

CleanBnB

FLASH NOTE

OUTPERFORM

Current Share Price (€): 1.06

Target Price (€): 2.30

CleanBnB - 1Y Performance



Source: S&P Capital IQ - Note: 02/02/2022=100

Company data

ISIN number	IT0005377277
Bloomberg code	CBB IM
Reuters code	CBB.MI
Industry	Travel & leisure
Stock market	Euronext Growth Milan
Share Price (€)	1.06
Date of Price	02/02/2023
Shares Outstanding (m)	8.6
Market Cap (€m)	9.1
Market Float (%)	70.7%
Daily Volume	341,600
Avg Daily Volume YTD	48,233
Target Price (€)	2.30
Upside (%)	117%
Recommendation	OUTPERFORM

Share price performance

	1M	3M	1Y
CleanBnB - Absolute (%)	9%	3%	0%
FTSE Italia Growth (%)	2%	6%	-14%
1Y Range H/L (€)	1.49	0.96	
YTD Change (€) / %	0.08	8%	

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

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Running fast

Stock performance: above the reference market, still at discount

CleanBnB share price, despite some volatility, has been quite stable over LTM in the region of €1, while the Italia Growth index recorded a -14% LTM performance.

Doubling bookings and stays

CleanBnB unveiled the key performance indicators for Q4 and FY22.

In Q4 stays and related gross bookings both grew by over 70% compared to the same period of prior year. In H2 CleanBnB succeeded in adding around 200 properties, bringing its portfolio of managed properties in Italy to 1,600 as of December 2022 (1,400 as of June 2022 and 1,170 as of December 2021). Overall, in 2022 67,100 stays (more than doubled compared to 2021) generated €26.2m gross bookings (+134% YoY), an all-time high, confirming thorough recovery of demand. KPIs are consistent with our revenue estimate for the full year.

Rising expectations despite recession worries

Industry experts concur in a continued global recovery of travel and tourism industry in 2023, especially in Europe. Amid macro and geopolitical uncertainties, 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. Tourists and travelers are expected to increasingly seek value for money accommodations in times of inflation and shrinking discretionary budgets. 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.

Target Price €2.30 and OUTPERFORM rating confirmed

2022 key performance indicators, together with the ongoing recovery of travel and tourism, provide solid support to CleanBnB investment case and rating. We confirm our last estimates and €2.30 target price.

KEY FINANCIALS AND ESTIMATES

€m	2018	2019	2020	2021	2022E	2023E	2024E
Total Revenues	1.5	3.3	2.2	4.0	8.9	13.2	15.3
EBITDA	(0.4)	(1.3)	(1.7)	(0.8)	0.2	1.0	1.8
<i>Margin</i>	-24.3%	-39.0%	-76.2%	-19.1%	2.1%	7.5%	11.5%
EBIT	(0.4)	(1.5)	(1.8)	(1.1)	(0.2)	0.6	1.3
<i>Margin</i>	-28.6%	-45.6%	-81.9%	-28.7%	-2.3%	4.2%	8.5%
Net Income (Loss)	(0.3)	(1.5)	(2.0)	(1.2)	(0.4)	0.3	0.8
Net (Debt) Cash	0.4	3.0	0.8	2.8	3.8	5.3	7.0
Equity	0.3	2.7	0.8	1.6	1.2	1.5	2.3

Source: Company data 2020-21A, EnVent Research 2022-24E

Founded in 2016, CleanBnB is an Italian Property Manager in the short/medium-term rental market powered by online reservation platforms. The takeover of the entire property management process is the key value: CleanBnB on behalf of the Hosts takes care 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.

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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: 02/02/2023 h. 6.35pm

Date and time of Distribution: 02/02/2023 h. 7.20pm

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

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Number of companies covered:	23	OUTPERFORM	NEUTRAL	UNDERPERFORM	SUSPENDED	UNDER REVIEW	NOT RATED
Total Equity Research Coverage %		87%	0%	0%	9%	4%	0%
of which EnVentCM clients % *		95%	na	na	100%	100%	na

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

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