

Internet / ecommerce

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Carhood launches AUD 1.5m pre-IPO round ahead of 2Q19 listing - new CEO

Headline:	Carhood launches AUD 1.5m pre-IPO round ahead of 2Q19 listing - new CEO
Main body:	<p>Carhood, a private Melbourne-based Australian car sharing rental service, has launched a AUD 1.5m (USD 1.1m) pre-IPO raise ahead of a planned stock exchange listing in Q2 2019, said new Chief Executive Officer George Parthimos, who came on board in August this year to lead the IPO and next growth phase for the company.</p> <p>Carhood is close to finalizing brokers for the listing but is still happy to hear from any brokers interested in mandates as well as from advisors with potential investors, Parthimos said.</p> <p>The company's corporate advisor for the pre-IPO is Queensland-based BlueMount Capital, while Sydney-based MMR Corporate Services is the advisor for the IPO. It has identified auditing and legal advisers, which will be announced shortly, he added.</p> <p>Carhood, which will start preparing its prospectus in Q1 2019, plans to raise AUD 5m to AUD 7m on an enterprise value of AUD 13m and an expected market capitalization of some AUD 20m, Parthimos said, noting that some 60% of the company will be floated.</p> <p>Capital raised from the IPO will be used to scale domestically and expand into offshore markets, initially the US, which it expects to enter in 2020 by setting up an office in a yet-to-be decided high tourist area, to be followed by Europe with an office to be set up in London initially, Parthimos said.</p> <p>Carhood's closest comparable listed peer is Collaborate [ASX:CL8] with its DriveMyCar offering. Other local peers include Car Next Door, GreenShareCar and GoGet, while global peers would be San Francisco-based Turo and Getaround, according to Parthimos. Carhood, however, differentiates itself in that it also supplies infrastructure with operations near-airport locations and currently has one each in Melbourne, Sydney and Brisbane, he added.</p> <p>Carhood, which enables its users to rent a car or share their car with renters via its online marketplace, generates revenue by taking a margin from rental transaction services as well as from additional services like child seat and GPS navigation system rentals, Parthimos noted.</p> <p>The company has raised some AUD 3m since its inception in 2014 and is currently owned by about 15 to 20 shareholders, with the largest and</p>

second largest respectively being non-executive chairman Nick Johnson and executive director Steve Johnson, Parthimos said.

by Louise Weihart in Sydney

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Target : Carhood

Financial advisor: BlueMount Captial, MMR Corporate Services Pty Ltd

Source : Proprietary Intelligence

Size : < 50m (USD)

Value : 14m USD (Expected market cap)

Stake Value : 60%

Grade : Confirmed

Alert : Australian M&A Intelligence

Intelligence ID: 2752046



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