

SCOPE METALS GROUP LTD.
AND ITS SUBSIDIARIES

SUMMARY OF INTERIM BALANCE SHEET AND STATEMENT OF
INCOME FOR THE SIX MONTHS ENDED JUNE 30th, 2023

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SCOPE METALS GROUP LTD.**BALANCE SHEET****Consolidated**

	<u>June 30th</u>	<u>December 31st</u>
	<u>2023</u>	<u>2022</u>
	<u>Unaudited</u>	<u>Unaudited</u>
		<u>2022</u>
		<u>Audited</u>
	<u>In Thousands of US dollars</u>	
<u>CURRENT ASSETS</u>		
Cash and cash equivalents	92,044	145,089
Short-term investments	13,522	1,824
Cash in escrow	-	538
Marketable securities	11,305	5,609
Trade receivables, net	77,891	90,709
Other receivables	22,071	12,257
Inventory	<u>210,266</u>	<u>187,671</u>
	427,099	428,043
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<u>NON CURRENT ASSETS</u>		
Other Long- term receivables	271	4,900
Property and equipment	143,684	122,870
Assets under lease	5,383	6,670
Goodwill	1,528	1,485
Intangible assets	3,495	3,161
Deferred taxes	<u>218</u>	<u>315</u>
	154,579	143,835
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	<u>581,678</u>	<u>571,878</u>
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The amounts were translated into US \$ at a rate of 3.70 NIS =1 US\$

SCOPE METALS GROUP LTD.**BALANCE SHEET****Consolidated**

	<u>2023</u>	<u>2022</u>	<u>2022</u>
	<u>Unaudited</u>	<u>Unaudited</u>	<u>Audited</u>
	<u>June 30th</u>		<u>December 31st</u>
	<u>In Thousands of US dollars</u>		
<u>CURRENT LIABILITIES</u>			
Short-term credit from banks	24,169	16,455	14,520
Current maturities of long-term loans from banks, and others	71,947	78,257	75,909
Current maturities of leasing	1,452	1,507	1,254
Trade payables	32,428	31,056	28,251
Other payables	<u>13,682</u>	<u>17,502</u>	<u>20,418</u>
	143,678	144,777	140,352
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<u>NON CURRENT LIABILITIES</u>			
Long-term loans from banks and others	166,575	226,524	195,835
Employees benefits liabilities, net	1,335	833	1,327
Long-term liabilities of leasing	3,457	4,812	3,807
Other long - term payables	3,357	3,901	2,645
Deferred taxes	<u>10,482</u>	<u>9,972</u>	<u>10,217</u>
	185,206	246,042	213,831
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<u>TOTAL LIABILITIES</u>	<u>328,884</u>	<u>390,819</u>	<u>354,183</u>
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<u>EQUITY</u>			
Share capital	4,346	4,346	4,346
Premium and capital funds	140,579	140,579	140,579
Fund for share-based payment transactions	60	-	-
Treasury Stock	(519)	-	-
Retained earnings	111,889	67,426	89,477
Foreign currency translation fund	<u>(3,561)</u>	<u>(20,072)</u>	<u>(16,707)</u>
	252,794	192,279	217,695
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	581,678	583,098	571,878
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August 16st, 2023

SCOPE METALS GROUP LTD.**STATEMENT OF INCOME****Consolidated**

	<u>For the six months ended</u>		<u>For the three months</u>		<u>For the year ended</u>
	<u>June 30th</u>		<u>ended June 30th</u>		<u>December 31st</u>
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2022</u>
	<u>Unaudited</u>	<u>Unaudited</u>	<u>Unaudited</u>	<u>Unaudited</u>	<u>Audited</u>

In Thousands of US dollars (Except Earnings (Loss) Per Share Data)

Sales turnover	220,346	234,921	108,930	120,647	445,188
Cost of goods sold	<u>141,075</u>	<u>138,588</u>	<u>70,288</u>	<u>71,089</u>	<u>272,201</u>
Gross profit	79,271	96,333	38,642	49,558	172,987
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Selling and marketing expenses	36,004	31,251	18,269	16,285	63,848
General and administrative expenses	<u>11,789</u>	<u>12,409</u>	<u>5,812</u>	<u>6,304</u>	<u>23,161</u>
Operating income before other expenses	31,478	52,673	14,561	26,969	85,978
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Other expenses (income), net	(590)	1,062	(28)	8	1,026
Operating income	32,068	51,611	14,589	26,961	84,952
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Finance income	1,921	805	944	260	1,687
Finance expenses	<u>4,613</u>	<u>5,118</u>	<u>2,267</u>	<u>2,867</u>	<u>10,300</u>
	2,692	4,313	1,323	2,607	8,613
Income before taxes on income	29,376	47,298	13,266	24,354	76,339
Taxes on income	<u>6,964</u>	<u>11,871</u>	<u>3,292</u>	<u>6,070</u>	<u>18,387</u>
Net income	22,412	35,427	9,974	18,284	57,952
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<u>Net income per share attributed to the company's shareholders (NIS)</u>					
Basic and diluted income per share	1.83	3.05	0.81	1.57	4.86
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