***Management Report***

Amazon was founded on July 5, 1994, by Jeff Bezos in Bellevue, Washington.[6] The company originally started as an online marketplace for books but gradually expanded its offerings to include a wide range of product categories. This diversification led to it being referred to as "The Everything Store". Amazon.com passed many milestones in 1997: by year-end, we had served more than 1.5 million customers, yielding 838% revenue growth to $147.8 million, and extended our market leadership despite aggressive competitive entry.

Amazon’s primary source of revenue is the sale of a wide range of products and services to customers. The products offered through our stores include merchandise and content we have purchased for resale and products offered by third-party sellers, and we also manufacture and sell electronic devices and produce media content.

Our financial focus is on long-term, sustainable growth in free cash flows. Free cash flows are driven primarily by increasing operating income and efficiently managing working capital and cash capital expenditures, including our decision to purchase or lease property and equipment. Increases in operating income primarily result from increases in sales of products and services and efficiently managing our operating costs, partially offset by investments we make in longer-term strategic initiatives, including capital expenditures focused on improving the customer experience.

Commenting on the financial health, the liquidity ratio has improved from 2017. Looking at the days payable, inventory days, current ratio, it can be clearly inferred that the company has improved its liquidity ratio by improving cash management and selling its product or services as quickly as possible. Similarly, looking at the profitability ratio – GP margin, and EBITDA margin has improved but the company struggled in maximising the EBIT margin and Net margin the primary reason was because of COVID. We can see D/E ratio has improved from .893 in 2017 to .38 in 2019. Debt to total asset ratio has improved from 2017 to 2019 which was .19 in 2017 to .10. This indicates improvement in the financial risk of the company. Company has improved its FCFE from the prior year but FCFE remain constant from 2017 as there was disturbance in the economy due to COVID 19.

Looking at the ratios from the macro level, it is quite evident the company has improved despite being hit by COVID 19. Looking at the financial the company is a cash cow and it can be a part of the investment portfolio of the clients