# **Corporate Research**

# **VNV Global**



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Company Comment	Investment/Holding	Sweden	03 April 2024
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# Updates on portfolio companies BlaBlaCar and Gett

VNV's largest holding BlaBlaCar has closed a EUR 100m revolving credit facility, according to company. While no valuation is provided, the press release confirms that BlaBlaCar posted revenues of EUR 253m in 2023, growing +29% y/y while being EBITDA-positive. BlaBlaCar is currently ramping up monetisation in its growth markets outside of France, alongside solid volume growth of +23% y/y in the number of passengers booking rides in 2023.

## BlaBlaCar closes financing, releases financials for 2023

VNV initially invested in BlaBlaCar in 2015 and now holds a 14% stake in the company, valuing its share at USD 278m as of Q4/23. The company operates a marketplace for C2C long-distance carpooling and monetises its user base, consisting of  $\pm 100$ m members globally, by taking a commission when drivers and passengers organise a trip through the platform. The business model is asset-light, with drivers (according to regulation) making no profit but instead engaging in cost-sharing. The most profitable market for BlaBlaCar is France (where the company boasts a c. 50% EBITDA margin, according to company), followed by Spain. However, in other large markets such as India, Mexico and Brazil, the company is beginning to monetise its platform.

For VNV, BlaBlaCar is by far the largest holding, making up 36% of the investment portfolio and in the company's view, could be an IPO candidate within the next 1-2 years. The financials for 2023 indicate that BlaBlaCar is performing well operationally, while the EUR 100m in financing will be used to pursue further growth (incl. some M&A), according to the company.

#### Time to exit Gett?

While nothing is certain until it is done, recent news articles suggest that VNV is in advanced discussions regarding divesting its stake in Gett. The company has raised USD 900m since inception, and VNV currently holds 43% of the company after investing USD 107m and participating in a restructuring process. According to the press, Gett had revenues of around USD 100m in 2022, experiencing a decline during the war in Israel, but now seeing sales rebound to 80% of pre-war levels. Since 2022, the company has been EBITDA-positive and has pivoted from taxi services to a B2B software platform enabling trip bookings. The service is offered to businesses globally, and Gett has >2000 partnerships and is operating a subscription-based model. Based on our understanding, 60-70% of sales come from Israel, while the remainder is mainly from the UK.

According to CTech, negotiations are happening at a valuation at around USD 200-250m, valuing Gett broadly in line with VNV's current valuation of its stake in the company (Q4/23: USD 96m). At these levels, VNV would essentially recover its initial investment. Importantly, we believe this would reduce the share price discount of 58% at which the shares are currently trading.

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