

SCOPE

SCOPE INDUSTRIES BERHAD

(Company No: 591376-D)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended 30 June 2019

(The figures have not been audited)

| | Quarter ended | | Year to date | |
|--|------------------------|------------------------|------------------------|------------------------|
| | 30 June 2019 RM'000 | 30 June 2018 RM'000 | 30 June 2019 RM'000 | 30 June 2018 RM'000 |
| Revenue | 3,540 | 4,860 | 15,551 | 22,291 |
| Cost of sales | (4,478) | (4,118) | (17,025) | (17,096) |
| Gross profit | <u>(938)</u> | <u>742</u> | <u>(1,474)</u> | <u>5,195</u> |
| Other operating income | 125 | 92 | 438 | 416 |
| Administrative expenses | (1,017) | (912) | (4,052) | (3,842) |
| Profit from operations | <u>(1,830)</u> | <u>(78)</u> | <u>(5,088)</u> | <u>1,769</u> |
| Finance costs | (105) | - | (121) | - |
| Profit/(loss) before tax | <u>(1,935)</u> | <u>(78)</u> | <u>(5,209)</u> | <u>1,769</u> |
| Taxation | 296 | 321 | 122 | (15) |
| Profit/(loss) for the period | <u>(1,639)</u> | <u>243</u> | <u>(5,087)</u> | <u>1,754</u> |
| Other comprehensive income | - | - | - | - |
| Total comprehensive income | <u>(1,639)</u> | <u>243</u> | <u>(5,087)</u> | <u>1,754</u> |
| Profit / (loss) attributable to : | | | | |
| Owners of the Company | (1,569) | 230 | (4,839) | 1,419 |
| Non-controlling interests | <u>(70)</u> | <u>13</u> | <u>(248)</u> | <u>335</u> |
| | <u>(1,639)</u> | <u>243</u> | <u>(5,087)</u> | <u>1,754</u> |
| Total comprehensive income attributable to: | | | | |
| Owners of the Company | (1,569) | 230 | (4,839) | 1,419 |
| Non-controlling interests | <u>(70)</u> | <u>13</u> | <u>(248)</u> | <u>335</u> |
| | <u>(1,639)</u> | <u>243</u> | <u>(5,087)</u> | <u>1,754</u> |
| Earnings/(loss) per share | | | | |
| Basic (sen) | (0.27) | 0.05 | (0.84) | 0.25 |
| Diluted (sen) | (0.26) | 0.04 | (0.81) | 0.25 |

(The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2018)

SCOPE

SCOPE INDUSTRIES BERHAD

(Company No: 591376-D)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2019

| | As At 30 June 2019 RM'000 (Unaudited) | As At 30 June 2018 RM'000 (Restated) |
|---|--|---|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 97,295 | 87,414 |
| Goodwill on consolidation | 34,966 | 34,966 |
| Prepaid land lease payment | 1,404 | 1,458 |
| | 133,665 | 123,838 |
| Current Assets | | |
| Biological assets | 231 | 327 |
| Inventories | 1,141 | 1,456 |
| Trade receivables | 1,505 | 1,597 |
| Other receivables, deposits and prepayments | 1,179 | 399 |
| Current tax assets | 65 | 101 |
| Other investments | - | 441 |
| Cash and bank balances | 6,485 | 8,225 |
| Total current assets | 10,606 | 12,546 |
| Current liabilities | | |
| Trade payables | 790 | 744 |
| Other payables and accruals | 1,480 | 894 |
| Short term borrowing | 1,638 | - |
| Dividend payable | - | 2,802 |
| Current tax liabilities | 10 | 70 |
| Total current liabilities | 3,918 | 4,510 |
| NET CURRENT ASSETS | <u>6,688</u> | <u>8,036</u> |
| | <u>140,353</u> | <u>131,874</u> |
| FINANCED BY : | | |
| Share capital | 100,445 | 91,648 |
| Reserves | 14,401 | 19,240 |
| | 114,846 | 110,888 |
| Non controlling interest | 6,338 | 6,586 |
| Shareholders' funds | <u>121,184</u> | <u>117,474</u> |
| Non-current liabilities | | |
| Other payables | - | - |
| Deferred taxation | 14,164 | 14,400 |
| Long term borrowing | 5,005 | - |
| | 19,169 | 14,400 |
| | <u>140,353</u> | <u>131,874</u> |
| Net assets per share (RM) | <u>0.1957</u> | <u>0.2096</u> |

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2018)

SCOPE

SCOPE INDUSTRIES BERHAD

(Company No: 591376-D)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

For The Year Ended 30 June 2019

(The figures have not been audited)

| | 12 Months Ended 30/6/2019 RM'000 (Unaudited) | 12 Months Ended 30/6/2018 RM'000 (Unaudited) |
|---|---|---|
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit / (loss) before tax | (5,209) | 1,769 |
| Adjustments for : | | |
| Non-cash items | 3,891 | 3,415 |
| Fair value adjustment on biological assets | 96 | 24 |
| Non-operating items | (310) | (265) |
| Operating profit before changes in working capital | (1,532) | 4,943 |
| Changes in working capital: | | |
| Decrease / (increase) in inventories | 316 | 405 |
| Decrease / (increase) in receivables | (691) | 1,368 |
| (Decrease) / increase in payables | (2,167) | (4,183) |
| Cash generated from / (used in) operations | (4,074) | 2,533 |
| Income tax paid | (248) | (548) |
| Income tax refund | 109 | 110 |
| Net cash from operating activities | (4,213) | 2,095 |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Interest received | 173 | 222 |
| Proceeds from disposal of property, plant and equipment | 137 | 27 |
| Purchase of property, plant and equipment | (13,718) | (978) |
| Proceed from disposal of other investment | 441 | - |
| Net cash used in investing activities | (12,967) | (729) |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from issuance of share | 8,797 | - |
| Drawdown of hire purchase borrowing | 7,082 | - |
| Repayment of hire purchase creditors | (439) | - |
| Net cash generated from /(used in) financing activities | 15,440 | - |
| Net Increase /(decrease) in Cash and Cash Equivalents | (1,740) | 1,366 |
| Cash and Cash Equivalents at beginning of period | 8,225 | 6,859 |
| Cash and Cash Equivalents at end of period | 6,485 | 8,225 |
| Cash and cash equivalents comprise the following: | | |
| Cash and bank balances | 6,485 | 8,225 |
| Bank overdraft | - | - |
| | 6,485 | 8,225 |

(The Condensed Consolidated Statements of Cash Flow should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2018)

SCOPE

SCOPE INDUSTRIES BERHAD

(Company No: 591376-D)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For The Year Ended 30 June 2019

(The figures have not been audited)

<----- Attributable to owners of the Company ----->

| | Share Capital | Warrants Reserve | Discount on Shares | Fair Value Reserve | Capital Reserve | Retained Profit | Total | Non- Controlling Interests | Total Equity |
|--|------------------|---------------------|-----------------------|--------------------------|--------------------|--------------------|---------|----------------------------------|-----------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| For financial year 2019 | | | | | | | | | |
| At 1 July 2018 | 91,648 | 3,878 | (3,878) | - | 28,003 | (9,012) | 110,639 | 6,586 | 117,225 |
| Prior year adjustment | - | - | - | - | - | 249 | 249 | - | 249 |
| As stated | 91,648 | 3,878 | (3,878) | - | 28,003 | (8,763) | 110,888 | 6,586 | 117,474 |
| Total comprehensive income | - | - | - | - | - | (4,839) | (4,839) | (248) | (5,087) |
| Proceeds from issuance of shares | 8,797 | - | - | - | - | - | 8,797 | - | 8,797 |
| Balance at 30 June 2019 | 100,445 | 3,878 | (3,878) | - | 28,003 | (13,602) | 114,846 | 6,338 | 121,184 |
| For financial year 2018 | | | | | | | | | |
| At 1 July 2017 | 91,648 | 3,878 | (3,878) | - | 28,003 | (7,652) | 111,999 | 6,251 | 118,250 |
| Effect of changes in accounting standard | - | - | - | - | - | 272 | 272 | - | 272 |
| Total comprehensive income | - | - | - | - | - | 1,419 | 1,419 | 335 | 1,754 |
| Dividends paid to shareholders | - | - | - | - | - | (2,802) | (2,802) | - | (2,802) |
| Balance at 30 June 2018 | 91,648 | 3,878 | (3,878) | - | 28,003 | (8,763) | 110,888 | 6,586 | 117,474 |

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2018)