

**Saavn, Inc.**  
**Financial Statements**  
**for the year ended 31st December, 2021**

**Saavn, Inc.**  
**Independent Auditor's Report**

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**To the Board of Directors**  
**Saavn Media Limited (Formerly known as Saavn Media Private Limited)**

**Report on the Audit of the Standalone Ind AS Financial Statements**

**Opinion**

We have audited the accompanying standalone Ind AS financial statements of Saavn Inc. (“the Company”), which comprise the Balance sheet as at December 31 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information. These Ind AS financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), for the information and use of the board of directors of Saavn Media Limited (SML) & Jio Platforms Limited, the Holding Companies and Reliance Industries Limited, the Ultimate Holding Company solely for the purpose of use in consolidation and to comply with requirements of section 136 of the Companies Act, 2013 (as amended).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at December 31, 2021, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), issued by the Institute of Chartered Accountants of India (“the ICAI”). Our responsibilities under those Standards are further described in the ‘Auditor’s Responsibilities for the Audit of the Standalone Ind AS Financial Statements’ section of our report. We are independent of the Company in accordance with the ‘Code of Ethics’ issued by the ICAI together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

**Responsibility of Management for the Standalone Ind AS Financial Statements**

Management of the Company including those Charged with Governance are responsible for the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS). This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance are also responsible for overseeing the Company’s financial reporting process.

**Saavn, Inc.****Independent Auditor's Report****Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- This report does not include report on the internal financial controls ('Report on internal financial controls'), since in our opinion and accordingly to the information and explanation given to us, the said report on internal financial controls is not applicable to the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

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**per Vishal Bansal**

Partner

Membership Number: 097546

UDIN: 22097546AGJTEP3339

Place of Signature: Mumbai

Date: April 04, 2022

## Saavn, Inc.

Financial statements for the year ended 31st December, 2021

*(All amounts are in USD unless stated otherwise)*

## Balance Sheet

Particulars	Notes	As at 31st December, 2021	As at 31st December, 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Financial assets			
Investments	3	19,591,521	19,591,812
<b>Total non-current assets</b>		<b>19,591,521</b>	<b>19,591,812</b>
<b>Current assets</b>			
Financial assets			
Cash and cash equivalents	4	55	2
<b>Total current assets</b>		<b>55</b>	<b>2</b>
<b>TOTAL ASSETS</b>		<b>19,591,576</b>	<b>19,591,814</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	5	11	11
Other Equity	6	19,591,565	19,591,803
<b>Total equity</b>		<b>19,591,576</b>	<b>19,591,814</b>
<b>Liabilities</b>			
		-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>19,591,576</b>	<b>19,591,814</b>

See accompanying Notes to the Financial Statements

1 to 9

As per our report on even date

**For S R B C & CO LLP**

Firm Registration No.324982E/E300003

Chartered Accountants

For and on behalf of Saavn, Inc.

**Vishal Bansal**

Partner

Membership No. 097546

Date: 4th April, 2022

Paramdeep Singh

Director

Matthew Emerman

Chief Financial Officer

Saavn, Inc.

Financial statements for the year ended 31st December, 2021

(All amounts are in USD unless stated otherwise)

Statement of Profit or Loss

Particulars	Notes	For the year ended 31st December, 2021	For the year ended 31st December, 2020
<b>Income</b>			
Dividend income	9	11,114,700	-
Other income		120	-
<b>Total income</b>		11,114,820	-
<b>Expenses</b>			
Other Expenses	7	358	359
<b>Total Expenses</b>		<b>358</b>	<b>359</b>
<b>Profit before tax</b>		11,114,462	(359)
<b>Tax Expense</b>		-	-
<b>Profit for the year</b>		11,114,462	(359)
Other Comprehensive Income, Net of tax		-	-
<b>Total comprehensive income for the year</b>		<b>11,114,462</b>	<b>(359)</b>
<b>Basic &amp; Diluted Earnings per equity share</b> (Nominal value per share \$ 0.01)	8	10,310.26	(0.33)

See accompanying Notes to the Financial Statement 1 to 9

As per our report on even date

**For S R B C & CO LLP**

Firm Registration No.324982E/E300003

Chartered Accountants

For and on behalf of Saavn, Inc.

**Vishal Bansal**

Partner

Membership No. 097546

Date: 4th April, 2022

Paramdeep Singh

Director

Matthew Emerman

Chief Financial Officer

**Saavn, Inc.****Financial statements for the year ended 31st December, 2021***(All amounts are in USD unless stated otherwise)***Statement of Changes in Equity**

	Common Stock	Other Equity	
		Retained Earnings	Securities Premium
As at January 1, 2020	11	(230)	19,592,392
Additional Capital Received	-	-	-
Loss for the year	-	(359)	-
<b>As at 31st December, 2020</b>	<b>11</b>	<b>(589)</b>	<b>19,592,392</b>
As at January 1, 2021	11	(589)	19,592,392
Additional Capital Received	-	-	-
Income for the year	-	11,114,462	-
Dividends paid during the year	-	(10,889,700)	-
Taxes on dividends	-	(225,000)	-
<b>As at 31st December, 2021</b>	<b>11</b>	<b>(827)</b>	<b>19,592,392</b>

See accompanying Notes to the Financial Statement **1 to 9**

As per our report on even date

**For S R B C & CO LLP**

Firm Registration No.324982E/E300003

Chartered Accountants

For and on behalf of Saavn, Inc.

**Vishal Bansal**

Partner

Membership No. 097546

Date: 4th April, 2022

Paramdeep Singh

Director

Matthew Emerman

Chief Financial Officer

## Saavn, Inc.

Financial statements for the year ended 31st December, 2021

*(All amounts are in USD unless stated otherwise)*

## Statement of Cash Flows

Particulars	For the year ended 31st December, 2021	For the year ended 31st December, 2020
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) for the year	11,114,462	(359)
<b>Net Cash flow from/(used in) operating activities</b>	<b>11,114,462</b>	<b>(359)</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from capital distribution from Subsidiary	291	200
<b>Net Cash flow from/(used in) investing activities</b>	<b>291</b>	<b>200</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividends paid	(11,114,700)	-
<b>Net Cash flow from/(used in) financing activities</b>	<b>(11,114,700)</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>53</b>	<b>(159)</b>
Cash and cash equivalents at the beginning of the year	2	161
<b>Cash and cash equivalents at the end of the year (Refer to note 4)</b>	<b>55</b>	<b>2</b>

See accompanying Notes to the Financial Statements

**1 to 9**

As per our report on even date

**For S R B C & CO LLP**

Firm Registration No.324982E/E300003

Chartered Accountants

For and on behalf of Saavn, Inc.

**Vishal Bansal**

Partner

Membership No. 097546

Date: 4th April, 2022

Paramdeep Singh

Director

Matthew Emerman

Chief Financial Officer

**Saavn, Inc.****Notes to the financial statements for the year ended 31st December, 2021****1 CORPORATE INFORMATION**

Saavn, Inc. (the "Company") is incorporated under the Delaware state Corporation Law in the United States of America. The address of its registered office and principal place of business is "64 Wooster Street, 2nd Floor, New York, NY 10012, United States". The Company is a C-corporation.

The Company is a wholly owned subsidiary of Saavn Media Limited (Formerly known as Saavn Media Private Limited), which in turn is a subsidiary of Jio Platforms Limited. The Company is an indirect subsidiary of Reliance Industries Limited, an Indian listed company (the "Ultimate Holding Company").

**2 BASIS OF PREPARATION AND PRESENTATION**

The financial statements of the Company have been prepared to comply with the Indian Accounting Standards ("Ind AS") specified under section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended). These financial statements have been prepared for the limited purpose of its consolidation with Saavn Media Limited (Formerly known as Saavn Media Private Limited), the holding company and Reliance Industries Limited, the ultimate holding company.

The financial statements have been prepared on an accrual basis under the historical cost convention. The financial statements are presented in United States Dollars (USD) which is the Company's functional currency.

**2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****(a) Current and Non Current Classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

The Company always presents deferred tax assets and deferred tax liabilities as non-current.

**(b) Earnings per share**

Basic earnings per share is computed by dividing the profit/ (loss) after tax by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

**(c) Investment in subsidiaries**

Investment in subsidiary is carried at cost less accumulated impairment losses, if any.



**Saavn, Inc.****Notes to the financial statements for the year ended 31st December, 2021****(d) Impairment of Investment**

Investment in subsidiary is reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment. Impairment losses, if any, are recognized in the Statement of Profit and Loss.

**(e) Cash and Cash Equivalents**

Cash and cash equivalents for balance sheet and cash flow statement comprise of cash on hand, cash at banks and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

## Saavn, Inc.

Notes to the financial statements for the year ended 31st December, 2021

*(All amounts are in USD unless stated otherwise)***3 INVESTMENTS (NON CURRENT)**

Particulars	As at 31st December, 2021	As at 31st December, 2020
<b>Investment in subsidiary</b>		
Membership Interest in Saavn, LLC	19,591,521	19,591,812
<b>Total</b>	<b>19,591,521</b>	<b>19,591,812</b>

**4 CASH AND CASH EQUIVALENTS**

Particulars	As at 31st December, 2021	As at 31st December, 2020
Balances with banks	55	2
<b>Total</b>	<b>55</b>	<b>2</b>

**5 EQUITY SHARE CAPITAL**

Particulars	As at 31st December, 2021	As at 31st December, 2020
<b>Authorised Share Capital:</b> 2,000 (31st December, 2020: 2,000) Common Stock of US \$ 0.01 Each	20	20
	<b>20</b>	<b>20</b>
<b>Issued, Subscribed and Paid Up</b> 1,078 (31st December, 2020: 1,078) Common Stock of US \$ 0.01 Each	11	11
	<b>11</b>	<b>11</b>

**(a) Reconciliation of shares outstanding at the beginning and end of reporting period**

Common Stock	Amount	Nos.
Outstanding as at January 1, 2020	11	1,078
Additional Capital Received	-	-
<b>Outstanding as at December 31, 2020</b>	<b>11</b>	<b>1,078</b>
Additional Capital Received	-	-
<b>Outstanding as at December 31, 2021</b>	<b>11</b>	<b>1,078</b>

**(b) Terms/Rights attached to the common stock**

The corporation has only one class of common stock having par value of \$ 0.01 each.

**(c) Shares held by Holding/Ultime holding Company and/or their subsidiaries/associates**

Out of the Common stock, shares held by the holding Company and/or their subsidiaries/associates is as follows:

Particulars	As at 31st December, 2021	As at 31st December, 2020
Saavn Media Limited (Holding company) (Formerly known as Saavn Media Private Limited) 1078 (31st December, 2020: 1078) common stock of US \$ 0.01 Each	1,078	1,078

**(d) Details of Shareholders holding more than 5% shares**

Name of shareholder	As at 31st December, 2021	As at 31st December, 2020
	No. of Shares	No. of Shares
Saavn Media Limited (Formerly known as Saavn Media Private Limited) (100%)	1,078	1,078

Saavn, Inc.

Notes to the financial statements for the year ended 31st December, 2021

(All amounts are in USD unless stated otherwise)

**6 OTHER EQUITY**

Particulars	As at 31st December, 2021	As at 31st December, 2020
<b>Securities Premium</b>		
Opening balance	19,592,392	19,592,392
Addition during the year	-	
<b>Balance at the end of the year</b>	<b>19,592,392</b>	<b>19,592,392</b>
<b>Retained Earnings</b>		
Opening balance	(589)	(230)
<b>Add: Profit for the year</b>	<b>11,114,462</b>	<b>-</b>
<b>Less: Dividends paid (including tax)</b>	<b>(11,114,700)</b>	<b>(359)</b>
<b>Balance at the end of the year</b>	<b>(827)</b>	<b>(589)</b>
<b>TOTAL</b>	<b>19,591,565</b>	<b>19,591,803</b>

**7 OTHER EXPENSES**

Particulars	For the year ended 31st December, 2021	For the year ended 31st December, 2020
Bank Charges	358	359
<b>Total</b>	<b>358</b>	<b>359</b>

**8 EARNINGS PER SHARE**

Particulars	For the year ended 31st December, 2021	For the year ended 31st December, 2020
Net income (loss) for the year available for shareholders	11,114,462	(359)
Weighted average number of shares in calculating basic EPS & diluted EPS	1,078	1,078
<b>Earnings per share (Basic &amp; Diluted)</b>	<b>10,310.26</b>	<b>(0.33)</b>

**9 RELATED PARTY****Name of the Entity**

Reliance Industries Limited

Jio Platforms Limited

Saavn Media Limited ^

Saavn, LLC

**Relationship**

Ultimate Holding Company

Intermediate Holding Company (w.e.f 19th May 2020)

Holding Company

Subsidiary Company

^(Formerly known as Saavn Media Private Limited)

**Related party transactions:**

Name of the Related Party	Nature of transaction	For the year ended 31st December, 2021	For the year ended 31st December, 2020
Saavn Media Limited (Formerly known as Saavn Media Private Limited)	Dividends paid (including tax)	11,114,700	-
Saavn, LLC	Dividends received	11,114,700	-
Saavn, LLC	Proceeds from disposal of Investments in Subsidiary	291	200

As per our report on even date

**For S R B C & CO LLP**

Chartered Accountants

(Registration No.324982E/E300003)

For and on behalf of Saavn, Inc.

**Vishal Bansal**

Partner

Membership No. 097546

Date: 4th April, 2022

Paramdeep Singh

Director

Matthew Emerman

Chief Financial Officer