

SCOPE METALS GROUP LTD.
AND ITS SUBSIDIARIES

SUMMARY OF ANNUAL BALANCE SHEET AND STATEMENT OF
INCOME FOR THE YEAR ENDED DECEMBER 31st, 2023

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SCOPE METALS GROUP LTD.**BALANCE SHEET****Consolidated****December 31st****2023****2022****Audited****Audited****In Thousands of US dollars****CURRENT ASSETS**

Cash and cash equivalents	79,840	123,770
Short - term investments	15,674	15,224
Marketable securities	9,720	8,823
Trade receivables, net	85,043	75,166
Other receivables	24,832	15,075
Inventory	<u>208,971</u>	<u>198,600</u>
	424,080	436,658
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NON CURRENT ASSETS

Prepaid payments	273	254
Property and equipment	150,012	135,744
Assets under lease	4,823	5,615
Goodwill	1,545	1,532
Intangible assets	3,832	3,293
Deferred taxes	<u>211</u>	<u>291</u>
	160,696	146,729
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	584,776	583,387
	=====	=====

The amounts were translated into US \$ at a rate of 3.627 NIS =1 US\$

SCOPE METALS GROUP LTD.**BALANCE SHEET****Consolidated****December 31st**

<u>2023</u>	<u>2022</u>
<u>Audited</u>	<u>Audited</u>

In Thousands of US dollars**CURRENT LIABILITIES**

Short - term credit from banks	34,378	14,813
Current maturities of long term loans from banks and others	67,514	77,436
Long- term liabilities of leasing	1,478	1,279
Trade payables	26,712	28,819
Other payables	<u>14,636</u>	<u>20,829</u>
	144,718	143,176
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NON CURRENT LIABILITIES

Other long- term payables	3,765	2,699
Employees benefits liabilities, net	1,687	1,354
Long – term liabilities of leasing	2,998	3,883
Long - term loans from banks and others	148,613	199,776
Deferred taxes	<u>11,470</u>	<u>10,423</u>
	168,533	218,135
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TOTAL LIABILITIES

313,251	361,311
=====	=====

EQUITY

Share capital	4,434	4,434
Premium and capital funds	143,408	143,408
Treasury Stock	(2,014)	-
Retained earnings	133,532	91,278
Foreign currency translation fund	<u>(7,835)</u>	<u>(17,044)</u>
	271,525	222,076
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584,776	583,387
=====	=====

March 12th 2024

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

	For the year ended December 31 st <u>2023</u> <u>Audited</u>	For the year ended December 31 st <u>2022</u> <u>Audited</u>	For the year ended December 31 st <u>2021</u> <u>Audited</u>
<u>In Thousands of US dollars (except Earnings Per Share data)</u>			
Sales turnover	451,559	454,148	376,398
Cost of goods sold	<u>292,301</u>	<u>277,679</u>	<u>226,344</u>
Gross profit	159,258 -----	176,469 -----	150,054 -----
Selling and marketing expenses	75,220	65,133	55,096
General and administrative expenses	<u>24,039</u>	<u>23,627</u>	<u>22,571</u>
Operating income before other expenses	59,999 -----	87,709 -----	72,387 -----
Other expenses (income), net	(594)	1,046	(40)
Operating income	60,593 -----	86,663 -----	72,427 -----
Finance income	4,620	1,721	1,668
Finance expenses	<u>9,325</u>	<u>10,507</u>	<u>7,511</u>
	4,705	8,786	5,843
Income before taxes on income	55,888	77,877	66,584
Taxes on income	<u>13,456</u>	<u>18,758</u>	<u>15,857</u>
Net income	42,432 -----	59,119 -----	50,727 -----
<u>Net income per share attributed to the company's shareholders (NIS)</u>			
Basic income per share	3.47 =====	4.96 =====	4.43 =====
Diluted income per share	3.47 =====	4.96 =====	4.43 =====