

**RELIANCE INDUSTRIES LIMITED (“RIL”) TO DEMERGE
FINANCIAL SERVICES UNDERTAKING AND LIST JIO FINANCIAL SERVICES (“JFS”)**

**RIL SHAREHOLDERS TO GET ONE EQUITY SHARE OF JFS
FOR ONE EQUITY SHARE HELD IN RIL**

**CORPORATE AND CAPITAL STRUCTURE TO ENABLE
RIL SHAREHOLDER PARTICIPATION IN AN EXPONENTIAL GROWTH BUSINESS**

JFS TO BUILD LARGE DIGITAL FINTECH PLATFORM FOR ALL INDIANS

**MULTIPLE GROWTH OPPORTUNITIES
ACROSS THE FINANCIAL SERVICES LANDSCAPE**

Mumbai, 21st October 2022: The Board of Directors of Reliance Industries Limited (“RIL”), at its meeting held today, approved a Scheme of Arrangement amongst RIL, Reliance Strategic Investments Limited (“RSIL”) and their respective shareholders and creditors (“Scheme”) in terms of which, RIL will demerge its financial services undertaking into RSIL {to be renamed Jio Financial Services Limited (“JFSL”)}. JFSL would be listed on the Indian stock exchanges. RSIL is currently a wholly-owned subsidiary of RIL and is a RBI-registered non-Deposit taking Systemically Important (ND-SI) Non-Banking Financial Company.

Pursuant to the Scheme, shareholders of RIL will receive ONE equity share of JFSL of face value Rs 10/- for ONE fully paid-up equity share of Rs 10/- held in RIL (“Entitlement Ratio”). The Board has approved the Entitlement Ratio based on the recommendations of the independent valuer and merchant bankers.

The investment of RIL in Reliance Industrial Investments and Holdings Limited (“RIIHL”), which is a part of the financial services undertaking of RIL, will stand transferred to JFSL. RIIHL is the ultimate beneficiary of 6.1% RIL shares through its interest in Petroleum Trust and Reliance Services and Holdings Limited.

Additionally, through the Scheme, JFSL will acquire liquid assets to –

- a) provide adequate regulatory capital for lending to consumers, merchants, etc., and
- b) incubate other financial services verticals such as insurance, payments, digital broking, asset management

for at least the next 3 years of business operations. The regulatory licenses for the key businesses are in place.

Media Release

With secular growth drivers, the Indian financial services sector is poised to undergo a digital transformation. The sector presents a large, under penetrated and growing addressable market, especially for retail and small-business focused product categories. JFSL and its subsidiaries (“JFS”) will leverage the technology capability of Reliance and focus on digital delivery of financial products to democratize financial services access for 1.4 billion Indians.

Reliance has been developing and fostering a vibrant digital led-financial services platform through various digital applications. Reliance has developed best-in class applications having high customer engagement metrics and differentiated value propositions in their respective categories. The current footprint touches more than 20 million consumers.

JFS plans to launch consumer and merchant lending business based on proprietary data analytics to complement and supplement the traditional credit bureau-based underwriting. JFS will continue to evaluate organic growth, joint-venture partnerships as well as inorganic opportunities in insurance, asset management and digital broking segments.

JFS will build a business of scale across attractive consumer segments to create value for every stakeholder. This coupled with a strong capital base and unparalleled digital infrastructure capabilities would enable JFS to offer a differentiated value proposition for its customers.

JFS will also onboard an experienced management team and adopt best-in-class governance and risk management practices across verticals to create one of India’s leading financial services enterprises.

Key highlights

- RIL shareholders will get shares on a 1:1 basis in JFSL (to be listed) enabling upfront value unlocking
- JFS to enable shareholder participation from inception in an attractive, fully digital financial services platform, that is well-capitalized to tap the high growth financial services business
- Flexible structure for JFS to partner with strategic or financial investors with enhanced strategic focus to support the company's growth drivers

The transaction is subject to customary statutory and regulatory approvals including approvals of respective shareholders and creditors, NCLT, the stock exchanges, SEBI, RBI and all other regulators as may be required.

Media Release

Morgan Stanley India Company Private Ltd and Citigroup Global Markets India Private Ltd have provided a fairness opinion on the entitlement ratio recommended by KPMG Valuation Services LLP (Registered Valuer). Citi, Morgan Stanley and Goldman Sachs are acting as financial advisors and Khaitan & Co is acting as legal advisor in relation to the proposed transaction.

Commenting on the demerger of the financial services undertaking, Shri Mukesh Ambani, Chairman and Managing Director, Reliance Industries Limited, said: *“JFS will be a truly transformational, customer centric and digital-first financial services enterprise offering simple, affordable, innovative and intuitive financial services products to all Indians. JFS will be a technology-led business, delivering financial products digitally by leveraging the nation-wide omni-channel presence of Reliance’s consumer businesses. JFS is uniquely positioned to capture multiple growth opportunities in financial services bringing millions of Indians into formal financial institutions.”*

About Reliance Industries Limited

Reliance is India’s largest private sector company, with a consolidated revenue of INR 792,756 crore (\$104.6 billion), cash profit of INR 110,778 crore (\$14.6 billion), and net profit of INR 67,845 crore (\$9.0 billion) for the year ended March 31, 2022. Reliance’s activities span hydrocarbon exploration and production, petroleum refining and marketing, petrochemicals, advanced materials and composites, renewables (solar and hydrogen), financial services, retail and digital services.

Currently ranking 104th, Reliance is the largest private sector company from India to feature in Fortune’s Global 500 list of “World’s Largest Companies” for 2022. The company stands 53rd in the Forbes Global 2000 rankings of “World’s Largest Public Companies” for 2022 - top-most among Indian companies. It features among LinkedIn’s ‘The Best Companies to Work For in India’ (2021). Website: www.ril.com

Key Contact:

Tushar Pania
Reliance Industries Ltd.
+ 91 9820088536
tushar.pania@ril.com