

SUREMAX GROUP BHD (Company No. 334228-K)**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**
FOR THE PERIOD ENDED 28 FEBRUARY 2006

(The figures have not been audited)

	CUMULATIVE CURRENT YEAR TODATE ENDED 28.02.2006 RM'000	CUMULATIVE PRECEDING YEAR TODATE ENDED 28.02.2005 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation but after minority interest	(1,321)	(1,516)
Adjustments for:-		
Non-cash items	82	(51)
Non-operating items - financing	261	719
Non-operating items - investing	-	(1)
Operating loss before working capital changes	<u>(978)</u>	<u>(849)</u>
Net changes in current assets	1,699	1,846
Net changes in current liabilities	(1,466)	1,446
Cash flows generated from/(used in) operations	<u>(745)</u>	<u>2,443</u>
Interest paid	(261)	(809)
Interest received	-	8
Taxation paid	-	(28)
Net cash generated from/(used in) operating activities	<u><u>(1,006)</u></u>	<u><u>1,614</u></u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant & equipment	-	297
Purchase of property, plant & equipment	-	(8)
Placement of fixed deposits	-	-
Withdrawal of fixed deposits	-	292
Net cash generated from investing activities	<u><u>-</u></u>	<u><u>581</u></u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of term loan and bridging loan	3,527	450
Repayment of borrowings	(436)	(2,855)
Payment of hire purchase payables	-	(89)
Proceeds from disposal of treasury shares	-	-
Proceeds from issuance of shares	-	-
Net cash used in financing activities	<u><u>3,091</u></u>	<u><u>(2,494)</u></u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD	2,085	(299)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	(9,004)	(11,726)
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	<u><u>(6,919)</u></u>	<u><u>(12,025)</u></u>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 August 2005)