



boat

**A HOMEGROWN
CONSUMER ELECTRONICS
STARTUP**



OVERVIEW

Boat is a Delhi-based start-up that was started in 2016 by Aman Gupta and Sameer Mehta. The co-founders pumped in ₹15 lakh each and set sail their bootstrapped journey by selling mobile cables and chargers.

Now it sells a wide variety of fashionable electronic goods ranging from travel chargers and premium cables to headphones, earphones, speakers.

The company is steadily growing and extending its services to millions of 'boAtheads' (A term the company uses for all its consumers and brand ambassadors).



TIMELINE

- ▶ **2016** : Founded in 2016 and launched a wide range of earphones and headphones
- ▶ **2018** : Raised Investment from Fireside Ventures
- ▶ **2019** : Set up “Boat labs” - Inhouse R&D team
- ▶ **2020** : Became Number 1. earwear brand in India (by volume)
- ▶ **2021** : Launched Made in India wireless earphones and wireless neckband)
- ▶ **2022** : #3 earwear and smartwatch brand globally based on volumes
- ▶ **2022** : Reached milestone of 1 million Made in India products

MANAGEMENT



Aman Gupta

Executive Director, Co-Founder & CMO

- Bcom from Delhi University , Chartered Accountant, MBA -ISB
- Ex-Citibank , Ex-KPMG, Ex-Harman International



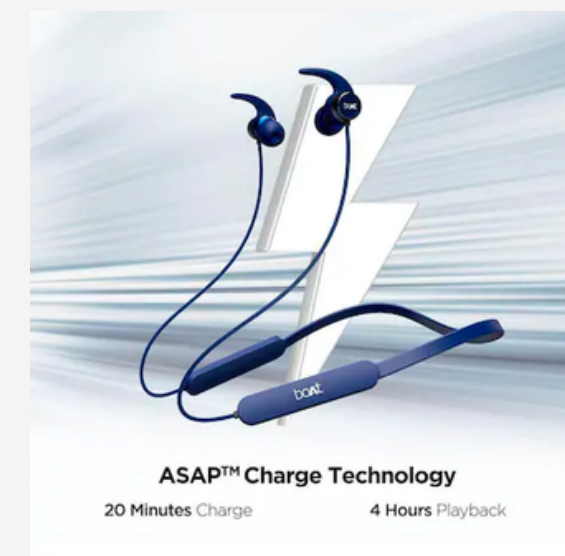
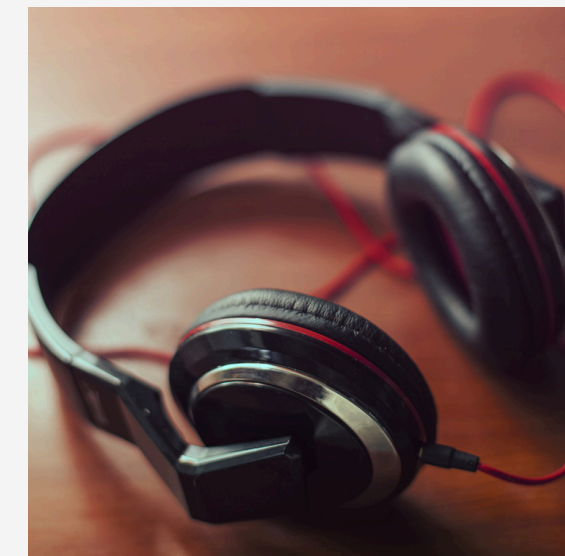
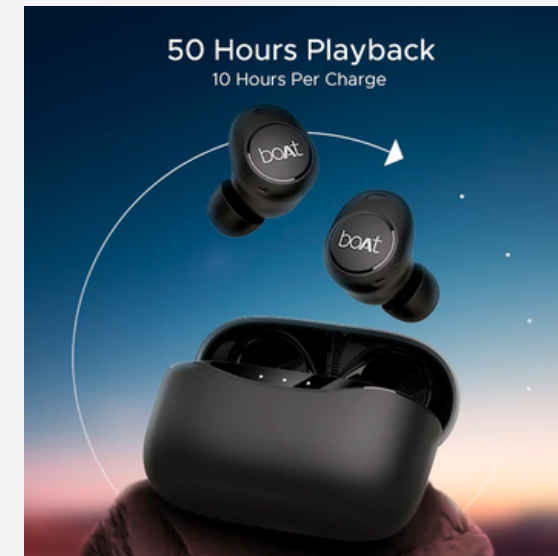
Sameer Mehta

Chairman, Executive Director, Co-founder & CPO



- School - St. Xaviers Mumbai, Bcom NM College
- Co-founded Imagine Marketing Limited - the parent company of Boat

WHAT'S IN STORE

- Earbuds & Headphones
- Speakers
- Smart watch
- Cables
- Power bank



Product Portfolio

Particulars	Product Category	Year of launch/ Acquisition
	Audio, wearables and mobile accessories	2014
	Gaming Accessories	2020
	Audio and wearables	2021
	Personal Care	2021
	Audio and wearables	2021

Segment wise contribution & performance

Geography Wise revenue split		
Particulars	FY-24	FY-23
Within India	3090.3	3239
Outside India	10.7	4.25
Total	3101	3243.25

All Figures in Crores

Business segment revenue split		
Particulars	FY-24	FY-23
Audio	2459	2351
Wearables	536.5	783.1
Others	105.3	109.2
Total	3101	3243.3



Financials

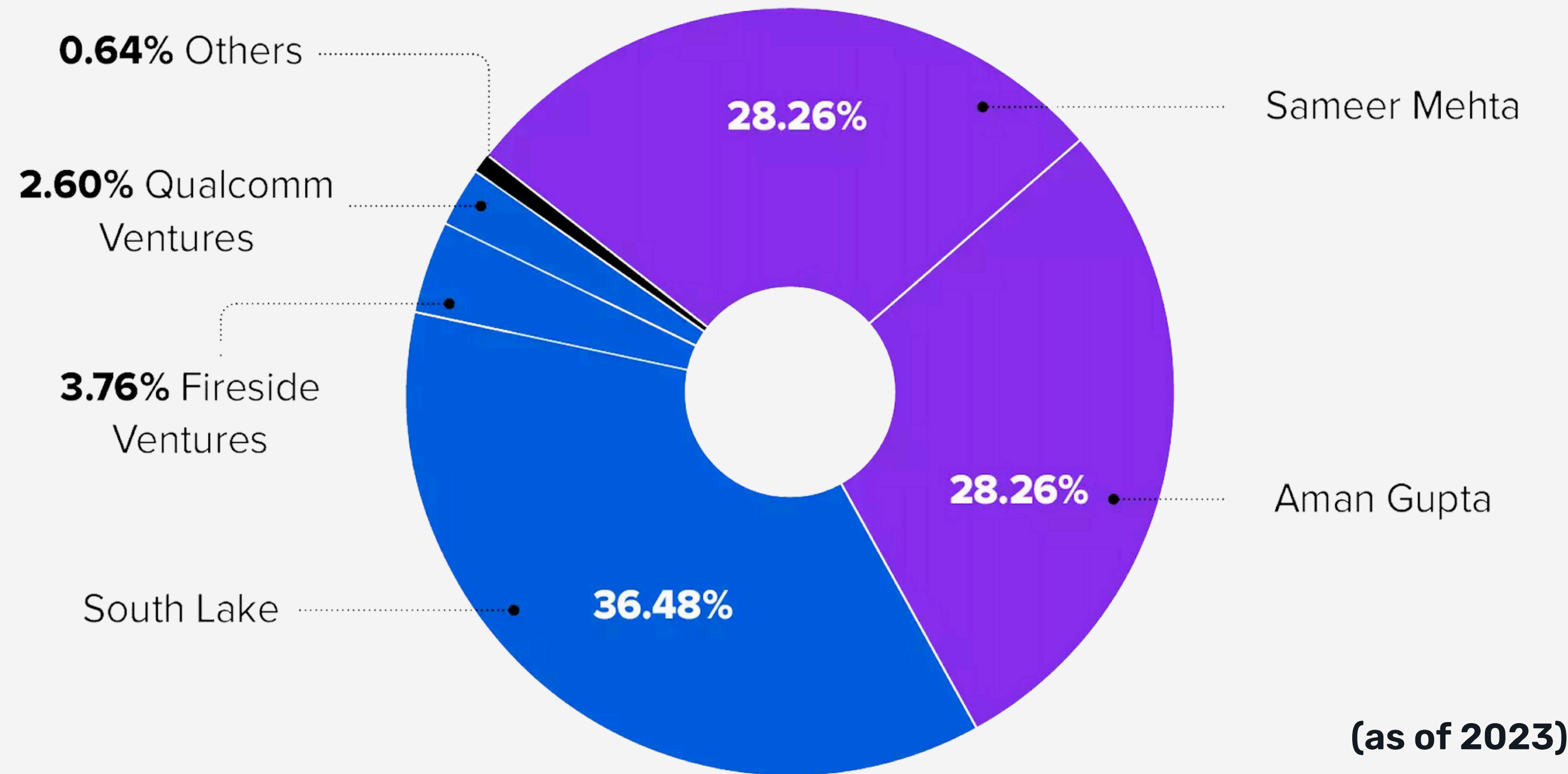
Particulars	FY-24	FY-23
Total Income	3117	3376.8
EBITDA	-11.96	-81.34
PAT	-79.68	-129.4
EPS	-8.3	-13.4

While company continues to maintain market leadership and profitability in audio segment, it invested in building out its wearables business, a relatively newer but now a sizeable product line for the company (and a large market opportunity), via sales, marketing and pricing-related investments, due to which near term profitability has been impacted given the conscious strategic calls taken by management.

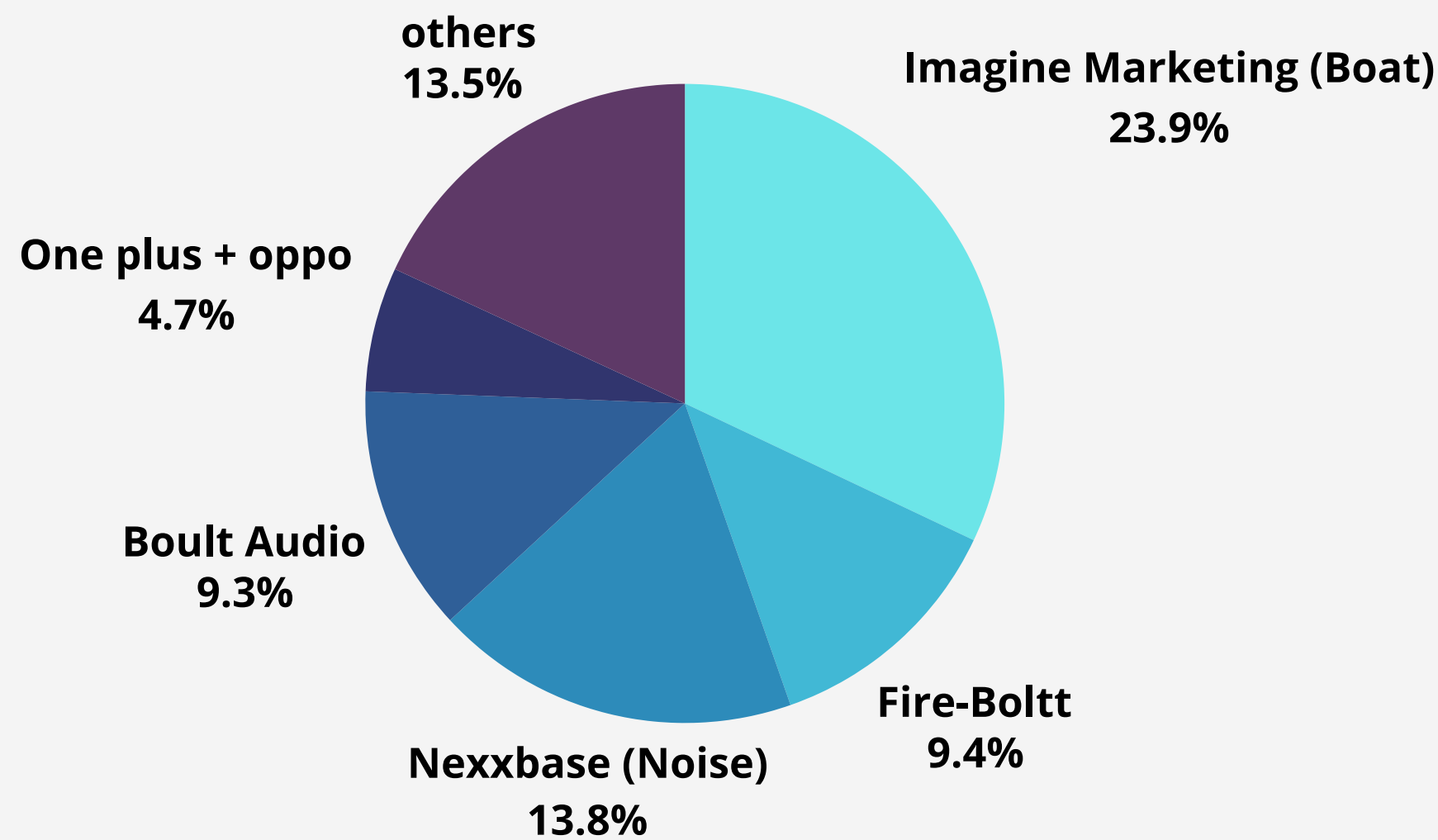
An Overview

- **Secured dominant position in global audio and wearable Market and ranked second worldwide following Apple.**
- **Boat maintained a dominant position in the overall Indian market with a 29.7% share.**
- **The company registered over 2X growth in its scale for two consecutive fiscal years: FY21 and FY22 and increased by 18% in FY-23.**
- **Boat's revenue from operations shot up 2.2X to Rs 2886 crore during FY-22 as opposed to Rs.1314 Cr in FY21.**
- **The sale of wearables including smart watches formed around 18% of the total revenue which ballooned 9.4X to Rs 515 crore in FY22 from Rs 55 crore in FY21.**
- **In FY24 Net Sales Zoom to Nearly INR 3100 Cr on growth in Wearables, Audio Categories.**

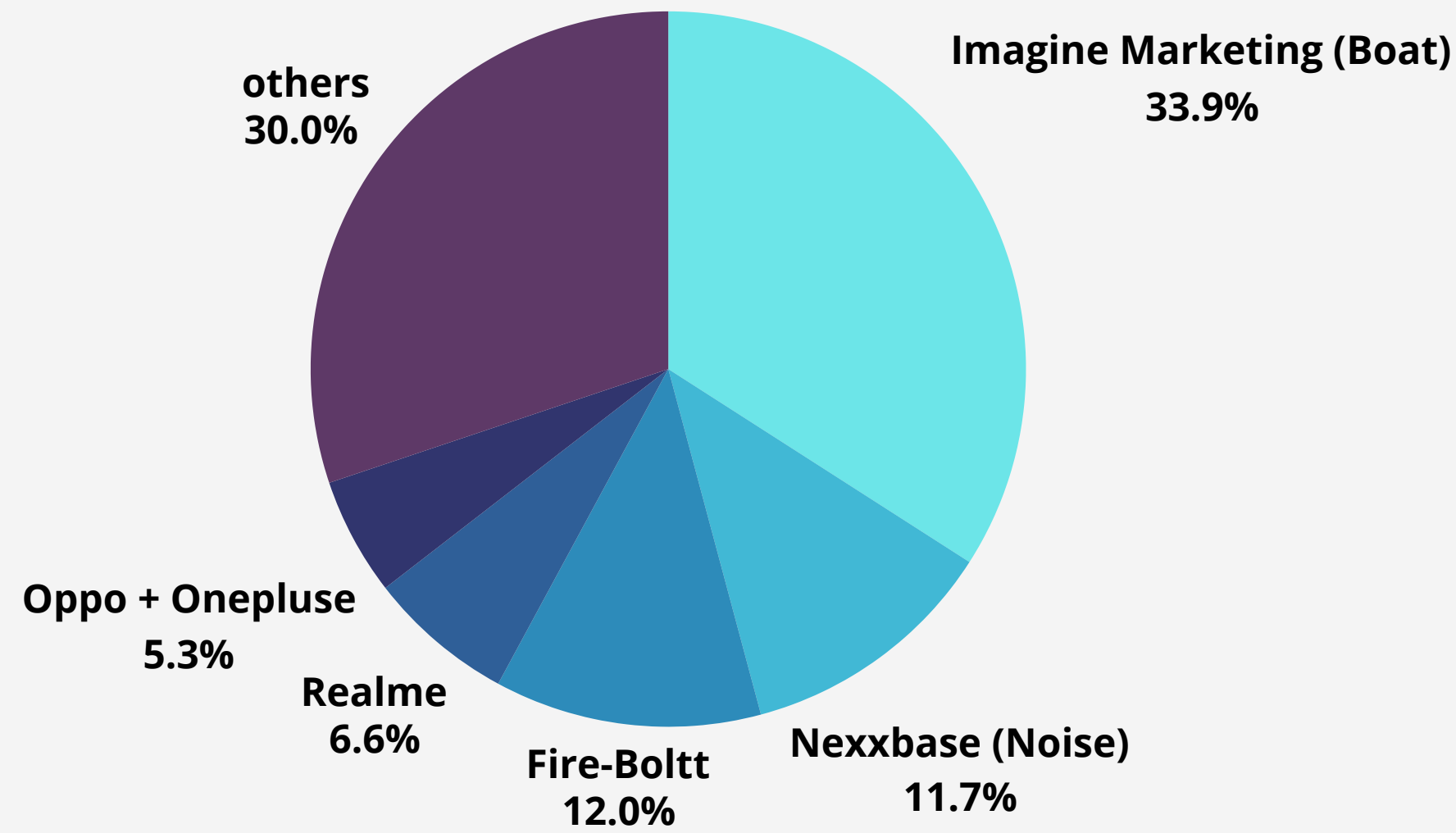
Shareholding Pattern



Boat winning the market share race

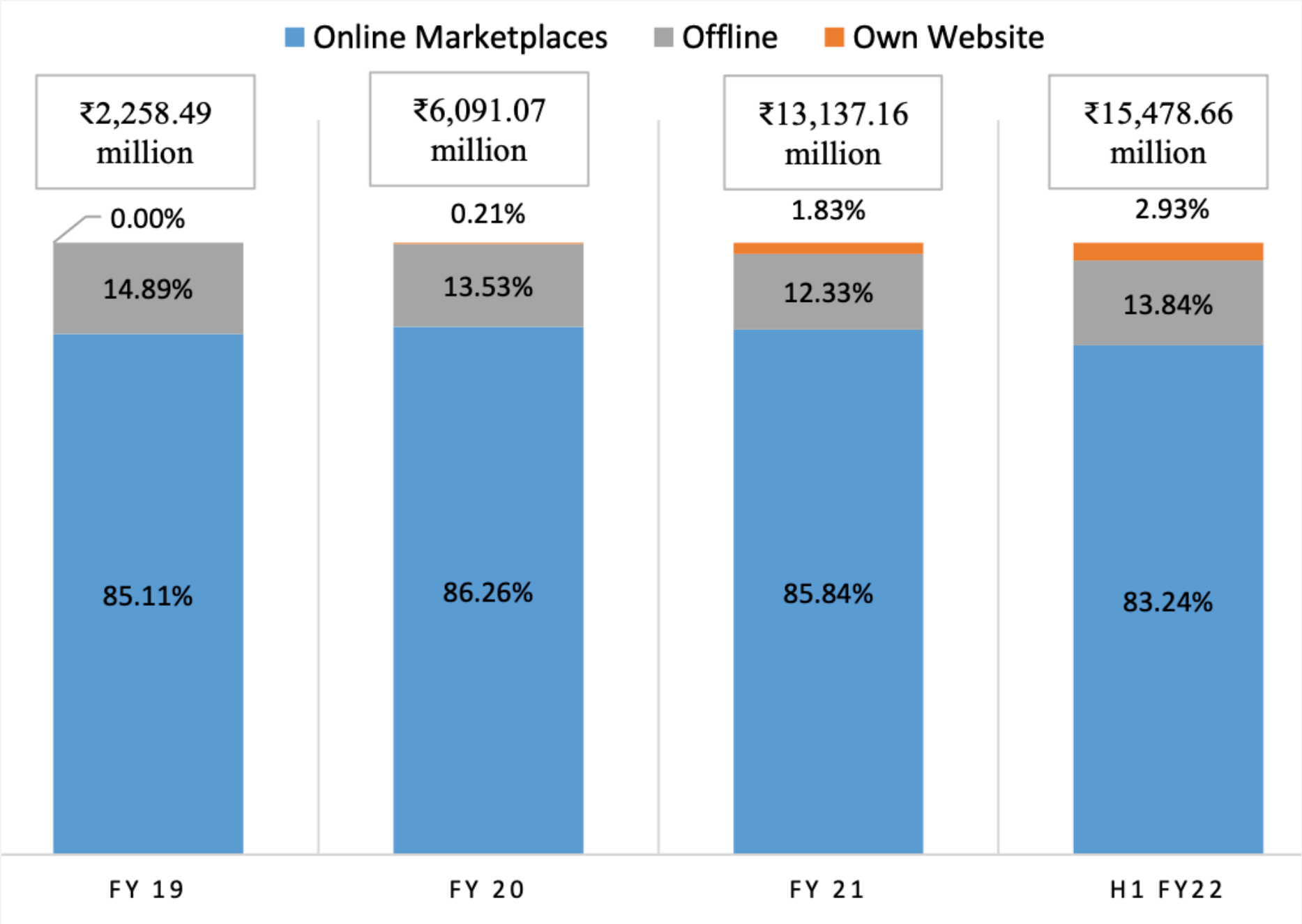


Wearables Market



Audio Market

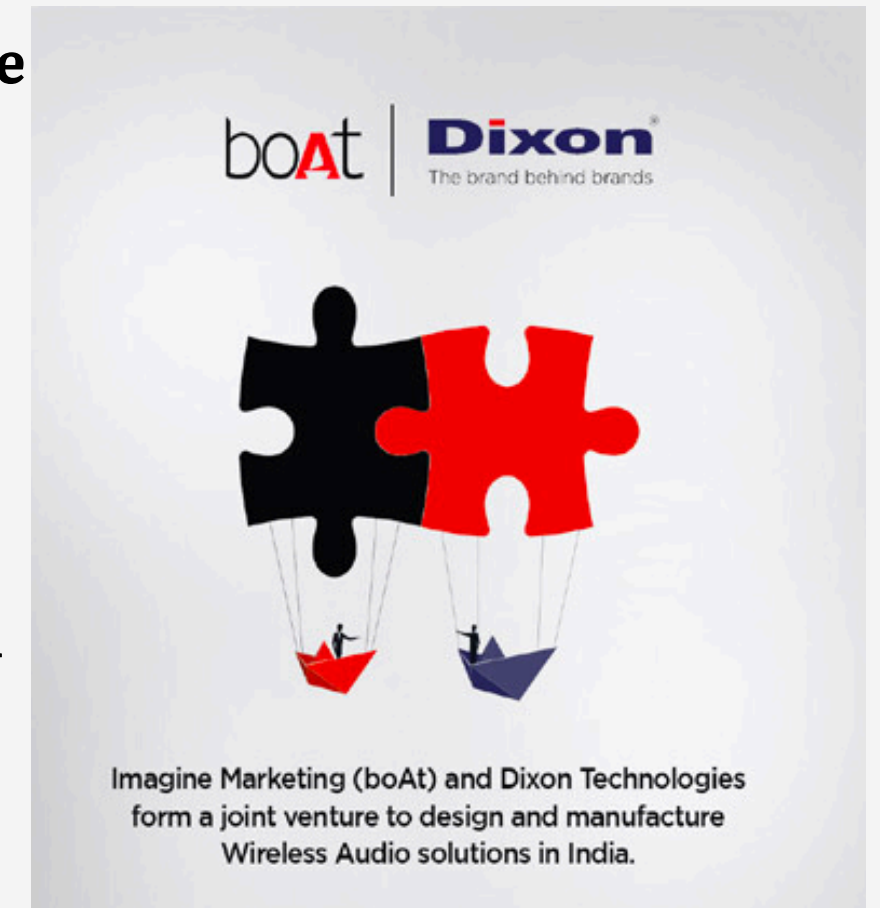
Channels



Along with developing and growing their product portfolio, they have also expanded their presence across online and offline channels to widen their distribution footprint. India’s large and fast-growing e-commerce ecosystem and its enabling infrastructure allows digital-first brands to instantly cater to over 90% pin codes across India (Source: RedSeer Report). Their digital-first approach has enabled them to rapidly penetrate their target markets.

Make in India

- Before covid 0% of its products were made in India but now 70% of boAt products are made in India. The company aims to make 90 percent of its products in India in the next two years. Infact Boat announced that they manufactured 1 crore products in India in 2022.
- Boat has been working with several manufactures in India especially with Dixon Technologies being the primary partner. Through their R&D team at boAt labs and Kaha Technologies, they are developing the next generation of products.
- Covid has been a wake-up call for the electronics industry that is overly dependent on China and this JV with Dixon has been a big boost for boAt to innovate at a faster pace and develop a more cost-effective way of manufacturing in India itself.



BoAt Boosts Employee Welfare with Expanded ESOP Pool

Boat has demonstrated its commitment to employee welfare by increasing its ESOP pool and converted each ESOP into equity shares, valued at approximately Rs 72 crore (\$9 million).

This initiative aims to enhance employee ownership, fostering alignment with the company's growth trajectory.

Considering the declared value of ESOPs to be around 72 crores, and 9.55 lakh shares being issued, the price per ESOP comes to around ₹ 753/share



Funding Details

Boat has raised a total amount of \$171 million over 7 funding rounds

Date	Money Raised	Lead Investor
February 2024	Not Disclosed	Ranveer Singh
October, 2022	\$60.7 M	Warburg Pincus, Malabar Investment Advisors
April, 2021	\$6.68 M	Qualcomm Ventures
January, 2021	\$100 M	Warburg Pincus
September, 2020	\$3.34 M	InnoVen Capital
July, 2019	\$2.13 M	InnoVen Capital
July, 2019	\$2.67 M	Navi Technologies
May, 2018	\$802 K	Fireside Ventures



Reasons behind their success

CONSUMER-FIRST APPROACH AND IMPROVISATIONS

Its first product was an indestructible Apple charging-cable and charger. The product was developed after the founders sensed it's urgency. Boat launched fall-proof headphones and introduced interesting colours for their products solving the problems of the millennials.

PORTRAYAL AS A LIFESTYLE BRAND

The company portrays itself as a lifestyle brand rather than calling a consumer electronics brand. This strategy was on display at the 2019 Lakme Fashion Week in Mumbai where boAt products were the only accessories sported by the models when they walked down the ramp for one of the designers.

CONTINUOUSLY EXPANDING CATALOGUE

After launching the indestructible Apple charging-cable and charger, the second product they brought was an audio range, which included earphones. The company used critical insight on consumers to decide that Indians love bass. Their first earphones were called BassHeads.

ONLINE MARKETING

The company has stuck to online modes such as Instagram, Facebook and other social media networks to market their products where most of the millennials(target market) are active. The company also uses Celebs word-of-mouth as their marketing strategy.



Boat Rewards and Recognitions



- The company was declared the "Number 1 brand for truly wireless and earwear in India" as per Q3 CY21.
- It was noted as the "5th largest wearable brand in the world in 2020"
- Boat boasts of being the official audio partner for six Indian Premier League (IPL) teams in 2021.
- It has partnered with a wide range of celebrities and cricketers, from Hardik Pandya to Diljit Dosanjh and Kiara Advani.
- Boat served as the official wearable partner for RCB and GT and the official audio partner for KKR in the 16th season of the IPL, solidifying its position in the cricketing world.



Boat IPO Plans

Boat had previously filed for an IPO in January 2022

IPO Size : 2000 crore (1100 Crore OFS, 900 Crores Fresh issue)

Boat deferred its first public offering (IPO), mostly due to its intention to raise 500 crore in capital from its existing investors. The unstable global market that was impacted by inflation, recession, and the Russia-Ukraine war was also another factor in the IPO withdrawal.

Recently Aman Gupta - the co-founder of Boat had told the media that they may go for an IPO by FY25-FY26.



Valuations

Particulars	FY-24
Share Price	1599
Mcap(in crs)	15373
P/E	-196.12
P/S	4.98
P/B	38.15



Boat raised INR 500 Crores from Warburg Pincus and Malabar Investment Advisors at a valuation 11500 crore in October 2022 (last round) which leads to a price of around 1150-1200 per share.



Thank You

altiusinvestech.com

Mob: 8240614850

support@altiusinvestech.com