	10.0%	10.0%	10.0%	10.0%	10.1%	10.1%	10.0%	10.0%	10.0%	10.0%	
Inventories, % of revenue, %	16.8%	17.8%	17.2%	19.4%	16.7%	16.3%	16.0%	16.8%	17.0%	17.0%	17.0%	17.0%	17.0%	17.1%	17.1%	17.0%	17.0%	17.0%	17.0%	
Prepaid expenses, % of COGS, %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Current Liabilities																				
Accounts payable, % of COGS, %	14.0%	14.1%	15.1%	18.5%	13.8%	13.1%	12.9%	14.8%	14.8%	14.0%	14.0%	14.0%	14.0%	14.1%	14.1%	14.0%	14.0%	14.0%	14.0%	
Accrued liabilities, % of revenue, %	4.0%	3.9%	4.4%	5.6%	4.4%	4.5%	4.4%	4.3%	4.4%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	
Income Statement																				
Revenue	6,023.0	6,160.1	6,559.9	7,156.0	2,245.0	2,358.0	2,451.0	2,386.0	9,440.0	2,380.3	2,499.4	2,596.7	2,511.5	9,987.9	10,590.9	11,115.4	12,292.7	13,065.0	13,712.9	
COGS	5,077.0	5,067.5	5,459.7	6,085.0	1,858.0	1,917.0	1,940.0	1,895.0	7,610.0	1,904.3	1,999.5	2,077.4	2,009.2	7,990.4	8,472.7	8,892.3	9,834.1	10,452.0	10,970.3	
Gross Profit	946.0	1,092.6	1,100.2	1,071.0	387.0	441.0	511.0	491.0	1,830.0	476.1	499.9	519.3	502.3	1,997.6	2,118.2	2,223.1	2,458.5	2,613.0	2,742.6	
SG&A	35.1	64.6	36.6	39.0	42.0	46.0	66.0	67.0	221.0	35.7	37.5	39.0	37.7	149.8	158.9	166.7	184.4	196.0	205.7	
R&D	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
OPEX	22.1	46.7	63.3	136.0	13.0	104.0	15.0	18.0	150.0	35.7	37.5	39.0	37.7	149.8	158.9	166.7	184.4	196.0	205.7	
EBITDA	888.8	981.3	1,000.3	896.0	332.0	291.0	430.0	406.0	1,459.0	404.7	424.9	441.4	427.0	1,697.9	1,800.5	1,889.6	2,089.8	2,221.0	2,331.2	
D&A	430.6	447.2	476.0	489.0	139.0	139.0	137.0	138.0	553.0	136.3	138.0	139.8	141.6	555.6	577.9	596.9	616.3	812.7	839.0	
EBIT	458.2	534.1	524.3	407.0	193.0	152.0	293.0	268.0	906.0	268.4	286.9	301.7	285.4	1,142.3	1,222.5	1,292.7	1,473.5	1,408.4	1,492.2	
Interest Expense	123.7	140.6	128.8	123.0	42.0	48.0	53.0	54.0	197.0	50.0	50.0	50.0	50.0	200.0	200.0	200.0	200.0	200.0	200.0	
Other Expenses (Income)	(14.2)	39.1	150.6	(6.0)	(2.0)	(1.0)	(2.0)	(2.0)	(7.0)	-	-	-	-	-	-	-	-	-	-	
EBT	348.7	354.4	244.9	290.0	153.0	105.0	242.0	216.0	716.0	218.4	236.9	251.7	235.4	942.3	1,022.5	1,092.7	1,273.5	1,208.4	1,292.2	
Income Tax	54.7	76.3	41.6	74.0	46.0	39.0	49.0	60.0	194.0	54.6	59.2	62.9	58.9	235.6	255.6	273.2	318.4	302.1	323.1	
Net Income	294.0	278.1	203.3	216.0	107.0	66.0	193.0	156.0	522.0	163.8	177.7	188.8	176.6	706.7	766.9	819.5	955.1	906.3	969.2	
Shares Outstanding, Basic	309.5	294.1	279.0	297.0	308.0	308.1	307.4	297.0	307.1	307.1	307.1	307.1	307.1	307.1	307.1	307.1	307.1	307.1	307.1	
Shares Outstanding, Diluted	310.1	294.8	280.0	298.0	307.0	307.1	307.1	298.0	307.1	307.1	307.1	307.1	307.1	307.1	307.1	307.1	307.1	307.1	307.1	
Earnings Per Share, Basic	\$ 0.95	\$ 0.95	\$ 0.73	\$ 0.73	\$ 0.35	\$ 0.21	\$ 0.63	\$ 0.53	\$ 1.70	\$ 0.53	\$ 0.58	\$ 0.61	\$ 0.57	\$ 2.30	\$ 2.50	\$ 2.67	\$ 3.11	\$ 2.95	\$ 3.16	
Earnings Per Share, Diluted	\$ 0.95	\$ 0.94	\$ 0.73	\$ 0.72	\$ 0.35	\$ 0.21	\$ 0.63	\$ 0.52	\$ 1.70	\$ 0.53	\$ 0.58	\$ 0.61	\$ 0.57	\$ 2.30	\$ 2.50	\$ 2.67	\$ 3.11	\$ 2.95	\$ 3.16	
Cumulative Cash Flow Statement																				

GENERAL PACKAGING HOLDING COMPANY																								
Cash Flow Statement																								
Operating Activities																								
Net income	294.0	278.1	203.3	216.0	107.0	66.0	193.0	156.0	522.0	163.8	177.7	188.8	176.6	706.7	766.9	819.5	955.1	906.3	969.2					
Depreciation and amortization	430.6	447.2	475.8	489.0	139.0	139.0	137.0	138.0	553.0	136.3	138.0	139.8	141.6	555.6	577.9	596.9	616.3	612.7	839.0					
Amortization of Deferred Debt Issuance Costs	4.4	4.7	5.7	9.0	-	-	-	-	9.0	-	-	-	-	-	-	-	-	-	-					
Deferred Income Taxes	26.0	52.7	(0.7)	55.0	17.0	23.0	27.0	64.0	131.0	-	-	-	-	-	-	-	-	-	-					
Amount of Postretirement Expense (Less) Greater Than Fund	(4.7)	41.5	147.1	(24.0)	(6.0)	-	(12.0)	(1.0)	(18.0)	-	-	-	-	-	-	-	-	-	-					
Other, Net	35.3	15.1	12.9	93.0	-	19.0	24.0	(28.0)	15.0	-	-	-	-	-	-	-	-	-	-					
Gain on the Sales of Assets, net	(38.6)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Impairment Charges related to Divestiture	-	-	-	-	-	92.0	1.0	3.0	96.0	-	-	-	-	-	-	-	-	-	-					
Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Cash Flow Before Working Capital	747.0	839.3	844.1	838.0	258.0	339.0	370.0	341.0	1,308.0	306.1	315.7	328.5	318.1	1,262.4	1,344.8	1,416.4	1,571.4	1,718.9	1,808.1					
Accounts receivable	(1,158.1)	(107.6)	(215.7)	(106.0)	-	-	-	(184.0)	(184.0)	(73.1)	(47.6)	(38.9)	34.1	(125.6)	(60.9)	(46.1)	(117.7)	(77.2)	(64.8)					
Inventories	(82.0)	(72.8)	34.8	(80.0)	-	-	-	(268.0)	(268.0)	(12.6)	(81.0)	(66.2)	57.9	(101.8)	(103.5)	(78.3)	(200.1)	(131.3)	(110.1)					
Prepaid expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Other Current Assets	0.3	(9.5)	(5.3)	(12.0)	-	-	-	2.0	2.0	-	-	-	-	-	-	-	-	-	-					
Other Assets	(1.0)	(7.9)	(21.5)	(22.0)	-	-	-	(1.0)	(1.0)	-	-	-	-	-	-	-	-	-	-					
Working Capital Asset Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Accounts payable	76.2	(8.6)	70.9	77.0	-	-	-	132.0	132.0	(56.6)	53.3	43.6	(38.2)	2.2	68.2	51.6	131.9	86.5	72.6					
Accrued liabilities	35.2	22.3	83.7	3.0	-	-	-	(11.0)	(11.0)	(30.1)	19.0	15.6	(13.6)	(9.2)	24.3	18.4	47.1	30.9	25.9					
Other Noncurrent Liabilities	8.6	10.6	33.7	(89.0)	-	-	-	107.0	107.0	-	-	-	-	-	-	-	-	-	-					
Working Capital Liability Account	-	-	-	-	(240.0)	(73.0)	(35.0)	348.0	-	-	-	-	-	-	-	-	-	-	-					
Working Capital Liability Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Net CFO	(373.8)	665.8	824.7	609.0	18.0	266.0	335.0	466.0	1,085.0	127.5	259.5	282.6	358.3	1,027.9	1,273.0	1,362.1	1,432.5	1,627.8	1,731.7					
Investing Activities																								
Capital expenditures	(378.8)	(330.9)	(616.1)	(775.0)	(221.0)	(130.0)	(78.0)	(93.0)	(522.0)	(194.6)	(197.1)	(199.6)	(202.1)	(793.4)	(835.1)	(761.1)	(785.7)	(1,036.1)	(1,069.7)					
Acquisitions	(89.4)	(54.5)	(126.0)	(1,704.0)	-	-	-	-	-	-	-	-	-	-	-	-	(1,500.0)	-	-					
Divestitures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Packaging Machinery Spending	(16.4)	(22.0)	(30.2)	(27.0)	(2.0)	(8.0)	(6.0)	(11.0)	(27.0)	-	-	-	-	-	-	-	-	-	-					
Beneficial Interest on Sold Receivables	1,476.7	343.6	135.5	130.0	31.0	23.0	29.0	42.0	125.0	-	-	-	-	-	-	-	-	-	-					
Beneficial Interest Obtained in Exchange for Proceeds	(345.5)	(155.9)	(8.5)	(11.0)	(2.0)	-	-	(4.0)	(6.0)	-	-	-	-	-	-	-	-	-	-					
Other, Net	(6.9)	(4.6)	(7.9)	(5.0)	(1.0)	(1.0)	(1.0)	(2.0)	(5.0)	-	-	-	-	-	-	-	-	-	-					
Proceeds Received from Sale of Assets, Net of Selling Costs	49.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Net CFI	689.1	(224.3)	(647.8)	(2,392.0)	(195.0)	(116.0)	(56.0)	(68.0)	(435.0)	(194.6)	(197.1)	(199.6)	(202.1)	(793.4)	(835.1)	(761.1)	(2,285.7)	(1,036.1)	(1,069.7)					
Financing Activities																								
Dividends paid	(111.0)	(112.7)	(102.8)	(92.0)	(23.0)	(23.0)	(23.0)	(23.0)	(92.0)	(30.7)	(30.7)	(30.7)	(30.7)	(122.8)	(122.8)	(122.8)	(122.8)	(122.8)	(122.8)					
Repurchase of Common Stock	(119.1)	(128.8)	(315.6)	-	-	(7.0)	(15.0)	(6.0)	(28.0)	-	-	-	-	-	-	-	-	-	-					
Payments of Debt	(152.4)	(36.5)	(36.5)	(16.0)	(3.0)	(4.0)	(3.0)	(4.0)	(14.0)	-	-	-	-	-	-	-	-	-	-					
Proceeds from Issuance of Debt	-	300.0	800.0	2,965.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Retirement of Long-Term Debt	-	-	-	(1,626.0)	-	-	-	(250.0)	(250.0)	-	-	-	-	-	-	-	-	-	-					
Redemption of Noncontrolling Interest	-	-	(500.0)	(150.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Borrowings under Revolving Credit Facilities	1,876.9	2,497.5	2,813.5	4,485.0	1,972.0	545.0	649.0	763.0	3,929.0	-	-	-	-	-	-	-	-	-	-					
Payments of Revolving Credit Facilities	(1,787.5)	(2,865.1)	(2,596.8)	(3,649.0)	(1,812.0)	(668.0)	(907.0)	(808.0)	(4,195.0)	-	-	-	-	-	-	-	-	-	-					
IP Tax Receivable Agreement Payment	-	-	-	(109.0)	-	-	-	0	-	-	-	-	-	-	-	-	-	-	-					
Debt Issuance Cost	(7.9)	(5.0)	(13.9)	(27.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Repurchase of Common Stock related to Share-Based Payme	(4.3)	(4.1)	(9.1)	(15.0)	(17.0)	-	(1.0)	-	(18.0)	-	-	-	-	-	-	-	-	-	-					
Other, Net	(5.4)	(6.1)	9.2	12.0	2.0	8.0	(1.0)	(7.0)	2.0	-	-	-	-	-	-	-	-	-	-					
Net CFF	(310.7)	(360.8)	(152.0)	1,778.0	119.0	(149.0)	(501.0)	(335.0)	(666.0)	(30.7)	(30.7)	(30.7)	(30.7)	(122.8)	(122.8)	(122.8)	(122.8)	(122.8)	(122.8)					
FX effect	(1.5)	1.7	1.2	(2.0)	(3.0)	(4.0)	(4.0)	5.0	(6.0)					-	-	-	-	-	-					
Net Change in Cash Balance	3.1	82.4	26.1	(7.0)	(61.0)	(3.0)	(26.0)	68.0	(22.0)	(97.8)	31.7	52.3	125.5	111.7	315.1	478.1	(976.1)	468.8	539.2					
Beginning Cash Balance	67.4	70.5	152.9	179.0	172.0	111.0	108.0	82.0	172.0	150.9	52.2	83.9	136.2	150.9	261.7	576.7	1,054.9	78.8	547.6					
Ending Cash Balance	70.5	152.9	179.0	172.0	111.0	108.0	82.0	150.0	150.0	52.2	83.9	136.2	261.7	261.7	576.7	1,054.9	78.8	547.6	1,086.8					
Balance Sheet																								
Current Assets																								
Cash and cash equivalents	70.5	152.9	179.0	172.0	111.0	108.0	82.0	150.0	150.0	52.2	83.9	136.2	261.7	261.7	576.7	1,054.9	78.8	547.6	1,086.8					
Accounts receivable	572.9	504.5	654.0	859.0	945.0	950.0	888.0	879.0	879.0	952.1	999.8	1,038.7	1,004.6	1,004.6	1,065.5	1,111.5	1,229.3	1,306.5	1,371.3					
Inventories	1,014.4	1,095.9	1,128.0	1,387.0	1,504.0	1,533.0	1,564.0	1,606.0	1,606.0	1,618.6	1,699.6	1,765.8	1,707.8	1,707.8	1,811.3	1,889.6	2,089.8	2,221.0	2,331.2					
Prepaid expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Other Current Assets	106.0	52.3	59.0	84.0	97.0	93.0	108.0	71.0	71.0	71.0	71.0	71.0	71.0	71.0	71.0	71.0	71.0	71.0	71.0					
Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Total Current Assets	1,763.8	1,805.6	2,020.0	2,502.0	2,657.0	2,684.0	2,642.0	2,706.0	2,706.0	2,694.0	2,854.2	3,011.6	3,045.1	3,045.1	3,524.5	4,127.0	3,468.8	4,146.2	4,860.3					
Non-Current Assets																								
Property and equipment	3,239.7	3,253.8	3,560.0	4,677.0	4,675.0	4,601.0	4,509.0	4,579.0	4,579.0	4,637.3	4,696.4	4,756.2	4,816.8	4,816.8	5,074.0	5,238.1	6,907.6	7,131.1	7,371.0					
Goodwill	1,460.6	1,477.9	1,478.0	2,015.0	2,006.0	1,974.0	1,942.0	1,979.0	1,979.0	1,979.0	1,979.0	1,979.0	1,979.0	1,979.0	1,979.0	1,979.0	1,979.0	1,979.0	1,979.0					
Intangible Assets, Net	473.8	477.3	437.0	868.0	831.0	788.0	738.0	717.0	717.0	717.0	717.0	717.0	717.0	717.0	717.0	717.0	717.0	717.0	717.0					
Other Assets	71.3	275.3	310.0	395.0	374.0	350.0	351.0	347.0	347.0	347.0	347.0	347.0	347.0	347.0	347.0	347.0	347.0	347.0	347.0					
Account	-	-	-	-	-	-	-	-																

Appendix 3: Discounted Cash Flow Analysis

Appendix 4: Comparable Companies Analysis



Comparable Company Analysis

(Figures in mm USD)

Company	Ticker	Share Price	Diluted Shares Outstanding	Equity Value	Cash	Debt	Other EV Adjustments	Enterprise Value	EV/EBITDA Multiple			P/E Multiple		
									2022A EV/EBITDA	2023E EV/EBITDA	2024E EV/EBITDA	2022A P/E	2023E P/E	2024E P/E
WestRock Company	(NYSE: WRK)	\$ 28.37	254.7	7,225.8	895.8	9,462.8	23.2	15,816.0	9.9 x	10.5 x	12.5 x	3.9 x	8.5 x	(10.6 x)
Packaging Corporation of America	(NYSE: PKG)	\$ 137.82	91.9	12,665.7	648.7	1,986.6	-	14,003.6	12.7 x	13.1 x	16.5 x	17.7 x	18.8 x	28.5 x
International Paper Company	(NYSE: IP)	\$ 37.10	355.7	13,196.5	511.0	5,263.0	-	17,948.5	7.3 x	10.5 x	12.8 x	7.6 x	12.1 x	30.4 x
Sonoco Products Company	(NYSE: SON)	\$ 62.37	97.5	6,081.1	182.2	3,260.9	6.5	9,166.2	18.7 x	17.9 x	18.6 x	20.1 x	21.7 x	30.4 x
Amcor plc	(NYSE: AMCR)	\$ 12.50	1,463.2	18,290.0	562.0	7,527.0	2.0	25,257.0	24.2 x	23.0 x	22.9 x	25.5 x	34.7 x	32.9 x
Crown Holdings, Inc.	(NYSE: CCK)	\$ 84.09	118.7	9,981.5	368.0	7,099.0	31.0	16,743.5	14.4 x	17.0 x	16.3 x	25.6 x	22.2 x	19.6 x
GPK	(NYSE: GPK)	\$ 23.31	307.1	7,158.5	136.2	5,253.0	1.0	12,276.3	25.1 x	22.9 x	26.5 x	32.8 x	33.3 x	38.9 x
Median									15.0 x	16.4 x		20.2 x	29.4 x	
Mean									15.3 x	16.6 x		19.7 x	21.9 x	
High									23.0 x	22.9 x		34.7 x	32.9 x	
Low									10.5 x	12.5 x		8.5 x	(10.6 x)	
									EV/EBITDA Implied Price			P/E Implied Price		
Median									\$ 9.57	\$ 8.13		\$ 14.15	\$ 17.67	
Mean									\$ 10.11	\$ 8.42		\$ 13.77	\$ 13.11	
High									\$ 23.48	\$ 17.93		\$ 24.31	\$ 19.74	
Low									\$ 1.68	\$ 2.18		\$ 5.96	-\$ 6.38	

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Caleigh Kuramoto
Analyst

WestPeak Research Association
contact@westpeakresearch.com