**SCOPE INDUSTRIES BERHAD**
(Company No.: 591376-D)
(Incorporated in Malaysia)

**SUMMARY OF THE KEY MATTERS DISCUSSED AT THE SEVENTEENTH ANNUAL GENERAL MEETING OF THE COMPANY HELD AT BAMBOO ROOM, SCOPE MANUFACTURERS (M) SDN. BHD., LOT 6181 JALAN PERUSAHAAN 2, KAWASAN PERINDUSTRIAN PARIT BUNTAR, 34200 PARIT BUNTAR, PERAK ON WEDNESDAY, 27 NOVEMBER 2019 AT 11:00 A.M.**

---

After confirming that a quorum was present pursuant to the Company's Constitution, the Chairman of the Company called the meeting to order at 11:07 a.m.

**AGENDA 1**
**TO RECEIVE THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON**

Members were informed by the Chairman to receive the audited financial statements of the Company for the financial year ended 30 June 2019 ("**AFS FYE2019**") together with the reports of the directors and auditors thereon.

As there were no objections, the Chairman of the Meeting declared that the AFS FYE2019 together with the Directors' and Auditors' report was taken as read and are hereby received.

The Director of the Company responded the following questions from the proxyholders :-

(i) The Group's loss after taxation of approximately RM5 million for the year ended 30 June 2019 and investment in capital expenditures ("**CAPEX**") despite the Group was making losses.

(ii) the future prospects of the Group and the Company's relationship with the new substantial shareholder, Inventech Appliances Corp ("**IAC**")

Mr Lee Min Huat explained as follows :-

(i) The Group was reviewing its strategy for the manufacturing division to secure more customer orders and meet their ever-evolving needs and requirements. The Group has increased in CAPEX during the financial year ended 30 June 2019 for the purchase and upgrading of machinery and equipment, and construction of additional production area in the existing factory in line with the Company's effort to take advantage of any opportunity to increase customer orders from international companies due to trade tensions between USA and China. The higher workforce costs, depreciation and other operational expenses incurred to set up new production facilities that cater for new customer requirements also contributed to the losses of the Group.

(ii) The future prospects of the Group was as explained above. As for IAC, IAC is the new customer to the Group which is expected to bring new customer orders to the Group.

## ORDINARY RESOLUTIONS 1 TO 7

There was no question raised for Ordinary Resolutions 1 to 7.

## SPECIAL RESOLUTION

There was no question raised for Special Resolution.

## POLL RESULTS

All the resolutions tabled at the 17th AGM and voted by poll were duly passed by the shareholders.

There being no other business, the 17th AGM ended at 12:33 p.m.