

AXIOM CORDAGES LIMITED  
QUARTERLY REPORT  
FOR THE QUARTER ENDED 31 MARCH 2023

AXIOM CORDAGES LIMITED

QUARTERLY REPORT  
FOR THE QUARTER ENDED 31 MARCH 2023

---

<u>CONTENTS</u>	<u>PAGE(S)</u>
REPORT ON REVIEW OF INTERIM 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 INTERIM FINANCIAL STATEMENTS	6 - 12
DETAILED STATEMENT OF COMPREHENSIVE INCOME	13



**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 quarter financial statements set out on pages 2 to 12, which comprise the statement of financial position of Axiom Cordages Limited (“the Company”) as of 31 March 2023 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 quarter financial statements in accordance with Hong Kong Financial Reporting Standards. Our responsibility is to express a conclusion on this quarter 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 Quarter Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. A review of quarter 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 quarter financial statements does not give a true and fair view of the financial position of the Company as at 31 March 2023, 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,

29 APR 2023

AXIOM CORDAGES LIMITED

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 31 MARCH 2023

	Notes	For the period	
		01.01.2023 =	01.10.2022 =
		31.03.2023	31.12.2022
		US\$	US\$
		(unaudited)	(unaudited)
Revenue	4	2,516,094	187,054
Cost of sale		(836,665)	(44,739)
		<u>1,679,429</u>	<u>142,315</u>
Other income	5	-	64
Administrative expenses		-	-
Other operating expense		(180,416)	(180,416)
PROFIT/(LOSS) BEFORE TAX	6	<u>1,499,013</u>	<u>(38,037)</u>
Income tax expense	7	-	-
PROFIT/(LOSS) FOR THE QUARTER		<u><u>1,499,013</u></u>	<u><u>(38,037)</u></u>

The notes on pages 6 to 12 form part of these financial statements.

**AXIOM CORDAGES LIMITED**

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2023**

	<u>Notes</u>	<u>31.03.2023</u> US\$ (unaudited)	<u>31.12.2022</u> US\$ (unaudited)
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	16,641,237	16,821,653
<b>CURRENT ASSETS</b>			
Amount due from the immediate holding company	9	10,949	10,949
Trade and other receivable	10	3,109,657	593,563
Cash and cash equivalents	11	119,455	119,455
		<u>3,240,061</u>	<u>723,967</u>
<b>CURRENT LIABILITIES</b>			
Trade payables	12	881,404	44,739
<b>NET CURRENT ASSETS</b>			
		<u>2,358,657</u>	<u>679,228</u>
<b>NET ASSETS</b>			
		<u>18,999,894</u>	<u>17,500,881</u>
<b>EQUITY</b>			
Share capital	13	17,123,000	17,123,000
Retained earnings		1,876,894	377,881
		<u>18,999,894</u>	<u>17,500,881</u>

The financial statements were approved by:



**Vijaykumar Jivrambhai SHARMA**  
Sole Director

The notes on pages 6 to 12 form part of these financial statements.

AXIOM CORDAGES LIMITED

STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 31 MARCH 2023

	<u>Share capital</u> US\$	<u>(Accumulated losses)/ Retained earnings</u> US\$	<u>Total</u> US\$
Balance as at 1 October 2022	17,123,000	415,918	17,538,918
Profit for the quarter	-	(38,037)	(38,037)
Balance as at 31 December 2022 (unaudited) and 1 January 2023	17,123,000	377,881	17,500,881
Profit for the quarter	-	1,499,013	1,499,013
Balance as at 31 March 2023 (unaudited)	17,123,000	1,876,894	18,999,894

The notes on pages 6 to 12 form part of these financial statements.

AXIOM CORDAGES LIMITED

STATEMENT OF CASH FLOWS  
FOR THE QUARTER ENDED 31 MARCH 2023

		<u>For the period</u>	
		<u>01.01.2023</u>	<u>01.10.2022</u>
		-	-
<u>Notes</u>		<u>31.03.2023</u>	<u>31.12.2022</u>
		US\$	US\$
		(unaudited)	(unaudited)
<b>Cash flow from operating activities:-</b>			
	Profit/(Loss) before tax	1,499,013	(38,037)
	Adjustment for:		
	Depreciation of property, plant and equipment	6 180,416	180,416
	Operating loss before working capital changes	1,679,429	142,379
<b>Movements in:</b>			
	Increase in account and other receivable	(2,516,094)	(187,054)
	Increase in account and other payables	836,665	44,739
	Cash generated from operation	-	64
	Income tax paid	-	-
	Net cash generated from operating activities	-	64
	<b>Net increase in cash and cash equivalents</b>	-	64
	Cash and cash equivalents at the beginning of the period	119,455	119,391
	Cash and cash equivalents at the end of the period	11 119,455	119,455

The notes on pages 6 to 12 form part of these financial statements.

## AXIOM CORDAGES LIMITED

### NOTES TO THE UNAUDITED QUARTER FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2023

---

#### 1. GENERAL INFORMATION

Axiom Cordages Limited (“the Company”) is a limited liability company domiciled and incorporated in Hong Kong. The Company’s principal activity is engaged in trading of vinyl flooring during the year.

#### 2. STATEMENT OF COMPLIANCE WITH HONG KONG FINANCIAL REPORTING STANDARDS

This unaudited quarter financial statements of the Company for the three-month ended 31 March 2023 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.

##### Revenue

Revenue is recognised when it is probable that the economic benefits will flow to the Company and when the revenue can be measured reliably, on the following bases:

- i) Service income is recognised when the service was completed.

##### Foreign currency translation

Foreign currency transactions during the period 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.

##### Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

The depreciable amount of an item of property, plant and equipment is allocated on a systematic basis over its estimated useful life using the straight-line method. The principal annual rates used for depreciation are as follows:

Machinery	30 years
-----------	----------



AXIOM CORDAGES LIMITED

NOTES TO THE UNAUDITED QUARTER FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 31 MARCH 2023

---

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

Impairment of assets

An assessment is made at the end of each reporting period to determine whether there is any indication of impairment or reversal of previous impairment, including item of property, plant and equipment. In the event that an asset's carrying amount exceeds its recoverable amount, the carrying amount is reduced to recoverable amount and an impairment loss is recognised in the income statement. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount, however not to an amount higher than the carrying amount that would have been determined (net of amortisation or depreciation), had no impairment losses been recognised for the asset in prior years.

Trade and other receivables

Trade and other receivables are stated at estimated realisable value after each debt has been considered individually. Where the payment of a debt becomes doubtful a provision is made and charged to the income statement.

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.

Trade payables

Trade 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.

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 QUARTER FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 31 MARCH 2023

---

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. REVENUE

	<u>For the period</u>	
	<u>01.01.2023</u>	<u>01.10.2022</u>
	=	=
	<u>31.03.2023</u>	<u>31.12.2022</u>
	US\$	US\$
	(unaudited)	(unaudited)
Sale income	<u>2,516,094</u>	<u>187,054</u>

AXIOM CORDAGES LIMITED

NOTES TO THE UNAUDITED QUARTER FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 31 MARCH 2023

5. OTHER INCOME

	<u>For the period</u>	
	<u>01.01.2023</u>	<u>01.10.2022</u>
	=	=
	<u>31.03.2023</u>	<u>31.12.2022</u>
	US\$	US\$
	(unaudited)	(unaudited)
Exchange gain	-	64

6. PROFIT/(LOSS) BEFORE TAX

Profit/(Loss) before tax is arrived at after (crediting)/charging the following items:

	<u>For the period</u>	
	<u>01.01.2023</u>	<u>01.10.2022</u>
	=	=
	<u>31.03.2023</u>	<u>31.12.2022</u>
	US\$	US\$
	(unaudited)	(unaudited)
Auditor's remuneration	-	357
Depreciation	180,416	180,416
Exchange loss/(gain)	-	(64)

7. INCOME TAX EXPENSE

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

The Company has no deferred tax during the period.

AXIOM CORDAGES LIMITED

NOTES TO THE UNAUDITED QUARTER FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 31 MARCH 2023

8. PROPERTY, PLANT AND EQUIPMENT

	<u>Machineries</u> US\$	<u>Total</u> US\$
At 1 January 2023 and at 31 March 2023	17,182,485	17,182,485
Accumulated depreciation		
At January 2023	360,832	360,832
Depreciation	180,416	180,416
At 31 March 2023	541,248	541,248
Net carrying amount		
At 31 March 2023 (unaudited)	16,641,237	16,641,237
At 31 December 2022 (unaudited)	16,821,653	16,821,653

9. AMOUNT DUE FROM THE IMMEDIATE HOLDING COMPANY

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

10. TRADE AND OTHER RECEIVABLE

	<u>31.03.2023</u> US\$ (unaudited)	<u>31.12.2022</u> US\$ (unaudited)
Trade receivables	3,109,657	187,054
Other receivable:		
- Sundry receivable	-	406,509
	3,109,657	593,563

11. CASH AND CASH EQUIVALENTS

	<u>31.03.2023</u> US\$ (unaudited)	<u>31.12.2022</u> US\$ (unaudited)
Cash at bank	119,455	119,455

AXIOM CORDAGES LIMITED

NOTES TO THE UNAUDITED QUARTER FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 31 MARCH 2023

---

12. TARDE PAYABLES

	<u>31.03.2023</u>	<u>31.12.2022</u>
	US\$	US\$
	(unaudited)	(unaudited)
Trade payable	881,404	44,739

13. SHARE CAPITAL

	<u>31.03.2023</u>	<u>31.12.2022</u>
	US\$	US\$
	(unaudited)	(unaudited)
Issued and fully paid: 17,123,000 Ordinary shares	17,123,000	17,123,000

14. IMMEDIATE PARENT COMPANY AND ULTIMATE CONTROLLING PARTY

At 31 December 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.

15. AUTHORISATION FOR ISSUE OF THE FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Company's Sole Director  
on **23 APR 2023**

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

AXIOM CORDAGES LIMITED

DETAILED STATEMENT OF COMPREHENSIVE INCOME  
(FOR MANAGEMENT USE ONLY)  
FOR THE QUARTER ENDED 31 MARCH 2023

	<u>2023</u>	<u>2023</u>
	US\$	US\$
<b>Revenue</b>	2,516,094	
<b>Cost of sale</b>	<u>(836,665)</u>	
		1,679,429
Other operating expense - depreciation		<u>(180,416)</u>
<b>PROFIT BEFORE TAX</b>		1,499,013
<b>Income tax expense</b>		<u>-</u>
<b>PROFIT FOR THE QUARTER</b>		<u>1,499,013</u>

The unaudited figures and financial information relating to the quarter ended 31 March 2023 included in the detail statement of comprehensive income 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 yet to report on these financial statements.