

CADINI S.R.L. A SINGLE MEMBER COMPANY

Financial Statements at 31-12-2020

General Details	
Registered office in	BAGNO A RIPOLI
Tax code	06759030486
Rea Number	FLORENCE 654053
VAT No.	06759030486
Share capital in Euro	1.000.000 fully paid up
Legal Status	LIMITED LIABILITY COMPANY
Main sector of activity (ATECO):	141310
Company under liquidation	No
Sole Director Company	Yes
Company subject to the management and coordination of others	Yes
Name of company or authority currently holding management and coordination of the company	SIYARAM SILK MILLS LIMITED
Belonging to a group	Yes
Name of the Parent Company	SIYARAM SILK MILLS LIMITED
Country of the Parent Company	INDIA

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Balance sheet

	31-12-2020	31-12-2019
Balance sheet		
Assets		
A) Receivables from the Shareholders for payments still due	0	0
B) Fixed assets		
I- Intangible fixed assets	382.608	417.590
II - Tangible fixed assets	42.502	53.011
III - Financial assets	6.207	0
Total fixed assets (B)	431.317	470.601
C) Current assets		
I - Inventory	232.679	237.607
II - Receivables		
due within the following fiscal year	245.233	239.314
Collectable after the next fiscal year	0	6.207
Prepaid taxes	11.650	11.650
Total receivables	256.883	257.171
III - Financial assets not constituting fixed assets	0	0
IV - Cash assets	70.595	53.026
Total current assets (C)	560.157	547.804
D) Adjustment accounts	9.493	8.769
Total assets	1.00.967	1.027.174
Liabilities		
A) Net equity		
I - Capital	1.000.000	1.000.000
II - Share premium reserve	0	0
III - Revaluation reserves	0	0
IV - Legal reserve	0	0
Statutory reserves	0	0
VI - Other reserves	2	3
VII - Cash flow hedge reserve	0	0
VIII - Profits (losses) carried forward	(608.600)	(299.913)
IX - Fiscal year profit (loss)	(257.650)	(308.687)
Loss offset in the fiscal year	0	0
X - Loss reserve for own shares held in portfolio	0	0
Total net equity	133.752	391.403
B) Provisions for risks and charges	0	0
C) Severance indemnities	6.548	2.020
D) Payables		
due within the following fiscal year	687.056	83.632
Collectable after the next fiscal year	173.611	550.000
Total payables	860.667	633.632
E) Adjustment accounts	0	119
Total liabilities	1.00.967	1.027.174

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Income statement

	31-12-2020	31 -12-2019
Income statement		
A) Value of production		
1) revenues from sales and services	168.502	186.466
2). 3) Variations to leftover products in progress. semi-finished and finished and to products in progress on order	15.585	14.822
2) Variations to leftover products in progress semi-finished and finished	15.585	14.822
5) Other income and revenues		
Operating grants	3.532	0
Other	20	83
Total other income and revenues	3.552	83
Total production value	187.639	201.371
B) Costs of production		
6) costs for raw and subsidiary materials, consumables and goods	37.492	115.685
7) costs for services	154.490	147.374
8) leasing costs for third-party assets	72.737	73.544
9) personnel costs		
a) salaries and wages	53.505	59.439
b) social security expenses	12.040	15.692
c). d). e) employees' severance indemnity, pensions, other staff costs	4.527	4.436
e) severance indemnity	4.527	4.436
Total personnel costs	70.072	79.567
10) amortisation and devaluation		
a).b).c) Amortisation of intangible and tangible fixed assets, other fixed asset depreciation	50.946	50.296
a) Amortisations of intangible fixed assets	40.437	39.891
a) amortisation of tangible fixed assets	10.509	10.405
Total amortisation and devaluation	50.946	50.296
11) Variations to leftover stock of raw, subsidiary materials, consumables and goods	20.513	(3.597)
14) sundry operating expenses	3.591	8.187
Total production costs	409.841	471.056
Difference between production value and costs (A - B)	(222.202)	(269.685)
C) Financial revenue and expenses		
17) Interest and other financial expenses		
towards parent companies	19.159	38.996
Other	16.289	0
Total interests and other financial expenses	35.448	38.966
17-bis) Gains and losses on foreign exchange	0	(6)
Total income and financial expenses (15 + 16 - 17 + - 17-bis)	(35.448)	(39.002)
D) Valuation adjustments to financial assets and liabilities		
Total valuation adjustments to financial assets and liabilities (18 - 19)	0	0
Pre-tax result (A - B + - C + - D)	(257.650)	(308.687)
21) Fiscal year profit (loss)	(257.650)	(308.687)

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Explanatory Notes to the Financial Statements ended on 31-12-2020

Explanatory Notes, Initial Section

Explanatory Notes to the Financial Statements at 31/12/2020 prepared in abridged form pursuant to article 2435 - bis of the Civil Code

OVERVIEW

The financial statements for the year ended 31/12/2020 of which these notes are an integral part pursuant to article 2423, first paragraph of the Civil Code, correspond to the accounting records properly kept and have been drawn up in compliance with articles 2423, 2423 ter, 2424, 2424 bis, 2425, 2425 bis of the Italian Civil Code, in accordance with the reporting principles that conform to the provisions of article 2423 bis, assessment criteria specified in article 2426 of the Civil Code.

The fiscal year's financial statements have been drawn up in abridged form in compliance with the provisions of article 2435-bis of the Civil Code, given that the conditions specified in paragraph 1 of said article apply. Consequently, these explanatory notes provide the information established in paragraph 1 of article 2427 limitedly to the entries specified in paragraph 5 of article 2435 bis of the Civil Code.

Furthermore, these notes to the financial statements contain the information requested in points 3) and 4) of article 2428 of the Civil Code and accordingly the Management Report has not been written, pursuant to article 2435 - b, paragraph 7 of the Civil Code.

The valuation criteria pursuant to article 2426 of the Civil Code are in compliance with those applied in the drafting of the previous financial statements.

Furthermore, where applicable, the principles and recommendations of the Italian Accounting Body (OIC) have been integrated, where lacking, by the IAS/IFRS issued by the IASB in order to give a true and fair view of the assets/liabilities, financial and economic situation of the Company. There are no asset and liability items falling under multiple entries in the financial statements.

There are no asset and liability items falling under multiple entries in the financial statements.

For comparison purposes of the financial statements amounts, pursuant to article 2423 ter, fifth paragraph of the Civil Code, the reclassification of the amounts related to the previous fiscal year was carried out.

REPORTING CRITERIA

In order to draw up the financial statements clearly and provide a true and accurate capital and financial situation and economic result description, pursuant to article 2423 bis of the Civil Code, it was decided to:

- value single items prudently and with business continuity in mind;
- only include profits effectively made during the year;
- calculate income and costs on an accruals basis, regardless of when they appeared financially;
- include all risks and losses for the period, even if known after the fiscal year had ended;
- consider separately, for the related valuation, heterogeneous elements included in the financial statement items;
- maintain valuation criteria the same as those adopted for the previous fiscal year.

Business continuity perspective

For what concerns this principle, the evaluation of the balance sheet items has been carried out with a perspective of business continuity and therefore taking into account the fact that the company constitutes a functioning economic structure, designed, at least for a foreseeable future period of time (12 months from the balance sheet reference date), for the production of income. The Company mainly operates in foreign markets, still affected by the consequences of the Covid-19 pandemic, for this reason, the Shareholder, in anticipation of the economic recovery and purchase orders at a pre-Covid level, made a bank transfer on 9 March 2021, of which a part - amounting to € 608.600 - is intended to cover the realized losses and to improve the solidity and balance of the equity and financial structure of the company.

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VALUATION CRITERIA

The criteria applied to value the financial statement items, detailed below, comply with art. 2426 of the Civil Code.

Intangible fixed assets

Intangible fixed assets have been entered, within their recoverable value limit, at purchase or internal production cost, including all directly attributable additional expenses, and have been amortised systematically by constant percentages related to their residual possibility of use.

In particular, plant and expansion costs derive from the capitalisation of the charges related to the start-up stage or expansion of the operating capacity, and they have been amortised on a 5-year basis.

The industrial patent rights and the exploitation rights of intellectual property assets have been amortised on the basis of their presumed term of use; however, never exceeding those established by the licence agreements.

Intangible assets in progress have not been subjected to amortisation.

Intangible assets, whose value at the end of the fiscal year are durably less than the residual ~~less than the~~ cost to be amortised, are posted at their lesser value; this is not maintained if in the subsequent fiscal years the reasons that led to the correction performed no longer apply.

Tangible Fixed Assets

The tangible fixed assets have been recognised on the date in which the transfer of risks and benefits related to the assets acquired took place, and they have been posted, within the limit of their recoverable value, at the purchase cost or production cost at net of related amortisation provisions, including all charges and ancillary charges directly related to them, as well as the indirect charges associated to them due to the internal production and until the moment in which the assets can be used.

The costs sustained on existing assets for the expansion, modernisation and improvement of structural elements, and those sustained to increase correspondence with the reasons for their purchase, and the extraordinary maintenance in compliance with OIC 16 in paragraphs from 49 to 53, have been capitalised when there was a significant, measurable increase to production capacity or useful lifespan.

For those assets, amortisation was applied in a unitary way on the new book value considering the residual useful life span.

For tangible fixed assets represented by a group of assets related to each other, in compliance with what is established by OIC 16 pursuant to paragraphs 45 and 46, the value for each asset has been determined in order to identify the different duration of their useful life.

The capitalisation of the financial charges has not been performed.

The cost of assets where use is limited in time is amortised systematically in each fiscal year based on the economic-technical percentages calculated based on residual possible use. All assets, including those that are not being used at the moment, have been depreciated, except for those whose utility does not diminish and which consist of land and non-instrumental buildings and works of art.

Amortisation starts from when the assets become available and ready for use.

Rates that reflect the technical depreciation schedules have been applied. The rates take into account the Company's actual situation and have been reduced by 50% for acquisitions over the year as such acquisitions meet the conditions specified by OIC 16, paragraph 61.

Amortisation plans, in compliance with OIC 16 paragraph 70 are reviewed if there is a change to the residual possibility of use.

Obsolete assets and those that will or can no longer be used in the production cycle, have not, in accordance with OIC 16, paragraph 80, been amortised and have been entered at their net book value, or at their recoverable value if the latter value is lower. The rates applied are set out below:

Other assets:

- furniture and furnishings: 15%
- electronic office equipment: 20%

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- plants: 15%

Public contributions towards plants and operating expenses

No contributions towards plant expenses have been issued by the State while operating contributions have been entered among the elements of income. Operating contributions refer to the non-repayable contribution pursuant to Legislative Decree 32/20.

Shareholdings

No shareholdings in other companies appear in the financial statements.

Debt instruments

No debt instruments appear in the financial statements.

Inventories

Inventory is recognised at the date on which the risks and benefits associated with the assets acquired are transferred and are posted at the lower value between the purchase cost, including all directly attributable ancillary costs and expenses and indirect costs related to internal production, and the estimated realisable value based on market trends.

More precisely:

Fungible assets were assessed by applying the "Weighted Average Cost" formula.

With reference to the assessment criteria adopted, the following should also be noted:

In compliance with OIC 13 paragraph 42, it is reported that the Company did not receive any contributions in the fiscal year.

Financial charges are not included in the value of inventory.

Derivative financial instruments

The Company does not hold derivative financial instruments.

Receivables

Receivables are classified in fixed assets or in current assets based on their intended use/origin compared to ordinary activities, and are entered at presumed collection value. On the basis of experience, trend of the seniority indexes of overdue receivables, general economic situation, sector and country risk, as well as events occurring after the end of the fiscal year, it is considered that there are no receivables at risk that cannot be collected. Amounts due within and after the fiscal year are subdivided on the basis of contractual or legal due dates, also taking into account facts and events that may lead to a change in the original due date, the debtor's realistic ability to fulfil its obligation within the contractual terms and the certain time period in which it is reasonably believed to collect the receivables.

Pursuant to the OIC 15, paragraph 84 it is specified that in the assessment of receivables, the amortised cost criterion has not been adopted.

Tax credits and credits for prepaid taxes

The item "Tax credits" comprises amounts that are certain and defined arising from receivables giving entitlement to refunds or compensation.

The 'Prepaid taxes' entry includes the transactions for prepaid taxes calculated on the basis of temporary differences that can be deducted or carried forward in the tax losses, applying the estimated rate in force at the time in which said differences will be paid.

The prepaid taxes associated with a claimable loss were recognized when there is reasonable certainty of their future collection, proven by a tax plan for a reasonable period of time that foresees sufficient taxable income to utilize the losses that can be carried forward and/or by the presence of sufficient taxable temporary differences to absorb the losses that can be carried forward.

Liquid assets

Liquid assets are entered at their nominal value.

Accruals and deferrals

Accrual and deferrals have been posted on an accrual basis and include revenues/expenses pertaining to the fiscal year and becoming due in subsequent fiscal years and the revenues/expenses borne within the end of the fiscal year, but pertaining to the subsequent fiscal years.

Therefore, solely those percentages of costs and revenues, common to two or more fiscal years, the amount of which varies based on time were entered.

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At the end of the year, it was established that the conditions that justified the initial entry had been met, after any necessary adjustments had been made, also taking any recoverability into account, in addition to the temporal element. Accrued income, which could be included in the receivables for the fiscal year, has been assessed at its presumable realisable value, by applying a depreciation in the income statement, if said value was less than the book value. Deferred income, which could be included in the payables for the fiscal year, have been assessed at their nominal value. Prepaid expenses were reported on the basis of the calculation of the future financial benefit of differed costs, the value being adjusted if the benefit was found to be less than the discounted amount.

Provisions for risks and charges

They do not appear in the financial statements.

Provision for pensions and similar obligations

They do not appear in the balance sheet

Taxes, including deferred taxes provision

They do not appear in the balance sheet

Employees' severance pay indemnity

Employees' severance indemnities are reported in compliance with current regulations and the item states the Company's actual commitment to individual employees at the end of the fiscal year, less advances paid out.

Payables

The distribution of the amounts receivables within and past the fiscal year was performed with reference to the contractual or legal due date, also taking into consideration facts and events that may lead to a change of the original due date. Payables are stated under liabilities at their face value, which is deemed to correspond to their settlement value.

Pursuant to the OIC 19, paragraph 86 it is specified that in the assessment of payables, the amortised cost criterion has not been adopted

Payables from the acquisition of assets are entered when risks, expenses and benefits are transferred. Those for services when the service is provided. Financial ones and of another kind when the obligation with the counterpart arises.

Tax payables include liabilities for certain and calculated taxes, and those withheld as a substitute and not yet paid at the financial statements date, and, if compensation is allowed, are entered at net of advances, withheld taxes and tax receivables.

Foreign currency entries

They do not appear in the balance sheet

Costs and Revenues

These are entered applying the prudence and economic accrual principles.

Any commercial and financial transactions with companies of the Group and with connected counterparties are conducted subject to normal market conditions.

With reference to "Revenues from sales and services" please note that the adjustments to the revenues, pursuant to OIC 12 paragraph 50, have not been subjected to a decrease in the revenues item.

Exceptional cases pursuant to art. 2423, fifth paragraph, of the Civil Code**EXCEPTIONAL CASES EX ART. 2423, FIFTH PARAGRAPH OF THE CIVIL CODE**

There were no exceptional events that made it necessary to resort to exceptions pursuant to article 2423, fifth paragraph of the Civil Code.

Changes in accounting principles**CHANGES IN ACCOUNTING PRINCIPLES**

There were no changes in accounting standards during the year.

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Correction of relevant errors

CORRECTION OF RELEVANT ERRORS

No significant errors made in previous years emerged during the year.

Comparability and adaptation issues

COMPARABILITY AND ADAPTATION ISSUES

There are no assets and liabilities that fall under several accounts of the financial statements.

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Abridged Explanatory Notes, Assets

INFORMATION ON THE BALANCE SHEET ASSETS

Fixed assets

FIXED ASSETS

Fixed assets amount to € 431.317 (€ 470.601 in the previous fiscal year).

Fixed assets transactions

The individual items break down and transactions are as follows:

	Intangible fixed assets	Tangible fixed assets	Financial fixed assets	Total Fixed Assets
Value at start of the fiscal year				
Carrying amount	417.590	53.011	0	470.601
Variations in the fiscal year				
Increases for acquisitions	5.455	0	0	5.455
Amortisation in fiscal year	40.437	10.509		50.946
Other variations	0	0	6.207	6.207
Total variations	(34.982)	(10.509)	6.207	550.717
Value at end of the fiscal year				
Cost	472.656	71.854	6.207	550.717
Amortisation (provision for amortisation)	20.000	29.352		49.352
Depreciation	70.048	0	0	70.048
Carrying amount	382.608	42.502	6.207	431.317

Current assets

CURRENT ASSETS

Capitalised finance charges

Capitalised finance charges

There no finance charges related for the fiscal year for values posted in the assets of the Balance Sheet, pursuant to article 2427, paragraph 1, No. 8), of the Civil Code.

Complementing the information provided on the assets posted in the Balance Sheet, please find below any "Depreciation due to significant loss of value" and "Revaluation of tangible and intangible Fixed Assets"

Depreciation due to significant loss of value of tangible and intangible assets

Pursuant to article 2427, paragraph 1, number 3-bis of the civil code, it is specified that no decreases have been applied to the value of the tangible and intangible fixed assets.

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Revaluation of tangible and intangible fixed assets.

No monetary and financial revaluations have been performed by the Company.

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Abridged explanatory notes, liabilities and net equity

INFORMATION ON THE BALANCE SHEET - LIABILITIES AND NET EQUITY

Net Equity

NET EQUITY

Net equity at the end of the fiscal year amounts to € 133.752 (€ 391.403 in the previous fiscal year).

Variations in Net Equity items

The following tables show changes to the individual Net equity items and break down the item 'Other reserves'.

	Value at start of the fiscal year	Allocation of the operating result related to the previous fiscal year		Other variations			Result for the fiscal year	Value at end of the fiscal year
		Allocation of dividends	Other allocations	Increases	Decreases	Reclassifications		
Share Capital	1.000.000	0	0	0	0	0		1.000.000
Share premium reserve	0	-	-	-	-	-	-	0
Revaluation reserve	0	-	-	-	-	-	-	0
Legal reserve	0	-	-	-	-	-	-	0
Statutory reserve	0	-	-	-	-	-	-	0
Other reserves								
Miscellaneous other reserves	3	0	0	0	0	(1)		2
Total other reserves	3	0	0	0	0	(1)		2
Cash flow								
hedge reserve	0	-	-	-	-	-	-	0
Profits (losses) carried forward	(299.913)	0	0	0	308.687	0		(608.600)
Profits (losses) for the fiscal year	(308.687)	-	308.687	0	0	0	(257.650)	(257.650)
Loss offset in the fiscal year	0	-	0	-	-	-	-	0
Reserve for own shares held in portfolio	0	-	-	-	-	-	-	0
Total net equity	391.403	0	308.687	0	308.687	(1)	(257.650)	133.752

Detail for other reserves

Description	Amount
Rounding to units of EUR	2
Total	2

The following table shows the transactions in net equity of the previous fiscal year

	Value at start of the fiscal year	Allocation of dividends	Other allocations	Increases
Share Capital	1.000.000	0	0	0

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Other reserves				
Miscellaneous other reserves	-3	0	0	0
Total other reserves	-3	0	0	0
Profits (losses) carried forward	-36.997	0	0	0
Profits (losses) for the fiscal year	-262.916	0	262.916	0
Total net equity	700.084	0	262.916	0

	Decreases	Reclassifications	Result for the fiscal year	Value at end of the fiscal year
Share Capital	0	0		1.000.000
Other reserves				
Miscellaneous other reserves	0	6		3
Total other reserves	0	6		3
Profits (losses) carried forward	262.916	0		-299.613
Profits (losses) for the fiscal year	0	0	-308.687	-308.687
Total net equity	262.916	6	-308.687	391.403

Variation of cash flow hedge reserve

Cash flow hedge reserve

The Company does not hold derivative financial instruments.

To complete information provided on the Net Equity we are providing the following details:

Revaluation reserve

No revaluation reserves appear in the financial statements.

Payables

PAYABLES

Variations and payables due date

Payables - Difference by due date

Here below are the details of the subdivision of payables by due date, pursuant to art. 2427 par. 1 number 6 of the Civil Code

	Value at start of the fiscal year	Variation in the fiscal year	Value at end of the fiscal year	Instalment due within the fiscal year	Instalment due beyond the fiscal year	Of which of residual term beyond 5 years
Advance payment	0	10.818	10.818	10.818	0	0
Payables to suppliers	26.205	28.610	54.815	54.815	0	0
Payables represented by credit instruments	318	(100)	218	218	0	0
Payables to parent companies	596.060	(422.449)	173.611	0	173.611	0
Tax Payables	1.438	336	1.774	1.774	0	0
Payables to social security and welfare institutions	2.824	216	3.040	3.040	0	0
Other payables	6.787	608.604	616.391	616.391	0	0
Total Payables	633.632	227.035	860.667	687.056	173.611	0

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Payables due beyond 5 years and Payables supported by collateral guarantees on corporate assets**Payables due beyond 5 years and Payables supported by collateral guarantees on corporate assets**

There are no payables due beyond 5 years nor payables supported by collateral guarantees on corporate assets 2427, paragraph 1, No. 6), of the Civil Code.

	Payables not secured by collateral guarantees	Total
Amount	860.667	860.667

Loans made by shareholders of the company**Loans made by shareholders**

Below the information concerning the loans made by the shareholders of the company, pursuant to of the art. 2427, paragraph 1, number 19-bis of the civil code. The loans also include those made by subjects who carry out financing and control activities.

The loan included in the financial statements at 31/12/2020 for a residual € 173.611 was disbursed by the only shareholder, it appears subordinated and with a three-year maturity for each disbursement.

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Abridged Explanatory Notes, Income Statement

INFORMATION ON THE INCOME STATEMENT

Amount and type of individual revenue/expense elements of extraordinary value or impact

REVENUES OF EXTRAORDINARY VALUE OR IMPACT

Regarding to what is set forth in art. 2427, paragraph 1, number 13 of the Civil Code, please note that Company did not have any revenues of extraordinary value or impact.

COSTS OF EXTRAORDINARY VALUE OR IMPACT

Regarding to what is set forth in art. 2427, paragraph 1, number 13 of the Civil Code, please note that Company did not incur in any expenses of extraordinary value or impact

Current, deferred and advance taxes on the fiscal year's income

CURRENT, DEFERRED AND ADVANCE TAXES ON THE FISCAL YEAR'S INCOME

There are no taxes due

Composition and transactions occurred in liabilities for deferred taxes and in assets for prepaid taxes

No variation on "Receivables for prepaid taxes" appears in the financial statement.

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Abridged Explanatory Notes, other information

ADDITIONAL INFORMATION

Employment data

Employment data

Regarding the information concerning personnel, pursuant to article 2427, paragraph 1, number 15 of the Civil Code, please note that the Company hired 3 employees in 2020.

	Average number
Employees	3
Total employees	3

Remunerations, advances and loans granted to directors and auditors and commitments undertaken on their behalf

Remunerations to the corporate bodies

Pursuant to art. 2427, paragraph 1, number 16 of the Civil Code, please note that in 2017 no remunerations were paid to the administrative body.

Commitments, guarantees and potential liabilities not appearing in the balance sheet

Regarding to what is set forth in art. 2427, paragraph 1, number 9 of the Civil Code, there were no commitments, guarantees and potential liabilities for the fiscal year that did not appear in the balance sheet.

Commitments

The company did not undertake any commitment

Guarantees

The company did not issue any guarantee during the fiscal year.

Potential liabilities

No potential liabilities apply to the fiscal year.

Information on assets and financing destined to a specific deal

Information on assets and financing destined to a specific deal

There are not assets and financing assigned to a specific deal, pursuant to articles 2447 bis and 2447 decies of the Civil Code.

Information on transactions with related parties

Transactions with related parties

During the fiscal year, there were no transactions with related parties, pursuant to article 2427, paragraph 1, No. 22-bis, of the Civil Code.

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Information on agreements not appearing in the balance sheet

Agreements not appearing in the balance sheet
They did not take place during the fiscal year.

Information related to significant events occurred after the end of the fiscal year

Significant events occurred after the end of the fiscal year

No significant events took place after the end of the fiscal year that were such to have a financial, economic or equity impact on the Company, pursuant to article 2427, paragraph 1, number 22-quater of the Civil Code.

At the time of drafting these financial statements, the entire community worldwide is confronted with the effects of Covid-19 pandemic, with serious implications concerning public health, the health system and the economic system as a whole. For what concerns the company's activities, they should not be affected by this event, at least in the short term.

Regarding the performance of the Company's activities, although year 2020 started positively, it was significantly affected by the international crisis, for this reason, the Shareholder, in anticipation of the economic recovery and purchase orders at pre-covid level, made a bank transfer on March 9, 2021, of which a part, equal to € 608.600, is intended to cover the losses realized.

Information related to derivative financial instruments pursuant to article 2427-bis of the Civil Code

Derivative financial instruments

The Company does not hold derivative financial instruments.

Summary table of the financial statements of the company performing direction and coordination

Information on the companies or entities performing direction and coordination - art. 2497 bis of the Civil Code

The Company is subjected to the direction and coordination of the company SIYARAM SILK MILLS LIMITED, with registered office in India.

Pursuant to article 2497 bis, paragraph 4 of the Civil Code, the key data related to the last financial statements approved by the Company exercising direction and coordination are shown below in Rupees and Lakhs:

Summary table of the financial statements of the company performing direction and coordination

	Last Fiscal Year	Previous Fiscal Year
Data of the last approved financial statements	31/03/2020	31/03/2019
A) Receivables from the Shareholders for payments still due	0	0
B) Fixed assets	52.247	57.202
C) Current assets	89.451	93.045
D) Accrued income and prepaid expenses	0	0
Total assets	148.698	150.247
A) Net equity		
Share capital	76.207	75.490
Reserves	0	0

Profits (losses) for the fiscal year	0	0
Total net equity	76.207	75.490
B) Provisions for risks and charges	0	0
C) Severance indemnities	0	0
D) Payables	72.491	74.757
E) Deferred income and accrued expenses	0	0
Total liabilities	148.698	150.247

Summary table of the Income Statement of the company performing direction and coordination

	Last Fiscal Year	Previous Fiscal Year
Data of the last approved financial statements	31/03/2020	31/03/2019
A) Value of production	173.311	184.431
B) Costs of production	164.795	168.718
C) Financial revenue and expenses	0	0
D) Adjustments to value of long-term investments	0	(472)
Income tax on fiscal year profit	1.591	5.333
Profits (losses) for the fiscal year	6.925	9.908

Own Shares and Parent Company's Shares

Own Shares and Parent Company's Shares/quotas

Pursuant to article 2435 bis, paragraph 7 of the Civil Code, concerning the information requested in art. 2428, paragraph 3, points 3) and 4) of the Civil Code, it is reported that in the financial statements there are no shares of parent companies held by the company also through trust companies or third parties and that during the fiscal year no shares of parent companies were purchased or sold by the company through trust companies or third parties.

Information related to start-ups, including with social purposes, and Innovative Small-Medium Enterprises

Information required by law regarding a Start-up and Innovative Small-Medium Enterprise

Research and development expenses pursuant to Law Decree 179/2012

They do not appear in the financial statements.

Research and development expenses pursuant to Law Decree 3/2015

They do not appear in the financial statements.

Proposal for allocation of profits or to cover losses

Allocation of profit for the fiscal year

Pursuant to art. 2427, paragraph 1, number 22-septies of the civil code, it is proposed to carry forward the fiscal year loss, specifying that the loss for the year together with the previous losses realize the case pursuant to Article 2482-bis, paragraph 1, of the Italian Civil Code. In this regard, it is acknowledged that the Shareholder on 9 March 2021 has proceeded to make a bank transfer of which a part, equal to € 608.600, is planned to cover the losses realized, this operation is also aimed to making the Company's equity and financial structure more solid and balanced.

Explanatory Notes, final section

The Administrative Body
PODDAR GAURAV

For CADINI S.R.L.

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Financial Statements Declaration of Compliance

Declaration of Conformity

Copy corresponding to the documents held by the Company; the Sole Director, pursuant to Articles 47 and 76 of the D.P.R. 445/2000, hereby declares that this electronic document complies with the document registered and signed in the Company's corporate books; further declares that the electronic document in Xbrl format containing the Balance Sheet and Income Statement complies with the corresponding original documents filed at the Company. Stamp duty paid digitally through the Chamber of Commerce of Florence authorization No. 10882/2001/T2 dated March 13, 2001 A.E. Regional Directorate of Tuscany

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RELAZIONE AL BILANCIO CHIUSO AL 31 DICEMBRE 2020

All'Assemblea dei Soci della società CADINI SRL

Premessa

Il sottoscritto Dott. Nicola Sisti, Revisore legale, Numero Iscrizione:154942, Data Decreto Ministeriale: 31/03/2009 Gazzetta Ufficiale: n.37 del 15/05/2009 incaricato dalla Società Cadini Srl di effettuare una revisione contabile sul bilancio chiuso al 31 dicembre 2020, ha svolto l'incarico avendo riguardo dei principi di revisione e dell'art. 2409-bis c.c. ancorché la società non sia obbligata alla revisione.

Relazione sulla revisione contabile del bilancio d'esercizio

Giudizio

Ho svolto la revisione contabile del bilancio d'esercizio al 31 dicembre 2020 della società Cadini Srl costituito dallo stato patrimoniale, dal conto economico e dalla nota integrativa.

A mio giudizio, il bilancio d'esercizio fornisce una rappresentazione veritiera e corretta della situazione patrimoniale e finanziaria della società al 31 dicembre 2020, del risultato economico per l'esercizio chiuso a tale data in conformità alle norme italiane che ne disciplinano i criteri di redazione.

Elementi alla base del giudizio

Ho svolto la revisione contabile in conformità ai principi di revisione. Sono indipendente rispetto alla società in conformità alle norme e ai principi in materia di etica e di indipendenza applicabili nell'ordinamento italiano alla revisione contabile del bilancio.

Ritengo di aver acquisito elementi probativi sufficienti ed appropriati su cui basare il mio giudizio

Responsabilità degli amministratori

Gli amministratori sono responsabili per la redazione del bilancio d'esercizio che fornisca una rappresentazione veritiera e corretta in conformità alle norme italiane che ne disciplinano i criteri di redazione e, nei termini previsti dalla legge, per quella parte del controllo interno dagli stessi ritenuta necessaria per consentire la redazione di un bilancio che non contenga errori significativi dovuti a frodi o a comportamenti o eventi non intenzionali.

Gli amministratori sono responsabili per la valutazione della capacità della società di continuare ad operare come un'entità in funzionamento e, nella redazione del bilancio d'esercizio, per l'appropriatezza dell'utilizzo del presupposto della continuità aziendale, nonché per una adeguata informativa in materia. Gli amministratori utilizzano il presupposto della continuità aziendale nella redazione del bilancio d'esercizio a meno che abbiano

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valutato che sussistono le condizioni per la liquidazione della società o per l'interruzione dell'attività o non abbiano alternative realistiche a tali scelte.

La revisione contabile del bilancio d'esercizio.

Obiettivi della presente revisione sono l'acquisizione di una ragionevole sicurezza che il bilancio d'esercizio nel suo complesso non contenga errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali.

Il mio esame è stato condotto secondo gli statuiti principi di revisione. In conformità ai predetti principi, la revisione è stata svolta al fine di acquisire ogni elemento necessario per accertare se il bilancio d'esercizio sia viziato da errori significativi e se risulti, nel suo complesso, attendibile. Il procedimento di revisione è stato svolto in modo coerente con la dimensione della società e con il suo assetto organizzativo. Esso comprende l'esame, sulla base di verifiche a campione, degli elementi probativi a supporto dei saldi e delle informazioni contenuti nel bilancio, nonché la valutazione dell'adeguatezza e della correttezza dei criteri contabili utilizzati e della ragionevolezza delle stime effettuate dagli amministratori. Ritengo che il lavoro svolto fornisca una ragionevole base per l'espressione del giudizio professionale.

Il bilancio in esame, nel suo complesso, è redatto con chiarezza e rappresenta in modo veritiero e corretto la situazione patrimoniale e finanziaria, nonché il risultato economico della CADINI S.R.L. per l'esercizio chiuso al 31 dicembre 2020, in conformità alle norme che disciplinano il bilancio di esercizio.

Osservazioni in ordine al bilancio d'esercizio

Relativamente al bilancio di esercizio chiuso al 31 dicembre 2020, che viene sottoposto alla Vostra approvazione, ho verificato l'impostazione generale data allo stesso e la sua generale conformità alla legge, per quel che riguarda la sua formazione e struttura.

Per quanto riguarda la nota integrativa, ho verificato che la stessa è stata redatta seguendo le indicazioni obbligatorie previste dall'art. 2427 del Codice Civile (Contenuto della Nota Integrativa) e quelle richieste da altre norme civilistiche e dalla normativa fiscale; essa contiene, oltre all'indicazione dei criteri di valutazione, le informazioni dettagliate sulle voci dello stato patrimoniale e del conto economico, nonché tutte le altre, richieste al fine di esporre in modo veritiero e corretto la situazione patrimoniale ed economica della Società. Il bilancio chiuso al 31 dicembre 2020, che viene sottoposto alla Vostra approvazione, può riassumersi nelle seguenti sintetiche evidenze della situazione patrimoniale:

ATTIVITA'

Immobilizzazioni	€.	431.317
Attivo circolante	€.	560.157
Ratei e risconti attivi	€.	9.493
TOTALE ATTIVITA'	€.	1.000.967

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PASSIVITA'

Capitale Sociale	€.	1.000.000
Altre riserve (arrotondamento €)	€	2
Utile dell'esercizio (perdite)	€	(257.650)
Perdite portate a nuovo	€	(608.600)
TFR	€	6.548
Debiti	€	860.667
Ratei e risconti passivi	€	
TOTALE PASSIVITA'	€	1.000.967

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CONTO ECONOMICO

Valore della produzione	€	187.639
Costi della produzione	€	409.841-
Proventi ed oneri finanziari	€	35.448-
PERDITA DELL'ESERCIZIO	€	257.650-

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Per quanto di mia competenza, posso affermare che la predisposizione delle voci di bilancio è avvenuta nel rispetto delle norme dettate dal Codice Civile e delle altre disposizioni che disciplinano la formazione del bilancio, in ordine al suo contenuto formale e sostanziale.

I criteri di valutazione adottati rispettano i principi di competenza e prudenza nella prospettiva della continuazione dell'attività aziendale.

Per quanto a nostra conoscenza l'Organo Amministrativo, nella redazione del bilancio, non ha derogato ex art. 2423 comma quarto (Redazione del Bilancio) ai criteri generali dettati dal Codice Civile.

Per ciò che concerne i criteri di iscrizione e valutazione delle specifiche voci di bilancio, esaustivamente indicati nella Nota Integrativa, attesto che sono state rispettate le norme civilistiche di cui all'art. 2426 del Codice Civile (Criteri di valutazioni) in particolare:

- la valutazione delle immobilizzazioni immateriali è stata effettuata al costo storico di acquisizione;
- i crediti sono stati iscritti secondo il valore di presumibile di realizzo (art. 2426, n.8 C.C.) (Criteri di valutazioni);
- i debiti sono stati iscritti al presumibile valore di estinzione, coincidente con il loro valore nominale;
- i ratei e risconti sono stati iscritti nel rispetto del principio della competenza temporale.

Considerando le risultanze dell'attività svolta, il sottoscritto aveva già raccomandato il rispetto degli adempimenti richiesti dall'art 2482-bis, comma 4, codice civile, in quanto le perdite realizzavano la fattispecie prevista al comma 1 del predetto articolo, si ha notizia che il 9 marzo 2021 è stato effettuato un bonifico destinato a copertura delle perdite pregresse per € 608.600, si raccomanda comunque di monitorare la

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situazione economica in considerazione della rilevante perdita dell'esercizio in commento, tenuto conto delle raccomandazioni, si ritiene che la assemblea possa approvare il bilancio d'esercizio chiuso al 31 dicembre 2020, così come redatto dagli amministratori.

Data 12/04/2021

Dott. Nicola Sisti – Revisore contabile

A handwritten signature in dark ink, appearing to read 'Nicola Sisti', is written over a faint, circular official stamp. The stamp contains some illegible text, likely the name of the accounting firm or the professional's registration details.

For **CADINI S.R.L.**

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