

AXIOM CORDAGES LIMITED

QUARTERLY REPORT

FOR THE QUARTER ENDED 31 MARCH 2022

AXIOM CORDAGES LIMITED

QUARTERLY REPORT
FOR THE QUARTER ENDED 31 MARCH 2022

<u>CONTENTS</u>	<u>PAGE(S)</u>
REPORT ON REVIEW OF QUARTERLY FINANCIAL STATEMENTS	1
STATEMENT OF COMPREHENSIVE INCOME	2
STATEMENT OF FINANCIAL POSITION	3
STATEMENT OF CHANGES IN EQUITY	4
STATEMENT OF CASH FLOWS	5
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS	6 - 10
DETAILED STATEMENT OF COMPREHENSIVE INCOME	11



黃松堅會計師事務所有限公司
QUENTIN WONG & CO. CPA LIMITED

香港 九龍 尖沙咀東部 麼地道63號 好時中心 7樓710室
Unit No. 710, 7th Floor, Houston Centre, No.63 Mody Road, TST East, Kowloon, Hong Kong
Tel: (852) 2126 7275 Fax: (852) 2126 7559 Email: info@quentinwongco.com
Website: <http://www.quentinwongco.com>

REPORT ON REVIEW OF QUARTERLY FINANCIAL STATEMENTS

TO THE MEMBER OF
AXIOM CORDAGES LIMITED
(incorporated in Hong Kong with limited liability)

Introduction

We have reviewed the quarterly financial statements set out on pages 2 to 10, which comprise the statement of financial position of Axiom Cordages Limited (“the Company”) as of 31 March 2022 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the three-month period then ended, and a summary of significant accounting policies and other explanatory notes. The director is responsible for the preparation and fair presentation of this quarterly financial statements in accordance with Hong Kong Financial Reporting Standards. Our responsibility is to express a conclusion on this quarterly financial statements based on our review.

Scope of review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants, which applies to a review of historical financial information performed by the independent auditor of the Company. A review of quarterly financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the quarterly financial statements does not give a true and fair view of the financial position of the Company as at 31 March 2022, and of its financial performance and its cash flows for the three-month period then ended in accordance with Hong Kong Financial Reporting Standards.

Quentin Wong & Co. CPA Limited

Quentin Wong & Co. CPA Limited
Certified Public Accountants
WONG Chung Kin, Quentin
Practising Certificate Number: P04595
Hong Kong, **27 APR 2022**

AXIOM CORDAGES LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2022

	<u>Notes</u>	<u>For the quarter ended</u>	
		<u>31.03.2022</u>	<u>31.12.2021</u>
		US\$	US\$
		(unaudited)	(unaudited)
Administrative expenses		(1,414)	(578)
LOSS BEFORE TAX	4	(1,414)	(578)
Income tax expense	5	-	-
LOSS FOR THE QUARTER		(1,414)	(578)

The notes on pages 6 to 10 form part of these financial statements.

AXIOM CORDAGES LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	<u>Notes</u>	<u>31.03.2022</u> US\$ (unaudited)	<u>31.12.2021</u> US\$ (unaudited)
NON-CURRENT ASSETS			
Investment in the subsidiary	6	17,025,000	17,025,000
CURRENT ASSETS			
Amount due from the immediate holding company	7	10,000	10,000
Amount due from a subsidiary	8	949	949
Cash and cash equivalents	9	47,606	48,782
		<u>58,555</u>	<u>59,731</u>
CURRENT LIABILITIES			
Other payables	10	1,342	1,104
NET CURRENT ASSETS			
		<u>57,213</u>	<u>58,627</u>
NET ASSETS			
		<u>17,082,213</u>	<u>17,083,627</u>
EQUITY			
Share capital	11	17,123,000	17,123,000
Accumulated losses		(40,787)	(39,373)
		<u>17,082,213</u>	<u>17,083,627</u>

The financial statements were approved by:



Vijayakumar Jivrambhai SHARMA
Sole Director

The notes on pages 6 to 10 form part of these financial statements.

AXIOM CORDAGES LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 MARCH 2022

	<u>Share capital</u> US\$	<u>Accumulated losses</u> US\$	<u>Total</u> US\$
Balance as at 1 October 2021	17,123,000	(38,795)	17,084,205
Loss for the quarter	-	(578)	(578)
Balance as at 31 December 2021 (unaudited) and 1 January 2022	17,123,000	(39,373)	17,083,627
Loss for the quarter	-	(1,414)	(1,414)
Balance as at 31 March 2022 (unaudited)	17,123,000	(40,787)	17,082,213

The notes on pages 6 to 10 form part of these financial statements.

AXIOM CORDAGES LIMITED

STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 MARCH 2022

	<u>Note</u>	<u>For the quarter ended</u>	
		<u>31.03.2022</u>	<u>31.12.2021</u>
		US\$	US\$
		(unaudited)	(unaudited)
Cash flow from operating activities:-			
Loss before tax		(1,414)	(578)
Operating loss before working capital changes		(1,414)	(578)
Movements in:			
Increase in other payables		238	551
Cash used in operation		(1,176)	(27)
Income tax paid		-	-
Net cash used in operating activities		(1,176)	(27)
Net decrease in cash and cash equivalents		(1,176)	(27)
Cash and cash equivalents at the beginning of the quarter		48,782	48,809
Cash and cash equivalents at the end of the quarter	9	47,606	48,782

The notes on pages 6 to 10 form part of these financial statements.

AXIOM CORDAGES LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2022

1. GENERAL INFORMATION

Axiom Cordages Limited (“the Company”) is a limited liability company domiciled and incorporated in Hong Kong.

2. STATEMENT OF COMPLIANCE WITH HONG KONG FINANCIAL REPORTING STANDARDS

This unaudited quarterly financial statements of the Company for the three months ended 31 March 2022 have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (HKFRSs), which includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (HKASs) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (HKICPA), accounting principles generally accepted in Hong Kong, and the requirements of the Companies Ordinance. A summary of significant accounting policies adopted by the Company is set out in note 3.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of the financial statements

The measurement basis used in preparing the financial statements is historical cost.

Foreign currency translation

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. At the end of each reporting period, monetary assets and liabilities in foreign currencies are translated at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured at fair value in foreign currencies are translated at the foreign exchange rates ruling at the date when the fair value was determined. Exchange gains and losses are recognised in profit and loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank. Cash equivalents are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Subsidiary

A subsidiary is an entity controlled by the Company. Control exists when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

Other payables

Other payables are initially measured at fair value and, after initial recognition, at amortised cost, except for payables with no stated interest rate and the effect of discounting being immaterial that are measured at their original invoice amount.

AXIOM CORDAGES LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases using in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. However, the measurement of deferred tax liabilities associated with an investment property measured at fair value does not exceed the amount of tax that would be payable on its sale to an unrelated market participant at fair value at the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

AXIOM CORDAGES LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Related parties

- (a) A person or a close member of that person's family is related to the Company if that person:
- (i) has control or joint control of the Company;
 - (ii) has significant influence over the Company; or
 - (iii) is a member of the key management personnel of the Company or of a parent of the Company.
- (b) An entity is related the Company if any of the following conditions applies:
- (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

4. LOSS BEFORE TAX

Loss before tax is arrived at after charging the following items:

	<u>For the quarter ended</u>	
	<u>31.03.2022</u>	<u>31.12.2021</u>
	US\$	US\$
Auditor's remuneration	997	359
Exchange loss	71	26
	<hr/>	<hr/>

AXIOM CORDAGES LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2022

5. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax is required since the Company has no assessable profits for the quarter.

The Company has no deferred tax during the quarter.

6. INVESTMENT IN THE SUBSIDIARY

	<u>31.03.2022</u>	<u>31.12.2021</u>
	US\$	US\$
Unlisted shares, at cost	<u>17,025,000</u>	<u>17,025,000</u>

The particulars of the Company's material subsidiary, which is unlisted and limited liability company whose quoted market price is not available, is set out as follows:

<u>Name</u>	<u>Particulars of issued shares and paid up capital</u>	<u>Percentage of interest held</u>	<u>Principal activity</u>	<u>Place of incorporation and business</u>
Axiom Cordages Limited	US\$17,025,000	100%	Proprietary Investment	United Arab Emirates

7. AMOUNT DUE FROM THE IMMEDIATE HOLDING COMPANY

The amount is unsecured, non-interest bearing and has no fixed repayment terms.

8. AMOUNT DUE FROM A SUBSIDIARY

The amount is unsecured, non-interest bearing and has no fixed repayment terms.

AXIOM CORDAGES LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2022

9. CASH AND CASH EQUIVALENTS

	<u>31.03.2022</u> US\$	<u>31.12.2021</u> US\$
Cash at bank	47,606	48,782

10. OTHER PAYABLES

	<u>31.03.2022</u> US\$	<u>31.12.2021</u> US\$
Accruals	1,342	1,104

11. SHARE CAPITAL

	<u>31.03.2022</u> US\$	<u>31.12.2021</u> US\$
Issued and fully paid: 17,123,000 Ordinary shares	17,123,000	17,123,000

12. IMMEDIATE PARENT COMPANY AND ULTIMATE CONTROLLING PARTY

At 31 March 2022, the director considers the immediate parent company and the ultimate controlling party of the Company to be Axiom Cordages Limited and Responsive Industries Limited which are both incorporated in India.

13. AUTHORISATION FOR ISSUE OF THE FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Company's Sole Director
on **27 APR 2022**

The following page does not form part of the audited financial statements.

AXIOM CORDAGES LIMITED

DETAILED STATEMENT OF COMPREHENSIVE INCOME
(FOR MANAGEMENT USE ONLY)
FOR THE QUARTER ENDED 31 MARCH 2022

	<u>2022</u>	<u>2022</u>
	HK\$	HK\$
Administrative expenses		
Accounting fee	128	
Audit fee	997	
Bank charges	1	
Exchange difference	71	
Tax service fee	128	
Sundry expense	89	
	<u> </u>	(1,414)
LOSS BEFORE TAX		<u>(1,414)</u>
Income tax expense		<u>-</u>
LOSS FOR THE QUARTER		<u>(1,414)</u>

The figures and financial information relating to the quarter ended 31 March 2022 included in the detail income statement are not the Company's statutory annual financial statements for that year. Further information relating to those statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance is as follows:

As the Company is a private Company, the Company is not required to deliver its financial statements to the Registrar of Companies, and has not done so.

The Company's auditor has reported on those financial statements. The auditor's report was unqualified; included a reference related to going concern to which the auditor drew attention by way of emphasis without qualifying its report; but did not contain a statement under sections 406(2), 407(2) or 407(3) of the Companies Ordinance.