

IntraSoft Technologies Limited



Investor Presentation
13th February, 2025

BSE: 533181, NSE: ISFT



123Stores

123Stores

**E-Commerce Subsidiary of IntraSoft
Technologies Limited**

We are an Amazon Retailer

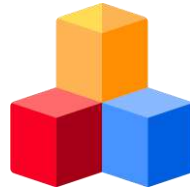
What we do?



Our value proposition



Products we sell



- ✓ We are amongst the top 300 e-commerce retailers on the Amazon US marketplace #
- ✓ We enable small and medium businesses (our brand partners) in the US to sell their products on Amazon
- ✓ We sell 150,000 + products across all major categories – home & kitchen, garden & outdoor, tools & more

Source(s): #Marketplace Pulse

Our Business Model

Our end-to-end solution enables brand partners to grow their business on Amazon without the need for dedicated resources

amazon

Premium seller on Amazon US with 96% Life-time rating

Customers

We service millions of marketplace customers

Marketplace management

Brand/Supplier Management

123Stores

Technology and Infrastructure

Customer support

Supply Chain Management

Brand Partners

We have a wide network of 300+ brand partners

Logistics Partners

We have partnered with leading logistic companies – UPS and Fedex for fast and accurate order fulfillment

Our Platform Features



Our Journey

**Our business underwent
extensive transformation to
emerge with a more robust,
sustainable and resilient
business model**

Inventory Heavy Model upto FY22



uptil
2022

Inventory Heavy Model had several challenges

- **Higher working capital requirements**
 - Inventory-heavy model requires significant capital to maintain stock levels, which lead to continuous increase in working capital requirement.
- **Risk of Inventory Mark down/Obsolescence/Change in trends**
 - Holding inventory increases the risk of items becoming outdated or obsolete, especially in industries driven by fast-changing trends.
 - Unanticipated shifts in consumer preferences can lead to significant markdowns.
- **Continuous Rise in Debt Levels**
 - Financing high working capital leads to rise in Debt levels, which increases the interest costs leading to a negative impact on the PAT margin
- **Difficult to Scale**
 - Inventory model requires significant capital requirement, leads to challenge in scaling and adding more products to the engine.
- **Ratios Impacted negatively**
 - High inventory and debt levels negatively impact key financial ratios such as return ratios.

FY22 to FY25 – Period of Transformation

2022 - 2025



- **Company focused on gradual shift towards Vendor Direct Model from Inventory Model**
 - Focus on selling entire **product catalogue** of brands including the Long tail products
 - Long tail products are **slow-moving & low volume** products
 - Shipped the products from **brand warehouses to consumers** - saving in shipping, storage & inventory holding costs

- **Reduction of Inventory level**

- **As we transitioned** our focus towards Vendor Direct model, this lead to reduction in inventory



- **Accelerated Debt Repayment**

- Shift from Inventory Model helped in drastic **reduction in debt levels**, reducing the interest cost



- **Strong Focus on Technology ensuring Robust scalable systems**

- Technology forms the bedrock of our offering – enabling us to service our brand partners and scale higher milestones. Our strong focus would ensure our future growth,

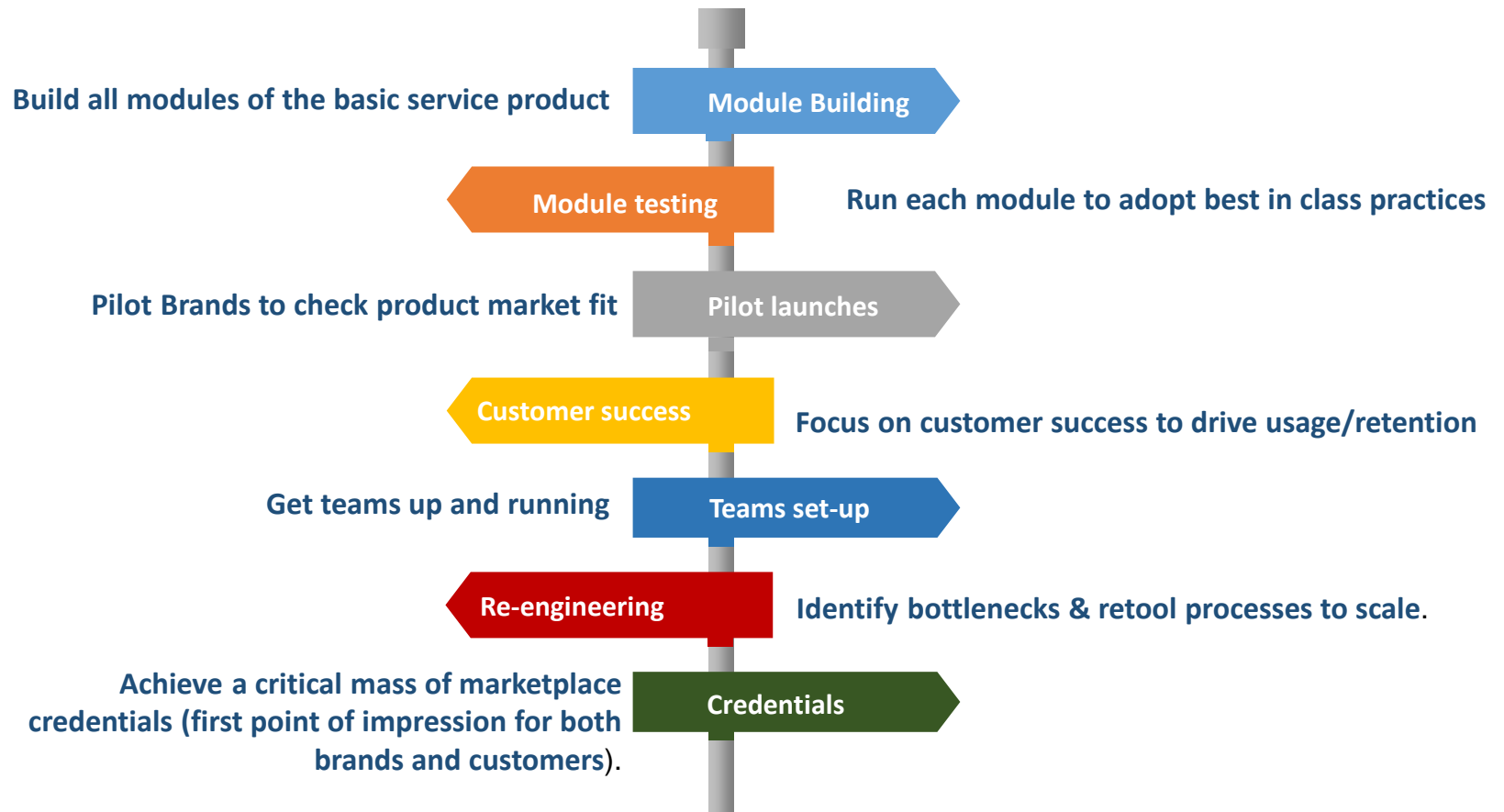
FY26 Onwards - Emerging as a transformed company



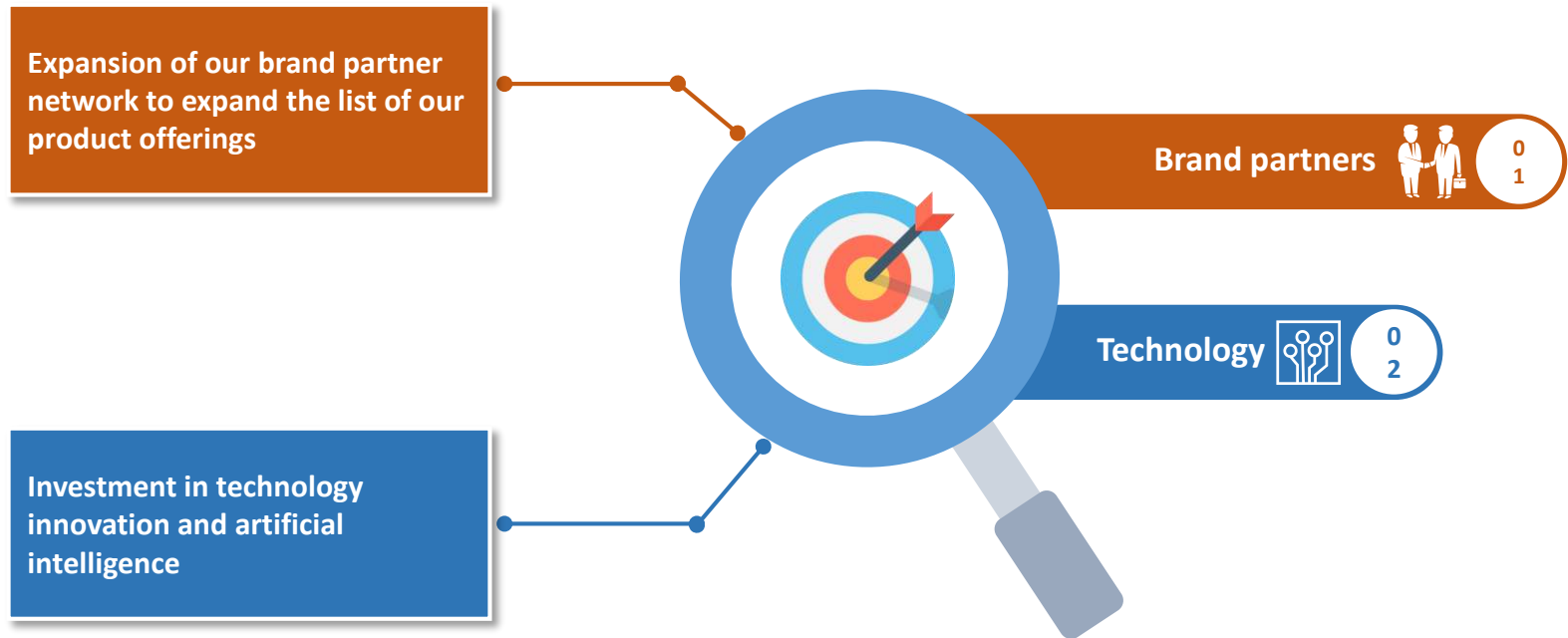
2026
onwards

- **Accelerated shift to Vendor Direct Model**
 - Focus on selling entire **product catalogue** of brands including the Long tail products
 - Shipped the products from **brand warehouses to consumers** - saving in shipping, storage & inventory holding costs
 - Vendor Direct Model's Revenue as a percentage of Total Revenue to continuously increase
- **Limited Risk of Inventory Drawdown due to reduction in Reduction of Inventory level**
 - Focus on Vendor Direct Model would ensure Inventory drawdown risk
- **Scalability to improve Significantly with increased reliance on Vendor Direct model**
 - Through our technology which has **the bandwidth, efficiency and robustness** to support this growth opportunity
- **Improvement in Financial metrics over three years**
 - Continuous adoption of Vendor Direct Model, would lead to 25%-30% CAGR growth in Vendor Direct sales
 - Ensuring EBIDTA margins to remain firm
 - Return ratios expected to improve considerably, ensuring stronger financial health.

Our focus till date



Key focus areas for future



Brand partner expansion

Target

We aim to increase the breadth of our product offerings

From

150,000

To

500,000

How we
plan to
achieve
it?



Through *our technology* which has the *bandwidth, efficiency* and *robustness* to support this growth



Grow our network of brand partners and deepen relationships with them through investments in:



Maintaining and growing our sales teams



Training our sales team and equipping them with the necessary technology

Investment in Technology



Technology forms the bedrock of our offering – enabling us to service our brand partners and scale higher milestones



We emphasize on our constant innovation and enhancing our products and platform offerings



We will continue to *invest in our technology* to enhance its:



Efficiency & speed of transactions



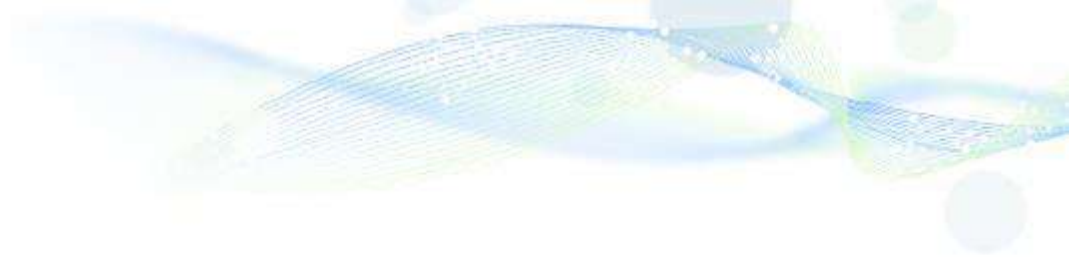
Bandwidth & scalability



Automation levels



Security



Financial Performance of IntraSoft Technologies Limited



Financial Performance – IntraSoft Technologies Limited

Unaudited Consolidated Statement of Profit & Loss

Particulars	Quarter Ended	
	Dec-24	Dec-23
	₹ (In Lakhs)	
Revenue From Operations	12,834.04	12,299.38
Cost of Goods Sold	8,149.44	7,702.84
Gross Profit	4,684.60	4,596.54
Shipping and Handling Expenses	1,919.74	1,786.10
Sales & Marketing Expenses	1,912.82	1,747.57
Employee Benefit Expense	212.94	318.49
Other Expenses	199.99	247.51
Earnings From Operations	439.11	496.87
Other Income (Net)	8.69	158.89
Earnings Before Interest, Tax, Depreciation & Amortization	447.80	655.76
Depreciation & Amortization	23.66	24.22
Earnings Before Interest & Tax	424.14	631.54
Finance Costs	31.39	286.15
Profit Before Tax (PBT)	392.75	345.39
Tax Expense	122.30	123.80
Profit After Tax (PAT)	270.45	221.59



IntraSoft Technologies Limited

For Further Information, Please Contact

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