

Boat Unlisted Shares Pricing (Imagine Marketing)

(i) Boat ("Imagine Marketing Services Pvt. Ltd.") is an India-based company founded in November 2013. Boat

sells earphones, stereo headphones, travel chargers, and high-quality, robust cables.

(ii) BoAt was co-founded by Aman Gupta and Sameer Ashok Mehta. And the featured products of Unlisted Boat Shares

listed below:

- a) Wireless earphones
- b) Wired wireless earphones
- c) Wireless headphones
- d) Wired headphones and earbuds
- e) Smartwatches
- f) Portable wireless speakers
- g) Home audio equipment
- h) Mobile phone accessories

g) Special editions: BoAt promotes its products through a combination of influencer marketing and brand collaborations.






Sports teams and public events. BoAt calls its branded influencers "BoAtheads". His brand influencers include Indian singers and Sports personalities like Neha Kakkar and rapper Naved Shaikh (aka Najee), cricketer Hardik, and others like Pandya and Shreyas Rayar, to name a few.

The company has brand collaborations with sports franchises like Chennai Super Kings and Mumbai cricket teams. Indian closed stores. In addition, BoAt has sound equipment associated with music events like the Sunburn Festival and other big events. Like co-branding with Lakme Fashion Week.

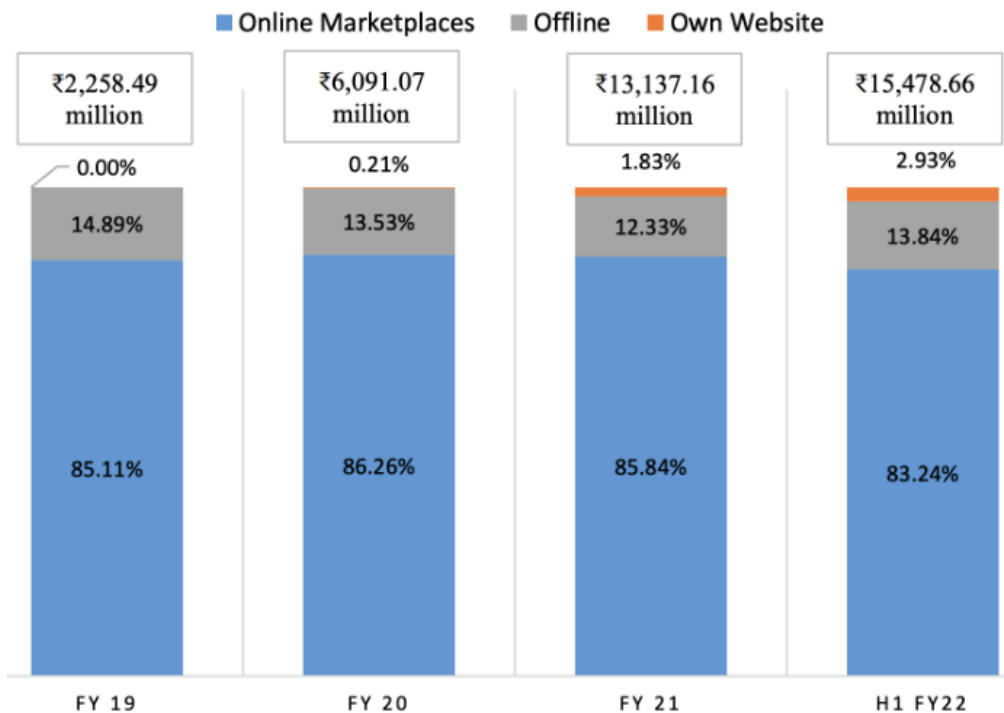
(iii) As of September 30, 2021, for Q2 FY22, Boat was the No. 1 wireless company in India.

It is the No. 2 wearables brand by value and volume and the No. 2 smartwatch brand by volume in India. Additionally, Boat's market share in both wireless hearables and smartwatches continues to increase over time. In the quarter ended September 30, 2021, it held 48% and 23% market share by volume and 30% and 13% market share by value in the branded wireless wearables and smartwatch markets, respectively.

(iv) Portfolio of boat

Brands	Product Category and Positioning	Year of Launch / Acquisition
	Audio, wearables and mobile accessories	2014
	Gaming accessories	Acquired in 2020
	Audio and wearables	2021
	Personal care	2021
	Audio and wearables	Acquired in 2021

(v) Online Vs Offline Sales



Most of Boat's private equity sales are done through online marketplaces like Amazon and Flipkart. Around 85% of sales come through these channels. So now Boat is completely dependent on Amazon and Flipkart marketplaces to sell its products.

And that is also the biggest risk in the business. However, Boat is also focused on increasing sales. By increasing its omnichannel and offline presence. As of September 30, 2021, Boat products are available in over 23,000 retail outlets across India, supported by a retail network of over 51 distributors and over 180 secondary distributors across India, with a presence in over 32 states and union territories.

(vi) Boat Expansion Strategy Boat is currently exploring opportunities in overseas markets which the Company believes could be attractive growth vectors for the Company. As part of its growth efforts, Boat seeks to leverage the established presence of online marketplaces with which it partners in overseas markets. The overseas expansion efforts are focused on international markets such as the United Arab Emirates, Nepal, and countries in the Southeast Asian region, which Boat believes have a large Indian diaspora population with similar hobbies and preferences to its Indian audience.

(vii) Industry Analysis According to a RedSeer report, the wearables market was valued at approximately \$99 billion in 2018 and is expected to reach 170 billion in 2020, with a compound annual growth rate of approximately 31%. Wearables are expected to grow at a compound annual growth rate of 25% to 35% over the next five years, reaching a value of *515 billion to *765 billion by 2025. The RedSeer report also states that the wearables market grew at a CAGR of about 39% from 16 billion in 2018 to 32 billion in 2020. The Indian wearables market is expected to grow at a CAGR of 40%-55% over the next five years to reach 1,700-2,750 billion by 2025. Hence, there is a huge growth opportunity for the company.

Valuation

As of January 26, 2022, the filing date of the Draft Red Herring Prospectus (DRHP), Boat's total issued common shares after conversion of preferred shares stood at about 13.54 billion shares. As of December 3, 2022, the current market price (CMP) of Boat's unlisted shares was Rs 850 per share, translating to a market capitalization of about Rs 11,000 crores. Following the filing of the DRHP, Boat has also raised additional funds and the increased share count is likely to further increase the valuation.

Fundamentals

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Boat (Imagine Marketing Services Pvt. Ltd.)	1675 Per Equity Share	Market Cap (in cr.)	13392
Unlisted Shares Price		P/E Ratio	-103.79
Lot Size	250 Shares	P/B Ratio	29.2
52 Week High	1402	Debt to Equity	2.7
52 Week Low	771	ROE (%)	-28.13
Depository	NSDL & CDSL	Book Value	47.77
PAN Number	AADCI3821M	Face Value	1
ISIN Number	INE03AV01027		
CIN Number	U52300MH2013PLC249758		
RTA	NA		

Financials (Figures in cr)

P&L Statement				
P&L Statement	2021	2022	2023	2024
Revenue	1314	2873	3377	3104
Cost of Material Consumed	1255	2591	2527	2263
Gross Margins	4.49	9.82	25.17	27.09
Change in Inventory	-234	-245	84	32
Employee Benefit Expenses	15	56	99	97
Other Expenses	151	341	748	715
EBITDA	127	130	-81	-3
OPM	9.67	4.52	-2.4	-0.1
Other Income	7	12	21	18
Finance Cost	12	34	78	63
D&A	3	9	25	22
EBIT	124	121	-106	-25
EBIT Margins	9.44	4.21	-3.14	-0.81
PBT	118	99	-163	-70
PBT Margins	8.98	3.45	-4.83	-2.26
Tax	32	30	-34	-17
PAT	86	69	-129	-53
NPM	6.54	2.4	-3.82	-1.71
EPS	9.2	7.19	-13.44	-5.52
Financial Ratios	2021	2022	2023	2024
Operating Profit Margin	9.67	4.52	-2.4	-0.1
Net Profit Margin	6.54	2.4	-3.82	-1.71
Earning Per Share (Diluted)	9.2	7.19	-13.44	-5.52

Balance Sheet				
Assets	2021	2022	2023	2024
Fixed Assets	1.7	2.8	155	63
CWIP	0	14	8	0
Investments	2	32	30	325
Trade Receivables	75	323	276	150
Inventory	309	554	470	429
Other Assets	290.3	1060.2	1213	738
Total Assets	678	1986	2152	1705
Liabilities	2021	2022	2023	2024
Share Capital	9.6	9.6	9.6	9.6
FV	1	1	1	1
Reserves	455	592	449	462
Borrowings	41	921	1236	860
Trade Payables	120	219	259	217
Other Liabilities	52.65	244.4	198.4	156.4
Total Liabilities	678	1986	2152	1705

Cash-Flow Statement				
Cash- Flow Statement	2021	2022	2023	2024
PBT	118	99	-164	-71
OPBWC	172	265	-5	92
Change in Receivables	-19	-242	22	126
Change in Inventories	-250	-251	51	-44
Change in Payables	87	68	39	-39
Other Changes	-99	-160	-161	269
Working Capital Change	-281	-585	-49	312
Cash Generated From Operations	-109	-320	-54	404
Tax	-33	-49	-10	-4
Cash Flow From Operations	-142	-369	-64	400
Purchase of PPE	-5	-14	-23	-35
Sale of PPE	0	0	0	8
Cash Flow From Investment	-7	-632	-75	-40
Borrowing	-9	879	188	-377
Divided	0	0	0	0
Equity	0	2.9	0.3	0.7
Others From Financing	280	13	37.7	-69.7
Cash Flow from Financing	271	894.9	226	446
Net Cash Generated	122	-106.1	87	-86
Cash at the Start	6	165	60	139
Cash at the End	128	58.9	147	53