

**ADDENTAX GROUP CORP. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2019 AND 2018 (UNAUDITED)**  
**(In U.S. Dollars, except share data or otherwise stated)**

	Six months ended September 30,	
	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net loss	\$ (689,273)	\$ (24,609)
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation	56,630	60,043
Loss on disposal of plant and equipment	3,342	-
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	142,009	1,502,898
Inventories	(20,952)	115,704
Advances to suppliers	(64,957)	(223,479)
Other receivables	452	1,665,567
Accounts payables	(224,377)	(828,665)
Accrued expenses and other payables	13,514	170,112
Advances from customers	(98,256)	(1,501,846)
Taxes payable	-	(2,221)
Net cash (used in) provided by operating activities	\$ (881,868)	\$ 933,504
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of plant and equipment	(95,445)	(57,668)
Net cash used in investing activities	\$ (95,445)	\$ (57,668)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from related party borrowings	1,268,124	4,922,447
Repayment of related party borrowings	(443,356)	(5,782,249)
Proceeds from third party borrowings	-	75,948
Repayment of third party borrowings	-	(127,395)
Proceeds from bank borrowings	461,151	160,168
Repayment of bank borrowings	(316,589)	-
Net cash provided by (used in) financing activities	\$ 969,330	\$ (751,801)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(7,983)	124,755
Effect of exchange rate changes on cash and cash equivalents	(890)	(12,598)
Cash and cash equivalents, beginning of the period	277,264	264,806

**CASH AND CASH EQUIVALENTS, END OF THE PERIOD**

\$	268,391	\$	376,963
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**Supplemental disclosure of cash flow information:**

Cash paid during the period for interest

7,706

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Cash paid during the period for income tax

3,064

6,710

**Supplemental disclosure of non-cash investing and financing activities:**

Right-of-use assets obtained in exchange for operating lease obligations

1,901,008

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