

**AMG Packaging Paper Company Limited**  
**Unaudited Statement of Comprehensive Income**  
**Period Ended August 31, 2022**

	Unaudited 3 months to August 31, 2022	Unaudited 12 months to August 31, 2022	Unaudited 3 months to August 31, 2021	Unaudited 12 months to August 31, 2021
	\$			
<b>Turnover</b>	257,319,945	995,703,160	197,018,721	705,912,603
<b>Cost of Inventories</b>	(141,952,471)	(557,126,201)	(104,061,883)	(371,753,427)
<b>Direct Costs</b>	(40,708,738)	(165,538,034)	(37,795,090)	(128,841,758)
<b>Total Manufacturing Costs</b>	<u>(182,661,210)</u>	<u>(722,664,235)</u>	<u>(141,856,973)</u>	<u>(500,595,185)</u>
<b>Gross Profit</b>	74,658,735	273,038,925	55,161,748	205,317,418
<b>Expenses:</b>				
<b>Administrative</b>	(27,058,230)	(96,359,753)	(22,433,251)	(86,890,337)
<b>Financial</b>	(1,620,000)	(6,877,030)	(2,001,686)	(8,204,018)
<b>Directors Fees</b>	(2,720,000)	(11,440,000)	(3,680,000)	(11,840,000)
<b>Difference in exchange - Gain/(Loss)</b>	(575,742)	(676,198)	703,731	(3,955,741)
<b>Disposal of Fixed assets</b>	(2,987,744)	(2,987,744)	-	-
<b>Depreciation</b>	(8,385,385)	(30,020,352)	(5,931,431)	(24,389,310)
<b>Impairment Loss</b>	(1,841,963)	(1,841,963)	(5,362,665)	(5,362,665)
<b>Total Expenses</b>	<u>(45,189,064)</u>	<u>(150,203,040)</u>	<u>(38,705,302)</u>	<u>(140,642,070)</u>
<b>Profit Before Tax</b>	29,469,672	122,835,886	16,456,446	64,675,347
<b>Other Income</b>	4,842	290,357	4,041,213	4,416,413
<b>Net Income before tax</b>	29,474,514	123,126,243	20,497,660	69,091,760
<b>Income Tax</b>	(2,272,659)	(15,760,494)	(2,494,250)	(8,502,984)
<b>Net Income after tax</b>	27,201,855	107,365,749	18,003,410	60,588,776
<b>No. of Shares Issued</b>	511,894,285	511,894,285	511,894,285	511,894,285
<b>Basic EPS</b>	\$ 0.05	\$ 0.21	\$ 0.04	\$ 0.12

**AMG Packaging Paper Company Limited**  
**Unaudited Statement of Financial Position**  
**Period Ended**  
**August 31, 2022**

<b>ASSETS EMPLOYED</b>	<b>Notes</b>	<b>Unaudited August 2022 \$</b>	<b>Audited August 2021 \$</b>
Property, Plant & Equipment	4	482,265,261	361,803,023
Construction Work in Progress		-	63,986,930
<b>Current Assets</b>			
Inventories	5	393,727,257	221,004,137
Equipment in Transit		-	33,147,018
Deposit on Equipment		-	
Accts Receivable Net Allowance	6	122,909,616	95,599,515
Cash & Cash Equivalents	7	122,522,826	130,565,192
Total Current Assets		639,159,699	480,315,862
Total Assets		<u>1,121,424,960</u>	<u>906,105,815</u>

**EQUITY & LIABILITIES**

**Capital & Reserves:**

**Authorised Share Capital - JMD700,000,000**

Share Capital	8	63,250,029	63,250,029
Revaluation Reserve		110,939,543	110,939,543
Retained Earnings		541,118,486	433,752,737
Total Capital		715,308,058	607,942,309

**Long-Term Liabilities**

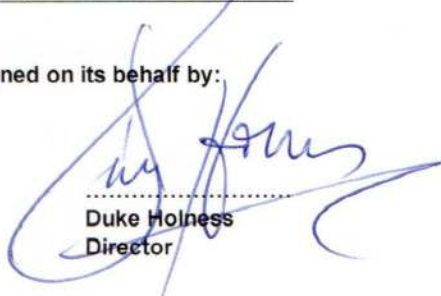
Deferred Tax		30,133,815	30,133,815
Loans	9	77,500,000	87,500,000
Lease Liabilities		13,704,292	10,675,454
Total Long-Term Liabilities		121,338,108	128,309,269

**Current Liabilities**

Current Portion of Long Term Loan	9	10,000,000	16,330,832
Lease Liabilities		3,737,355	2,101,056
Accounts Payable & Accruals	10	259,665,592	142,534,928
Income Tax		11,375,848	8,887,421
Total Current Liabilities		284,778,795	169,854,237
Total Liabilities & Capital		<u>1,121,424,960</u>	<u>906,105,815</u>

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

  
 Metry Seaga  
 Chairman

  
 Duke Holness  
 Director

**AMG Packaging Paper Company Limited**  
**Unaudited Statement of Changes in Equity**  
**Period Ended August 31, 2022**

**Q4 -2022**

	Share Capital	Revaluation Reserves	Retained Earnings	Total
	\$	\$	\$	\$
<b>Notes</b>				
Balance at September 01, 2021	63,250,029	110,939,543	433,752,737	607,942,309
Profit for the period	-	-	107,365,749	107,365,749
Balance at August 31, 2022	63,250,029	110,939,543	541,118,486	715,308,058

**Q4 -2021**

	Share Capital	Revaluation Reserves	Retained Earnings	Total
	\$	\$	\$	\$
Balance at September 01, 2020	63,250,029	112,310,636	373,163,961	548,724,626
Profit for the period	-	-	60,588,776	60,588,776
revaluation adjustment	-	(1,371,093)	-	(1,371,093)
Balance at August 31, 2021	63,250,029	110,939,543	433,752,737	607,942,309

**AMG Packaging Paper Company Limited**  
**Unaudited Cash Flow**  
**Period Ended August 31, 2022**

	Aug 2022	Aug 2021
	\$	\$
Profit for the Year	107,365,749	60,588,776
Adjustments for:		
Interest Expense	8,702,814	9,905,856
Depreciation	25,478,889	19,847,845
Depreciation -Right of Use Assets	4,541,463	4,459,130
Disposal of Fixed Assets	2,987,744	2,142,095
Impairment Loss	1,841,963	
Tax Provision	15,760,494	8,502,981
	<u>166,679,116</u>	<u>105,446,683</u>
Changes in operating Assets and Liabilities:		
( Increase) Decrease in inventories	(172,723,121)	(113,576,305)
Decrease (Increase) in Receivables	(29,152,061)	(9,632,182)
Increase (Decrease) in Payables & Accruals	117,130,664	37,333,864
	<u>81,934,598</u>	<u>19,572,060</u>
Principal Paid on Lease Liabilities	(3,324,731)	(3,157,102)
Interest Paid on Lease Liabilities	(1,825,785)	(1,701,839)
Tax Paid	(13,272,069)	(3,271,521)
Net cash flows provided by operating activities	<u>63,512,013</u>	<u>11,441,598</u>
<u>Cash Flow from Investing activities</u>		
Purchase of Property, Plant & Equipment	(48,346,517)	(21,485,613)
Construction Work in Progress	-	(63,986,930)
Deposit on Equipment	-	
Equipment in Transit	-	(33,147,018)
Net cash flow used in Investing activities	<u>(48,346,517)</u>	<u>(118,619,561)</u>
<u>Cash Flow from Financing Activities</u>		
Loan Payments	(16,282,445)	(13,269,232)
Interest Paid	(6,925,417)	(8,277,386)
Net cash flow used in Financing activities	<u>(23,207,862)</u>	<u>(21,546,618)</u>
Net increase(decrease) in cash & cash equivalents	(8,042,366)	(128,724,581)
Cash & Cash equivalents at beginning of the year	130,565,192	259,289,773
Cash & Cash equivalents at end of the year (note 7)	<u>122,522,826</u>	<u>130,565,192</u>

**AMG PACKAGING & PAPER COMPANY LTD**  
**NOTES TO FINANCIAL STATEMENTS**  
**August 31, 2022**

**1 Identification and principal activities**

**AMG Packaging & Paper Company Limited "the company"**

- (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.

The company was re-registered in July 2011 under the Companies Act 2004 as a public company

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

- (c) Stock Exchange Listing

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

**2 Reporting Currency**

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

**3 Statement of Compliance, Basis of Preparation and Significant Accounting Policies**

- (a) 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.

- (b) Basis of Preparation and Significant Accounting Policies

These statements have been prepared using historical cost basis except for certain financial instruments that are measured at fair value as explained in the accounting policies below.

Historical cost is generally based on fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between marketing participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

In addition, for financial reporting purposes, fair value measurement are categorised into level 1,2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follow:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at the measurement date.

Level 2 inputs are inputs, other than quoted prices included within Level , that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

**AMG PACKAGING & PAPER COMPANY LTD**  
**NOTES TO FINANCIAL STATEMENTS**  
**August 31, 2022**

**New and Revised IFRSs' in issue but not yet effective**

The Company has not applied the following new and revised IFRSs' that have been issued but are not yet effective:

IFRS 17

Insurance Contracts  
Effective for annual periods beginning on or after Jan 1, 2021

Amendments to IFRS 4

Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts  
Effective for annual periods beginning on or after Jan 1, 2021

The Accounting Policies of the Company have remained unchanged from those set out in the annual Financial Statements as at August 31, 2021

AMG PACKAGING & PAPER COMPANY LTD  
NOTES TO FINANCIAL STATEMENTS  
August 31, 2022

**Financial Risk Management**

**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 faces significant interest rate risk in respect to loans and investments

**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 is exposed to credit risk at August 31, 2022 in respect to receivables from other companies

**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.

**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 August 31, 2022 the company faced liquidity risks as indicated below:

**AMG PACKAGING & PAPER COMPANY LTD**  
**NOTES TO FINANCIAL STATEMENTS**  
**August 31, 2022**

**Liquidity Risk cont'd**

Assets	Q4- 2022				Total
	Within 3 months	4 to 12 months	1 to 5 years	Over 5 years	
Cash Resources	\$ 122,522,826	\$ -	\$ -	\$ -	122,522,826
Other	518,674,121	3,100,366	-	-	521,774,487
<b>Total</b>	<b>641,196,947</b>	<b>3,100,366</b>	<b>-</b>	<b>-</b>	<b>644,297,313</b>
<b>Liabilities</b>					
Loans	2,500,000	7,500,000	77,500,000	-	87,500,000
Lease Liabilities	888,575	2,848,781	13,704,292	-	17,441,648
Payables	238,664,724	21,000,868	-	-	259,665,592
<b>Total</b>	<b>242,053,298</b>	<b>31,349,649</b>	<b>91,204,292</b>	<b>-</b>	<b>364,607,239</b>
<b>Total Liquidity GAP</b>	<b>399,143,649</b>	<b>(28,249,283)</b>	<b>(91,204,292)</b>	<b>-</b>	<b>279,690,074</b>
<b>Cumulative GAP</b>	<b>399,143,649</b>	<b>370,894,366</b>	<b>279,690,074</b>	<b>279,690,074</b>	<b>-</b>
<b>Q4 - 2021</b>					
<b>Total Liquidity GAP</b>	<b>300,732,033</b>	<b>(11,112,227)</b>	<b>(97,426,246)</b>	<b>(865,014)</b>	<b>191,328,546</b>
<b>Cumulative GAP</b>	<b>300,732,033</b>	<b>289,619,806</b>	<b>192,193,560</b>	<b>191,328,546</b>	<b>-</b>

**c. IFRS 16**

**IFRS 16 Leases Effective 1 January 2019, IFRS 16 has replaced IAS 17 Leases and IFRIC 4 Determining whether an Arrangement Contains a Lease**

IFRS 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, together with options to exclude leases where the lease term is 12 months or less, or where the underlying asset is of low value. IFRS 16 substantially carries forward the lessor accounting in IAS 17, with the distinction between operating leases and finance leases being retained. The Company does not have leasing activities acting as a lessor.

The lease liabilities were measured at the present value of the remaining lease payments, discounted using the rate implicit in the Lease contract.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Company is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on balance outstanding and are reduced for lease payments made.

Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

Lease liabilities are remeasured when there is a change in future lease payments arising from a change in an index or rate or when there is a change in the assessment of the term of any lease.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment, while interest expense is in finance costs.



**AMG PACKAGING & PAPER COMPANY LTD**  
**NOTES TO FINANCIAL STATEMENTS**  
**August 31, 2022**

d. **Property, Plant and Equipment**

This standard shall be applied in accounting for property, plant and equipment except when another standard requires or permits a different accounting treatment.

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

- (a) It is probable that future economic benefits associated with the item will flow to the entity; and
- (b) The cost of the item can be measured reliably

Items of property, plant and equipment may be acquired for safety or environmental reasons. The acquisition of such property, plant and equipment, although not directly increasing the future economic benefits of any particular existing item or property, plant and equipment, may be necessary for an entity to obtain the future economic benefits from its other assets. Such items of property, plant and equipment qualify for recognition as assets because they enable an entity to derive future economic benefits from related assets in excess of what could be derived had those items not been acquired,

An item of property, plant and equipment that qualifies for recognition as an asset shall be measured at its cost.

An entity shall choose either the cost model or the revaluation model as its accounting policy and shall apply that policy to an entire class of property, plant and equipment.

Revaluation:

After recognition as an asset, an item of property, plant and equipment whose fair value can be measured reliably shall be carried at a revalued amount, being fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment loss. Revaluations shall be made sufficient regularly to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

When an item of property, plant and equipment is revalued, the carrying amount of that asset is adjusted to the revalued amount. At the date of revaluation, the asset is treated in one of the following ways:

- (a) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset. The accumulated depreciation at the date of the revaluation is adjusted to equal the difference between the gross carrying amount and that carrying amount of the asset after taking into account accumulated impairment losses; or

**AMG PACKAGING & PAPER COMPANY LTD**  
**NOTES TO FINANCIAL STATEMENTS**  
**August 31, 2022**

**Property, Plant and Equipment (cont'd)**

(b) the accumulated depreciation is eliminated against the gross carrying amount of the asset.

After recognition as an asset, an item of property, plant and equipment shall be carried at its cost less any accumulated depreciation and any accumulated impairment losses.

The depreciation charge for each period shall be recognised in profit or loss unless it is included in the carrying amount of another asset.

The company recognises depreciation under the expense heading of "depreciation".

The depreciable amount of an asset shall be allocated on a systematic basis over its useful life.

The depreciation method used by the company is the straight line basis and is designed to write off the assets over its useful life.

Rates are as follows:

Buildings	2.5%
Machinery & Equipment	10%
Computer	20%
Furniture & Fixtures	10%
Motor Vehicle	12.5%

Repairs and Maintenance expenditures are charged to the profit or loss in the statement of comprehensive income during the financial period in which they are incurred.

Inventories include assets held for sale in the ordinary course of business (finished goods), assets in the production process for sale in the ordinary course of business (work in progress) and materials and supplies that are consumed in production (raw materials), [IAS 2.6]

e. **Inventory**

Inventories are stated at the lower of cost and net realisable (NRV) value.

Cost should include all:

- (i) costs of purchase (including taxes, transport, and handling) net of trade discounts received
- (ii) costs of conversion (including fixed and variable manufacturing overheads) and
- (iii) other costs incurred in bringing the inventories to their present location and condition

NRV is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

Any write-down to NRV should be recognised as an expense in the period in which the write-down occurs. Any reversal should be recognised in the income statement in the period in which the reversal occurs.

**AMG PACKAGING & PAPER COMPANY LTD**  
**NOTES TO FINANCIAL STATEMENTS**  
**August 31, 2022**

f. Cash & Cash Equivalents

Cash and cash equivalents are held for the purpose of meeting short term commitments rather than for investments for other purposes. For an investment to qualify it must be convertible to a known amount of cash and be subject to an insignificant risk of change in value, An investment normally qualifies as a cash equivalent when it has a short maturity of three months or less from date of acquisition

g. Revenue

This standard outlines the accounting requirements as to when to recognise revenue from the sale of goods, rendering of services, and for interest, royalties and dividends. Revenue is measured at fair value of the consideration received or receivable and recognised when prescribed conditions are met, which depend on the nature of the revenue.

The company's main revenue source is manufactured and printed boxes which is recognised on the Sales -basis method. Under this method revenue is recognised at the time of sale, which is defined as the moment when title of the goods is transferred to the buyer. The company recognises other income when rights and obligations have been transferred to the entity.

h. Effects of changes in foreign exchange rates

An entity may carry on foreign activities in two ways. It may have transactions in foreign currencies or it may have foreign operations.

This Standard shall be applied:

(a) In accounting for transactions and balances in foreign currencies, except for those derivative transactions and balances that are within the scope of IFRS 9 Financial Instruments;

(b) In translating the results and financial position of foreign operations that are included in the financial statements of the entity by consolidation or equity method; and

(c) In translating an entity's results and financial position into a presentation currency.

This company owns a foreign currency savings account which is subject to changes in exchange rate.

A foreign currency transaction shall be recorded, on initial recognition in the functional currency, by applying to the foreign exchange amount the spot exchange rate between the functional currency and foreign currency at the date of the transaction.

At the end of each reporting period foreign currency monetary items shall be translated using the closing rate.

**AMG PACKAGING & PAPER COMPANY LTD**  
**NOTES TO FINANCIAL STATEMENTS**  
**August 31, 2022**

i. **Related Party Disclosures**

The objective of this standard is to ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances, including commitments, with such parties.

**A related party** is a person or entity that is related to the entity that is preparing the financial statements (in this standard referred to as the 'reporting entity').

(a) A person or a close member of that person's family is related to a reporting entity if that person:

- (i) has control or joint control of the reporting entity;
- (ii) has significant influence over the reporting entity; or

(b) An entity is related to a reporting entity if any of the following condition apply:

- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary, fellow subsidiary is related to the others)
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of reporting entity.

**A related party transaction** is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

**AMG PACKAGING & PAPER COMPANY LTD**  
**NOTES TO FINANCIAL STATEMENTS**  
August 31, 2022

**4 Property, Plant & Equipment**

	Land & Buildings	Equipment	Right of Use Assets	Computer & Equipment	Furniture & Fixtures	Total
	\$	\$	\$	\$	\$	\$
<b>At cost</b>						
Balance as at September 1, 2021	292,457,196	134,245,422	18,797,577	5,480,608	12,356,602	463,337,405
Additions	73,374,104	69,874,419	7,989,869	1,371,426	860,515	153,470,333
Disposal	-	(7,357,144)	(2,748,484)	(536,392)	(175,754)	(10,817,772)
Balance as at August 31, 2022	<u>365,831,300</u>	<u>196,762,697</u>	<u>24,038,963</u>	<u>6,315,642</u>	<u>13,041,364</u>	<u>605,989,967</u>
<b>Accumulated depreciation</b>						
Balance as at September 1, 2021	22,428,712	58,468,716	7,830,697	3,960,246	8,846,011	101,534,382
Current year charges	6,832,589	16,861,021	4,541,463	724,961	1,060,319	30,020,353
Disposal	-	(4,374,406)	(2,748,484)	(536,392)	(170,748)	(7,830,029)
Balance as at August 31, 2022	<u>29,261,301</u>	<u>70,955,331</u>	<u>9,623,677</u>	<u>4,148,816</u>	<u>9,735,582</u>	<u>123,724,706</u>
<b>Net Book Value</b>						
Balance as at August 31, 2022	<u>336,569,999</u>	<u>125,807,366</u>	<u>14,415,286</u>	<u>2,166,827</u>	<u>3,305,782</u>	<u>482,265,261</u>
Balance as at August 31, 2021	<u>270,028,484</u>	<u>75,776,706</u>	<u>10,966,880</u>	<u>1,520,362</u>	<u>3,510,591</u>	<u>361,803,023</u>

**AMG PACKAGING & PAPER COMPANY LTD**  
**NOTES TO FINANCIAL STATEMENTS**

August 31, 2022

**5 Inventories**

	\$	Q4 -2022	\$	Q4 -2021
Raw Materials		375,869,630		208,577,843
Finished Goods		7,040,437		5,074,231
Spare Parts		10,817,189		6,292,976
Goods in transit		-		1,059,087
		<u>393,727,257</u>		<u>221,004,137</u>

**6 Accounts Receivable**

	\$		\$
Trade Receivables		101,270,828	85,500,794
Provision for bad debts		<u>(5,137,614)</u>	<u>(9,456,274)</u>
		96,133,214	76,044,520
Prepayments		20,861,628	13,046,811
Other Receivables		<u>5,914,774</u>	<u>6,508,184</u>
		<u>122,909,616</u>	<u>95,599,515</u>

**Aged Trade Receivables**

	Within 1	31 to 60	Over 60	Carrying
	Month	Days	Days	Value
	\$	\$	\$	\$
<u>Balance at</u>				
31-Aug-22	<u>88,906,184</u>	<u>9,264,278</u>	<u>3,100,366</u>	<u>101,270,828</u>
31-Aug-21	<u>72,519,292</u>	<u>7,599,573</u>	<u>5,381,929</u>	<u>85,500,794</u>

**AMG PACKAGING & PAPER COMPANY LTD**  
**NOTES TO FINANCIAL STATEMENTS**  
**August 31, 2022**

<b>7 <u>Cash &amp; Cash equivalents</u></b>	<b><u>Q4 -2022</u></b>	<b><u>Q4-2021</u></b>
	<b>\$</b>	<b>\$</b>
Bank of Nova Scotia Ja Ltd		
- Current accounts	21,227,058	23,193,494
- Savings account (US dollar denominated)	69,531,670	25,750,890
National Commercial Bank Limited		
- Current accounts	21,037,850	5,132,875
Alliance Investments		
- Cash Securities(denominated in United States Dollars)		8,929,594
- Repurchase Agreement		1,124,091
Sagicor Investments		
- Cash Securities(denominated in United States Dollars)	8,838,137	
- Repurchase Agreement	1,131,986	
JN Bank		
- Savings Account	706,124	706,124
Proven Wealth		
- Cash Securities(denominated in United States Dollars)	-	65,520,084
Cash	50,000	208,040
	<u>122,522,826</u>	<u>130,565,191</u>
<b>8 <u>Share Capital</u></b>	<b>\$</b>	<b>\$</b>
Authorised:		
700,000,000 ordinary shares at no par value		
Capital issued and fully paid-		
511,894,285 ordinary shares at no par value	63,250,029	63,250,029

**AMG PACKAGING & PAPER COMPANY LTD**  
**NOTES TO FINANCIAL STATEMENTS**  
**August 31, 2022**

9 <u>Long-term Loans</u>	<u>Q4-2022</u>	<u>Q4-2021</u>
	\$	\$
Bank of Nova Scotia Jamaica Limited		
Loan 1	-	6,282,445
Loan 2	87,500,000	97,500,000
Accrued Interest	-	48,388
Total loans	87,500,000	103,830,833
Current portion of loans incl accrued interest	10,000,000	16,330,833
Long-term portion of loans	<u>77,500,000</u>	<u>87,500,000</u>

- (i) Loan 1- extended for an additional 2 years, this will result in the facility being repaid over 7 years in keeping with the original amortization structure ( funding by the Development Bank of Jamaica (DBJ) with the Bank of Nova Scotia Jamaica Limited as the approved Financial Institution). Interest rate: 8% per annum
- (ii) Bond Issue of JMD100 Million, bearing interest at a fixed rate of 7.20% p.a. Maturing August 2026

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 & equipment:
  - 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



**AMG PACKAGING & PAPER COMPANY LTD**  
**NOTES TO FINANCIAL STATEMENTS**  
August 31, 2022

9 cont'd

(4) Joint and several Demand Debenture to be stamped \$202,000,000 from AMG Packaging and Paper Company Limited, creating a first Charge over fixed assets, and a floating charge over other assets of the company supported by:—

- First, Second and Third Legal Mortgages to be stamped \$202,000,000 jointly over Commercial Premises located at (a) 9B Retirement Crescent registered in the name AMG Packaging and Paper Company Limited. (b) 10 Retirement Crescent registered in the name of AMG Packaging and Paper Company Limited and collateral to the aforementioned Demand Debenture

(5) Assignment of "All Risk" insurance coverage over 9B Retirement Crescent for the full replacement (covers over building, inventory, furniture, fixtures and equipment owned by the company)

10 Accounts Payable & Accruals

	<u>Q4-2022</u>	<u>Q4-2021</u>
	\$	\$
Trade Payables	226,887,410	116,767,048
Accruals	24,630,461	19,590,279
Other Payables	5,712,027	3,915,082
Statutory Payables	2,072,315	1,922,729
Dividends	363,379	366,833
	259,665,592	142,561,972

	<u>Aged Trade Payables</u>			
	<u>Within 1</u> <u>Months</u>	<u>31 to 60</u> <u>Days</u>	<u>Over 60</u> <u>Days</u>	
<u>Balance at</u>	\$	\$	\$	\$
31-Aug-22	225,562,968	675,944	648,499	226,887,410
31-Aug-21	115,975,498	22,490	769,060	116,767,048