

JIO ESTONIA OÜ
FINANCIAL STATEMENTS
FOR YEAR ENDED 31st DECEMBER, 2021

INDEPENDENT AUDITOR'S REPORT

To,
The Director,
Jio Estonia OÜ

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Jio Estonia OÜ ('the Company'), which comprise the Balance Sheet as at December 31, 2021, the Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and Statement of Cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. The Financial Statements have been prepared by the management of Company, solely for the purpose of preparation of the consolidated financial statements of Jio Platforms Limited (the Intermediate Holding Company).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Companies Act 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, to the extent applicable to the Company, of the state of affairs of the Company as at December 31, 2021, and its profit, total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information other than the financial Statements and Auditor's Report Thereon

As informed to us, there is no information other than the financial statements. Consequently, in our opinion, the reporting requirements under SA 720 "The Auditor's Responsibilities Relating to Other Information" is not applicable.

UDIN: 22090903AGNVNV6119

Management's Responsibility for the Financial Statements

The Company's Director is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act.

The Director is responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as 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.

The Director is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that include 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 the user taken on the basis of these financial statements.

As a 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 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 one resulting from error, as fraud may involve collusions, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among the 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.

Others

The Financial Statements has been prepared for the limited purpose of preparation of the consolidated financial statements of Jio Platforms Limited, the Intermediate Holding Company. As a result, the Financial Statements may not be suitable for another purpose. Our report is intended solely for the use of the Company and should not be distributed to or used by parties.

For Pathak H. D. & Associates LLP

Chartered Accountants

(Firm Registration No. 107783W/W100593)

Gopal Chaturvedi

Partner

Membership No. - 090903

UDIN – 22090903AGNVNV6119

Mumbai

Dated: 05th April, 2022

JIO ESTONIA OÜ

Balance Sheet as at 31st December, 2021

Particulars	Notes	(In Euro)	
		As at 31st December, 2021	As at 31st December, 2020
ASSETS			
Non - Current Assets		-	-
Current Assets			
Financial Assets			
Trade Receivables	1	108,084	-
Cash and Cash Equivalents	2	61,136	95,663
Other Financial Assets	3	35,899	47,382
Other Current Assets	4	8,670	10,287
Total Current Assets		213,789	153,332
Total Assets		213,789	153,332
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	5	50,000	50,000
Other Equity	5A	110,994	72,703
Total Equity		160,994	122,703
Liabilities			
Non - Current Liabilities			
Current Liabilities			
Financial Liabilities			
Trade Payable	6		
Micro and Small Enterprises		-	-
Other than Micro and Small Enterprises		30,373	26,446
Other Current Financial Liabilities	7	11,744	-
Other Current Liabilities	8	10,678	4,183
Total Current Liabilities		52,795	30,629
Total Liabilities		52,795	30,629
Total Equity and Liabilities		213,789	153,332

Significant Accounting Policies
See accompanying Notes to the Financial Statements

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JIO ESTONIA OÜ

Balance Sheet as at 31st December, 2021

As per our Report of even date

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Regn No: 107783W/ W100593

For and on behalf of the Board

Gopal Chaturvedi
Partner
Membership No. 090903

Taavi Kotka
Director

Place: Mumbai
Date: 5th April, 2022

Place: VIIMSI, Estonia
Date: 5th April, 2022

JIO ESTONIA OÜ**Statement of Profit and Loss for the year ended 31st December, 2021**

			(In Euro)
	Notes	2021	2020
INCOME			
Revenue from Operations	9	585,276	533,395
Other Income	10	10	5
Total Income		585,286	533,400
EXPENSES			
Employee Benefits Expense	11	286,721	261,543
Other Expenses	12	260,274	238,910
Total Expenses		546,995	500,453
Profit for the year		38,291	32,947
Other Comprehensive Income		-	-
Total Comprehensive Income for the year		38,291	32,947
Earnings per equity share of face value of Euro 1 each			
Basic (in Euro)	11	0.77	0.66
Diluted (in Euro)		0.77	0.66
Significant Accounting Policies			
See accompanying Notes to the Financial Statements	1-21		

JIO ESTONIA OÜ

Statement of Profit and Loss for the year ended 31st December, 2021

As per our Report of even date

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Regn No: 107783W/ W100593

For and on behalf of the Board

Gopal Chaturvedi
Partner
Membership No. 090903

Taavi Kotka
Director

Place: Mumbai
Date: 5th April, 2022

Place: VIIMSI, Estonia
Date: 5th April, 2022

JIO ESTONIA OÜ

Statement of Changes In Equity for the year ended 31st December, 2021

(A) Equity Share Capital	(In Euro)
Balance at the beginning of the reporting year	50,000
Changes in equity share capital during the year	-
Balance at the end of the reporting year i.e. 31st December, 2020	50,000
Changes in equity share capital during the year	-
Balance at the end of the reporting year i.e.31st December, 2021	50,000

(B) Other Equity

Particulars	Reserves and Surplus Retained Earnings	(In Euro) Total
As on 31st December, 2020		
Balance at the beginning of the reporting year	39,756	39,756
Total Comprehensive Income for the year	32,947	32,947
Balance at the end of the reporting year i.e. 31st December, 2020	72,703	72,703
As on 31st December, 2021		
Balance at the beginning of the reporting year	72,703	72,703
Total Comprehensive Income for the year	38,291	38,291
Balance at the end of the reporting year i.e.31st December, 2021	110,994	110,994

JIO ESTONIA OÜ

Statement of Changes In Equity for the year ended 31st December, 2021

As per our Report of even date

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Regn No: 107783W/ W100593

For and on behalf of the Board

Gopal Chaturvedi
Partner
Membership No. 090903

Taavi Kotka
Director

Place: Mumbai
Date: 5th April, 2022

Place: VIIMSI, Estonia
Date: 5th April, 2022

JIO ESTONIA OÜ
Cash Flow Statement for the year ended 31st December, 2021

	2021	2020
		(In Euro)
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax as per Statement of Profit and Loss	38,291	32,947
Adjusted for:	-	-
Operating Profit before Working Capital Changes	<u>38,291</u>	<u>32,947</u>
Adjusted for		
Trade and Other Receivables	(94,984)	(7,926)
Trade and Other Payables	<u>22,166</u>	<u>2,745</u>
Cash Generated from Operations	<u>(72,818)</u>	<u>(5,181)</u>
	<u>(34,527)</u>	<u>27,766</u>
Taxes Paid	-	-
Net Cash Flow (Used in) / from Operating Activities (A)	<u>(34,527)</u>	<u>27,766</u>
B CASH FLOW FROM INVESTING ACTIVITIES		
Net Cash from / (used in) Investing Activities (B)	<u>-</u>	<u>-</u>
C CASH FLOW FROM FINANCING ACTIVITIES		
Net Cash from Financing Activities (C)	<u>-</u>	<u>-</u>
Net Increase in Cash and Cash Equivalents (A+B+C)	(34,527)	27,766
Opening Balance of Cash and Cash Equivalents	95,663	67,897
Closing Balance of Cash and Cash Equivalents	<u>61,136</u>	<u>95,663</u>

JIO ESTONIA OÜ

Cash Flow Statement for the year ended 31st December, 2021

As per our Report of even date

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Regn No: 107783W/ W100593

For and on behalf of the Board

Gopal Chaturvedi
Partner
Membership No. 090903

Taavi Kotka
Director

Place: Mumbai
Date: 5th April, 2022

Place: VIIMSI, Estonia
Date: 5th April, 2022

JIO ESTONIA OÜ**Notes to the Financial Statements for the year ended 31st December, 2021****A CORPORATE INFORMATION**

Jio Estonia OÜ ("the Company") was incorporated in Estonia.

The principal activities of the company is relating to Design and Development of computer hardware and software.

The registered office address is Harju maakond, Viimsi vald, Miiduranna küla, Kristjani tee 4, 74015 . The Company's immediate holding company was Reliance Industrial Investment and Holding Upto 30th March 2020 and ultimate holding company is Reliance Industries Limited.

Jio Platform Limited has become the company's immediate holding company w.e.f. 31st March 2020 and ultimate holding company continues to Reliance Industries Limited

B ACCOUNTING POLICIES**B.1 BASIS OF PREPARATION AND PRESENTATION**

The financial statements of the Company have been prepared for the limited purpose of consolidation into Jio Platforms Limited, the Intermediate Holding Company, to comply with the Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013 read together with the companies (Indian Accounting Standards) Rules, 2015 to the extent applicable to the Company.

Company's financial statements are presented in Euro, which is also its functional currency.

B.2 BASIS OF PREPARATION AND PRESENTATION

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

B.3 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:

Expected to be realised or intended to be sold or consumed in normal operating cycle;

Expected to be realised 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 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.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(b) Finance Cost

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to Statement of Profit and Loss in the period in which they are incurred.

(c) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(d) Employee benefits**(i) Short Term Employee Benefits :**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

(ii) Post employment benefits :

Defined Contribution Plans: A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to authorities. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

JIO ESTONIA OÜ**Notes to the Financial Statements for the year ended 31st December, 2021****(e) Taxation**

Corporate income tax arising from the payment of dividends is recognized as a liability and an income tax expense in the period in which the dividends are declared, regardless of the period for which the dividends are declared or when they are actually paid.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

(f) VAT Receivable

VAT Receivable can be adjusted against statutory liabilities.

(g) Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(h) Foreign Currencies**Transactions and Translation**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent that exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings are capitalized as cost of assets under construction.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

(i) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue is recognised only if following conditions are satisfied:

- Revenue can be measured reliably,
- It is probable that the economic benefit associated with the transaction will flow to the Company,
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividends

Dividend income is recognised when the Company's right to receive the payment is established.

(j) Financial Instruments**i) Financial Assets****A. Initial recognition and measurement:**

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement**a) Financial assets carried at amortised cost (AC)**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

JIO ESTONIA OÜ**Notes to the Financial Statements for the year ended 31st December, 2021****c) Financial assets at fair value through profit or loss (FVTPL)**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(i). Earnings per share

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding. 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. Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

ii) Financial liabilities**A. Initial recognition and measurement:**

All financial liabilities are recognized initially at fair value and in case of loans and borrowings and payables, net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

B. Subsequent measurement:

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables including creditors for capital expenditure maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derivative financial instruments and Hedge Accounting:

The company uses various derivative financial instruments such as interest rate swaps, currency swaps, and forwards & options to mitigate the risk of changes in interest rates and exchange rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Hedges that meet the criteria for hedge accounting are accounted for as follows:**Fair Value Hedge**

The company designates derivative contracts as fair value hedges to mitigate the risk of change in fair value of hedged item due to movement in interest rates and foreign exchange rates.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the income statement. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to profit or loss over the period to maturity.

C Critical accounting judgements and key sources of estimation uncertainty:

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

b) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

JIO ESTONIA OÜ

Notes on Financial Statements for the year ended 31st December, 2021

	As at 31st December, 2021	(In Euro) As at 31st December, 2020
2 Cash and Cash Equivalents		
Balances with Banks	61,136	95,663
Cash and Cash Equivalents as per Balance Sheet	<u>61,136</u>	<u>95,663</u>
Cash and Cash Equivalents as per Cash Flow Statement	<u>61,136</u>	<u>95,663</u>
	As at 31st December, 2021	(In Euro) As at 31st December, 2020
3 Other Financial Assets - Current		
Unbilled Revenue	35,899	47,382
Total	<u>35,899</u>	<u>47,382</u>
	As at 31st December, 2021	(In Euro) As at 31st December, 2020
4 Other Current Assets (Unsecured and considered good)		
Prepaid Expense	-	4,600
Others *	8,670	5,687
Total	<u>8,670</u>	<u>10,287</u>

*Consists of VAT Receivable

JIO ESTONIA OÜ

Notes on Financial Statements for the year ended 31st December, 2021

5 Share Capital	As at 31st December, 2021		As at 31st December, 2020	
	Units	Amount	Units	Amount
Authorised Share Capital :				
Equity Shares of Euro 1 each	200,000	200,000	200,000	200,000
		<u>200,000</u>		<u>200,000</u>
Issued, Subscribed and Paid up:				
Equity Shares of Euro 1 each fully paid	50,000	50,000	50,000	50,000
Total		<u>50,000</u>		<u>50,000</u>

5.1 Terms/ rights attached to Equity Shares :

The company has only one class of equity shares having a par value of Euro 1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in proportion to the number of equity shares held by them.

5.2 The reconciliation of the number of shares outstanding is set out below:

Particulars	As at 31st December, 2021		As at 31st December, 2020	
	No. of Shares		No. of Shares	
Opening Balance	50,000		50,000	
Add: Issue of Shares	-		-	
No. of shares at the end of the year	<u>50,000</u>		<u>50,000</u>	

5.3 The details of shareholders holding more than 5% shares:

Name of Shareholders	As at 31st December, 2021		As at 31st December, 2020	
	No of Shares	% held	No of Shares	% held
Jio Platforms Limited	50,000	100%	50,000	100%

5.4 Shareholding of Promoter

As at 31st December, 2021							
Sr No	Class of Equity Share	Promoter's Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
1	Equity Shares of Euro 1 each fully paid up	Jio Platform Limited	50,000	-	50,000	100%	
	Total		<u>50,000</u>	<u>-</u>	<u>50,000</u>		

As at 31st December, 2020							
Sr No	Class of Equity Share	Promoter's Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
1	Equity Shares of Euro 1 each fully paid up	Jio Platform Limited	-	50,000	50,000	100%	100%
2	Equity Shares of Euro 1 each fully paid up	Relienace Industrial Investment and Holding	50,000	(50,000)	-	-	-100%
	Total		<u>50,000</u>	<u>-</u>	<u>50,000</u>		

5A Other Equity	(In Euro)	
	As at 31st December, 2021	As at 31st December, 2020
Retained Earnings	110,994	72,703
Total	<u>110,994</u>	<u>72,703</u>

5A.1 Retained Earnings	(In Euro)	
	As at 31st December, 2021	As at 31st December, 2020
Balance at beginning of the year	72,703	39,756
Profit for the year	38,291	32,947
Balance at End of the year	<u>110,994</u>	<u>72,703</u>

JIO ESTONIA OÜ

Notes on Financial Statements for the year ended 31st December, 2021

	As at 31st December, 2021	(In Euro) As at 31st December, 2020
6 Trade Payable Due to		
Micro and Small Enterprises Other than Micro and Small Enterprises	-	-
	30,373	26,446
Total	30,373	26,446

6.1 Trade Payable

(In Euro)

a. As at 31st December, 2021

Particulars	Outstanding for following periods from due date of Payment				Total
	Less than 1 Year	1-2 yrs	2-3 yrs	More than 3 Year	
(i) MSME	-	-	-	-	-
(ii) Others	25,373	2,500	2,500	-	30,373
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
Total	25,373	2,500	2,500	-	30,373

(In Euro)

b. As at 31st December, 2020

Particulars	Outstanding for following periods from due date of Payment				Total
	Less than 1 Year	1-2 yrs	2-3 yrs	More than 3 Year	
(i) MSME	-	-	-	-	-
(ii) Others	23,946	2,500	-	-	26,446
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
Total	23,946	2,500	-	-	26,446

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Notes on Financial Statements for the year ended 31st December, 2021

	As at 31st December, 2021	As at 31st December, 2020
7 Other Current Financial Liability		
Salary Payable	9,244	-
Audit Fees	2,500	-
Total	11,744	-

	As at 31st December, 2021	As at 31st December, 2020
8 Other Current Liabilities		
* Other Payables	10,678	4,183
Total	10,678	4,183

*Includes employee related dues, sundry payables, etc.

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Notes on Financial Statements for the year ended 31st December, 2021

	2021	(In Euro) 2020
9 Revenue from Operations		
Sale of Services	585,276	533,395
Total	<u><u>585,276</u></u>	<u><u>533,395</u></u>
		(In Euro)
	2021	2020
10 Other Income		
Interest Income	10	5
Total	<u><u>10</u></u>	<u><u>5</u></u>
		(In Euro)
	2021	2020
11 Employee Benefits Expense		
Salaries and Wages	220,814	195,481
Payroll Taxes and Benefit	65,907	66,062
Total	<u><u>286,721</u></u>	<u><u>261,543</u></u>
		(In Euro)
	2021	2020
12 Other Expenses		
Rent	39,345	38,280
Repairs and Maintenance - Others	2,400	2,400
Professional Fees	126,430	109,576
Travelling Expenses	70,864	71,783
Payment to Auditors	2,500	2,500
General Expenses	18,735	14,371
Total	<u><u>260,274</u></u>	<u><u>238,910</u></u>

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Notes on Financial Statements for the year ended 31st December, 2021

13 Earnings Per Share (EPS)	2021	2020
i. Profit for the year as per Statement of Profit and Loss (Euro)	38,291	32,947
ii. Weighted Average number of equity shares used as denominator for calculating EPS	50,000	50,000
iii. Basic Earnings per share (Euro)	0.77	0.66
iv. Diluted Earnings per share (Euro)	0.77	0.66
v. Face Value per equity share (Euro)	1	1

14 Related Party Disclosure

- (i) As per Ind AS 24, the disclosures of transactions with the related parties are given below:
List of related parties where control exists and related parties with whom transactions have taken place and relationships :

Sr No	Name of the Related Party	Relationship
1	Reliance Industries Limited	Ultimate Holding Company
2	Jio Platforms Limited	Holding Company
3	Reliance Industrial Investments and Holdings Limited	Fellow Subsidiary
4	Reliance Jio Infocomm Limited	Fellow Subsidiary

(ii) Transactions during the year with related parties

Sr No	Nature of Transactions	Holding Company	Fellow Subsidiaries	Total
1	Revenue from Operations	585,276 (269,145)	- (264,250)	585,276 (533,395)

Sr No	Balances as at 31st December, 2021	Holding Company	Total
2	Share Capital	50,000	50,000
3	Trade Receivable	108,083	108,083
4	Other Financial Assets	- (47,382)	- (47,382)

Note : Figures in brackets represent previous year's amounts.

Disclosure in Respect of Material Related Party Transactions during the year :

Particulars	Relationship	2021	2020
1 Revenue from Operations			
Reliance Jio Infocomm Limited	Fellow Subsidiary	-	264,250
Jio Platforms Limited	Holding	585,276	269,145
Balances as at 31st December 2021			
2 Share Capital*			
Jio Platforms Limited	Holding	50,000	50,000
3 Other Financial Assets			
Jio Platforms Limited	Holding	35,899	47,382.00
4 Trade Receivable			
Jio Platforms Limited	Holding	108,084	-

All related party contracts / arrangements have been entered on arms' length basis.

* Reliance Industrial Investments and Holdings Limited was holding company upto March 30,2020, subsequently Jio Platforms Limited became Holding Company.

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Notes on Financial Statements for the year ended 31st December, 2021

15 Capital Management

The Company adheres to a robust Capital Management framework which is underpinned by the following guiding

a). Ensure financial flexibility and diversify sources of financing and their maturities to minimize liquidity risk while meeting investment requirements.

b). Proactively manage group exposure in forex, interest and commodities to mitigate risk to earnings.

c). Leverage optimally in order to maximize shareholder returns while maintaining strength and flexibility of the Balance sheet.

Capital structure is adjusted based on underlying macro-economic factors affecting business environment, financial market conditions and interest rates environment.

16 Financial Instruments

Valuation

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

Fair Value Measurement Hierarchy:

(In Euro)

Particulars	As at 31st December, 2021			As at 31st December, 2020		
	Carrying Amount	Level of input used in		Carrying Amount	Level of input used in	
		Level 1	Level 2		Level 1	Level 2
Financial Assets						
At Amotised Cost						
Cash and Bank Balances	61,136	-	-	95,663	-	-
Trade Receivables	108,084	-	-	-	-	-
Other Financial Assets	35,899	-	-	47,382	-	-
Financial Liabilities						
At Amortised Cost						
Trade Payables	30,373	-	-	26,446	-	-
Other Financial Liabilities	11,744	-	-	-	-	-

The financial instruments are categorized into two levels based on inputs used to arrive at fair value measurements as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Interest Rate Risk

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows
(In Euro)

Particulars	Interest rate exposure	
	As at 31st December, 2021	As at 31st December, 2020
Loans		
Long Term Fixed Rate Loan	-	-
Short Term Loan	-	-
Total	-	-

JIO ESTONIA OÜ**Notes on Financial Statements for the year ended 31st December, 2021****Credit risk**

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due causing financial loss to the company. Credit risk arises from company's activities in investments and outstanding receivables from customers.

The company has a prudent and conservative process for managing its credit risk arising in the course of its business activities. Sales made to customers on credit and advances to vendors are secured through Letters of Credit, Bank Guarantees, Parent Company Guarantees and advance payments.

Liquidity Risk

Liquidity risk arises from the Company's inability to meet its cash flow commitments on time. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities. The Company will ensure that sufficient liquidity is available to meet all of its commitments by raising loans or arranging other facilities as and when required from group companies.

17 Segment Reporting

The Company is engaged in the business of providing software development support services and technical services. The Company has single segment as per the requirements of Ind AS 108 for "Operating Segment". The assets and liabilities of the Company as on 31st December, 2021 predominantly relate to this segment.

18 Payment To Auditors

	(In Euro)	
	2021	2020
i Audit Fees	2,500	2,500
Total	<u>2,500</u>	<u>2,500</u>

19 External Factors (Covid-19)

The Director is continuously monitoring the external situations including COVID-19 and its impact on the business activities of the Company. The company expects to continue to generate positive return on its assets and meet its obligations in the ordinary course of business.

20 Approval Of Financial Statements

The financial statements were approved for issue by board of director on 5th April, 2022

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Notes to the Financial Statements for the year ended 31st December, 2021

21 Ratio Analysis

Sr. No.	Particulars	As at 31st December, 2021	As at 31st December, 2020
1	Current Ratio	4.05	5.01
2	Debt-Equity Ratio	-	-
3	Debt Service Coverage Ratio	NA	NA
4	Return on Equity Ratio	27%	31%
5	Inventory turnover Ratio	NA	NA
6	Trade Receivables Turnover Ratio	10.83	-
7	Trade Payables Turnover Ratio	NA	NA
8	Net Capital Turnover Ratio	364%	435%
9	Net Profit Ratio	7%	6%
10	Return on Capital Employed Ratio	27%	31%
11	Return on Investment	0%	0%

a) **Trade Receivable Turnover Ratio:** On account of increase in Trade Receivable

21.1 Formulae for computation of ratios are as follows:

Sr. No.	Particulars	Formula
1	Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
2	Debt-Equity Ratio	$\frac{\text{Total Debt}}{\text{Total Equity}}$
3	Debt Service Coverage Ratio	$\frac{\text{Earnings before Interest, Tax and Exceptional Items}}{\text{Interest Expense} + \text{Principal Repayments made during the period for long term loans}}$
4	Return on Equity Ratio	$\frac{\text{Profit After Tax (Attributable to Owners)}}{\text{Average Net Worth}}$
5	Inventory turnover Ratio	$\frac{\text{Cost of Goods Sold}}{\text{Average Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade}}$
6	Trade Receivables Turnover Ratio	$\frac{\text{Value of Sales \& Services}}{\text{Average Trade Receivables}}$
7	Trade Payables Turnover Ratio	$\frac{\text{Cost of Materials Consumed (after adjustment of RM Inventory) + Purchases of Stock-in-Trade + Other Expenses}}{\text{Average Trade Payables}}$
8	Net Capital Turnover Ratio	$\frac{\text{Value of Sales \& Services}}{\text{Net Working Capital}}$
9	Net Profit Ratio	$\frac{\text{Profit After Tax}}{\text{Value of Sales \& Services}}$
10	Return on Capital Employed Ratio	$\frac{\text{Net Profit After Tax} + \text{Deferred Tax Expense/(Income)} + \text{Finance Cost (-)} + \text{Other Income (-)} + \text{Share of Profit / (Loss) of Associates and Joint Ventures}}{\text{Average Capital Employed}}$
11	Return on Investment	$\frac{\text{Other Income (Excluding Dividend)}}{\text{Average Cash, Cash Equivalents \& Other Marketable Securities}}$

As per our Report of even date

For Pathak H. D. & Associates
Chartered Accountants
Firm Regn No: 107783W

For and on behalf of the Board

Gopal Chaturvedi
Partner
Membership No. 090903

Taavi Kotka
Director

Place: Mumbai
Date: 5th April, 2022

Place: VIIMSI, Estonia
Date: 5th April, 2022