Twitter Thread by Daniel



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Just spent an hour on the phone with $trit IR:
1) company has 56 employees of which 6 are engineers related to the platform who are managed by Ashish. The key is in addition they outsource to India additional 50-80 tech contractors at any given time who they used to launch Kratos

2) srinivas is a controlling investor in Rhodium but company has full time CEO and CFO and he doesnt control and is not privy to the day to day operations of the company. $trit started through him seeing a need for a better way to trade more effectively through Rhodium experience

They of course used Rhodium & its relationships with parties it does business with as the first customers of their platform which youd expect. In June 2019 related party rev was 100%, down to 26.5% by Feb 2020 & last q down to under 10% as they onboard more 3rd parties.

As for the digital coin the company initially thought launching a coin would be a good way to solve the issue however after further study shelved it. They gave notice to everyone they would burn the coin and allowed them to redeem. No digital coin now at all

Supply chain finance model coming out in Feb which they expect to have similar fee to trade finance module which is very profitable. Estimates for next yr already include this. The other two modules of credit insurance and logistics dont currently plan to monetize

On question of what is their moat they say they are in a segment of the market that the big banks who own the majority of their competitors through consortiums dont like due to capital rules and are working to add free modules to their platform to make them more sticky (above)

Some things out of the short report. The company srivinas worked at in the US he sold in 2010 and the short report used glass door reviews from 2013 and 2015 which said mgmt is bad against him. Thats a full 3-5 years later and he had no knowledge of what mgmt did after he left

On question of Jim Groh, said that he was part of a battery company which went from 2 to 8 or 10 a share or so and then left. Company went under 10 years or so later after Jim left yet that was in the short report used against him.

In general the short report didnt uncover anything new but used what the company had itself publicly disclosed in their F4 meaning that it was all out out there by the company already.

A small portion of the stocks float is trading for retail investors as the majority is owned by institutions such as steve cohen, fidelity, and many other large institutional investors taking large stakes in the company with some having average hold times of 7 years

Im a pretty skeptical guy as you can tell from my posts on tesla fubo ozon and others so i always try to see the other side but again i came away from the call feeling that what they said makes sense and that the oppty is here and that this is not a fraud.

Interested to hear feedback from @seeroy on his demo of platform next wk. I'll remain long the stock after the call & feel better about it regardless of the short term volatility/noise. Feel like lot of criticism are ppl loosely connecting things & not knowing the tech/business