

ADDENTAX GROUP CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In U.S. Dollars, except share data or otherwise stated)
FOR THE YEARS ENDED MARCH 31, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (694,329)	\$ (709,396)
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation	115,673	111,740
Loss on disposal of plant and equipment	10,324	-
Impairment loss on goodwill	-	454,659
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	1,618,129	1,360,260
Inventories	(78,818)	206,213
Advances to suppliers	35,893	56,179
Amounts due from related parties	202,426	(74,879)
Other receivables	1,926,637	(181,528)
Accounts payables	(608,244)	(60,796)
Amounts due to related parties	-	186,451
Accrued expenses and other payables	130,721	11,879
Advances from customers	(1,459,187)	514,043
Taxes payable	(6,064)	5,341
Net cash provided by operating activities	<u>\$ 1,193,161</u>	<u>\$ 1,880,166</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of plant and equipment	(229,240)	(97,077)
Payment for acquisition of subsidiaries	-	(3,025,751)
Net cash used in investing activities	<u>\$ (229,240)</u>	<u>\$ (3,122,828)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from related party borrowings	2,253,680	2,893,065
Repayment of related party borrowings	(3,368,969)	(797,422)
Proceeds from bank borrowings	223,502	-
Proceeds from third party borrowings	-	1,618,813
Repayment of third party borrowings	(56,739)	(2,391,411)
Net cash provided by financing activities	<u>\$ (948,526)</u>	<u>\$ 1,323,045</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	15,395	80,383
Effect of exchange rate changes on cash and cash equivalents	(2,937)	7,518
Cash and cash equivalents, beginning of year	264,806	176,905
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 277,264</u></u>	<u><u>\$ 264,806</u></u>

See accompany notes to the consolidated financial statements.