

RESPONSIVE INDUSTRIES LIMITED  
QUARTERLY REPORT  
FOR THE QUARTER ENDED 31 MARCH 2023

RESPONSIVE INDUSTRIES LIMITED

QUARTERLY REPORT  
FOR THE QUARTER ENDED 31 MARCH 2023

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# 黃松堅會計師事務所有限公司

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## REPORT ON REVIEW OF QUARTERLY FINANCIAL STATEMENTS

TO THE MEMBER OF  
RESPONSIVE INDUSTRIES LIMITED  
(incorporated in Hong Kong with limited liability)

### Introduction

We have reviewed the quarterly financial statements set out on pages 2 to 12, which comprise the statement of financial position of RESPONSIVE INDUSTRIES 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 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 Quarterly Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. 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 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, **23 APR 2023**

RESPONSIVE INDUSTRIES LIMITED

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 31 MARCH 2023

	<u>Notes</u>	<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)
Revenue	4	1,948,902	3,903,965
Cost of sale		(765,494)	(1,589,347)
		<u>1,183,408</u>	<u>2,314,618</u>
Other income	5	121	54
Administrative expenses		(31,130)	(89,078)
Other operating expense		(317,422)	(317,422)
PROFIT BEFORE TAX	6	<u>834,977</u>	<u>1,908,172</u>
Income tax expense	7	-	-
PROFIT FOR THE QUARTER		<u>834,977</u>	<u>1,908,172</u>


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

RESPONSIVE INDUSTRIES 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	39,037,302	39,354,724
<b>CURRENT ASSETS</b>			
Trade and other receivables	9	16,657,214	17,220,749
Cash and cash equivalents	10	384,521	403,553
		17,041,735	17,624,302
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	2,236,303	3,971,269
<b>NET CURRENT ASSETS</b>			
		14,805,432	13,653,033
<b>NET ASSETS</b>			
		53,842,734	53,007,757
<b>EQUITY</b>			
Share capital	12	40,010,000	40,010,000
Retained earnings		13,832,734	12,997,757
		53,842,734	53,007,757

The financial statements were approved by:



Vijaykumar Jivrambhai SHARMA  
Sole Director

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

RESPONSIVE INDUSTRIES LIMITED

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

	<u>Share capital</u> US\$	<u>Retained earnings</u> US\$	<u>Total</u> US\$
Balance as at 1 October 2022	40,010,000	11,089,585	51,099,585
Profit for the quarter	-	1,908,172	1,908,172
Balance as at 31 December 2022 (unaudited) and 1 January 2023	40,010,000	12,997,757	53,007,757
Profit for the quarter	-	834,977	834,977
Balance as at 31 March 2023 (unaudited)	40,010,000	13,832,734	53,842,734

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

RESPONSIVE INDUSTRIES LIMITED

STATEMENT OF CASH FLOWS  
FOR THE QUARTER ENDED 31 MARCH 2023

	Notes	For the period ended	
		01.01.2023	01.10.2022
		=	=
		31.03.2023	31.12.2022
		US\$	US\$
		(unaudited)	(unaudited)
<b>Cash flow from operating activities:</b>			
Profit before tax		834,977	1,908,172
Adjustment for:			
Interest income	5	-	(54)
Depreciation of property, plant and equipment	6	317,422	317,422
Operating profit before working capital changes		1,152,399	2,225,540
<b>Movements in:</b>			
Decrease/(Increase) in trade and other receivables		563,535	(2,992,429)
(Decrease)/Increase in trade and other payables		(1,734,966)	1,124,002
Cash generated (used in)/generated from operation		(19,032)	357,113
Income tax paid		-	-
Net cash (used in)/generated from operating activities		(19,032)	357,113
<b>Cash flow from investing activity:</b>			
Interest received		-	54
Net cash generated from investing activity		-	54
<b>Net (decrease)/increase in cash and cash equivalents</b>		(19,032)	357,167
Cash and cash equivalents at the beginning of the quarter		403,553	46,386
Cash and cash equivalents at the end of the quarter	10	384,521	403,553

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

# RESPONSIVE INDUSTRIES LIMITED

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

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### 1. GENERAL INFORMATION

RESPONSIVE INDUSTRIES 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 quarterly financial statements of the Company for the three-month ended 31 December 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.

#### 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; and
- ii) Interest income is recognised on an accrual basis by reference to the substance of the transaction.

#### 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:

Machineries	30 years
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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Impairment of asset

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 and other payables

Trade and 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.

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.

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

Taxation (cont'd)

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.

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.

RESPONSIVE INDUSTRIES LIMITED

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

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

Related parties (cont'd)

- (b) An entity is related to 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	1,948,902	3,903,965

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)
Interest income	-	54
Sundry income	121	-
	<u>121</u>	<u>54</u>

RESPONSIVE INDUSTRIES LIMITED

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

6. PROFIT BEFORE TAX

Profit before tax is arrived at after charging/(crediting) 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	-	1,742
Depreciation	317,422	317,422
Exchange loss	2,415	3
Salary & wages	18,383	42,878

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.

8. PROPERTY, PLANT AND EQUIPMENT

	<u>Machineries</u>	<u>Total</u>
	US\$	US\$
At 1 January 2023 and at 31 March 2023	40,095,375	40,095,375
Accumulated depreciation		
At 1 January 2023	740,651	740,651
Depreciation	317,422	317,422
At 31 March 2023	1,058,073	1,058,073
Net carrying amount		
At 31 March 2023 (unaudited)	39,037,302	39,037,302
At 31 December 2022 (unaudited)	39,354,724	39,354,724

RESPONSIVE INDUSTRIES LIMITED

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

9. TRADE AND OTHER RECEIVABLES

	<u>31.03.2023</u>	<u>31.12.2022</u>
	US\$	US\$
	(unaudited)	(unaudited)
Trade receivables	3,909,621	4,573,155
Other receivables:		
-Sundry receivable	11,005,169	10,905,170
-Advance payment	1,742,424	1,742,424
	<u>16,657,214</u>	<u>17,220,749</u>

10. CASH AND CASH EQUIVALENTS

	<u>31.03.2023</u>	<u>31.12.2022</u>
	US\$	US\$
	(unaudited)	(unaudited)
Cash at bank	384,521	403,553

11. TRADE AND OTHER PAYABLES

	<u>31.03.2023</u>	<u>31.12.2022</u>
	US\$	US\$
	(unaudited)	(unaudited)
Trade payables	2,236,303	3,927,134
Other payables:		
-Accruals	-	44,135
	<u>2,236,303</u>	<u>3,971,269</u>

12. SHARE CAPITAL

	<u>31.03.2023</u>	<u>31.12.2022</u>
	US\$	US\$
	(unaudited)	(unaudited)
Issued and fully paid:		
40,010,000 Ordinary shares	40,010,000	40,010,000

RESPONSIVE INDUSTRIES LIMITED

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

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13. IMMEDIATE PARENT COMPANY AND ULTIMATE CONTROLLING PARTY

At 31 March 2023, the director considers the immediate parent and ultimate controlling party of the Company to be RESPONSIVE INDUSTRIES LIMITED, which is incorporated in India.

14. IMPACT OF COVID-19

After the COVID-19 outbreak, a series of precautionary and control measures have been and continued to be implemented across the globe. The Company is paying close attention to the development of, and the disruption to business and economic activities caused by, COVID-19 outbreak and evaluate its impact on the financial position and operation results of the Company. Sales for December quarter have reduced due to the COVID induced manpower shortages in China as well as the correcting global demand during this period.

15. AUTHORISATION FOR ISSUE OF THE FINANCIAL STATEMENTS

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

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

RESPONSIVE INDUSTRIES 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>	1,948,902	
<b>Cost of sale</b>	<u>(765,494)</u>	
		1,183,408
<b>Other income</b>		
Sundry income		121
<b>Administrative expenses</b>		
Accounting fee	1,455	
Bank charges	1,847	
Exchange loss	2,415	
Professional fee	7,030	
Salary & wages	<u>18,383</u>	
		(31,130)
Other operating expense - depreciation		<u>(317,422)</u>
<b>PROFIT BEFORE TAX</b>		834,977
<b>Income tax expense</b>		-
<b>PROFIT FOR THE PERIOD</b>		<u>834,977</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.