

AMG Packaging Paper Company Limited
Unaudited
Statement of Financial Position
November 30, 2012

ASSETS EMPLOYED	Notes	Audited		
		November 2012	November 2011	August 2012
		\$	\$	\$
Property, Plant & Equipment	2(e) & 9	127,183,968	113,079,424	128,116,037
Investments	2(g) & 4	775,479	14,791,819	7,320,588
Deposit on Property & Equipment	5	70,968,022	46,317,809	53,622,892
Current Assets				
Inventories	2(d) & 6	66,017,742	79,012,369	74,887,770
Accts Receivable Net Allowance	2(j) & 7	44,108,877	51,597,927	34,799,805
Related Parties	8	-	587,944	-
Taxation Recoverable	10	-	269,102	947,591
Cash & Bank	2(l) & 11	15,487,505	5,239,022	10,108,140
Total Current Assets		125,614,125	136,706,363	120,743,306
Total Assets		324,541,594	310,895,416	309,802,823

EQUITY & LIABILITIES
Capital & Reserves:

Authorised Share Capital - JMD140,000,000

Share Capital	2(m) & 12	63,250,027	63,250,027	63,250,028
Revaluation Reserve	13	48,928,537	48,928,537	48,928,537
Retained Earnings		146,661,511	93,764,909	129,304,644
Total Capital		258,840,075	205,943,473	241,483,209


Long-Term Liabilities

Loans	14	14,554,854	12,433,025	15,233,019
Total Long-Term Liabilities		14,554,854	12,433,025	15,233,019

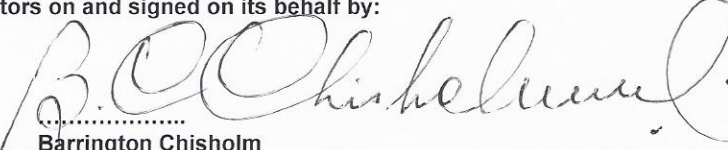
Current Liabilities

Current Portion of Long Term Loan	14	14,149,670	17,243,065	14,149,670
Accounts Payable & Accruals	15	36,996,994	71,092,090	38,936,925
Corporate Tax		-	4,183,763	-
Total Current Liabilities		51,146,665	92,518,918	53,086,595
Total Liabilities & Capital		324,541,594	310,895,416	309,802,823

Approved for issue by the Board of Directors on and signed on its behalf by:



Mark Chin
 Chairman



Barrington Chisholm
 Chairman, Audit Committee

AMG Packaging Paper Company Limited
Statement of Changes in Stockholders' Equity
November 30, 2012

2013

	Share Capital	Revaluation Reserves	Retained Earnings	Total
	\$	\$	\$	\$
Balance at September 01, 2012	63,250,028	48,928,537	129,304,644	241,483,209
Profit, being total Comprehensive Income for the period	-	-	17,356,866	17,356,866
Balance at November 30, 2012	63,250,028	48,928,537	146,661,510	258,840,075

2012

	Share Capital	Revaluation Reserves	Retained Earnings	Total
	\$	\$	\$	\$
Balance at September 01, 2011	63,250,027	48,928,537	81,638,555	193,817,119
Profit, being total Comprehensive Income for the period	-	-	12,126,354	12,126,354
Balance at November 30, 2011	63,250,027	48,928,537	93,764,909	205,943,473

AMG Packaging Paper Company Limited
Unaudited Statement of Comprehensive Income
3 months to November 30, 2012

	3 months to November 30, 2012	Audited August 31, 2012	3 months to November 30, 2011	Audited August 31, 2011
Turnover	105,814,447	357,461,714	89,372,445	308,921,086
Cost of Sales	(48,095,149)	(216,892,203)	(49,722,036)	(197,556,813)
Direct Expenses	(27,775,026)	(59,252,607)	(18,050,838)	(47,453,068)
Total Manufacturing Costs	(75,870,176)	(276,144,810)	(67,772,874)	(245,009,881)
Gross Profit	29,944,271	81,316,904	21,599,571	63,911,205
Expenses:				
Administrative	(11,379,537)	(33,135,823)	(7,665,875)	(19,465,469)
Financial	(793,634.81)	(4,428,516)	(1,543,873)	(2,461,553)
Directors Fees	(520,000)	(1,950,000)	(900,000)	-
Profit Before Tax	17,251,099	41,802,565	11,489,823	41,984,183
Other Income	105,767	5,863,523	636,531	602,783
Taxation	-	-		(11,321,573)
Gain on Revaluation				48,928,537
(Loss) Profit, Total Comprehensive Income for the period	17,356,866	47,666,088	12,126,354	80,193,930
No. of Shares Issued	102,378,857	102,378,857	102,378,857	82,670,290
EPS	0.17	0.47	0.12	0.38

AMG Packaging Paper Company Limited
Unaudited Statement of Cash Flow
For the 3 Months Ended November 30, 2012

	3 months to November 30, 2012	3 months to November 30, 2011
Cash Flows from operating activities		
Net Income	17,356,866	12,126,354
Items not affecting cash	1,869,740	1,327,935
Total Adjustments	<u>19,226,606</u>	<u>13,454,289</u>
Changes in non cash working capital components	(2,109,548)	(17,294,436)
Net Cash provided(used) by Operations	<u>17,117,058</u>	<u>(3,840,147)</u>
Cash Flows used in investing activities	<u>(18,282,801)</u>	<u>(37,900,766)</u>
Cash Provided by/(used)- Operating and Investing Activities	<u>(1,165,744)</u>	<u>(41,740,913)</u>
Cash Flows (used)/ Provided by financing activities	6,545,109.00	2,193,220
Net (Decrease)/IncreaseCash and Cash Equivalents	5,379,365	(39,547,693)
Cash and Cash Equivalents at beginning of year	<u>10,108,140</u>	<u>59,578,533</u>
Cash and Cash Equivalents at end of period	<u>15,487,505</u>	<u>20,030,840</u>

AMG PACKAGING & PAPER COMPANY LTD
NOTES TO FINANCIAL STATEMENTS
0-Jan-00

1 Identification and principal activities

- (a) The company was incorporated on the 26th of September 2005, under the Jamaica Companies Act and is a wholly owned Jamaican company. It's registered office is located at 9 Retirement Crescent, Kingston 5.
Under the Companies Act 2004 the company was re-registered as a public company in July 2011.

- (b) The company is engaged primarily in the manufacturing, distribution and retailing of cartons of varying sizes

(c) Stock Exchange Listing

The company has been listed on the Jamaica Junior Stock Exchange since July 14, 2011

2 Statement of Compliance, Basis of Preparation and Significant Accounting Policies

(i) Statement of compliance

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretation adopted by the International Accounting Standards Board, and have been prepared under the historical convention.

IFRS 7, Financial Instructions: Disclosures led to some changes in the qualitative and quantitative disclosures relating to credit risk. In particular, disclosure of the amount of the company's 'maximum exposure to credit risk without considering any collateral held' is now made only if the carrying amount of the financial assets does not already reflect such exposure.

Revised IAS 24, Related Party Disclosures introduced changes to related party disclosure requirements for government-related entities and amends the definitions of a related party. Aside from the change of the definition of a related party in note 2(ii) (f), this revision did not have any impact on the financial statements.

At the date of the financial statements there were standards which are in issue, but not yet effective. Those considered relevant to the company are as follows:

IFRS 9, Financial instruments (effective January 1, 2013). It introduces new requirements for classifying and measuring financial instruments. The standard also amends some of the requirements of *IFRS 7* financial instruments: disclosures

- Including added disclosures about investments in equity instruments through other comprehensive income.

IFRS 12, Disclosure of Interest on Other Entities is effective for annual reporting periods beginning on or after January 1, 2013. It contains disclosure requirements for entities that have interests in subsidiaries, joint arrangements, associates and /or unconsolidated structured entities. These require disclosures aim to provide information to enable users to evaluate the nature of, and risks associated with, an entity's interests in other entities and effects of those interests on the entities' financial position, financial performance and cash flows.

AMG PACKAGING & PAPER COMPANY LTD
NOTES TO FINANCIAL STATEMENTS
November 30, 2012

(ii) Basis of preparation

IAS 1, Presentation of Financial Statements: Presentation of Items of Other Comprehensive Income is effective for annual periods beginning on or after July 1, 2012. It has been amended to require an entity to present separately the items of other comprehensive income (OCI) that may be classified to profit or loss in the future from those that would never be reclassified to profit or loss. Consequently, an entity that presents items of OCI before related tax effects will also have to allocate the aggregated tax amount between the sections. The existing option to present the profit or loss and other comprehensive income in two statements has not changed. The title of the statement has changed from Statement of Comprehensive Income to Statement of Profit or loss and Other Comprehensive Income. However, an entity is still allowed to use other titles.

IFRS 13, 'Fair Value Measurement' (effective for annual periods beginning on or after 1 January 2013). The standard explains how to measure fair value for financial reporting. It defines fair value; sets out in a single IFRS a framework for measuring fair value; and requires value measurements. This standards applies to those standards that require or permits fair value measurements or disclosures about fair value measurements (and measurements, such as fair value less costs to sell, based on fair value or disclosures about those measurements), except in specified circumstances.

The Accounting Policies of the Company have remained unchanged from those set out in the annual Financial Statement as at August 31, 2012

(a) Reporting Currency

The amounts in these financial statements are expressed in Jamaican dollars, which is the primary currency in the country which it operates.

(b) Use of estimates

The preparation of the financial statements to conform to IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, contingent assets and liabilities at the date of the statement of Financial Position, and the income and expenses for the year then ended. Actual amounts may vary from the estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to the accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period of the revision and future periods if the revision affects both current and future periods.

(c) Judgement in evaluation of contingencies

For a contingent liability to qualify for recognition there must be a present obligation and the probability of an outflow of economic benefits to settle that obligation. In recognising contingent liabilities of the company, management determines the possibility of an outflow of resources and makes estimates of expenditure required to settle the present obligation at the reporting date.

No provision is made if management considers the possibility of any outflow in settlement to be remote.

(d) Inventories

Inventories are stated at the lower of cost and net realisable value and have been calculated on the First- In First -Out basis

AMG PACKAGING & PAPER COMPANY LTD
NOTES TO FINANCIAL STATEMENTS
November 30, 2012

(ii) Basis of Preparation Continued

(e) Depreciation

Depreciation is charged on the straight line basis at rates designed to write off the cost or valuation of assets over their useful lives. The first year is pro-rated based on date of acquisition. Rates are as follows:

Buildings	2.5%
Equipment	10%
Computer & Equipment	20%
Furniture & Fixtures	10%

(f) Related Parties

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

A party is related to the company, if:

- (i) directly or indirectly through one or more intermediaries, the party :
 - (a) is controlled by, or is under common control with, the company (this includes parties, subsidiaries and fellow subsidiaries)
 - (b) has an interest in the company that gives it significant influence over the entity: or
 - (c) has joint control over the company;
- (ii) the party is an associate of the company
- (iii) the party is a joint venture in which the company is a venturer;
- (iv) the party is a member of the key management personnel of the entity or its parent;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post -employment benefit plan for the benefit of employees of the company, or of any entity that is a related party of the entity.

The company has related party relationship with it's directors and key management personnel.

(g) Investments

Investment is carried in the financial statements at fair value. Gains and losses arising in changes in the market value of the investment is recorded in the Statement of Comprehensive Income in the period in which they arise.

(h) Tax Exemption Status

The company is currently listed on the Jamaica Junior Stock Exchange. This listing renders the company exempt from Income Tax for five years from the original listing in July 2011, with the proviso that the company remains on the Stock Exchange for at least fifteen years.

AMG PACKAGING & PAPER COMPANY LTD
NOTES TO FINANCIAL STATEMENTS
November 30, 2012

(ii) Basis of Preparation cont'd

(i) Foreign Currency Transaction

Foreign currency transactions are converted and included in the financial statements at the prevailing rate of exchange at the transaction date. Deposits held and liabilities in foreign currency at the date of the statement of financial position are adjusted to reflect the Jamaican equivalent as at that date. Exchange differences arising from settling income transactions are reflected in the statement of comprehensive income.

(j) Trade Receivables

A trade receivable is carried at invoiced amounts less provision made for impairment losses. Provision for impairment of trade receivable is established when there is sufficient evidence that the company will not be able to recover the full amounts in accordance with the original terms of the transaction.

(k) Borrowings & Borrowing costs

Borrowings are recognised initially at the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost and any difference between proceeds and redemption value is recognised in the Statement of Comprehensive income over the period of the borrowings. Borrowing costs are recognised in the period in which they are incurred.

(l) Cash & Cash Equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of the Statement of Cash flows, this is comprised of deposits, cash at bank and cash in hand.

(m) Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity.

(n) Revenue Recognition

Revenue is recognised in the income statement when it is probable that future economic benefit associated with the items of revenue will flow to the company and is able to be reliably measured. Revenue from the sale of goods are measured at fair value of the consideration received or receivable net of discounts and allowances.

(o) Interest Income

Interest income is recognised in the statement of comprehensive income for all interest bearing instruments on the accruals basis.

3 Financial Instruments

A Financial instrument is a contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another. Financial assets carried in the Statement of Financial Position include accounts receivable and cash. Bank overdraft and accounts payable are deemed financial liabilities.

AMG PACKAGING & PAPER COMPANY LTD
NOTES TO FINANCIAL STATEMENTS
November 30, 2012

(a) Interest Rate Risk

Interest rate risk arises when the value of a financial instrument fluctuates during a specified period due to changes in market interest rates.

The company is exposed to interest rate risk regarding loans and its bank balances as at November 30, 2012

(b) Credit Risks

Credit risk is the risk of exposure occasioned by one party to financial instruments when the other party fails to discharge an obligation thus causing the other party to suffer a financial loss. The company has policies in place to ensure that sale of products and services are made to customers with an appropriate credit history. The company is exposed to credit risks in respect of its receivables from other companies and individuals.

The maximum exposure to credit risk at the reporting date is represented by the carrying value amount of each financial asset as follows:

	<u>Carrying Amount</u>	
	<u>2012</u>	<u>2011</u>
	\$	\$
Cash equivalents	15,487,505	5,239,022
Receivables	44,108,877	51,597,927
Due from related parties	-	587,944
	<u>59,596,382</u>	<u>57,424,892</u>

(c) Foreign Currency Risk

A foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in the foreign exchange rates.

The company has direct exposure to foreign currency risk regarding United States dollar denominated savings account and foreign payables.

(d) Cash Flow Risk

Monetary financial instrument will fluctuate in amount. The company manages this risk by budgetary measure, ensuring that fluctuations in cash flows relating to the monetary financial assets and liabilities are matched, to mitigate any significant adverse cash flows.

(e) Liquidity Risk

Liquidity risk is that risk which a company faces when it encounters difficulty in raising funds to meet commitments associated with its financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at, or close to, its fair value. Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents, and the availability of funding through an adequate amount of committed facilities.

At November 30 2012, the company did not face any liquidity risks as indicated below:

AMG PACKAGING & PAPER COMPANY LTD
NOTES TO FINANCIAL STATEMENTS
November 30, 2012

(e) Liquidity Risk cont'd

<u>2012</u>				
<u>Assets</u>	Within 3 months	3 to 12 months	1 to 5 years	Total
Cash Resources	15,487,505			15,487,505
Investments	775,479			775,479
Other	44,108,877			44,108,877
Total	60,371,861	-	-	60,371,861
 <u>Liabilities</u>				
Loans		14,149,670	14,554,854	28,704,524
Payables	36,996,994	-	-	36,996,994
Taxation		-		-
Total	36,996,994	14,149,670	14,554,854	65,701,518
Total Liquidity GAP	23,374,868	(14,149,670)	(14,554,854)	(5,329,656)
Cumulative GAP	23,374,868	9,225,198	(5,329,656)	-

<u>2011</u>				
Total Liquidity GAP	(3,647,085)	(17,243,065)	(12,433,025)	(33,323,175)
Cumulative GAP	(3,647,085)	(20,890,150)	(33,323,175)	

AMG PACKAGING & PAPER COMPANY LTD
NOTES TO FINANCIAL STATEMENTS
November 30, 2012

4 <u>Investment</u>	<u>2012</u>	<u>2011</u>
	\$	\$
Stocks and Securities Limited		
BOJ Fixed Certificate of Deposit (5.75%), 2011 (6%)	<u>775,479</u>	<u>14,791,819</u>

This represents net proceeds from public issue of shares on July 14, 2011

5 <u>Deposit on Property & Equipment</u>	<u>2012</u>	<u>2011</u>
	\$	\$
Land & Building - 9 Retirement Crescent	47,127,246	32,716,350
Building structure/ frames	20,628,399	-
Equipment	<u>3,212,378</u>	<u>13,601,459</u>
	<u>70,968,022</u>	<u>46,317,809</u>

6 <u>Inventories</u>	<u>2012</u>	<u>2011</u>
	\$	\$
Raw Materials	65,274,277	78,772,788
Finished Goods	<u>743,465</u>	<u>239,581</u>
	<u>66,017,742</u>	<u>79,012,369</u>

7 <u>Accounts Receivable</u>	<u>2012</u>	<u>2011</u>
	\$	\$
Trade Receivables	42,066,040	50,442,372
Provision for bad debts	<u>(1,798,211)</u>	<u>(1,483,811)</u>
	40,267,829	48,958,561
Other Receivables	<u>3,841,049</u>	<u>2,639,366</u>
	<u>44,108,877</u>	<u>51,597,927</u>

	<u>Aged Trade Receivables</u>		
	<u>Within 1</u>	<u>31 to 60</u>	<u>Over 60</u>
	<u>Months</u>	<u>Days</u>	<u>Days</u>
			<u>Carrying</u>
<u>Balance at</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
November 30, 2012	<u>27,795,375</u>	<u>4,819,147</u>	<u>9,451,518</u>
November 30, 2011	<u>45,017,650</u>	<u>1,646,067</u>	<u>3,778,655</u>
			<u>50,442,372</u>

8 <u>Related Parties</u>	<u>2012</u>	<u>2011</u>
	\$	\$
Directors' Current Account	<u>-</u>	<u>587,944</u>
	<u>-</u>	<u>587,944</u>

AMG PACKAGING & PAPER COMPANY LTD
NOTES TO FINANCIAL STATEMENTS
November 30, 2012

9 Property, Plant & Equipment

<u>At cost</u>	Land \$	Building \$	Equipment \$	Motor Cycle \$	Computer & Equipment \$	Furniture & Fixtures \$	Total \$
Balance as at August 31, 2012	18,000,000	65,086,704	53,548,127	180,258	585,780	2,646,653	140,047,522
Additions	-	-	903,680	-	-	33,991	937,671
Balance as at November 30, 2012	18,000,000	65,086,704	54,451,807	180,258	585,780	2,680,644	140,985,193
<u>Accumulated depreciation</u>							
Balance as at August 31, 2012	-	3,161,867	7,797,634	-	291,493	680,491	11,931,485
Current year charges	-	406,792	1,361,295	5,633	29,289	66,732	1,869,740
Balance as at November 30, 2012	-	3,568,659	9,158,929	5,633	320,782	747,223	13,801,225
<u>Net Book Value</u>							
November 30, 2012	18,000,000	61,518,045	45,292,878	174,625	264,998	1,933,421	127,183,968
November 30, 2011	18,000,000	61,341,549	31,738,081	-	268,688	1,731,108	113,079,424

AMG PACKAGING & PAPER COMPANY LTD
NOTES TO FINANCIAL STATEMENTS
November 30, 2012

10 Tax Recoverable

Amount represents General Consumption Tax (GCT) recoverable from the collectorate based on the company's input tax in excess of its output tax.

11 Cash & Cash equivalent	<u>2012</u>	<u>2011</u>
	\$	\$
Bank of Nova Scotia Ja Ltd		
- Current account	4,450,621	3,798,058
- Savings account (US dollar denominated)	323,171	310,566
National Commercial Bank Limited		
- Current account	206,834	401,680
- Payroll account	297,457	32,728
Petty Cash	30,200	30,200
	<u>5,308,282</u>	<u>4,573,232</u>
Deposit:		
Alliance Investment Management Ltd - General accounts	10,179,222	665,790
	<u>15,487,505</u>	<u>5,239,022</u>

12 Share Capital	<u>2012</u>	<u>2011</u>
	\$	\$
Authorised:		
140,000,000 (2010 - 15,000,000) ordinary shares no par value		
Capital issued and fully paid-		
102,387,857 ordinary shares at no par value	63,250,028	69,354,803
Less: Transaction costs of issued shares	-	(6,104,775)
	<u>63,250,028</u>	<u>63,250,028</u>

(i) The company's authorised share capital was increased by five million dollars to 20 million dollars by the creation of 5 million ordinary shares of \$1.00 each. The new shares are to rank pari-passu with the existing shares.

(ii) By resolution on May 31, 2011, each ordinary share has been sub-divided into 7 ordinary shares such that the total issued shares of 20 million is now multiplied by 7 making a total of 140 million shares.

13 Revaluation Reserves

Revaluation reserve results from the difference between the revaluation of land, building and equipment and their carrying value at February 12, 2011. The valuation was carried out by professional appraisers Valerie Levy & Associates Limited and Stellar Caribbean (Ja.) Limited

AMG PACKAGING & PAPER COMPANY LTD
NOTES TO FINANCIAL STATEMENTS
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14 <u>Loans</u>	<u>2012</u>	<u>2011</u>
	\$	\$
Bank of Nova Scotia Jamaica Limited		
Loan 1	11,437,009	9,695,915
Loan 2	<u>9,720,365</u>	<u>12,433,025</u>
	21,157,374	22,128,940
Alliance Investment Management Limited	<u>7,547,150</u>	<u>7,547,150</u>
Total loans	28,704,524	29,676,090
Current portion of long -term loan	<u>14,149,670</u>	<u>17,243,065</u>
Long-term portion of loan	<u>14,554,854</u>	<u>12,433,025</u>

- (i) Loan 2 has a duration of 5 years and a moratorium period of four (4) months on the principal payments. This loan is at an interest rate of 8.95% per annum.
- (ii) Loans 3 & 4 are revolving loans and are expected to be repaid within 90 days, at an interest rate of 15% per annum.

Securities:

Bank of Nova Scotia Jamaica Limited

- (1) Assignment of Commercial All Risks policy in favour of the bank to cover replacement value of the machinery equipment
- (2) Second legal mortgage stamped an aggregate of \$25,600,000 and registered over commercial property located at lot # 30,10 Retirement Crescent, Kingston 5 and Lot B Collins Green, Kingston 5. Volume 1094 Folio 743 and Volume 1402 Folio 431 respectively. Appraised value of Real Estate pledged \$80,000,000 as at 1 March 2011.
- (3) Bill of sale stamped \$25,600,000, collateral to 2nd legal mortgage over the above property, and over the following machinery & equipments:
- i) Model: 2003 Dock stocker DSX40
 - ii) SG-3 Semi-auto gluing machine L1400x W2800mm; MS Strapping machine; Pallet jacks
 - iii) Two colors printer and rotary die cutting machine chain feeding.
 - iv) Machine spare parts

Alliance Investment Management Limited

Loan from Alliance Investment Management Limited is renewable each year and carries an interest rate of 9% per annum, secured by:
Letter of undertaking from M F & G Trust & Finance Limited.

AMG PACKAGING & PAPER COMPANY LTD
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<u>15 Accounts Payable & Accruals</u>	<u>2012</u>	<u>2011</u>
	\$	\$
Trade Payables	31,774,201	68,771,987
Accruals	3,818,864	912,615
Other Payables	389,070	588,934
Statutories Payable	1,014,859	818,553
	<u>36,996,994</u>	<u>71,092,090</u>

	<u>Aged Trade Payables</u>			
<u>Balance at</u>	<u>Within 1</u>	<u>31 to 60</u>	<u>Over 60</u>	<u>Amount</u>
	<u>Months</u>	<u>Days</u>	<u>Days</u>	<u>Due</u>
	\$	\$	\$	\$
November 30, 2012	31,496,072	62,981	215,148	31,774,201
November 30, 2011	48,848,051	4,926,987	14,996,949	68,771,987

16 Taxation

Taxation is comprised of company tax at 33 1/3% on the profit for the year after adjustments for tax purposes.

17 Turnover

Turnover represents total sales net of discounts and General Consumption Tax (GCT)

<u>18 Other Income</u>	<u>2012</u>	<u>2011</u>
	\$	\$
Interest income	105,767	636,531
	<u>105,767</u>	<u>636,531</u>

AMG PACKAGING & PAPER COMPANY LIMITED

TOP 10 SHAREHOLDERS AT 30 NOVEMBER 2012

Issued Ordinary shares

102,378,857

SHAREHOLDERS	SHAREHOLDINGS	%
RANKINSTON LIMITED	32,351,718	31.600
GEORGE HUGH HOLDINGS LIMITED	24,263,792	23.700
HEISS HOLDINGS LIMITED	24,263,792	23.700
MF&G TRUST AND FINANCE SIGMA VENTURE FUND	1,915,428	1.871
HAROLD SOLTAU	1,361,605	1.330
GERALD W. PURDY	850,000	0.830
VMBS A/C CONTRIBUTORY PENSION SCHEME	597,293	0.583
P.A.M. LTD SUPER CLUBS RESORT P/PLAN	597,293	0.583
METRY SEAGA	552,555	0.540
STOCKS AND SECURITIES PENSION PLAN	517,356	0.505
	87,270,832	85.243
NO. OF SHAREHOLDERS AT 30/11/2012	JCSD	343
	MAIN REGISTER	1
	TOTAL	344



GENERAL MANAGER'S REPORT

AMG Packaging & Paper Company Limited (AMG) is pleased to present its financial statements for the 3 months ended November 30, 2012.

AMG has continued its positive performance with an increase in key financial areas for the three month period. Revenues for the period ending November 30, 2012 increased by 18.4% to \$105.81 over the prior year. This was achieved as a result of an increase in units sold up 23.8% (4.8 million). The improvement in revenues allowed Gross Profit to increase by 38.63%, to \$29.94 million in spite of a 11.9% increase in manufacturing costs. Administrative expenses increased by 48.44% for the three month period, which still resulted in AMG producing Net Profit of \$17.35 million up 43.13% from the corresponding prior year period (\$12.12 million).

	3 months to November 30, 2012	3 months to November 30, 2011
Total Revenues	105,814,447	89,372,445
Gross Profit	29,944,271	21,599,571
Profit	17,356,866	12,126,354
Total Assets	324,541,594	310,895,416

Management remains extremely focused on managing manufacturing expenses as this performance was achieved in spite of increases in some areas that were critical at this time. The roof repairs as well as repairs to our equipments had to be addressed at this time. These costs contributed heavily to the increase shown of 11.9% in our manufacturing expenses.

A Corrugator specialist was brought in to evaluate and train our employees. The new clamp forklift should be in our factory for the New Year. This forklift will help minimize wastage due to damage to paper rolls when unloading the containers as well as the loading of rolls to the Corrugator. Completion of the roof repairs, as well as the installation of the new building should both be done by the end of the calendar year.


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Michael Chin
General Manager