



## MANAGEMENT DISCUSSION AND ANALYSIS

AMG Packaging & Paper Company Limited (AMG) presents its Unaudited Financial Statements for the 1st Quarter ending November 30, 2022.

### FINANCIAL RESULTS

- Revenues for the period to November 30, 2022, decreased by 5.83%, moving from \$270.00 million to \$254.27 million.
- Gross Profit for the period to November 30, 2022, decreased by 0.57%, moving from \$73.92 million to \$73.50 million.
- Total Manufacturing Costs for the period to November 30, 2022, decreased by 7.81%, moving from \$196.08 million to \$180.78 million.
- Total Admin. Expenses for the period to November 30, 2022, increased by 53.69%, moving from \$28.56 million to \$43.89 million.
- Net Income before Tax for the period to November 30, 2022, showed a decrease of 35.06%, moving from \$45.60 million to \$29.61 million.
- The decrease in Net Income is attributable to the significant increase in our depreciation expense due to the revaluation exercise at the end of the last financial year as well as a turnaround in the foreign exchange gain in the previous year to a loss this quarter.

	3 Months Ending November 30, 2022	3 Months Ending November 30, 2021
<b>Total Revenue</b>	<b>254,272,495</b>	<b>270,001,606</b>
<b>Gross Profit</b>	<b>73,497,443</b>	<b>73,918,105</b>
<b>Net Income Before Tax</b>	<b>29,608,889</b>	<b>45,596,516</b>
<b>Total Assets</b>	<b>1,580,049,706</b>	<b>971,392,825</b>

Prices of paper on the world market as well as shipping costs have somewhat stabilized. We are cautiously optimistic that this trend will continue for 2023.

We would like to wish all our customers a Happy New Year.

Thanks for your continued support.



.....  
George Hugh  
Managing Director

**AMG Packaging Paper Company Limited**  
**Unaudited Statement of Comprehensive Income**  
**Period Ended November 30, 2022**

	Unaudited 3 months to November 30, 2022	Unaudited 3 months to November 30, 2021	Audited Year Ended August 31, 2022
	\$		
<b>Turnover</b>	254,272,495	270,001,606	995,703,160
<b>Cost of Inventories</b>	(135,956,268)	(155,990,413)	(557,126,201)
<b>Direct Costs</b>	(44,818,785)	(40,093,089)	(165,538,034)
<b>Total Manufacturing Costs</b>	(180,775,053)	(196,083,501)	(722,664,235)
<b>Gross Profit</b>	73,497,443	73,918,105	273,038,925
<b>Expenses:</b>			
<b>Administrative</b>	(26,417,058)	(22,155,834)	(96,359,759)
<b>Financial</b>	(2,096,018)	(2,264,591)	(6,877,030)
<b>Directors Fees</b>	(2,720,000)	(2,720,000)	(11,440,000)
<b>Difference in exchange - Gain/(Loss)</b>	(2,497,074)	4,681,112	(676,198)
<b>Disposal of Fixed assets</b>	-	-	(2,987,744)
<b>Depreciation</b>	(10,159,307)	(6,098,597)	(30,020,353)
<b>Impairment Loss</b>	-	-	(1,841,963)
<b>Total Expenses</b>	(43,889,456)	(28,557,910)	(150,203,047)
<b>Profit Before Tax</b>	29,607,986	45,360,194	122,835,878
<b>Other Income</b>	903	236,321	290,357
<b>Net Income before tax</b>	29,608,889	45,596,516	123,126,235
<b>Income Tax</b>	(4,971,025)	(10,321,401)	(18,193,360)
<b>Net Income after tax</b>	24,637,865	35,275,115	104,932,875
<b>No. of Shares Issued</b>	511,894,285	511,894,285	511,894,285
<b>Basic EPS</b>	\$ 0.05	\$ 0.07	\$ 0.20

**AMG Packaging Paper Company Limited**  
**Unaudited Statement of Financial Position**  
**Period Ended November 30, 2022**

		<u>Unaudited</u> November 2022	<u>Unaudited</u> November 2021	<u>Audited</u> August 2022
ASSETS EMPLOYED	<u>Notes</u>	\$	\$	\$
Property, Plant & Equipment	4	1,078,877,891	468,404,291	1,088,664,117
<b>Current Assets</b>				
Inventories	5	317,673,404	206,769,358	393,727,252
Deposit on Equipment		-	9,938,530	-
Accts Receivable Net Allowance	6	122,509,327	151,117,793	122,909,615
Cash & Cash Equivalents	7	60,989,083	135,162,853	122,522,825
Total Current Assets		501,171,815	502,988,534	639,159,692
Total Assets		1,580,049,706	971,392,825	1,727,823,809

**EQUITY & LIABILITIES**

**Capital & Reserves:**

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

Share Capital	8	63,250,029	63,250,029	63,250,029
Revaluation Reserve		581,267,289	110,939,543	581,267,289
Retained Earnings		563,323,477	469,027,852	538,685,612
Total Capital		1,207,840,795	643,217,424	1,183,202,930

**Long-Term Liabilities**

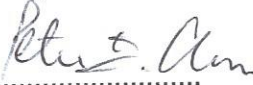
Deferred Tax		168,637,792	30,133,815	168,637,792
Loans	9	75,000,000	85,000,000	77,500,000
Lease Liabilities		12,732,520	16,553,073	13,704,292
Total Long-Term Liabilities		256,370,313	131,686,889	259,842,084

**Current Liabilities**

Current Portion of Long Term Loan	9	10,000,000	13,619,445	10,000,000
Lease Liabilities		3,820,552	3,493,376	3,737,355
Accounts Payable & Accruals	10	89,447,296	161,666,867	259,665,592
Income Tax		12,570,750	17,708,825	11,375,848
Total Current Liabilities		115,838,598	196,488,513	284,778,795
Total Liabilities & Capital		1,580,049,706	971,392,825	1,727,823,809

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

  
 Metry Seaga  
 Chairman

  
 Peter Chin  
 Director



**AMG Packaging Paper Company Limited**  
**Unaudited Statement of Changes in Equity**  
**Period Ended November 30, 2022**

**Q1 -2023**

	<b>Share Capital</b>	<b>Revaluation Reserves</b>	<b>Retained Earnings</b>	<b>Total</b>
	\$	\$	\$	\$
<b>Notes</b>				
Balance at September 01, 2022	63,250,029	581,267,289	538,685,612	1,183,202,930
Profit for the period	-	-	24,637,865	24,637,865
Balance at November 30, 2021	63,250,029	581,267,289	563,323,477	1,207,840,795

**Q1 -2022**

	<b>Share Capital</b>	<b>Revaluation Reserves</b>	<b>Retained Earnings</b>	<b>Total</b>
	\$	\$	\$	\$
Balance at September 01, 2021	63,250,029	110,939,543	433,752,737	607,942,309
Profit for the period	-	-	35,275,115	35,275,115
Balance at November 30, 2021	63,250,029	110,939,543	469,027,852 0	643,217,424

**AMG Packaging Paper Company Limited**  
**Unaudited Cash Flow**  
**Period Ended November 30, 2022**

	November 2022	November 2021
	\$	\$
Profit for the Year	24,637,865	35,275,115
Adjustments for:		
Interest Expense	2,096,018	2,264,591
Depreciation	8,957,359	5,162,978
Depreciation -Right of Use Assets	1,201,948	935,619
Tax Provision	4,971,025	10,321,401
	<u>41,864,214</u>	<u>53,959,704</u>
Changes in operating Assets and Liabilities:		
( Increase) Decrease in inventories	76,053,848	14,234,779
Decrease (Increase) in Receivables	400,287	(55,518,278)
Increase (Decrease) in Payables & Accruals	(170,218,296)	19,131,941
	<u>(93,764,161)</u>	<u>(22,151,558)</u>
Principal Paid on Lease Liabilities	(888,575)	(719,930)
Interest Paid on Lease Liabilities	(521,018)	(403,178)
Tax Paid	(3,776,122)	(1,500,000)
Net cash flows provided by operating activities	<u>(57,085,662)</u>	<u>29,185,039</u>
<u>Cash Flow from Investing activities</u>		
Purchase of Property, Plant & Equipment	(373,080)	(7,576,047)
Deposit on Equipment	-	(9,938,530)
Net cash flow used in Investing activities	<u>(373,080)</u>	<u>(17,514,577)</u>
<u>Cash Flow from Financing Activities</u>		
Loan Payments	(2,500,000)	(5,192,308)
Interest Paid	(1,575,000)	(1,880,493)
Net cash flow used in Financing activities	<u>(4,075,000)</u>	<u>(7,072,801)</u>
Net increase(decrease) in cash & cash equivalents	(61,533,742)	4,597,661
Cash & Cash equivalents at beginning of the year	122,522,825	130,565,192
Cash & Cash equivalents at end of the year (note 7)	<u>60,989,083</u>	<u>135,162,853</u>

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

There were no new or amended policies adopted during the current reporting period.

The Accounting Policies of the Company have remained unchanged from those set out in the annual Financial Statements as at August 31, 2022



**AMG PACKAGING & PAPER COMPANY LTD**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 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 November 30, 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 November 30, 2022 the company faced liquidity risks as indicated below:

**AMG PACKAGING & PAPER COMPANY LTD**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2022**

**Liquidity Risk cont'd**

<b>Q1 - 2023</b>					
<b>Assets</b>	<b>Within 3 months</b>	<b>4 to 12 months</b>	<b>1 to 5 years</b>	<b>Over 5 years</b>	<b>Total</b>
	\$	\$	\$		\$
Cash Resources	60,989,083	-	-	-	60,989,083
Other	444,144,321	1,176,025	-	-	445,320,346
<b>Total</b>	<b>505,133,404</b>	<b>1,176,025</b>	<b>-</b>	<b>-</b>	<b>506,309,429</b>
<b>Liabilities</b>					
Loans	2,500,000	7,500,000	75,000,000		85,000,000
Lease Liabilities	925,327	2,895,224	12,732,520		16,553,072
Payables	79,061,465	10,385,831			89,447,296
<b>Total</b>	<b>82,486,793</b>	<b>20,781,055</b>	<b>87,732,520</b>	<b>-</b>	<b>191,000,368</b>
<b>Total Liquidity GAP</b>	<b>422,646,612</b>	<b>(19,605,030)</b>	<b>(87,732,520)</b>	<b>-</b>	<b>315,309,062</b>
<b>Cumulative GAP</b>	<b>422,646,612</b>	<b>403,041,582</b>	<b>315,309,062</b>	<b>315,309,062</b>	<b>-</b>
<b>Q1 - 2022</b>					
<b>Total Liquidity GAP</b>	<b>332,029,018</b>	<b>(8,248,910)</b>	<b>(101,553,073)</b>		<b>222,227,035</b>
<b>Cumulative GAP</b>	<b>332,029,018</b>	<b>323,780,108</b>	<b>222,227,035</b>	<b>222,227,035</b>	<b>-</b>

**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**  
**November 30, 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**  
**November 30, 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**  
**November 30, 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**

**November 30, 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**  
November 30, 2022

**4 Property, Plant & Equipment**

	Land, Buildings & Leasehold Improvement	Equipment	Right of Use assets	Computer & Equipment	Furniture & Fixtures	Total
	\$	\$		\$	\$	\$
<u>At cost</u>						
Balance as at September 1, 2022	944,800,000	144,984,439	24,038,963	6,315,641	13,041,363	1,133,180,406
Additions	-	-		26,000	347,080	373,080
Balance as at November 30, 2022	944,800,000	144,984,439	24,038,963	6,341,641	13,388,443	1,133,553,486
<u>Accumulated depreciation</u>						
Balance as at September 1, 2022	-	20,825,231	9,623,676	4,148,814	9,918,567	44,516,288
Current year charges	5,581,447	3,179,766	1,201,948	129,954	66,192	10,159,307
Balance as November 30, 2022	5,581,447	24,004,997	10,825,624	4,278,768	9,984,759	54,675,595
<u>Net Book Value</u>						
Balance as at November 30, 2022	939,218,553	120,979,442	13,213,339	2,062,873	3,403,684	1,078,877,891
Balance as at November 30, 2021	337,882,362	107,413,269	18,021,131	1,677,312	3,410,217	468,404,291

**AMG PACKAGING & PAPER COMPANY LTD**  
**NOTES TO FINANCIAL STATEMENTS**  
November 30, 2022

**5 Inventories**

	<u>Q1 -2023</u>	<u>Q1 -2022</u>
	\$	\$
Raw Materials	300,274,245	196,115,840
Finished Goods	10,602,218	4,329,432
Spare Parts	6,796,942	6,324,085
	<u>317,673,404</u>	<u>206,769,358</u>

**6 Accounts Receivable**

	\$	\$
Trade Receivables	95,822,976	127,053,019
Provision for bad debts	<u>(5,137,614)</u>	<u>(9,456,274)</u>
	90,685,362	117,596,744
Other Receivables	<u>31,823,965</u>	<u>33,521,049</u>
	<u>122,509,327</u>	<u>151,117,793</u>

<u>Aged Trade Receivables</u>				
	<u>Within 1</u>	<u>31 to 60</u>	<u>Over 60</u>	<u>Carrying</u>
	<u>Month</u>	<u>Days</u>	<u>Days</u>	<u>Value</u>
	\$	\$	\$	\$
<u>Balance at</u>				
30-Nov-22	<u>90,369,129</u>	<u>4,277,822</u>	<u>1,176,025</u>	<u>95,822,976</u>
30-Nov-21	<u>109,914,758</u>	<u>7,867,165</u>	<u>9,271,096</u>	<u>127,053,019</u>

**AMG PACKAGING & PAPER COMPANY LTD**  
**NOTES TO FINANCIAL STATEMENTS**  
November 30, 2022

<b>7 Cash &amp; Cash equivalents</b>	<b>Q1 -2023</b>	<b>Q1-2022</b>
	\$	\$
Bank of Nova Scotia Ja Ltd		
- Current accounts	28,029,250	70,955,522
- Savings account (US dollar denominated)	14,459,128	45,951,613
National Commercial Bank Limited		
- Current accounts	7,774,458	7,307,149
Sagicor Investments		
- Cash Securities(denominated in United States Dollars)	8,838,137	-
- Repurchase Agreement	1,131,986	-
Alliance Financial Services Limited		
- Cash Securities(denominated in United States Dollars)		9,064,987
- Repurchase Agreement		1,127,457
JN Bank		
- Savings Account	706,124	706,124
Cash	50,000	50,000
	<u>60,989,083</u>	<u>135,162,853</u>
 <b>8 Share Capital</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**  
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**9 Long-term Loans**

	<u>Q1-2023</u>	<u>Q1-2022</u>
	\$	\$
Bank of Nova Scotia Jamaica Limited		
Loan 1	-	3,590,137
Loan 2	85,000,000	95,000,000
Accrued Interest	-	29,308
Total loans	85,000,000	98,619,445
Current portion of loans incl accrued interest	10,000,000	13,619,445
Long-term portion of loans	<u>75,000,000</u>	<u>85,000,000</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**  
**November 30, 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>Q1 -2023</u>	<u>Q1-2022</u>
	\$	\$
Trade Payables	44,558,920	124,556,199
Accruals	26,956,583	22,903,494
Other Payables	14,293,470	11,587,005
Statutory Payables	3,274,019	2,256,620
Dividends	364,304	363,549
	<u>89,447,296</u>	<u>161,666,867</u>

<u>Balance at</u>	<u>Aged Trade Payables</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>
	\$	\$	\$	\$
30-Nov-22	43,827,249	-	731,672	44,558,920
30-Nov-21	123,917,463	-	638,736	124,556,199

**AMG PACKAGING & PAPER COMPANY LIMITED**

**TOP 10 SHAREHOLDERS AS AT 30 NOVEMBER 2022**

				Issued Ordinary shares
				511,894,285
SHAREHOLDERS	SHAREHOLDINGS	PREVIOUS MONTH	CHANGE	%
RANKINSTON LIMITED	161,758,590	161,758,590	-	31.600
GEORGE HUGH HOLDINGS LIMITED	122,965,566	122,965,566	-	24.022
HEISS HOLDINGS LIMITED	60,659,480	60,659,480	-	11.850
PANKAJ ASHOK BHATIA	60,081,144	60,081,144	-	11.737
SAGICOR POOLED EQUITY FUND	13,500,000	13,500,000	-	2.637
HAROLD SOLTAU	8,558,615	8,558,615	-	1.672
PAM - POOLED EQUITY FUND	5,970,220	5,970,220	-	1.166
JCSD TRUSTEE SERVICES LTD. SIGMA EQUITY	4,700,000	4,700,000	-	0.918
AUSTIN BROWN	4,031,001	4,031,001	-	0.787
SAGICOR SELECT FUND LTD - (CLASS C SHARES) MFG & DISTB	4,029,679	4,029,679	-	0.787
GUARDIAN LIFE LTD. - GUARDIAN EQUITY	3,219,480	3,219,480	-	0.629
	449,473,775	449,473,775	-	87.806
NO. OF SHAREHOLDERS AT 30/11/2022	JCSD			1,293
	MAIN REGISTER			1
	TOTAL			1,294



**AMG PACKAGING & PAPER COMPANY LIMITED  
DIRECTORS SHAREHOLDINGS**

DIRECTORS' NAMES	SHAREHOLDING	CONNECTED PARTY	SHAREHOLDING
ANTONIA HUGH	NIL	RANKINSTON LIMITED	161,758,590
GEORGE HUGH	NIL	GEORGE HUGH HOLDINGS LTD MICHELLE DAWN HUGH SHANNON MICHELLE SASSO ADAM GEORGE HUGH BRANDON MICHAEL HUGH TOBY HUGH	122,965,566 345,550 413,550 163,550 1,147,547 NIL
MICHELLE CHIN	591,790	HEISS HOLDINGS LIMITED MARKHAM BETTING COMPANY LTD KATHRYN CHIN GABRIELLE CHIN KAYLA CHIN (JOINT TO MICHELLE) LUKE CHIN (JOINT TO MICHELLE)	60,659,480 NIL 320,895 320,895 NIL NIL
PETER D CHIN	1,661,850		
MICHAEL A. FRASER	1,914,565		
METRY SEAGA	NIL		
DUKE HOLNESS	NIL		
BEVON FRANCIS	NIL		
	4,168,205		186,337,033

**SENIOR MANAGERS**

MICHAEL P CHIN	1,441,990
LESLIE MCPHERSON	191,455
	1,633,445