



INTRASOFT TECHNOLOGIES LIMITED



**ANNUAL
REPORT
2022-23**

Empowering Growth

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Forward-looking statement

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

EMPOWERING Growth

Empowering Growth has been the driving force behind our actions at IntraSoft throughout the past years. We recognize the importance of supportive networks and mentoring in fostering growth and success. Our focus has centered on scalable technology platforms and addressing consumer needs through active engagements with e-commerce marketplaces, brand manufacturers, and logistic partners.

In an ever-evolving market, we remain steadfast in our long-term vision of inclusive, sustainable, and impactful growth. To achieve this, we have continued to make investments in our people, processes, and technology. This year, our efforts have been focused on building partnerships with newer brands through a strategic brand acquisition strategy. By expanding our product assortment and implementing targeted sales and marketing programs, we are well-positioned to tap into new growth opportunities.

We have developed strong visibility within our supplier base and current pipeline, which provides us with a built-in opportunity to drive incremental value. By fostering an environment that supports the development and success of our organization, we provide our team with the necessary resources, tools, and opportunities to unlock their potential for absolute action.

At IntraSoft, empowering growth is not just a tagline; it is the driving force behind every decision we make. We strive to create an ecosystem that enables our partners, employees, and stakeholders to thrive. By embracing innovation, leveraging technology, and nurturing strong relationships, we are building a better **tomorrow**.



Corporate Snapshot

Ethos

'When what you believe in is in tune with what you do, success follows the way.'



Passion and profession go hand in hand: We believe in being passionate about everything we do. We take each day as if it is our first and give it our best shot. We believe excellence can only be achieved through passion.

Learning is a constant: We believe in the power of constant learning. In today's dynamic world, we strive to keep ourselves updated about our ecosystem. We see mistakes as learnings and use them only to improve.

Imagination leads to innovation: We are creative thinkers and believe that is the key to innovate and improve the little and big things. We push the frontiers of what we believe is possible and find ways to achieve outsized returns.

A happy customer is the key to success: We believe that a happy customer means a relationship lasts forever. We keep our customers at the forefront of every thought and action, we strive to make every interaction seamless.

We live in the present: We are hands-on with everything we do and take one step at a time. We dig deep into our ideologies and processes and come up with scalable solutions. We believe that living for today will lead to a brighter tomorrow.

TEAM



Our team is the backbone of our success. Comprised of talented individuals from diverse backgrounds, we foster an inclusive and collaborative work environment. We value the expertise and perspectives that each team member brings to the table. We encourage open communication, idea sharing, and creativity. By nurturing a culture of collaboration and empowerment, we have been able to tackle challenges head-on and find innovative solutions. Our team's dedication, passion, and commitment are the driving force behind our growth.

VALUE PROPOSITION



Our value proposition is centered around understanding the needs and desires of our brand partners. Through extensive market research and analysis, we gain deep insights into their preferences, pain points, and aspirations. By adopting a partner-centric approach, we provide tailored solutions that our brand partners truly value. Through our ecommerce subsidiary, 123Stores Inc., we enable brands to expand their market presence and increase revenue on leading US online marketplaces. Our proprietary technology platform empowers our customers to seamlessly manage the entire marketplace sales process, from product listing to marketing, order fulfillment, and customer support. By alleviating operational burdens, we enable our brand partners to focus on their core competence of product development.

STAKEHOLDERS



At Intrasoft, we recognize the importance of our stakeholders, including our shareholders, employees, customers, brand partners, logistic partners, and the communities we serve. We deeply appreciate the trust and support they have placed in us, and we remain committed to delivering value and driving sustainable growth. By building strong relationships, fostering collaboration, and making a positive impact, we create a mutually beneficial environment where everyone can thrive.

Brand partners

We comprise a network of brand partners who repose faith in our end-to-end solutions to succeed in complex online marketplaces. Our proprietary technology platform makes it possible for customers to seamlessly manage the entire marketplace sales process - from product listing to marketing to order fulfilment to customer support – enabling them to focus on their core competence of product development.

Logistics partners

We enjoy longstanding relationships with leading US logistics carriers who complete deliveries in the shortest time with accuracy. Our capacity to generate large order volumes with logistics partners has translated into economies of scale resulting in one of the most cost-effective marketplace solutions within our industry.

Marketplace integration

We have consistently maintained a life-time rating of 96%+ on US e-marketplaces by enriching shopping experiences for our customers. Our wide SKU selection, efficient orders fulfilment and reliable customer support has graduated us into a preferred seller among marketplace customers.

Letter to Shareholders



Through our dedication
to continuous learning,
embracing innovation,
and delivering
exceptional customer
experiences, we are
shaping a brighter future..



Dear Shareholders,

It is with great pleasure that I present to you IntraSoft's Annual Report for 2023. This report showcases our relentless dedication to empowering growth and the strides we have made in achieving sustainable success.

Over the past years, we have demonstrated our commitment to fostering an ecosystem that drives growth for our brand partners, team members, and stakeholders.

Through active engagements with e-commerce marketplaces, brand manufacturers, and logistic partners, we have harnessed scalable technology platforms to address consumer needs and create opportunities for expansion.

Our focus on building partnerships with newer brands through a strategic brand acquisition strategy has yielded positive results. By increasing our product assortment and implementing targeted sales and marketing programs, we have positioned ourselves for continued growth and success. We continue to focus on improving performance on operational parameters by driving efficiencies and remain committed to adding new brands in the coming months and our long-term vision remains intact as we continue to make investments in our people, processes and technology to grow the business. We are excited about the possibilities that lie ahead as we further strengthen our supplier base and explore new avenues for driving incremental value.

At IntraSoft, we believe that empowering growth is more than just a concept; it is the guiding principle behind everything we do. We are proud of the collaborative and inclusive work environment we have cultivated, where each team member is empowered to contribute their unique skills and perspectives. Through our dedication to continuous learning, embracing innovation, and delivering exceptional customer experiences, we are shaping a brighter future.

I extend my heartfelt appreciation to our stakeholders for their unwavering support. Your trust and confidence in IntraSoft have been instrumental in our journey towards growth and success. Together, we will continue to empower growth, foster innovation, and create lasting value.

Thank you for being a part of our journey.

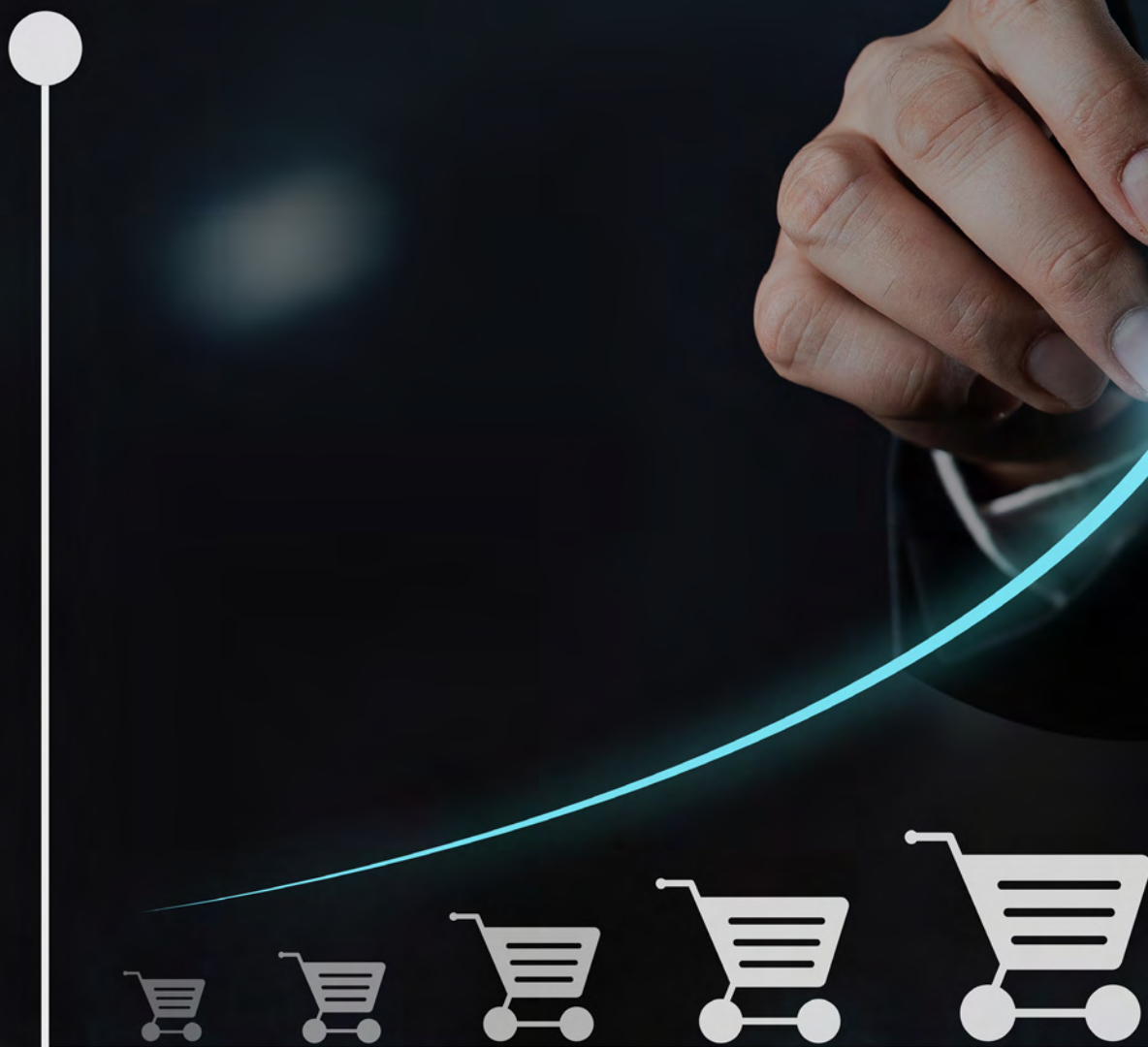
Sincerely,



Arvind Kajaria
Managing Director

U.S. ecommerce sales reached \$1.03 trillion in 2022, passing \$1 trillion for the first time ever.

That remarkable level of sales comes with a slight bump in ecommerce penetration to 21.2% for the year from 21.0% in 2021.



Company Overview

Online marketplaces continue to offer significant opportunities for business growth and expansion.

As a \$3.2 trillion (and growing) industry, digital marketplaces have become a hub for retailers, brands, technology providers and more to tap into a wide-ranging customer base and save on overhead costs.

The leading global online marketplaces sold a little over \$3.24 trillion online and grew sales nearly 3% in 2022. In particular, hybrid marketplaces like Walmart and Amazon exhibited strong growth over the last year.

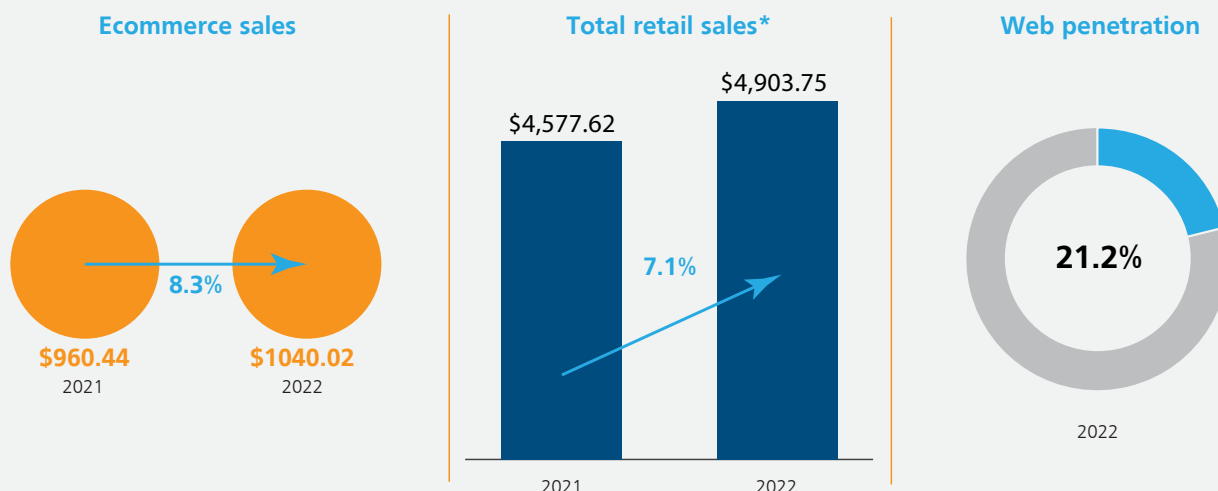
According to Digital Commerce 360's 2023 Global Online Marketplaces Database, consumer spending through platforms of

the big four—Taobao, Tmall, Amazon and JD.com—77% of total GMV by the Top 100 online marketplaces globally.

U.S. ecommerce sales reached \$1.03 trillion in 2022, passing \$1 trillion for the first time ever. That remarkable level of sales comes with a slight bump in ecommerce penetration to 21.2% for the year from 21.0% in 2021.

Ecommerce sales grew 7.7% in 2022 year over year. Ecommerce sales growth in 2022 was stayed slightly higher than the total retail sales growth of 6.8% that the Commerce Department reported in 2022. That's the closest yearly total sales growth has come to reach ecommerce sales growth since the Commerce Department started tracking online sales.

US ecommerce sales, in \$billions of USD



Source : Digital Commerce 360, U.S. Department of Commerce retail data; May 2023

*Total retail figures exclude sales of items not normally purchased online such as spending at restaurants, bars, automobile dealers, gas stations and fuel dealers

