



## MANAGEMENT DISCUSSION AND ANALYSIS

AMG Packaging & Paper Company Limited (AMG) presents its Unaudited Financial Statements for the 3rd Quarter ending May 31, 2022.

### Sept 1, 2021 – May 31, 2022 compared to Sept 1, 2020 – May 31, 2021

- Revenues for the period to May 31, 2022, increased by 45.09%, moving from \$508.89 million to \$738.38 million.
- Gross Profit for the period to May 31, 2022, increased by 32.28%, moving from \$150.16 million to \$198.62 million.
- Total Manufacturing Costs for the period to May 31, 2022, increased by 50.45%, moving from \$358.74 million to \$539.76 million.
- Total Expenses for the period to May 31, 2022, decreased by .08%, moving from \$105.91 million to \$105.01 million.
- Net Income for the period to May 31, 2022, showed an increase of 93.21%, moving from \$48.59 million to \$93.89 million.

	9 Months Ending May 31, 2022	9 Months Ending May 31, 2021
<b>Total Revenue</b>	<b>738,379,710</b>	<b>508,893,881</b>
<b>Gross Profit</b>	<b>198,619,161</b>	<b>150,155,669</b>
<b>Net Income Before Tax</b>	<b>93,890,700</b>	<b>48,594,100</b>
<b>Total Assets</b>	<b>978,468,083</b>	<b>812,246,231</b>

### March 1, 2022 – May 31, 2022 compared to March 1, 2021 – May 31, 2021

- Revenues for Q3 2022 increased by 47.55%, moving from \$170.49 million to \$251.57 million.
- Gross Profit for Q3 2022 increased by 10.48%, moving from \$57.60 million to \$63.64 million.
- Total Manufacturing Costs for Q3 2022 increased by 66.47%, moving from \$112.89 million to \$187.93 million.
- Total Expenses for Q3 2022 increased by 4.88%, moving from \$34.42 million to \$36.10 million.

- Net Income for Q3 2022 increased by 13.25%, moving from \$24.33 million to \$27.55 million.

	<b>3 Months Ending May 31, 2022</b>	<b>3 Months Ending May 31, 2021</b>
<b>Total Revenue</b>	<b>251,568,128</b>	<b>170,490,276</b>
<b>Gross Profit</b>	<b>63,637,648</b>	<b>57,599,833</b>
<b>Net Income Before Tax</b>	<b>27,553,296</b>	<b>24,328,640</b>
<b>Total Assets</b>	<b>978,468,083</b>	<b>812,246,231</b>

Shipping challenges as far as delays and costs continue to have a negative impact on our operations. The shortage of paper rolls on the world market continues to be an issue also.

During the period, we acquired a generator to power the facilities at our new warehouse. This is due to JPS inability to provide service to our new location.

The Management team is continuously monitoring the effects of the Covid Pandemic as well as the war in Ukraine.

We would like to thank all our customers for their continued support.



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George Hugh  
Managing Director