

CASH FLOW STATEMENT
for the year ended 31 December 2008

| | 2008 RO | 2007 RO |
|--|----------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Cash receipts from sales | 7,373,289 | 4,476,574 |
| Cash paid towards expenses | (7,616,652) | (3,707,801) |
| | ----- | ----- |
| Cash (used in) / generated from operations | (243,363) | 768,773 |
| Finance charges | (52,401) | (62,260) |
| Employees' end of service benefits | (1,870) | (16,593) |
| Directors' remuneration and meeting attendance fees | (51,188) | (14,800) |
| | ----- | ----- |
| Net cash (used in) / generated from operating activities | (348,822) | 675,120 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of plant and equipment | (187,623) | (154,322) |
| Advance to suppliers of capital goods | (594,744) | -- |
| Proceeds from sale of plant and equipment | 1,100 | -- |
| Purchase of investments available for sale | -- | (586,531) |
| Proceeds from disposal of investments available for sale | 972,917 | -- |
| Interest income | 54,460 | 74,613 |
| Dividend income | 50,000 | -- |
| Movement in short term deposits | (1,011,494) | 1,822,166 |
| | ----- | ----- |
| Net cash from investing activities | (715,384) | 1,155,926 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Dividend paid | (766,348) | (510,899) |
| Repayment of Government soft loan | (375,000) | (375,000) |
| | ----- | ----- |
| Net cash used in financing activities | (1,141,348) | (885,899) |
| | ----- | ----- |
| Net (decrease) / increase in cash and cash equivalents during the year | (2,205,554) | 945,147 |
| Cash and cash equivalents at the beginning of the year | 2,384,132 | 1,438,985 |
| | ----- | ----- |
| Cash and cash equivalents at the end of the year | 178,578 | 2,384,132 |
| | ===== | ===== |

The attached notes 1 to 28 form part of these financial statements.