

Saavn, Inc.
Financial Statements
for the year ended 31st December, 2022

SAAVN, INC
INDEPENDENT AUDITOR'S REPORT

To The Board of Directors of Saavn Media Limited

Report on the Audit of the Special Purpose Financial Statements

Opinion

We have audited the accompanying Special Purpose Financial Statements of **Saavn, Inc.** ("the Company"), which comprise the Balance Sheet as at December 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements"). The financial statements have been prepared for the information and use of the board of directors of Saavn Media Limited ("the Holding Company") and for submission to Jio Platforms Limited ("the Intermediate Holding Company") and Reliance Industries Limited ("the Ultimate Holding Company") for the preparation of their consolidated financial statements.

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, 2021, 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, 2022, and its profit, total 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 these financial statements in accordance with the Standards on Auditing ('SAs') generally accepted in India. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Special Purpose 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 these special purpose financial statements under the provisions of the Act and the Rules made thereunder, 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on these financial statements.

Management's Responsibility for the Financial Statements

The Company's Board of Directors 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, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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 statement 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 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 Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility 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 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 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 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.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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.

SAAVN, INC
INDEPENDENT AUDITOR'S REPORT

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

Other Matter

The financial statements of the Company for the year ended December 31, 2021, were audited by erstwhile auditor who expressed an unmodified opinion on those financial statements on April 4, 2022.

Restriction on distribution and use

The financial statement has been prepared for the information and use of the board of directors of the Holding Company and for submission to the Intermediate Holding Company and the Ultimate Holding Company for the preparation of their consolidated financial statements. As a result, the financial statements may not be suitable for another purpose. Our report is intended for the use of the Company and should not be distributed to or used by other parties.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Pallavi A. Gorakshakar
Partner
(Membership No. 105035)
UDIN: 23105035BGWSRD4871

Place: Mumbai
Date: March 03, 2023

Saavn, Inc.

(All amounts are in USD unless stated otherwise)

Balance Sheet as at 31st December, 2022

| Particulars | Notes | As at 31st December, 2022 | As at 31st December, 2021 |
|-------------------------------------|-------|------------------------------|------------------------------|
| ASSETS | | | |
| Non-Current Assets | | | |
| Financial assets | | | |
| Investments | 3 | 1,95,91,421 | 1,95,91,521 |
| Total Non-Current Assets | | 1,95,91,421 | 1,95,91,521 |
| Current Assets | | | |
| Financial Assets | | | |
| Cash and Cash Equivalents | 4 | 94,128 | 55 |
| Total Current Assets | | 94,128 | 55 |
| TOTAL ASSETS | | 1,96,85,549 | 1,95,91,576 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity Share Capital | 5 | 11 | 11 |
| Other Equity | 6 | 1,95,92,604 | 1,95,91,565 |
| Total Equity | | 1,95,92,615 | 1,95,91,576 |
| Liabilities | | | |
| Current Liabilities | | | |
| Financial Liabilities | | | |
| Other Financial Liabilities | 7 | 92,934 | - |
| Total Current Liabilities | | 92,934 | - |
| Total Liabilities | | 92,934 | - |
| TOTAL EQUITY AND LIABILITIES | | 1,96,85,549 | 1,95,91,576 |

Significant Accounting Policies

See accompanying Notes to the Financial Statements 1 to 14

As per our report on even date

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Registration No. 117366W/W100018)

For and on behalf of the Saavn, Inc.

Pallavi A. Gorakshakar

Partner

Membership No. 105035

Date: 3rd March, 2023

Paramdeep Singh

Director

Date: 28th February, 2023

Matthew Emerman

Chief Financial Officer

Date: 28th February, 2023

Saavn, Inc.

(All amounts are in USD unless stated otherwise)

Statement of Profit or Loss for the year ended 31st December, 2022

| Particulars | Notes | For the year ended 31st December, 2022 | For the year ended 31st December, 2021 |
|---|-------|--|--|
| Income | | | |
| Dividend income | | - | 1,11,14,700 |
| Other income | 8 | 1,176 | 120 |
| Total income | | 1,176 | 1,11,14,820 |
| Expenses | | | |
| Other Expenses | 9 | 137 | 358 |
| Total Expenses | | 137 | 358 |
| Profit before tax | | 1,039 | 1,11,14,462 |
| Tax Expense | | - | - |
| Profit for the year | | 1,039 | 1,11,14,462 |
| Other Comprehensive Income, Net of tax | | - | - |
| Total comprehensive income for the year | | 1,039 | 1,11,14,462 |
| Basic & Diluted Earnings per equity share (Nominal value per share \$ 0.01) | 10 | 0.96 | 10,310.26 |

Significant Accounting Policies

See accompanying Notes to the Financial Statements 1 to 14

As per our report on even date

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Registration No. 117366W/W100018)

For and on behalf of the Saavn, Inc.

Pallavi A. Gorakshakar

Partner

Membership No. 105035

Date: 3rd March, 2023

Paramdeep Singh

Director

Date: 28th February, 2023

Matthew Emerman

Chief Financial Officer

Date: 28th February, 2023

Saavn, Inc.

*(All amounts are in USD unless stated otherwise)***Statement of Changes in Equity for the year ended 31st December, 2022**

| | Common Stock | Other Equity | |
|----------------------------------|-----------------|-------------------|-----------------------|
| | | Retained Earnings | Securities Premium |
| As at January 1, 2021 | 11 | (589) | 1,95,92,392 |
| Income for the year | - | 1,11,14,462 | - |
| Dividends paid during the year | - | (1,08,89,700) | - |
| Taxes on Dividends | - | (2,25,000) | - |
| As at 31st December, 2021 | 11 | (827) | 1,95,92,392 |
| As at January 1, 2022 | 11 | (827) | 1,95,92,392 |
| Income for the year | - | 1,039 | - |
| As at 31st December, 2022 | 11 | 212 | 1,95,92,392 |

Significant Accounting Policies

See accompanying Notes to the Financial Statements

1 to 14

As per our report on even date

For **Deloitte Haskins & Sells LLP**

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Matthew Emerman

Chief Financial Officer

Date: 28th February, 2023

Saavn, Inc.

*(All amounts are in USD unless stated otherwise)***Statement of Cash Flows for the year ended 31st December, 2022**

| Particulars | For the year ended 31st December, 2022 | For the year ended 31st December, 2021 |
|---|---|---|
| (A) CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit for the year | 1,039 | 1,11,14,462 |
| Net Cash flow from operating activities | 1,039 | 1,11,14,462 |
| <i>Adjusted for:</i> | | |
| Trade and other payables | 92,934 | - |
| Net Cash flow generated from/(used in) operations | 93,973 | 1,11,14,462 |
| (B) CASH FLOW FROM INVESTING ACTIVITIES | | |
| Proceeds from capital distribution from Subsidiary | 100 | 291 |
| Net Cash flow generated from investing activities | 100 | 291 |
| (C) CASH FLOW FROM FINANCING ACTIVITIES | | |
| Dividends paid | - | (1,08,89,700) |
| Taxes on Dividends | | (2,25,000) |
| Net Cash flow (used in) financing activities | - | (1,11,14,700) |
| Net increase in cash and cash equivalents | 94,073 | 53 |
| Cash and cash equivalents at the beginning of the year | 55 | 2 |
| Cash and cash equivalents at the end of the year (Refer to note 4) | 94,128 | 55 |

Significant Accounting Policies

See accompanying Notes to the Financial Statements

1 to 14

As per our report on even date

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Registration No. 117366W/W100018)

For and on behalf of the Saavn, Inc.

Pallavi A. Gorakshakar

Partner

Membership No. 105035

Date: 3rd March, 2023

Paramdeep Singh

Director

Date: 28th February, 2023

Matthew Emerman

Chief Financial Officer

Date: 28th February, 2023

Saavn, Inc.**Notes to the financial statements for the year ended 31st December, 2022****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 "228 Park Avenue S, Suite 46351, New York, NY 10003, United States". The Company is blocker corporation (investment corporation).

The Company is a wholly owned subsidiary of Saavn Media 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

These Special Purpose 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 Special Purpose Financial have been prepared for the information and use of the board of directors of Saavn Media Limited and for submission to Jio Platforms Limited ("the Intermediate Holding Company") and Reliance Industries Limited ("the Ultimate Holding Company") for the preparation of their consolidated financial statements.

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

(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, 2022

(f) Revenue Recognition

- a) Dividend Income is recognised when the Company's right to receive the amount has been established.
- b) Interest income on financial assets measured at amortized cost is recognised using the effective interest method.

(g) Financial instruments**Financial Asset****A. Initial recognition and measurement**

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

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

A financial asset is 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.

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

A Financial Asset is measured at FVTOCI 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. The Company do not hold any financial assets to be measured at FVTOCI.

Financial assets at fair value through profit or loss (FVTPL)

A Financial Asset which is not classified in any of the above categories are measured at FVTPL.

Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- The lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables, the Company applies 'simplified approach' which requires expected lifetime credit losses to be recognised from initial recognition of the receivables. The Company uses historical default rates and future expectations to determine impairment loss on the portfolio of trade receivables. At every reporting date, these historical default rates are reviewed and changes in the forward looking estimates are analysed.

Financial assets which are equity instruments**Investments in subsidiary**

The Company has accounted for its investments in Subsidiaries at cost less impairment loss (if any).

Financial Liabilities**A. Initial recognition and measurement**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost.

B. Subsequent measurement

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

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet, only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or realise the asset and settle the liability simultaneously.

Derecognition of Financial Instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged, cancelled or expires.

Saavn, Inc.

Notes to the financial statements for the year ended 31st December, 2022

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

| Particulars | As at 31st December, 2022 | As at 31st December, 2021 |
|-----------------------------------|------------------------------|------------------------------|
| Investment in subsidiary | | |
| Membership Interest in Saavn, LLC | 1,95,91,421 | 1,95,91,521 |
| Total | 1,95,91,421 | 1,95,91,521 |

4 CASH AND CASH EQUIVALENTS

| Particulars | As at 31st December, 2022 | As at 31st December, 2021 |
|---------------------|------------------------------|------------------------------|
| Balances with banks | 94,128 | 55 |
| Total | 94,128 | 55 |

5 EQUITY SHARE CAPITAL

| Particulars | As at 31st December, 2022 | As at 31st December, 2021 |
|--|------------------------------|------------------------------|
| Authorised Share Capital: 2,000 (31st December, 2021: 2,000) Common Stock of US \$ 0.01 Each | 20 | 20 |
| | 20 | 20 |
| Issued, Subscribed and Paid Up 1,078 (31st December, 2021: 1,078) Common Stock of US \$ 0.01 Each | 11 | 11 |
| | 11 | 11 |

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

| Common Stock | Amount | Nos. |
|--|-----------|--------------|
| Outstanding as at January 1, 2021 | 11 | 1,078 |
| Additional Capital Received | - | - |
| Outstanding as at December 31, 2021 | 11 | 1,078 |
| Additional Capital Received | - | - |
| Outstanding as at 31st December, 2022 | 11 | 1,078 |

(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/Ultimate 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, 2022 | As at 31st December, 2021 |
|--|------------------------------|------------------------------|
| Saavn Media Limited (Holding company) 1078 (31st December, 2021: 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, 2022 | As at 31st December, 2021 |
|----------------------------|------------------------------|------------------------------|
| | No. of Shares | No. of Shares |
| Saavn Media Limited (100%) | 1,078 | 1,078 |

Saavn, Inc.

Notes to the financial statements for the year ended 31st December, 2022

(All amounts are in USD unless stated otherwise)

6 OTHER EQUITY

| Particulars | As at 31st December, 2022 | As at 31st December, 2021 |
|---|------------------------------|------------------------------|
| Securities Premium | | |
| Opening balance | 1,95,92,392 | 1,95,92,392 |
| Balance at the end of the year | 1,95,92,392 | 1,95,92,392 |
| Retained Earnings | | |
| Opening balance | (827) | (589) |
| Add: Profit for the year | 1,039 | 1,11,14,462 |
| Less: Dividends paid (including tax) | - | (1,11,14,700) |
| Balance at the end of the year | 212 | (827) |
| TOTAL | 1,95,92,604 | 1,95,91,565 |

7 OTHER FINANCIAL LIABILITIES

| Particulars | As at 31st December, 2022 | As at 31st December, 2021 |
|----------------------------|------------------------------|------------------------------|
| Payable to Holding Company | 92,934 | |
| TOTAL | 92,934 | - |

8 OTHER INCOME

| Particulars | For the year ended 31st December, 2022 | For the year ended 31st December, 2021 |
|---------------------------------------|---|---|
| Interest Income on Income Tax Refunds | 1,176 | - |
| Interest on bank deposits | - | 120 |
| Total | 1,176 | 120 |

9 OTHER EXPENSES

| Particulars | For the year ended 31st December, 2022 | For the year ended 31st December, 2021 |
|--------------|---|---|
| Bank Charges | 137 | 358 |
| Total | 137 | 358 |

10 EARNINGS PER SHARE

| Particulars | For the year ended 31st December, 2022 | For the year ended 31st December, 2021 |
|--|---|---|
| Net income (loss) for the year available for shareholders | 1,039 | 1,11,14,462 |
| Weighted average number of shares in calculating basic EPS & diluted | 1,078 | 1,078 |
| Earnings per share (Basic & Diluted) | 0.96 | 10,310.26 |

Saavn, Inc.**Notes to the financial statements for the year ended 31st December, 2022***(All amounts are in USD unless stated otherwise)***11 RELATED PARTY**

| Name of the Entity | Relationship |
|-----------------------------|------------------------------|
| Reliance Industries Limited | Ultimate Holding Company |
| Jio Platforms Limited | Intermediate Holding Company |
| Saavn Media Limited | Holding Company |
| Saavn, LLC | Subsidiary Company |

Transactions during the year with related parties:

| Name of the Related Party | Nature of transaction | For the year ended 31st December, 2022 | For the year ended 31st December, 2021 |
|----------------------------------|---|---|---|
| Saavn Media Limited | Dividends paid (including tax) | - | 1,11,14,700 |
| Saavn Media Limited | Refund of Dividend | 92,934 | - |
| Saavn, LLC | Dividends received | - | 1,11,14,700 |
| Saavn, LLC | Proceeds from disposal of Investments in Subsidiary | 100 | 291 |

Balances as at 31st December, 2022:

| Name of the Related Party | Particulars | For the year ended 31st December, 2022 | For the year ended 31st December, 2021 |
|----------------------------------|--------------------|---|---|
| Saavn Media Limited | Other Payable | 92,934 | - |

12 FINANCIAL INSTRUMENTS**A) Capital risk management**

The capital structure of the Company consists of equity share capital and accumulated reserves. The Company is not subject to any externally imposed capital requirements. The Company's objectives while managing capital are to safeguard its ability to continue as a going concern. As on reporting date, the Company does not have any external borrowings.

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

The following table summarizes the capital of the Company:

| Particulars | For the year ended 31st December, 2022 | For the year ended 31st December, 2021 |
|--------------------------------------|---|---|
| Gross debts | - | - |
| Less: Cash and cash equivalents | 94,128 | 55 |
| Net Debts (A) | - | - |
| Equity share capital | 11 | 11 |
| Other equity | 1,95,92,604 | 1,95,91,565 |
| Total equity (B) | 1,95,92,615 | 1,95,91,576 |
| Net gearing ratio (A)/(B) (%) | Not Applicable | Not Applicable |

Saavn, Inc.

Notes to the financial statements for the year ended 31st December, 2022

(All amounts are in USD unless stated otherwise)

B) Financial instruments

B.1 Fair value hierarchy

| Particulars | For the year ended 31st December, 2022 |
|-------------------------------------|---|
| | Carrying amount |
| Financials Assets: | |
| <i>At Amortised Cost</i> | |
| Cash and Cash Equivalents | 94,128 |
| Investments at Cost | 1,95,91,421 |
| Financial Liabilities: | |
| <i>At Amortised Cost</i> | |
| Other financial liabilities-current | 92,934 |

| Particulars | For the year ended 31st December, 2021 |
|-------------------------------------|---|
| | Carrying amount |
| Financials Assets: | |
| <i>At Amortised Cost</i> | |
| Cash and Cash Equivalents | 55 |
| Investments at Cost | 1,95,91,521 |
| Financial Liabilities: | |
| <i>At Amortised Cost</i> | |
| Other financial liabilities-current | - |

The Company considers that the carrying amounts of financial assets and financial liabilities at amortised cost approximate their fair values.

B.2 Financial risk management

Liquidity Risk:

Liquidity risk arises from the Company's inability to meet its cash flow commitments on the due date. The Company maintains sufficient cash and other liquid funds to ensure that it will have funds to meet its liabilities when due without incurring unacceptable losses.

13 SEGMENT INFORMATION

The Company is blocker corporation (investment corporation) and hence there is no separate reportable segment as per Ind AS 108 - Operating Segments.

14 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by Board of Directors on 28th February, 2023.

See accompanying Notes to the Financial Statements

1 to 14

As per our report on even date

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Registration No. 117366W/W100018)

For and on behalf of the Saavn, Inc.

Pallavi A. Gorakshakar

Partner

Membership No. 105035

Date: 3rd March, 2023

Paramdeep Singh

Director

Date: 28th February, 2023

Matthew Emerman

Chief Financial Officer

Date: 28th February, 2023