

PRESS RELEASE



Mumbai, 12 February 2021

INTRASOFT TECHNOLOGIES LIMITED REPORTS **RESULTS FOR Q3 FY 2020-21**

IntraSoft Technologies Ltd. (BSE: 533181, NSE: ISFT) today announced its Results for the Quarter and Nine Months ended 31 December 2020.

Q3 and 9M FY 2020-21 HIGHLIGHTS:

- Operating Cash Flow for the quarter was \$2.16 million, as against \$0.39 million in the comparable quarter last year.
- Operating Cash Flow for the nine months was \$2.50 million, as against \$0.87 million last year.

MANAGEMENT'S STATEMENT ON THE E-COMMERCE BUSINESS

"This quarter saw strong cash flow performance, evidencing our focus on the business," said Arvind Kajaria, Managing Director. "We are investing in expanding our teams to bolster the business and are positive about the forward trajectory."

Other Highlights:

- Revenue for the quarter stood at \$16.27 million, as against \$18.92 million in the comparable quarter last year. For the nine months, it was \$66.87 million, as against \$65.20 million last year.
- Accounts Payable at the end of 31 December was \$3.52 million, as compared to \$3.58 million same time last year. This reflects approximately 17.2 Accounts Payable Days on an annualized basis.
- Inventories at the end of 31 December was \$14.51 million, as compared to \$14.90 million same time last year. This reflects approximately 3.9 Inventory Turns on an annualized basis.
- Accounts Receivable at the end of 31 December was \$0.51 million, as compared to \$0.18 million same time last year. This reflects approximately 1.6 Accounts Receivable Days on an annualized basis.

Notes

1. The Company's primary business is in the area of E-Commerce, carried out by its wholly owned subsidiary in the United States of America. Accordingly, the updates for E-Commerce reflect the consolidated performance of the E-Commerce division only, and not the consolidated operations of IntraSoft Technologies Ltd.
2. Accounts Payable reflects amounts due to our suppliers, carriers, fulfillment partners & payment services.
3. Inventories number reflects the total of goods in transit from suppliers to the fulfillment centers, inventories at the fulfillment centers & goods in transit to the customers (as the company recognizes revenue on delivery).
4. Net Working Capital numbers reflect updated numbers based on Accounts Payable & Inventories as per Notes 2 & 3 above.

ABOUT INTRASOFT TECHNOLOGIES LIMITED:

IntraSoft Technologies Limited owns & operates 123Stores, an E-Commerce Retailer.

123Stores, Inc. is an E-Commerce Retailer serving the US market. We harness our strong technology backbone that combines supply-chain logistics with real-time marketplace data, to create a compelling selling proposition for the brand-partners. The Company is ranked #232 on the Internet Retailer's 2019 Top 1000 list and is ranked #689 in Inc. 5000 (2017) list of fastest growing private US companies.

IntraSoft Technologies Limited also owns & operates 123Greetings.com, the world's leading online destination for human expressions reaching 95 million visitors annually.

FOR MORE INFORMATION PLEASE CONTACT:

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CAUTION CONCERNING FORWARD-LOOKING STATEMENTS:

This document includes certain forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company operates in the future. IntraSoft Technologies Limited may make additional written and oral forward-looking statements and is under no obligation to update or alter its forward-looking statements to reflect actual results, changed assumptions or other factors.



INTRASOFT TECHNOLOGIES LIMITED

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Website : www.itindia.com **CIN : L24133MH1996PLC197857**

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2020

₹ In Lakhs

| PARTICULARS | Quarter Ended | | | Nine Months ended | | Year Ended |
|---|-----------------|-----------------|-----------------|-------------------|-----------------|-----------------|
| | 31-12-2020 | 30-09-2020 | 31-12-2019 | 31-12-2020 | 31-12-2019 | 31-03-2020 |
| | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| Income | | | | | | |
| I (a) Revenue from Operations | 12232.94 | 16743.13 | 13815.22 | 50670.93 | 46615.29 | 59067.54 |
| II (b) Other Income | 270.12 | 125.81 | 103.85 | 593.05 | 330.19 | 485.42 |
| III Total Income (I+II) | 12503.06 | 16868.94 | 13919.07 | 51263.98 | 46945.48 | 59552.96 |
| IV Expenses | | | | | | |
| (a) Cost of Goods Sold | 8282.18 | 11833.19 | 10319.72 | 35955.74 | 34414.22 | 43643.37 |
| (b) Shipping and Handling Expenses | 1451.70 | 1925.32 | 1049.75 | 5712.10 | 4367.92 | 5255.92 |
| (c) Sales and Marketing Expenses | 1579.07 | 2123.59 | 1543.73 | 6389.82 | 5190.90 | 6637.98 |
| (d) Employee Benefits Expense | 460.53 | 436.06 | 420.85 | 1265.01 | 1158.44 | 1566.92 |
| (e) Finance Costs | 64.32 | 81.72 | 125.63 | 243.36 | 391.18 | 553.87 |
| (f) Depreciation and Amortisation Expense | 38.38 | 103.34 | 102.44 | 247.70 | 302.24 | 409.43 |
| (g) Other Expenses | 307.17 | 302.35 | 234.53 | 869.47 | 899.80 | 1272.24 |
| Total Expenses | 12183.35 | 16805.57 | 13796.65 | 50683.20 | 46724.70 | 59339.73 |
| V Profit Before Tax (III - IV) | 319.71 | 63.37 | 122.42 | 580.78 | 220.78 | 213.23 |
| VI Tax expense | | | | | | |
| (a) Current Tax | 25.59 | 17.14 | 3.62 | 77.61 | 16.15 | 39.28 |
| (b) Deferred Tax | -26.63 | -15.98 | -3.05 | -95.64 | -11.04 | -36.74 |
| (c) Income Tax (Earlier years) | -73.65 | 0.00 | 0.00 | -73.36 | -0.18 | -0.18 |
| VII Net Profit for the Period (V - VI) | 394.40 | 62.21 | 121.85 | 672.17 | 215.85 | 210.87 |
| VIII Other Comprehensive Income | | | | | | |
| (i) Items that will not be reclassified subsequently to Profit or Loss | | | | | | |
| Remeasurement benefit of post employment defined benefit obligations | -5.50 | -5.50 | -2.70 | -16.50 | -8.10 | -10.73 |
| Income tax effect on above | 1.48 | 1.47 | 0.73 | 4.43 | 2.19 | 2.97 |
| (ii) Items that will be reclassified subsequently to Profit or Loss | | | | | | |
| Gain/ (Loss) on fair value of investments in debt instruments through OCI | 7.63 | 8.01 | 5.02 | 31.80 | 19.70 | 3.91 |
| Exchange differences on translation of financial statements of foreign operations | -46.20 | -102.93 | 29.97 | -151.55 | 117.05 | 367.69 |
| Income tax effect on above | -2.13 | -2.22 | -1.40 | -8.85 | -5.48 | -1.09 |
| IX Total Comprehensive Income for the Period (VII + VIII) | 349.68 | -38.96 | 153.47 | 531.50 | 341.21 | 573.62 |
| X Paid up Share Capital (face value of ₹ 10 each, fully paid up) | 1473.17 | 1473.17 | 1473.17 | 1473.17 | 1473.17 | 1473.17 |
| XI Reserves excluding revaluation reserve/ Other equity | | | | | | 13316.18 |
| XII Earnings per Share (EPS) (₹) | | | | | | |
| Basic and diluted EPS | 2.68 | 0.42 | 0.83 | 4.56 | 1.47 | 1.43 |
| XIII Additional Information on Standalone Financial Results is as follows: | | | | | | |
| Revenue from Operations | 198.66 | 204.80 | 145.00 | 611.65 | 430.72 | 690.06 |
| Profit/(Loss) before Tax | 148.86 | 87.74 | 5.09 | 417.50 | 36.08 | 138.38 |
| Profit/(Loss) after Tax | 151.47 | 80.74 | 2.49 | 430.00 | 24.81 | 118.88 |

NOTES :

- These consolidated financial results have been prepared in accordance with Indian Accounting Standards notified under Section 133 of the Companies Act 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. These results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 12 February 2021.
- Statutory Auditors of the Company have reviewed the results for the quarter and nine months ended 31 December 2020. An unmodified conclusion has been issued and the same is being filed with the stock exchanges along with the above results.
- As per the requirements of IND AS 108 as notified under Companies (Indian Accounting Standards) Rules 2015 as specified under Section 133 of the Companies Act, no disclosure is required as the Company is operating in single business segment of Internet based delivery of products and services.
- The Group has, in the preparation of these interim condensed consolidated financial results, considered the possible effects that may result from COVID-19 pandemic, including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of the pandemic, the Group has, at the date of approval of these condensed financial results, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered in due course of time.
- The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Holding Company and its Indian subsidiaries will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.
- The Consolidated financial results of the Company for the quarter and nine months ended 31 December 2020 are available on the Company's website www.itindia.com.

For IntraSoft Technologies Ltd.

Sd/-

Arvind Kalaria
Managing Director
DIN. 00106901



Scan this QR code to download Unaudited Financial Results for the Quarter Ended 31 December 2020.