

CleanBnB

OUTPERFORM

Current Share Price (€): 1.04

Target Price (€): 2.94

CleanBnB - 1Y Performance



Source: S&P Capital IQ - Note: 12/05/2022=100

Company data

ISIN number	IT0005377277
Bloomberg code	CBB IM
Reuters code	CBB.MI
Industry	Travel & leisure
Stock market	Euronext Growth Milan
Share Price (€)	1.04
Date of Price	12/05/2023
Shares Outstanding (m)	8.6
Market Cap (€m)	8.9
Market Float (%)	70.7%
Daily Volume	40,000
Avg Daily Volume YTD	28,774
Target Price (€)	2.94
Upside (%)	184%
Recommendation	OUTPERFORM

Share price performance

	1M	3M	6M	1Y
CleanBnB - Absolute (%)	-4%	-1%	-9%	3%
FTSE Italia Growth (%)	-3%	-5%	-2%	-5%
1Y Range H/L (€)			1.49	0.96
YTD Change (€) / %			0.05	6%

Source: S&P Capital IQ

Analysts

Franco Gaudenti - Head of Research
fgaudenti@enventcapitalmarkets.co.uk
Luigi Tardella - Co-Head of Research
ltardella@enventcapitalmarkets.co.uk

EnVent Capital Markets Limited

42, Berkeley Square - London W1J 5AW (UK)
Phone +44 (0) 20 35198451

This Note is issued by arrangement with MIT SIM,
Issuer's Specialist

This document may not be distributed in the United
States, Canada, Japan or Australia or to U.S. persons.

Over doubling revenues, operating breakeven delivered in FY22, back to the planned growth path

Stock performance: in line with the market

CleanBnB share price has had limited movements over last year, trading between €0.96-1.49, being overall stable with a performance of +3% LTM, vs the Italia Growth index at -5%.

FY22: Solid over 2x growth for gross bookings and revenues, first time for EBITDA, cash generation

CleanBnB in 2022 generated €9.4m revenues, +136% YoY, over our €8.9m estimate, from €26.2m gross bookings (+134% YoY) and over 67k stays (+116%) in 1,600 managed properties (+36%). The operating indicators suggest a sound increase in average price per stay. As expected 2022 was the milestone year for profitability: EBITDA was €0.3m, 3.7% of revenues, vs €(0.8)m loss in FY21, above our estimate (2.1% margin). Net loss was €(0.2)m, vs €(1.2)m in FY21. Net cash improved from €2.8m in FY21 to €3.8m after working capital releases.

Current trading: Growth continues in Q1 2023

Despite the off-peak season, key performance indicators for Q1 2023 show: number of stays over 14,000, +61% on Q1 2022, contributing €5m gross bookings (+67%) from 1,800 properties (up from 1,600 as of December 2022) in over 70 Italian locations.

Outlook: Tourism rebound continues, Chinese tourists set to return to Italian art cities

After strong recovery in 2022, with Europe reaching nearly 80% of pre-pandemic levels, 2023 could see international tourist arrivals reaching 80% to 95% of pre-pandemic levels in Europe based on UNWTO's forecasts. The recent lifting of Covid-related travel restrictions in China marks the return of tourists abroad. Demand from the USA, backed by a strong US dollar, will continue to push travel flows towards the weaker Europe. In this scenario Italy is seen among the most desirable and accessible destinations worldwide.

Target Price €2.94 per share (from €2.30), OUTPERFORM rating confirmed

We have factored FY22 performance and Q1 2023 KPIs and have finetuned our estimates, assuming consistent growth. Our updated estimates and valuation lead to a target price upgrade from €2.30 to €2.94 per share, implying 2023E 1.6x EV/Revenues, while CleanBnB is trading at 0.4x, 80% discount to peers. Rating OUTPERFORM confirmed, with a substantial upside on current share price of over 150%.

KEY FINANCIALS AND ESTIMATES

€m	2019	2020	2021	2022	2023E	2024E	2025E
Revenues	3.3	2.2	4.0	9.4	13.2	15.3	17.7
EBITDA	(1.3)	(1.7)	(0.8)	0.3	0.9	1.4	2.0
Margin	-39.0%	-76.2%	-19.1%	3.7%	7.0%	9.5%	11.5%
EBIT	(1.5)	(1.8)	(1.1)	(0.1)	0.5	1.0	1.5
Margin	-45.6%	-81.9%	-28.7%	-0.7%	3.6%	6.4%	8.6%
Net income (loss)	(1.5)	(2.0)	(1.2)	(0.2)	0.2	0.6	1.0
Net (debt) cash	3.0	0.8	2.8	3.8	4.8	6.2	8.2
Equity	2.7	0.8	1.6	1.4	1.7	2.3	3.3

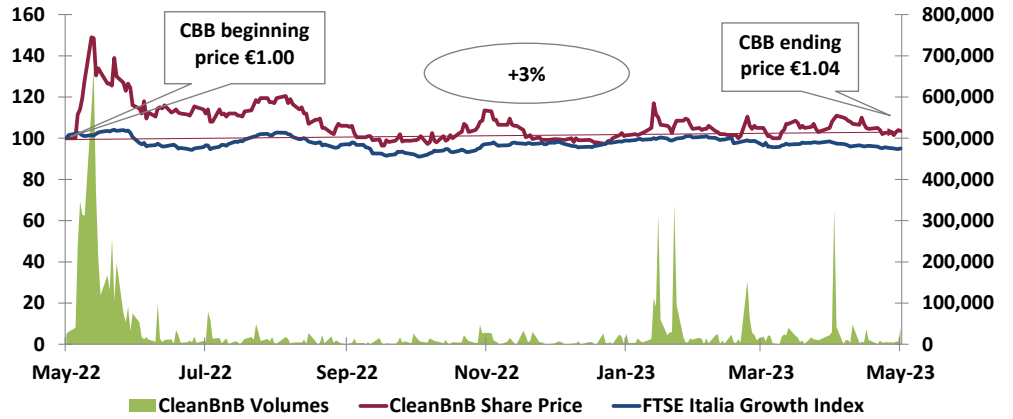
Source: Company data 2019-22A, EnVent Research 2023-25E

Market update

CleanBnB - 1Y Share price performance and trading volumes

Trading price range €0.96-1.49 per share

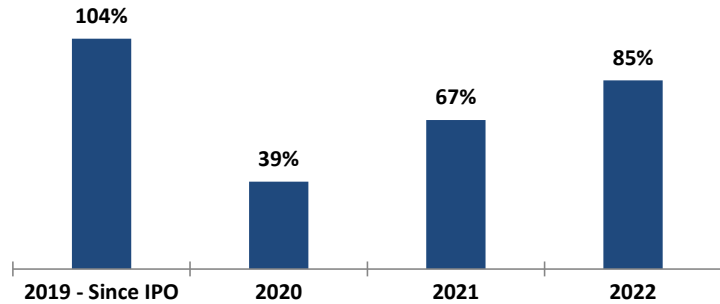
+3% for CleanBnB, vs -5% for the Italia Growth Index



Source: EnVent Research on S&P Capital IQ - Note: 12/05/2022=100

CleanBnB - Liquidity analysis and velocity turnover

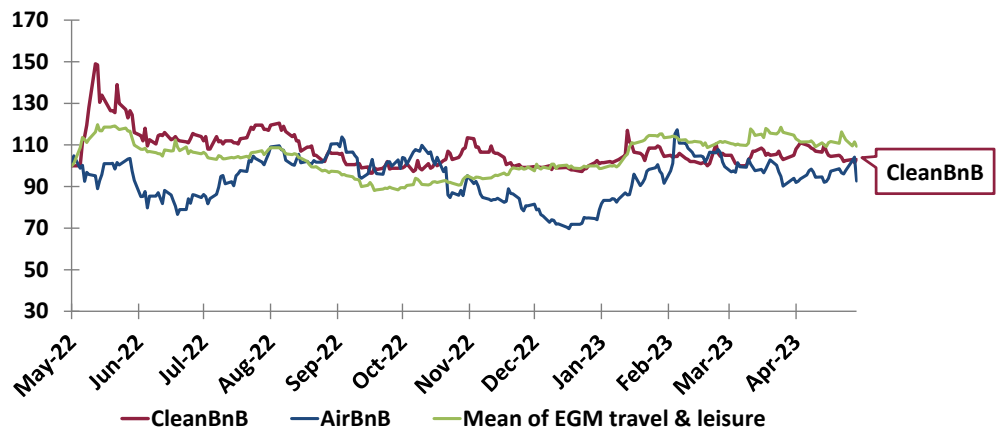
Increased turnover velocity in 2022, with ca 29,000 average daily shares traded



Source: EnVent Research on S&P Capital IQ - Velocity turnover=ratio of tot. traded shares to tot. ordinary shares

Travel & leisure stocks - 1Y Market performance

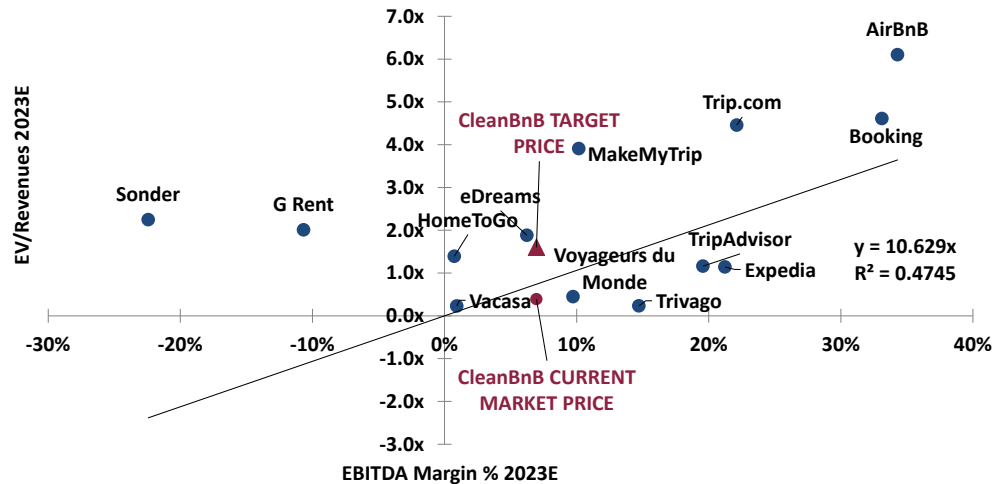
CleanBnB overall in line with EGM travel & leisure stocks performance



Source: EnVent Research on S&P Capital IQ - Note: 12/05/2022=100

Industry peers' stocks - Regression analysis and CleanBnB target positioning

CleanBnB target positioning above the line, better than property managers, among industry leading online travel and hospitality companies



Source: EnVent Research on S&P Capital IQ, May 2023

Investment case

Helping the host, serving the guests

Founded in 2016, CleanBnB is an Italian Property Manager in short/medium-term rentals market powered by online reservation platforms such as Airbnb and Booking. The mission is to increase the gross bookings and the performance of the properties managed on behalf of the owners (Hosts), while offering a full hospitality service to the visitors of the properties (Guests). Revenues are driven by property owners shifting from long-term to short-term rentals, increased listings volume growth, penetration into new locations and the ability to manage occupancy and optimize average revenues per listing. CleanBnB collects the rent payment before the Guest check-in, operating with permanent positive cash balance and mid-term visibility on revenue.

Self-financing operating model, no working capital investment needed

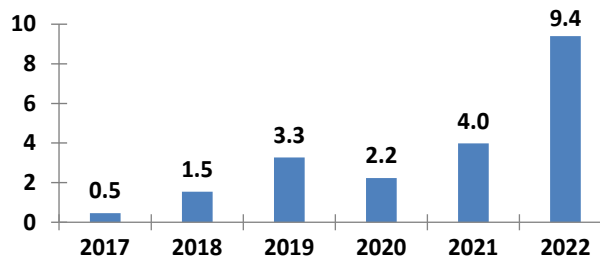
The takeover of the entire property management process is the key value: CleanBnB on behalf of the Hosts cares of the revenue streams from online reservation platforms, directly collects Guests fees and provides full hospitality services, such as check-in/out, cleaning and laundry, assistance and maintenance.

Strategy

Main strategic goals are the continuing expansion of the managed properties portfolio, leveraging on the wide availability in Italy of empty second homes for short-term rental and on medium/long-term rentals offers. To accelerate growth, CleanBnB will evaluate aggregation with competitors.

Historical Revenues (€m)

More than doubled revenues in FY22



Source: Company data

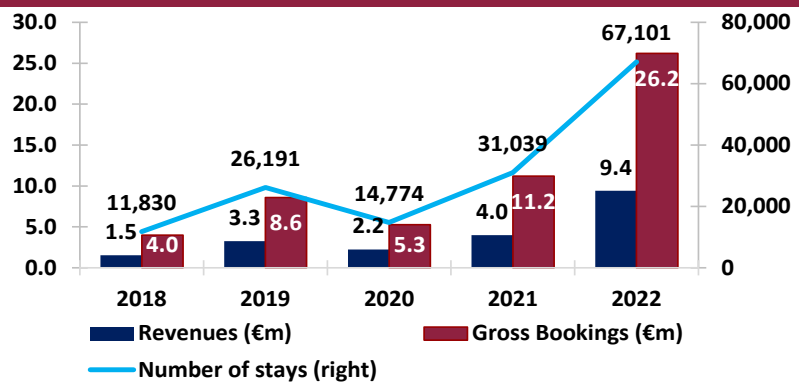
Industry and Company drivers

- Long run trend of increasing short-term rentals, supported by the rapid growth of the global middle class and low-cost flights
- Online portals continuing growth path
- Plenty of “second homes” in Italy
- Increasing professional management of private accommodations
- Price sensitivity as a key factor in the accommodation decision-making process inducing guests to switch to home-sharing
- Full-service proposition: professional reservation and revenue management, meet and greet, concierge, cleaning and maintenance, check-out, administration and tax duties, insurance
- Hassle-free service, taking over the management responsibility on behalf of the owner

Challenges

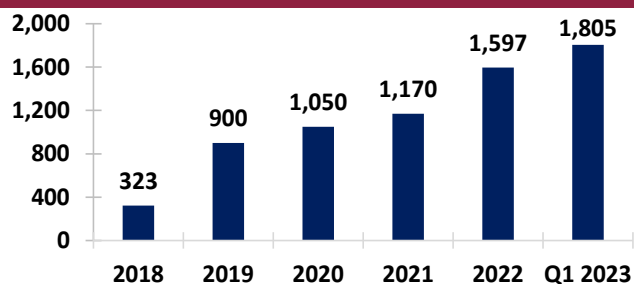
- Picking the right locations, providing the right service
- Competition from international and regional property managers, targeting historic and artistic locations with higher marketing budget
- Sensitive regulatory framework, subject to reviews and updates
- Inbound tourism expense exposed to exogenous events

Historical bookings and stays



Source: Company data

Properties under management



Source: Company data

Accelerating recovery of development plan in 2022-23

Industry outlook:

Rosy expectations for short-term accommodations in 2023

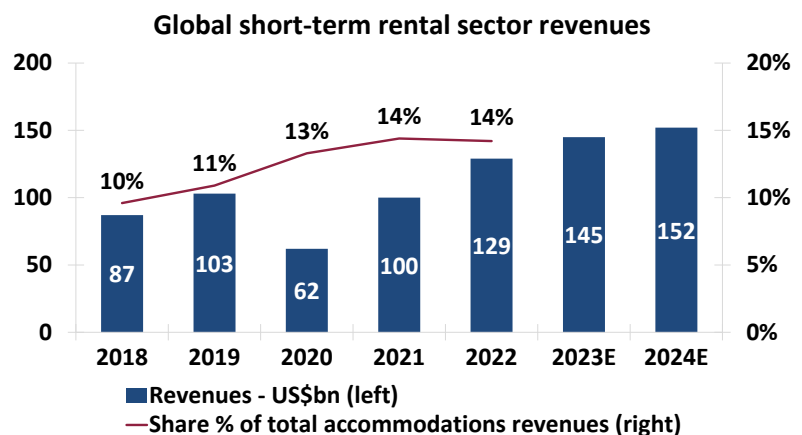
Short-term rental industry optimistic even with recession fears

Despite macro and geopolitical uncertainties, the outlook for the hospitality and short-term rental industry in 2023 is promising, as consumer interest is increasingly turning to travel. After recovery in 2022, with Europe reaching nearly 80% of pre-pandemic levels, 2023 could see international tourist arrivals reaching 80% to 95% of pre-pandemic levels in Europe based on UNWTO’s forecasts, however still below the pre-Covid era due to the economic downturn, sanctions on Russia and China’s zero-Covid strategy.

On the supply side, we acknowledge that second homes available for short-term rental are going up in Italy, with landlords increasingly interested in gaining a supplemental income. As claimed by FIAIP, Italian real estate association, rentals available for short-term vacation were expected to grow by at least 10% in winter season 2022/23 with a 7-10% price increase compared to last season, as observed also last summer season when second homes available for short-term rentals went up by 10%.

Short-term rentals revenues over pre-pandemic, market share rising to 14% over total accommodations

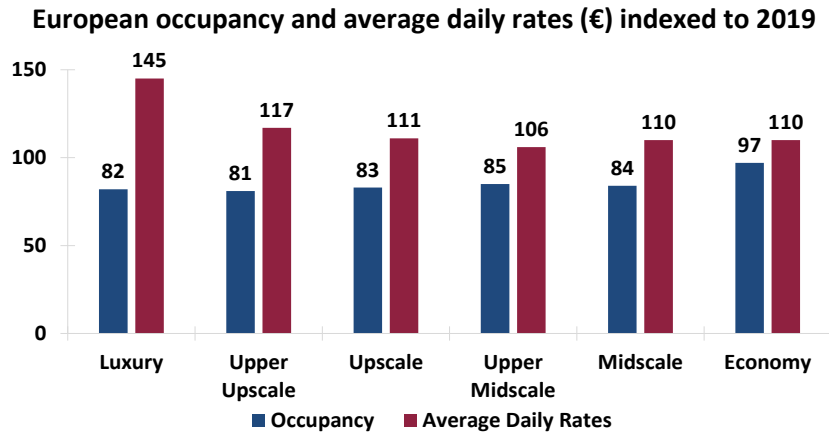
According to Skift Research, a travel industry researcher, the share of short-term rentals over total accommodation revenues has been growing every year and is estimated at 14% of accommodation sector revenues in 2022, up from 11% in 2019. Short-term rentals revenues went past 2019 levels in 2022. Growth is expected to decelerate in 2023, at +12% YoY vs +29% YoY in 2022, according to Skift Research. However, tourists and travelers are expected to increasingly seek value for money accommodations in times of inflation and shrinking discretionary budgets. We observe that new trends emerged with pandemic such as *staycation*, *working from anywhere* and *blended travel* are here to stay, providing new fuel for the industry.



Source: Skift Research, *State of travel 2022*, 2022 and *Global travel outlook 2023*, 2022

European hotel industry picture: occupancy still down, average daily rates go up

Occupancy in the European hotel industry is still below the pre-pandemic level, but average daily rates are going up, according to Skift Research. Luxury hotels have a strong pricing power, driven by high spending consumers. In Italy, data from Aica, the association representing Italian hotels, show strong growth in 2022 both as to occupancy (YoY: Florence +211%; Rome +206%; Venice +203%; Milan +157%) and revenue per available room (YoY: Florence +499%; Venice +347%; Milan +358%; Rome +313%).



Source: Skift Research, *State of travel 2022, 2022* - Note: January-July 2022 data indexed to January-July 2019

Italy’s tourism rebound expected to continue into 2023, Chinese tourists set to return to Italian art cities

Italy is seen among the most desirable and accessible destinations worldwide and is ready to have another booming year for tourism, hosting a record high over last 10 years, of over 442m overnight stays in tourist accommodations in 2023 (+12% YoY), according to market-research institute Demoskopika. Tourist arrivals are estimated in 127m in 2023 (+11% YoY), almost recovering the 2019 level of 131m. In this framework, tourism sector should generate business worth €80bn, up by 22.8% compared to 2022. The recent lifting of Covid-related travel restrictions in China marks the return of tourists abroad, including Italian art cities. Demand from the USA, backed by a strong US dollar, will continue to push travel flows towards the weaker Europe.

Sources:

UNWTO, *Tourism Set to Return to Pre-Pandemic Levels in Some Regions in 2023, 2023*

Skift Research, *State of travel 2022, 2022*

AirDNA, *U.S. 2023 Short-Term Rental Outlook, 2022*

FIAIP, *Report immobiliare delle locazioni brevi ad uso turistico nelle principali località italiane, 2022*

Pambianconews, *Revenge delle città. Volano i ricavi degli hotel nel primo semestre 2022, in testa quelli di Firenze, 2023*

Demoskopika, *Tourism forecast 2023, 2023*

Period corporate facts

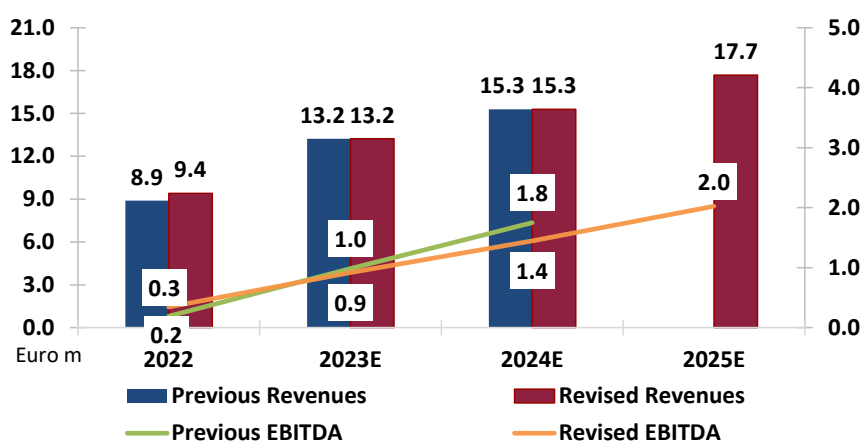
- CleanBnB Warrant 2019-23 (IT0005377376) may be exercised during the fourth and last exercise period between May 15-26, 2023, at a strike price of €2.91, with a conversion ratio of 1 share:1 warrant

Estimates revision

We have factored FY22 performance and Q1 2023 KPIs and have updated our estimates. 2023 revenues look prudentially consistent with Q1 KPIs, as such we confirm our estimates for 2023-24. We add 2025E to the forecasting period assuming consistent growth. We have factored in actual operating costs and have adjusted following years to cope with growing volumes of operations, resulting in a slightly revised profitability. TWC and capex also have been fine-tuned to factor in the recent dynamics.

Change in estimates

Previous vs Revised Revenues and EBITDA estimates (€m)



Source: EnVent Research

€m	Revised				Previous			Change %		
	2022	2023E	2024E	2025E	2022E	2023E	2024E	2022	2023E	2024E
Revenues	9.4	13.2	15.3	17.7	8.9	13.2	15.3	6%	0%	0%
EBITDA	0.3	0.9	1.4	2.0	0.2	1.0	1.8	80%	-7%	-17%
<i>Margin</i>	4%	7%	9%	11%	2%	7%	11%			
EBIT	(0.1)	0.5	1.0	1.5	(0.2)	0.6	1.3	68%	-14%	-25%
<i>Margin</i>	-1%	4%	6%	9%	-2%	4%	8%			
Net Income (Loss)	(0.2)	0.2	0.6	1.0	(0.4)	0.3	0.8	57%	-17%	-27%
Net (Debt) Cash	3.8	4.8	6.2	8.2	3.8	5.3	7.0			

Source: EnVent Research

Financial projections

Consolidated Profit and Loss

€m	2019	2020	2021	2022	2023E	2024E	2025E
Revenues	2.8	1.7	3.5	8.8	10.6	12.3	14.2
Other income	0.5	0.6	0.4	0.6	2.6	3.0	3.4
Total Revenues	3.3	2.2	4.0	9.4	13.2	15.3	17.7
YoY %	112.6%	-31.9%	78.5%	136.2%	40.7%	15.5%	15.7%
Services	(3.5)	(2.9)	(3.6)	(7.3)	(9.9)	(11.1)	(11.9)
Personnel	(0.7)	(0.6)	(0.6)	(1.0)	(1.5)	(1.7)	(2.1)
Other operating costs	(0.3)	(0.5)	(0.5)	(0.7)	(0.9)	(1.1)	(1.6)
Operating costs	(4.5)	(3.9)	(4.7)	(9.1)	(12.3)	(13.8)	(15.7)
EBITDA	(1.3)	(1.7)	(0.8)	0.3	0.9	1.4	2.0
Margin	-39.0%	-76.2%	-19.1%	3.7%	7.0%	9.5%	11.5%
D&A	(0.2)	(0.1)	(0.4)	(0.4)	(0.4)	(0.5)	(0.5)
EBIT	(1.5)	(1.8)	(1.1)	(0.1)	0.5	1.0	1.5
Margin	-45.6%	-81.9%	-28.7%	-0.7%	3.6%	6.4%	8.6%
Interest	0.0	(0.0)	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)
EBT	(1.5)	(1.8)	(1.2)	(0.1)	0.3	0.8	1.4
Margin	-45.3%	-82.4%	-29.3%	-1.3%	2.6%	5.5%	7.8%
Income taxes	(0.0)	(0.1)	(0.0)	(0.0)	(0.1)	(0.2)	(0.4)
Net Income (Loss)	(1.5)	(2.0)	(1.2)	(0.2)	0.2	0.6	1.0
Margin	-46.5%	-88.1%	-29.6%	-1.7%	1.8%	3.9%	5.6%

Source: Company data 2019-22A, EnVent Research 2023-25E

Consolidated Balance Sheet

€m	2019	2020	2021	2022	2023E	2024E	2025E
Receivables	0.5	0.1	0.1	0.3	0.4	0.5	0.6
Payables and advances from customers	(1.8)	(1.0)	(1.2)	(1.4)	(1.8)	(2.0)	(2.3)
Trade Working Capital	(1.3)	(0.9)	(1.1)	(1.0)	(1.4)	(1.6)	(1.7)
Other assets (liabilities)	(0.3)	(0.5)	(1.2)	(2.1)	(2.1)	(2.5)	(2.8)
Net Working Capital	(1.7)	(1.4)	(2.3)	(3.1)	(3.5)	(4.0)	(4.6)
Intangible assets	1.4	1.4	1.2	0.9	0.7	0.4	0.1
Non-current assets	1.4	1.4	1.2	0.9	0.7	0.4	0.1
Provisions	(0.0)	(0.1)	(0.1)	(0.1)	(0.3)	(0.4)	(0.5)
Net Invested Capital	(0.3)	(0.1)	(1.3)	(2.3)	(3.1)	(4.0)	(5.0)
Net Debt (Cash)	(3.0)	(0.8)	(2.8)	(3.8)	(4.8)	(6.2)	(8.2)
Equity	2.7	0.8	1.6	1.4	1.7	2.3	3.3
Sources	(0.3)	(0.1)	(1.3)	(2.3)	(3.1)	(4.0)	(5.0)

Source: Company data 2019-22A, EnVent Research 2023-25E

Consolidated Cash Flow

€m	2019	2020	2021	2022	2023E	2024E	2025E
EBIT	(1.5)	(1.8)	(1.1)	(0.1)	0.5	1.0	1.5
Current taxes	(0.0)	(0.1)	(0.0)	(0.0)	(0.1)	(0.2)	(0.4)
D&A	0.2	0.1	0.4	0.4	0.4	0.5	0.5
Provisions	0.0	0.0	0.0	0.0	0.1	0.1	0.2
Cash flow from P&L operations	(1.3)	(1.8)	(0.7)	0.3	0.9	1.3	1.8
Working Capital	0.7	(0.4)	0.1	(0.0)	0.4	0.2	0.2
Capex	(0.2)	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)
Other assets and liabilities	0.5	0.1	0.8	0.8	0.0	0.3	0.4
Operating cash flow after WC and capex	(0.4)	(2.2)	0.1	1.0	1.1	1.6	2.1
Interest	0.0	(0.0)	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)
Capex - IPO cost	(1.0)	0.0	0.0	0.0	0.0	0.0	0.0
IPO proceeds	3.9	0.0	0.0	0.0	0.0	0.0	0.0
Paid-in capital	0.0	0.0	2.0	0.0	0.0	0.0	0.0
Net cash flow	2.6	(2.2)	2.0	0.9	1.0	1.5	2.0
Net (Debt) Cash - Beginning	0.4	3.0	0.8	2.8	3.8	4.8	6.2
Net (Debt) Cash - End	3.0	0.8	2.8	3.8	4.8	6.2	8.2
Change in Net (Debt) Cash	2.6	(2.2)	2.0	0.9	1.0	1.5	2.0

Source: Company data 2019-22A, EnVent Research 2023-25E

Valuation

We have updated both our DCF valuation and market multiples analysis.

Discounted Cash Flows

Updated assumptions:

- Risk free rate: 3.7% (Italian 10-year government bonds interest rate - last 30 days average. Source: Bloomberg, May 2023)
- Market return: 11.7% (last 30 days average. Source: Bloomberg, May 2023)
- Market risk premium: 8%
- Beta: 1.1 (judgmental)
- Cost of equity: 12.5%
- Cost of debt: 4.0%
- Tax rate: 24% (IRES)
- 20% debt/(debt + equity)
- WACC calculated at 10.6%
- Perpetual growth rate after explicit projections: 2.5%
- Terminal Value assumes an EBITDA margin of 14%

DCF Valuation

€m	2019	2020	2021	2022	2023E	2024E	2025E	Perpetuity
Revenues	3.3	2.2	4.0	9.4	13.2	15.3	17.7	18.1
EBITDA	(1.3)	(1.7)	(0.8)	0.3	0.9	1.4	2.0	2.5
<i>Margin</i>	-39%	-76%	-19%	4%	7%	9%	11%	14%
EBIT	(1.5)	(1.8)	(1.1)	(0.1)	0.5	1.0	1.5	2.0
<i>Margin</i>	-46%	-82%	-29%	-1%	4%	6%	9%	11%
Taxes	(0.0)	(0.1)	(0.0)	(0.0)	(0.1)	(0.2)	(0.4)	(0.6)
NOPAT	(1.5)	(2.0)	(1.2)	(0.1)	0.4	0.7	1.1	1.5
D&A	0.2	0.1	0.4	0.4	0.4	0.5	0.5	0.5
Provisions	0.0	0.0	0.0	0.0	0.1	0.1	0.2	0.0
Cash flow from P&L operations	(1.3)	(1.8)	(0.7)	0.3	0.9	1.3	1.8	2.0
Trade Working Capital	0.7	(0.4)	0.1	(0.0)	0.4	0.2	0.2	0.5
Capex	(1.2)	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.5)
Other assets and liabilities	0.5	0.1	0.8	0.8	0.0	0.3	0.4	0.0
Yearly Unlevered Free Cash Flows	(1.4)	(2.2)	0.1	1.0	1.1	1.6	2.1	1.9
Free Cash Flows to be discounted					1.1	1.6	2.1	1.9
WACC	10.6%							
Long-term growth (G)	2.5%							
Discounted Cash Flows					1.0	1.3	1.6	
Sum of Discounted Cash Flows	3.9							
Terminal Value								23.8
Discounted TV	17.6							
Enterprise Value	21.5							
Net cash as of 31/12/22	3.8							
Equity Value	25.3							
Equity Value per share (€)	2.94							

DCF - Implied multiples	2019	2020	2021	2022	2023E	2024E	2025E
EV/Revenues	6.6x	9.7x	5.4x	2.3x	1.6x	1.4x	1.2x
EV/EBITDA	neg	neg	neg	62.7x	23.4x	14.9x	10.6x
EV/EBIT	neg	neg	neg	neg	44.8x	22.1x	14.1x
P/E	neg	neg	neg	neg	105.4x	42.4x	25.4x
Discount of current market price vs DCF	-76%						
Current Price - Implied multiples	2019	2020	2021	2022	2023E	2024E	2025E
EV/Revenues	1.6x	2.3x	1.3x	0.6x	0.4x	0.3x	0.3x
EV/EBITDA	neg	neg	neg	15.1x	5.6x	3.6x	2.6x
EV/EBIT	neg	neg	neg	neg	10.8x	5.3x	3.4x
P/E	neg	neg	neg	neg	37.3x	15.0x	9.0x

Source: EnVent Research

Market multiples

We currently review the sample of industry players comparable to a certain extent to CleanBnB, including some listed property managers, both international and domestic. The constituents have been segmented into two clusters based on revenue models: Online travel and hospitality, Property managers.

Company	EV/REVENUES				EV/EBITDA				EV/EBIT				P/E			
	2022	2023E	2024E	2025E	2022	2023E	2024E	2025E	2022	2023E	2024E	2025E	2022	2023E	2024E	2025E
Online travel and hospitality																
AirBnB	5.6x	6.1x	5.4x	4.7x	24.1x	17.8x	15.1x	12.6x	24.7x	26.8x	21.8x	18.1x	28.6x	30.2x	26.5x	22.6x
Booking	4.5x	4.6x	4.2x	3.8x	14.4x	13.9x	12.2x	11.0x	15.7x	15.2x	13.2x	11.8x	25.6x	19.1x	16.8x	14.9x
Expedia	1.5x	1.1x	1.0x	1.0x	12.3x	5.4x	4.7x	4.3x	14.3x	10.2x	8.2x	7.0x	38.8x	9.4x	7.7x	6.7x
TripAdvisor	1.6x	1.2x	1.1x	1.0x	17.8x	5.9x	4.9x	4.1x	24.1x	13.4x	9.4x	7.2x	nm	13.3x	9.6x	7.5x
MakeMyTrip	9.1x	3.9x	3.1x	2.5x	neg	38.4x	24.6x	16.8x	neg	60.2x	32.9x	20.4x	nm	67.1x	29.0x	19.9x
eDreams	2.2x	1.9x	1.5x	1.3x	neg	30.2x	12.1x	6.8x	neg	neg	20.3x	9.0x	neg	neg	36.0x	9.5x
Trip.com	7.8x	4.5x	3.6x	3.1x	nm	20.1x	14.3x	12.1x	nm	30.3x	19.0x	15.2x	nm	27.4x	17.6x	14.4x
Trivago	0.4x	0.2x	0.2x	0.2x	3.1x	1.6x	1.4x	1.3x	3.2x	2.0x	1.8x	1.6x	neg	5.7x	4.7x	4.1x
Voyageurs du Monde	0.3x	0.4x	0.4x	0.4x	3.4x	4.6x	4.5x	4.5x	4.0x	5.4x	5.3x	6.1x	12.1x	14.4x	13.9x	13.6x
Mean	3.7x	2.7x	2.3x	2.0x	12.5x	15.3x	10.4x	8.2x	14.3x	20.4x	14.6x	10.7x	26.3x	23.3x	18.0x	12.6x
Mean w/out extremes	3.4x	2.5x	2.1x	1.9x	12.0x	14.0x	9.7x	7.9x	14.5x	16.9x	13.9x	10.6x	27.1x	19.0x	17.3x	12.4x
Median	2.2x	1.9x	1.5x	1.3x	13.3x	13.9x	12.1x	6.8x	15.0x	14.3x	13.2x	9.0x	27.1x	16.7x	16.8x	13.6x
Property managers																
Vacasa	0.4x	0.2x	0.2x	0.2x	neg	24.7x	7.5x	3.6x	neg	neg	neg	23.5x	neg	neg	neg	neg
Sonder	3.3x	2.2x	1.7x	1.4x	neg	neg	neg	nm	neg	neg	neg	neg	neg	neg	neg	0.6x
HomeToGo	1.0x	1.4x	1.1x	0.9x	neg	nm	20.2x	5.5x	neg	neg	neg	neg	neg	neg	neg	nm
G Rent	8.8x	2.0x	0.9x	0.5x	neg	neg	nm	8.2x	neg	neg	neg	10.1x	neg	neg	neg	15.1x
Dotstay	nm	nm	7.3x	4.1x	neg	neg	nm	20.7x	neg	neg	nm	25.5x	neg	neg	nm	41.6x
Mean	3.4x	1.5x	2.2x	1.4x	na	24.7x	13.8x	9.5x	na	na	na	19.7x	na	na	na	19.1x
Median	2.2x	1.7x	1.1x	0.9x	na	24.7x	13.8x	6.8x	na	na	na	nm	na	na	na	nm

Source: EnVent Research on S&P Capital IQ, 12/05/2023

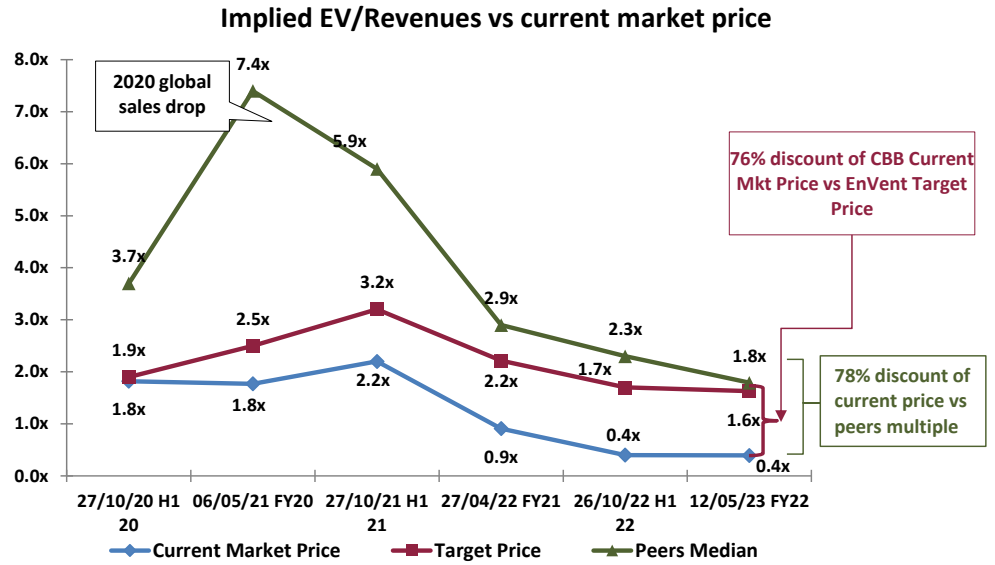
We have applied to our 2023-24 estimates EV/Revenues of the peer groups, using medians from 2Y analyst consensus. Property management industry lack of profitability (given the early stage of most constituents) makes the application of related multiples unpracticable.

Multiples application

€m	CleanBnB (€m)	Market Multiples	EV	Net cash 31/12/2022	Equity value	Equity value per share (€)
Online travel and hospitality						
2023E Revenues	10.6	1.9x	20.0	3.8	23.8	2.76
2024E Revenues	12.3	1.5x	19.0	3.8	22.8	2.64
Mean			19.5		23.3	2.70
2023E EBITDA	0.9	13.9x	12.8	3.8	16.6	1.92
2024E EBITDA	1.4	12.1x	17.6	3.8	21.3	2.47
Mean			15.2		18.9	2.20
Property managers						
2023E Revenues	10.6	1.7x	18.1	3.8	21.9	2.54
2024E Revenues	12.3	1.1x	13.1	3.8	16.9	1.96
Mean			15.6		19.4	2.25

Source: EnVent Research

Target Price



Source: EnVent Research on S&P Capital IQ, 15/05/2023

We feel comfortable in considering the DCF outcome as an adequate proxy of value assessment, consistent also with revenue multiples.

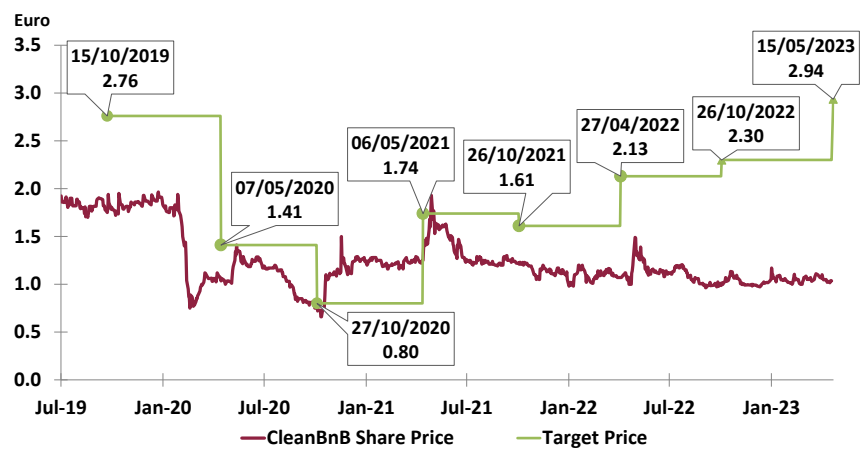
Our updated valuation yields a target price of €2.94 per share, from €2.30 of our prior note, implying a substantial over 150% potential upside on CleanBnB current stock price. We confirm the OUTPERFORM rating on the stock.

Please refer to important disclosures at the end of this report.

CleanBnB Price per Share	€
Target Price	2.94
Current Share Price (12/05/2023)	1.04
Premium (Discount)	184%

Source: EnVent Research

CleanBnB Share Price vs EnVent Target Price



Source: EnVent Research on S&P Capital IQ, 15/05/2023

DISCLAIMER (for more details go to www.enventcapitalmarkets.co.uk under “Disclaimer”)

This publication has been prepared by Franco Gaudenti, Head of Research Division, and Luigi Tardella, Co-Head of Research Division, on behalf of the Research & Analysis Division of EnVent Capital Markets Limited (“EnVentCM”). EnVent Capital Markets Limited is authorised and regulated by the Financial Conduct Authority (Reference no. 651385).

According to article 35, paragraph 2b of Euronext Growth Milan Rules for Companies (Regolamento Emittenti Euronext Growth Milan), EnVentCM has been commissioned to produce Equity Research, and particularly this publication, for the Company by arrangement with MIT SIM, the Specialist engaged by the Company.

This publication does not represent to be, nor can it be construed as being, an offer or solicitation to buy, subscribe or sell financial products or instruments, or to execute any operation whatsoever concerning such products or instruments. This publication is not, under any circumstances, intended for distribution to the general public. Accordingly, this document is only for persons who are Eligible Counterparties or Professional Clients only, i.e. persons having professional experience in investments who are authorized persons or exempted persons within the meaning of the Financial Services and Markets Act 2000 and COBS 4.12 of the FCA’s New Conduct of Business Sourcebook. For residents in Italy, this document is intended for distribution only to professional clients and qualified counterparties as defined in Consob Regulation n. 16190 of the 29th October 2007, as subsequently amended and supplemented.

This publication, nor any copy of it, can not be brought, transmitted or distributed in the United States of America, Canada, Japan or Australia. Any failure to comply with these restrictions may constitute a violation of the securities laws provided by the United States of America, Canada, Japan or Australia.

EnVentCM does not guarantee any specific result as regards the information contained in the present publication, and accepts no responsibility or liability for the outcome of the transactions recommended therein or for the results produced by such transactions. Each and every investment/divestiture decision is the sole responsibility of the party receiving the advice and recommendations, who is free to decide whether or not to implement them. The price of the investments and the income derived from them can go down as well as up, and investors may not get back the amount originally invested. Therefore, EnVentCM and/or the author(s) of the present publication cannot in any way be held liable for any losses, damage or lower earnings that the party using the publication might suffer following execution of transactions on the basis of the information and/or recommendations contained therein.

The purpose of this publication is merely to provide information that is up to date and as accurate as possible. The information and each possible estimate and/or opinion and/or recommendation contained in this publication is based on sources believed to be reliable. Although EnVentCM makes every reasonable endeavour to obtain information from sources that it deems to be reliable, it accepts no responsibility or liability as to the completeness, accuracy or exactitude of such information and sources. Past performance is not a guarantee of future results.

Most important sources of information used for the preparation of this publication are the documentation published by the Company (annual and interim financial statements, press releases, company presentations, IPO prospectus), the information provided by business and credit information providers (as Bloomberg, S&P Capital IQ, AIDA) and industry reports.

EnVentCM has no obligation to update, modify or amend this publication or to otherwise notify a reader or recipient of this publication in the case that any matter, opinion, forecast or estimate contained herein, changes or subsequently becomes inaccurate, or if the research on the subject company is withdrawn. The estimates, opinions, and recommendations expressed in this publication may be subject to change without notice, on the basis of new and/or further available information.

EnVentCM intends to provide continuous coverage of the Company and the financial instrument forming the subject of the present publication, with a semi-annual frequency and, in any case, with a frequency consistent with the timing of the Company’s periodical financial reporting and of any exceptional event occurring in its sphere of activity.

A draft copy of this publication may be sent to the subject Company for its information and review (without valuation, target price and recommendation), for the purpose of correcting any inadvertent material inaccuracies. EnVentCM did not disclose the rating to the issuer before publication and dissemination of this document.

ANALYST DISCLOSURES

For each company mentioned in this publication, all of the views expressed in this publication accurately reflect the financial analysts’ personal views about any or all of the subject company (companies) or securities.

Neither the analysts nor any member of the analysts’ households have a financial interest in the securities of the subject Company. Neither the analysts nor any member of the analysts’ households serve as an officer, director or advisory board member of the subject company. Analysts’ remuneration was not, is not or will be not related, either directly or indirectly, to specific proprietary investment transactions or to market operations in which EnVentCM has played a role (as Euronext Growth Advisor, for example) or to the specific recommendation or view in this publication. EnVentCM has adopted internal procedures and an internal code of conduct aimed to ensure the independence of its financial analysts. EnVentCM research analysts and other staff involved in issuing and disseminating research reports operate independently of EnVentCM Capital Market business. EnVentCM, within the Research & Analysis Division, may collaborate with external professionals. It may, directly or indirectly, have a potential conflict of interest with the Company and, for that reason, EnVentCM adopts organizational and procedural measures for the prevention and management

of conflicts of interest (for details www.enventcapitalmarkets.co.uk under “Disclaimer”, “Procedures for prevention of conflicts of interest”).

MIFID II DISCLOSURES

CleanBnB S.p.A. (the “Issuer or the “Company”) is a corporate client of EnVent Capital Markets. This document, being paid for by a corporate Issuer, is a Minor Non-monetary Benefit as set out in Article 12 (3) of the Commission Delegated Act (C2016) 2031.

This note is a marketing communication and not independent research. As such, it has not been prepared in accordance with legal requirements designed to promote the independence of investment research and this note is not subject to the prohibition on dealing ahead of the dissemination of investment research.

CONFIDENTIALITY

Neither this publication nor any portions thereof (including, without limitation, any conclusion as to values or any individual associated with this publication or the professional associations or organizations with which they are affiliated) shall be reproduced to third parties by any means without the prior written consent and approval from EnVentCM.

VALUATION METHODOLOGIES

EnVentCM Research & Analysis Division calculates range of values and fair values for the companies under coverage using professional valuation methodologies, such as the discounted cash flows method (DCF), dividend discount model (DDM) and multiple-based models (e.g. EV/Revenues, EV/EBITDA, EV/EBIT, P/E, P/BV). Alternative valuation methodologies may be used, according to circumstances or judgement of non-adequacy of most used methods. The target price could be also influenced by market conditions or events and corporate or share peculiarities.

STOCK RATINGS

The “OUTPERFORM”, “NEUTRAL”, AND “UNDERPERFORM” recommendations are based on the expectations within a 12-month period from the date of rating indicated in the front page of this publication.

Equity ratings and valuations are issued in absolute terms, not relative to market performance.

Rating system and rationale (12-month time horizon):

OUTPERFORM: stocks are expected to have a total return above 10%;

NEUTRAL: stocks are expected to have a performance between -10% and +10% consistent with market or industry trend and appear less attractive than Outperform rated stocks;

UNDERPERFORM: stocks are among the least attractive in a peer group, with the target price 10% below the current market price;

UNDER REVIEW: target price under review, waiting for updated financial data, or other key information such as material transactions involving share capital or financing;

SUSPENDED: no rating/target price assigned, due to material uncertainties or other issues that seriously impair our previous investment ratings, price targets and earnings estimates;

NOT RATED: no rating or target price assigned.

Some flexibility on the limits of the total return rating ranges is permitted, especially during high market volatility cycles.

The stock price indicated in the report is the last closing price on the day of Production.

Date and time of Production: 12/05/2023 h. 6.15pm

Date and time of Distribution: 15/05/2023 h. 6.20pm

DETAILS ON STOCK RECOMMENDATION AND TARGET PRICE

Date	Recommendation	Target Price (€)	Share Price (€)
15/10/2019	OUTPERFORM	2.76	1.75
07/05/2020	OUTPERFORM	1.41	1.04
27/10/2020	NEUTRAL	0.80	0.76
06/05/2021	OUTPERFORM	1.74	1.25
26/10/2021	OUTPERFORM	1.61	1.21
27/04/2022	OUTPERFORM	2.13	1.07
01/08/2022	OUTPERFORM	2.13	1.14
26/10/2022	OUTPERFORM	2.30	0.99
02/02/2023	OUTPERFORM	2.30	1.06
15/05/2023	OUTPERFORM	2.94	1.04

ENVENTCM RECOMMENDATION DISTRIBUTION (May 15th, 2023)

Number of companies covered:	21	OUTPERFORM	NEUTRAL	UNDERPERFORM	SUSPENDED	UNDER REVIEW	NOT RATED
Total Equity Research Coverage %		81%	5%	0%	5%	10%	0%
of which EnVentCM clients % *		94%	100%	na	100%	100%	na

* Note: Companies to which corporate and capital markets services were supplied in the last 12 months.

This disclaimer is constantly updated on the website at www.enventcapitalmarkets.co.uk under “Disclaimer”.

Additional information available upon request.

© Copyright 2023 by EnVent Capital Markets Limited - All rights reserved.