

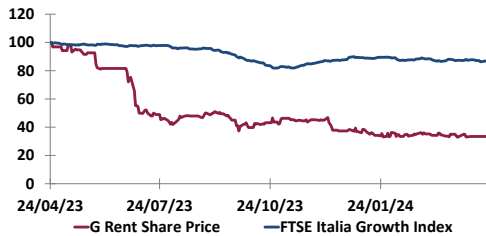
GRENT

NEUTRAL

Current Share Price (€): 0.64

Target Price (€): 0.65

G Rent - 1Y Performance



Source: S&P Capital IQ - Note: 24/04/2023=100

Company data

ISIN number	IT0005445108
Bloomberg code	GSR IM
Reuters code	GSR.MI
Industry	Real Estate
Stock market	Euronext Growth Milan
Share Price (€)	0.64
Date of Price	23/04/2024
Shares Outstanding (m)	6.1
Market Cap (€m)	3.9
Market Float (%)	18%
Daily Volume	0
Avg Daily Volume YTD	3,361
Target Price (€)	0.65
Upside (%)	2%
Recommendation	NEUTRAL

Share price performance

	1M	3M	6M	1Y
G Rent - Absolute (%)	-5%	-2%	-28%	-67%
FTSE Italia Growth (%)	-1%	-3%	6%	-13%
1Y Range H/L (€)			1.90	0.63
YTD Change (€) / %			-0.10	-13%

Source: S&P Capital IQ

Analysts

Luigi Tardella - Head of Research
ltardella@envent.it
Silvestro Bonora sbonora@envent.it
Ivan Tromba itromba@envent.it

EnVent Italia SIM S.p.A.

Via degli Omenoni, 2 - 20121 Milano (Italy)
Phone +39 02 22175979

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

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

Luxury and corporate short rent, strategic changes to seize market potential

We initiate coverage of G Rent: NEUTRAL rating, Target Price €0.65 per share. G Rent, founded in 2019 and listed on the Euronext Growth Milan exchange since May 2021, is a property manager for short term rent luxury properties and corporate buildings, offering a comprehensive solution for customers (i.e. high-net worth individuals and corporates), including interior design services. Focusing on maximizing gross bookings and optimizing the performance of the properties managed, G Rent also offers hospitality services to ensure a smooth and luxurious experience for guests. G Rent leverages on the network of collaborators within the Gabetti Group to expand its client base and, manages over 80 properties located in Italy and other countries.

Luxury short rentals on the rise, positive momentum for property management services. The demand for luxury short rentals is on the rise. Discerning travelers crave unique experiences, high standards of comfort and personalized services. Customer base of HNWI's (High Net Worth Individuals) is less affected by macroeconomic headwinds due to their higher spending power. As property management becomes more complex, owners move from a do-it-yourself (DIY) approach to professional services. Demand of asset management services is projected to grow as the number of residential properties increases, and the non-residential segment is also expected to fuel this trend, as owners are facing increasingly challenges to fill properties.

Management indications for 2024. G Rent's Luxury Houses BU is expected to benefit from the partnership with Gabetti through Santandrea Top Rent brand. For Corporate Houses and Interior Design BUs, a number of initiatives are underway to increase real estate portfolio and orders, first effects are expected starting this year. Efforts to rationalize the cost structure continue. Shareholder Esperia is committed to addressing potential cash flow shortfalls. Management projects to reach profitability in 2025.

Estimates 2024-2026, navigating through challenges. We project a revenue CAGR of 75% over the period, factoring in substantial growth across all BUs. We expect G Rent to deliver a operating profit from 2025, with a sequential margin improvement from mid-single digit in 2025 to low double-digits in 2026. Net result should be positive from 2026. We expect net financial position turning slightly cash negative in the period.

Target Price €0.65 per share, NEUTRAL rating. G Rent is currently engaged in a strategic restructuring of the business. Our estimates take these efforts into account and incorporate the overall market potential. We have performed the valuation process through our DCF model. We initiate coverage of G Rent with a target price of €0.65 per share, aligned with current stock price, thus we assign a NEUTRAL rating at this stage.

KEY FINANCIALS AND ESTIMATES

€m	2022	2023	2024E	2025E	2026E
Revenues	1.7	1.9	1.3	2.5	4.1
EBITDA	(0.7)	(0.9)	(0.5)	0.1	0.5
<i>Margin</i>	<i>neg</i>	<i>neg</i>	<i>neg</i>	4.8%	11.9%
EBIT	(1.0)	(1.1)	(0.7)	(0.1)	0.3
<i>Margin</i>	<i>neg</i>	<i>neg</i>	<i>neg</i>	<i>neg</i>	6.1%
Net income (loss)	(1.0)	(1.1)	(0.5)	(0.1)	0.2
Net (debt) cash	0.9	0.4	(0.2)	(0.3)	(0.1)
Equity	1.7	0.6	0.1	0.0	0.2

Current Price - Implied multiples

	2022	2023	2024E	2025E	2026E
EV/Revenues		1.8x	2.7x	1.3x	0.8x
EV/EBITDA		neg	neg	28.0x	6.9x

Source: Company data FY2022-23, EnVent Research FY2024-26E

1. INVESTMENT CASE

Company

G Rent is an Italian Property Manager for short-term rent luxury properties and corporate buildings located in Italy and abroad. Customers are high net worth individuals (HNWI) and corporates, including investment funds, banks and insurance groups. G Rent manages on behalf of the hosts (landlords) the revenue streams from the online reservation platforms, directly collects customer fees and provides full hospitality services to the guests (tenants), such as check-in, cleaning and laundry, assistance, maintenance, check-out and supervision. The Company leverages on the Gabetti Group's network of collaborators to reach new potential customers. Bookings through Online Travel Agencies (OTAs) or a direct reservation system.

Key figures:

- FY23: Revenues €1.1m, breakdown by BUs: Corporate house (54%), Luxury houses (26%), Interior Design (20%)
- FY23: over 125 weeks booked, €4.3k average weekly ticket for Luxury houses BU
- Over 80 managed properties as of December 2023

Mission

Increase gross bookings and performance of the properties managed on behalf of the owners (hosts), while offering a full hospitality service to the visitors.

Opportunity

Managing short-term rental properties can be a daunting task, requiring time, expertise, and resources that many homeowners do not have. A professional short-term rental manager is a right solution to inefficiencies to keep their rental business running smoothly.

Value proposition

Assist property owners in managing rentals and guest stays, taking the entire property management process, which is time consuming for the host.

Drivers

Industry drivers

Upsurge in luxury rental demand. The demand for luxury short-term rentals is expanding, driven by a desire for premium amenities and a more personal touch, with properties offering unique experiences and personalized services. Many luxury rentals are also located in prime locations, offering guests easy access to popular tourist destinations.

Experiential luxury, a modern standard. Today's luxury travelers value personal growth,

cultural immersion, and the opportunity to connect with both the environment and local communities. This has led to a rise in “experiential travel”, where the experience of staying in truly unique properties offers a value beyond.

From do-it-yourself to professional management. Managing short-term rental properties can be a daunting task, requiring time, expertise, and resources that many homeowners simply do not have. Many property owners rely on professional short-term rental management to keep their rental business running smoothly.

Resilient guests. Wealthy individuals are less affected by economic context, as their spending capacity is subject to fewer alterations, therefore behaving a lower risk of the impact of any negative macroeconomic changes.

Company drivers

Long experience in this field. From over 40 years, Santandrea brand (Gabetti Group brand) represents the national point of reference for luxury real estate in Italy for those who wish to buy, sell or rent prime properties.

Brand power, lower marketing efforts. By partnering with national player and shareholder Gabetti Group, G Rent benefits from the visibility of the Gabetti brand, in the industry from long time. The Company is therefore immediately recognizable among customers and can allocate fewer resources to marketing activities.

A scalable business model. G Rent has an efficient and versatile business model which allows to operate efficiently in main luxury tourist locations: once the Company has identified an area where short-term rental is profitable, it is able to expand its coverage with reduced costs.

Challenges

Portfolio under management growth. G Rent is affected by the ability to attract new rental homeowners and maintain relationships with the existing base. Portfolio expansion could be slower than planned, due to the need of selecting high quality assets, enabling occupancy and profitability maximization.

Occupancy risk. Occupancy optimization is a key task, G Rent directly rents properties from hosts with mid-term agreements for short-term subrental to guests, thus being exposed to real estate market fluctuations.

Market seasonality. Short-rent market is characterized by demand which fluctuates throughout the year, with a surge during the summer months.

2. PROFILE

Full management services and value generator

G Rent, based in Italy, is a Property Manager for short term rent luxury properties (Luxury houses BU) and corporate buildings (Corporate houses BU) located in Italy and abroad. The Company also offers interior design services (Interior Design BU), including consultancy and project management aimed to improve locations. Customers are high net worth individuals (HNWI) and corporates, including investment funds, banks and insurance groups. G Rent manages on behalf of the hosts the revenue streams from the online reservation platforms, directly collects customer fees and provides full hospitality services to the guests, such as check-in, cleaning and laundry, assistance, maintenance, check-out and supervision. G Rent leverages the Gabetti Group's network of collaborators to reach new potential customers.

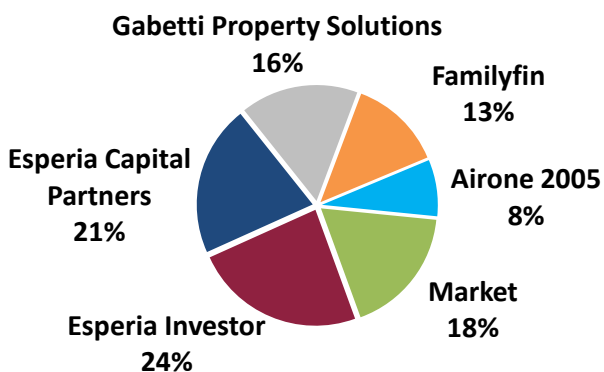
History and key developments

Key milestones	
2019	<ul style="list-style-type: none"> Company establishment
2021	<ul style="list-style-type: none"> Listed on Euronext Growth Milan, IPO proceeds €3.3m
2022	<ul style="list-style-type: none"> <i>Corporate houses</i> BU launches

Source: Company data

Shareholders

Gabetti Property Solutions, 16% stake in G Rent



Source: Company data

Key people

Name and role	Background
Emiliano Di Bartolo Founder and CEO	<ul style="list-style-type: none"> Founded G Rent in 2019 2019 - today: G Rent CEO
Marco Speretta Chairman	<ul style="list-style-type: none"> CFO of Gabetti Group since 2007 and COO since 2014 In G Rent since 2019
Antonio Ferrara Vice Chairman	<ul style="list-style-type: none"> In G Rent since 2019

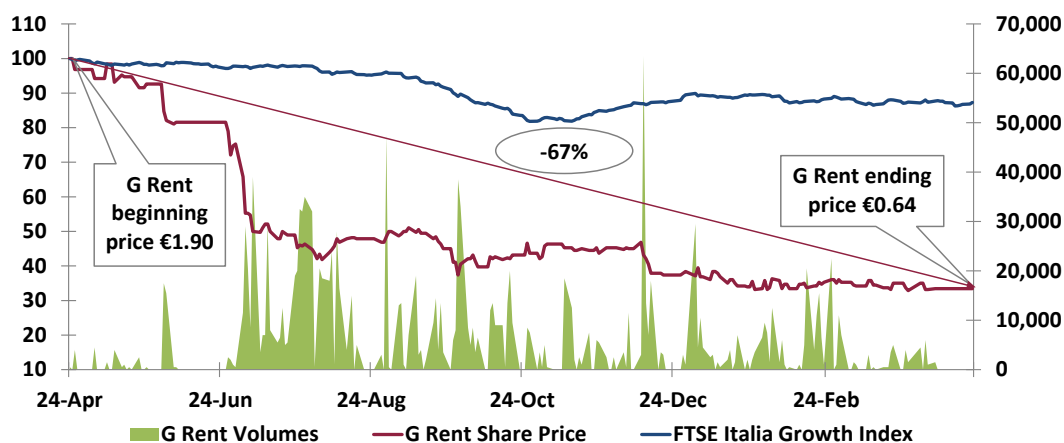
Source: Company data

IPO and stock market performance on Euronext Growth Milan

G Rent on Euronext Growth Milan	
Stock market	Euronext Growth Milan
Bloomberg code	GSR IM
Reuters code	GSR.MI
IPO date	26/05/2021
Offer price (€)	3.00
Money raised (€m)	3.3
Market cap at IPO (€m)	18.3
Free float at IPO	18%
Ordinary shares - ISIN number	IT0005445108
Shares outstanding	6,087,500
Current Share price (€)	0.64
Current Market cap (€m)	3.9

Source: Company data and S&P Capital IQ, update 23/04/2024

G Rent - 1Y Share price performance and trading volumes



Source: EnVent Research on S&P Capital IQ - Note: 24/04/2023=100

3. MARKET TRENDS AND OUTLOOK

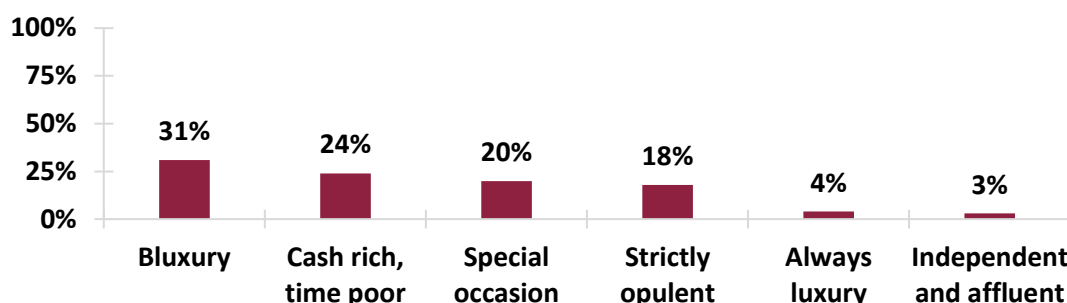
The market potential for luxury tourism

HNWIs require a prime level of privacy and comfort not achievable with hotels

Luxury tourism refers to a style of travel associated with top-quality service throughout a trip. It is not just about luxury hotels and first-class travel, but about visiting extraordinary destinations and having authentic and unique experiences. Luxury tourism is also characterized by high prices and wealthy people with large travel budgets, known as “high net worth individuals” (HNWIs), who travel for leisure or business, or a combination of both.

Luxury traveler categories

The European luxury travelers

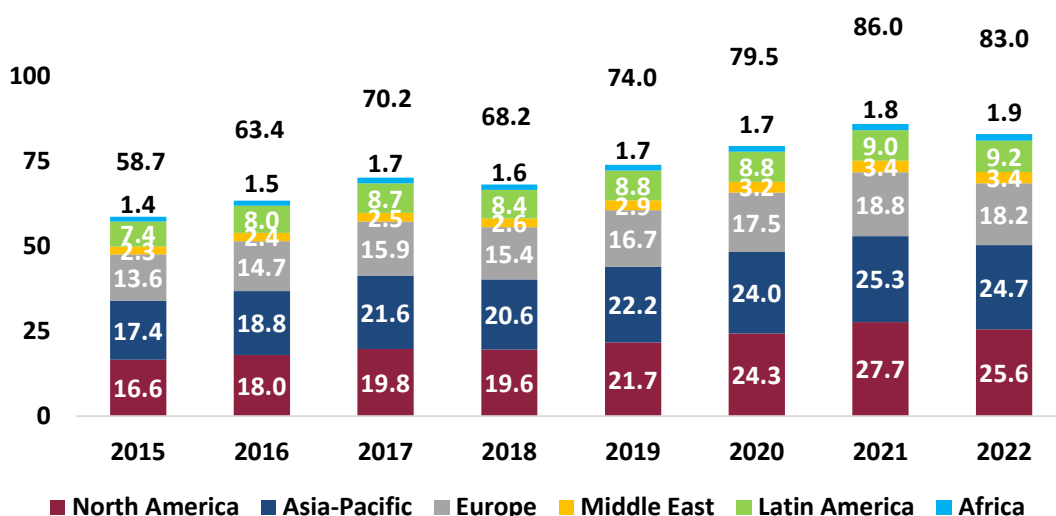


Source: CBI Ministry of Foreign Affairs, *The European market potential for luxury tourism*, 2023

- **Bluxury:** business is the main purpose of their trip, but they want to make the most of their time when business is done.
- **Cash rich, time poor:** travel when they can. Their plans may change at the last minute, so they value flexibility.
- **Special occasion:** although they are reasonably wealthy, luxury is a treat. Willing to compromise on comfort levels to have an amazing travel experience.
- **Strictly opulent:** seek the best and most glamorous travel experiences, like to share their experiences on social media.
- **Always luxury:** money is no object, luxury is part of their everyday lives. They are either millionaires or billionaires.
- **Independent and affluent:** use luxury travel as a way to pamper themselves.

HNWI financial wealth (\$ trillions) - 2015-22

2015-22 CAGR +5.1%

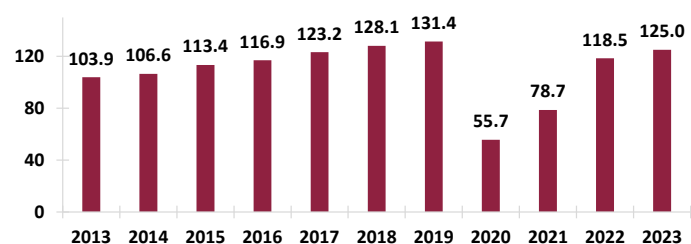


Source: Capgemini Research institute, *Wealth management report*, 2023

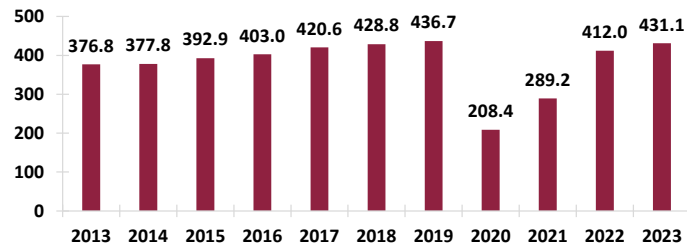
Fueled by a confluence of factors, including government stimulus, low interest rates, ample liquidity, and surging stock markets, high-net-worth individuals (HNWIs) saw their wealth and numbers boom in 2021. This strong position entering 2022 was challenged by geopolitical tensions, a significant stock market correction, and record-high inflation, resulting in a 3.6% decline in HNWI wealth for the year. However, despite this setback, HNWI financial wealth has grown at CAGR of 5.1% over the past eight years.

Italian tourism picture

Arrivals in Italy (m) - 2013-23



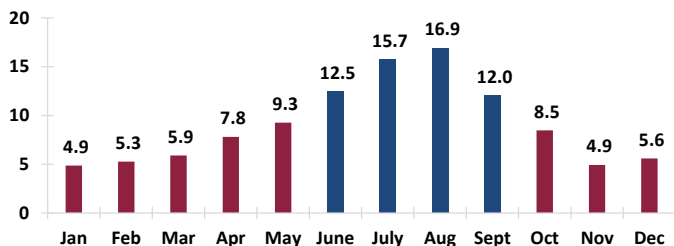
Nights spent in Italy (m) - 2013-23



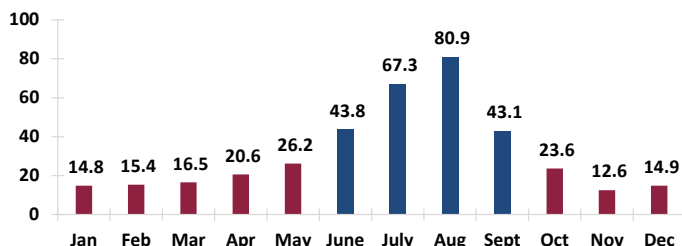
Source: Istat database, Accommodation establishments

ISTAT data reveals a positive trajectory for pre-pandemic Italian tourism. From 2013 to 2019, both arrivals and nights spent enjoyed steady growth, with a CAGR of respectively 4% and 2.5%. However, the COVID-19 outbreak slammed the brakes on this progress, causing arrivals and nights spent to plunge by over 50%.

Seasonality in arrivals in Italy (m) - 2013-23



Seasonality in nights spent in Italy (m) - 2013-23



Source: Istat database, Accommodation establishments

Italian properties stock

Number of properties units by type

Luxury & Castles,
7.3% of total Italian
stock



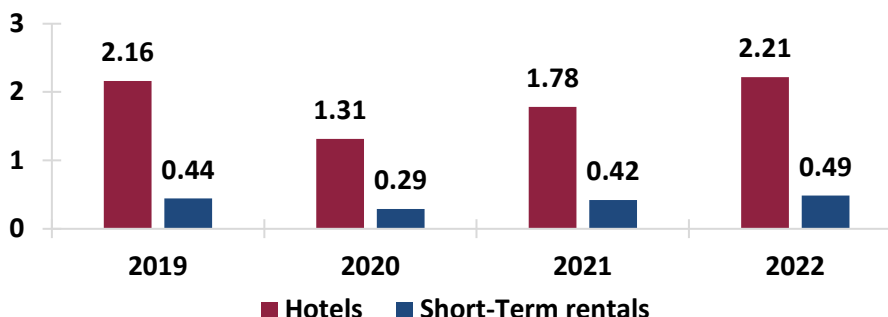
Source: Agenzia delle Entrate, Statistiche catastali 2022, 2023

Alternative accommodation market

Over the past decade, the alternative accommodation market has undergone a significant transformation, becoming a complex and interconnected market, similar to that of traditional lodging. The Covid-19 pandemic has accelerated the evolution underpinned by transformational changes in the workplace which has blurred the lines by living, working, staying, and playing. This, coupled with increased guest preferences for unique and authentic travel experiences has resulted in remarkable growth in the alternative accommodations sector.

Global lodging demand (bn of room nights)

STR +10% vs 2019,
Hotels +2.6%



Source: JLL, Alternative Accommodations Sector Update, 2023

Global lodging demand reached a full recovery in 2022 driven predominantly by surging demand for short-term rentals. However, despite the sector's increasing popularity, hotels consistently comprise more than 80% of total lodging demand.

Themes in 2023 and beyond

- **Normalization of demand following post-Covid boom:** global short-term rentals soared right after the pandemic, fueled by travelers seeking flexibility and unique experiences. Now, demand is settling into a new normal, with some performance metrics returning to pre-pandemic patterns. However, expect revenue per available room (RevPAR) to stay significantly higher thanks to sustained pricing power.
- **Increased professionalization and institutionalization:** Despite a decade of significant growth, the alternative accommodations sector remains a scattered landscape. Individual owners and independent managers still dominate the space, with Airbnb leading the charge. As the industry matures, expect a shift towards professional management and the rise of established brands, paving the way for increased institutional investment. Ultimately, the companies that can seamlessly control the entire customer experience will be the ones to conquer this fragmented market.

Key takeaways

- The demand for luxury travel experiences is increasing, with travelers seeking unique and exclusive accommodations. Short-term rentals of luxury villas cater to this desire for a more personalized and opulent vacation
- Factors like growing disposable income and a preference for experiential travel are fueling the growth of this market segment
- Certain destinations with a reputation for luxury tourism are likely to see a higher concentration of short-term rental villas. This could include beachfront properties in popular vacation spots, ski chalets in exclusive resorts, or historical estates in desirable locations

Property management outlook

8% CAGR 2023-28

Commercial segment growth

According to market research firm MarketsandMarkets Research, the global property management market is expected at \$24.7bn in 2023, projected to reach \$36.4bn in 2028 with a 2023-28 CAGR of 8%, powered by workplace mobility and remote accessibility. In addition, as the number of residential properties increase, demand for asset management services will continue to grow. Commercial segment is expected to experience substantial growth, driven by the administration and operation of non-residential properties such as office buildings, retail spaces, and industrial facilities (MarketsandMarkets, *Property management market by offering*, 2023).

Short-term office leases picture

With many companies adopting work from home policies, physical office spaces have significantly reduced, and owners are facing increasingly challenging to fill their properties. In this framework commercial property owners have been flexible with guests as the future of corporate spaces remain in flux.

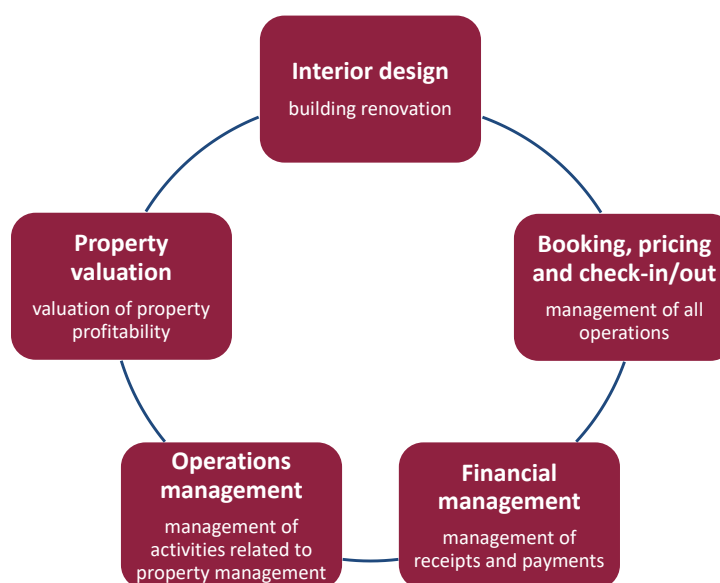
4. BUSINESS MODEL AND STRATEGY

Professional property and hospitality management services

Full-service property management in Luxury segment

G Rent's selling proposition for short-term rentals is to support property owners in rental and guest management. Comprehensive service offerings range from property promotion, revenue and payment management, guest care, housekeeping and laundry services, maintenance and administration. Guests can benefit from professional reservation, reception and housekeeping services, as well as prompt assistance during their stay if needed. Reservations through online travel agencies (OTAs) or a direct booking system.

Services



Source: Company data

Customers (hosts)

Luxury Houses: high-end individuals who have purchased or inherited luxury properties and intend to fully outsource their management to a third party. High-end properties require high operating and maintenance (routine and extraordinary) costs. As a result, owners turn to a property manager to obtain a rental income stream from the property to cover these expenses.

Corporate Houses: corporates such as investment funds, banks and insurance groups.

Guests

Luxury Houses: international HNWI's who require a prime level of privacy and comfort not achievable with hotels.

Corporate Houses: managers and executives who stay in large cities for working purpose and who seek independence and privacy.

Value chain of G Rent business



Source: Company data

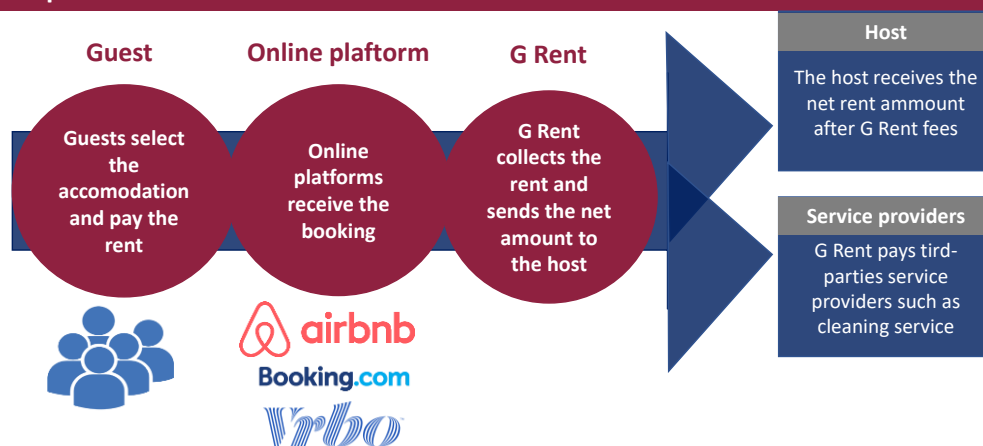
G Rent's business model involves the selection of locations and properties through its sales department; subsequently, the Company starts managing the properties:

- **Marketing:** activities aimed at reaching potential guests through Gabetti Group network agency associates, social networks and its own website.
- **Property acquisition:** properties must have a value of more than €2m and an area of more than 250 square meters. In addition, properties must be located in favourable locations (e.g., scenic views) in prestigious locations with high tourist attraction.
- **Operations:** G Rent carries out renovation and interior design work lasting up to 6 months. This work is paid by the owner but is handled by experts chosen by the G Rent, will receive a fee for the improvements if the property is sold.
- **Short rent & Property management:** G Rent manages hospitality (check-in and check-out), financial operations (collections and payment) and property maintenance (cleaning at the end of the stay, periodic inspections).

Quick operating cycle and no insolvency risk

G Rent directly collects rent payments from managed properties prior to guest check-in. Therefore, the Company operates with a permanent level of cash balance. The host receives payment for the monthly reservations, less G Rent's fee and taxes due from the host (G Rent is the withholding agent) at the end of the following month.

G Rent operations flow



Source: Company data

5. COMPETITION

Short-term rental is revolutionizing the hospitality industry

Sharing economy and peer-to-peer platforms have boosted short-term rentals growth

The hospitality industry has witnessed a notable shift in recent years with the growth of short-term rentals. This innovative lodging concept, facilitated by platforms like Airbnb, has transformed the way people travel and experience accommodations. Short-term rentals offer increased flexibility, unique experiences, and a more personalized approach, reshaping the industry landscape.

The competitive arena in Italy

The national market for short-term rental property managers is dominated by players catering to the mass market. These operators hold diversified portfolios of managed properties, typically falling within a mid-range category. G Rent stands out as a niche player, specializing exclusively in managing luxury properties. Their portfolio boasts an average market value of €2.5m per unit and commands an average weekly rental rate of €4.3k, reflecting their focus on the high-end segment.

Profiles of Italian property managers

Emma Villas: provides short-term rentals of prestigious villas, country houses and residences in Italy. It also offers property management services. Location: Tuscany, Umbria, Marche, Emilia-Romagna, Sardinia, Sicily, Lazio, Liguria, Veneto, Lombardy, Piedmont, Campania, Abruzzo and Calabria, with a portfolio of over 490 properties.

Wonderful Italy: offers booking, event planning, guides, discounts on travel packages. Location: Sicily, Sardinia, Puglia, Campania, Emilia-Romagna, Liguria, Piedmont, Venice, Garda and Como Lake, with a portfolio of over 2,000 properties.

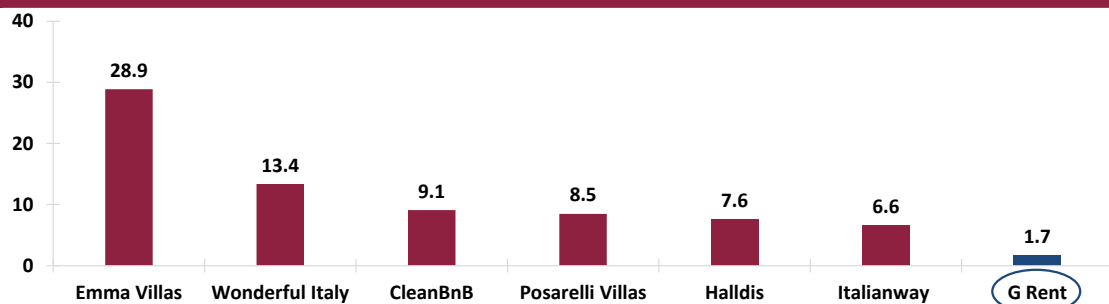
CleanBnB: property manager in the short/medium-term rental market. The Company takes care of payment tasks and provides full hospitality services, such as check-in/out, cleaning and laundry, assistance and maintenance. Location: Sicily, Sardinia, Puglia, Campania, Emilia-Romagna, Liguria, Piedmont, Venice, Garda and Como Lake, with a portfolio of over 2,000 managed properties.

Posarelli Villas: provides short-term rentals of prestigious villas in Italy, Greece, Croatia and Spain. Location: over 600 properties, mainly located in Tuscany, Umbria, Sicily and Puglia.

Halldis: property manager in short and long-term rental market. Location: over 500, mainly located in Italy. The Company also provides full hospitality services.

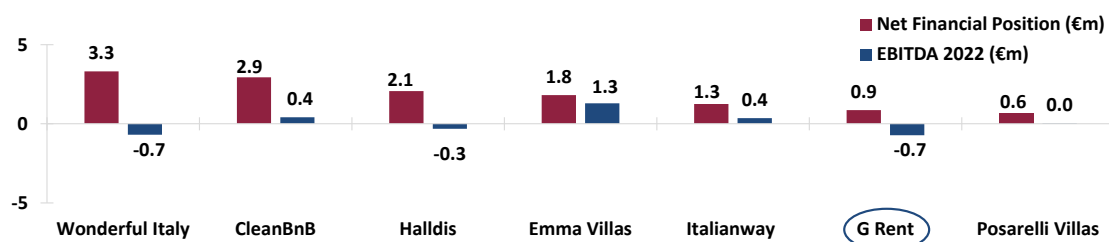
Italianway: property management company in short and long-term houses. Location: Marche, Salento, Lampedusa, Termoli, Abruzzo, Florence, Rome, Riviera del Conero, Riviera romagnola, Liguria.

Revenues - 2022 (€m)



Source: EnVent Research on Creditsafe

Net Financial Position and EBITDA - 2022 (€m)



Source: EnVent Research on Creditsafe

Revenues, EBITDA & EBIT % and Net Debt/EBITDA (€m)

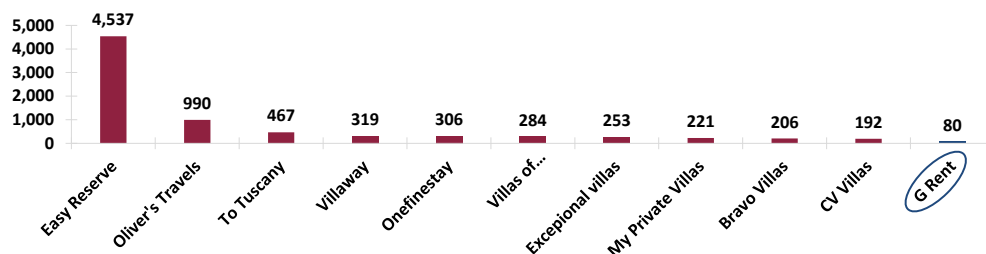
Company	Status	Sales 2022 (€m)	EBITDA 2022 (€m)	EBITDA % 2022	EBIT % 2022	EBITDA % Avg. 5Y	NET Debt (Cash) 2022
Emma Villas	Public	28.9	1.3	4.5%	2.3%	3.3%	-1.8
Wonderful Italy	Private	13.4	-0.7	-5.2%	-9.7%	-32.9%	-3.3
CleanBnB	Public	9.1	0.4	4.6%	0.1%	-31.1%	-2.9
Posarelli Villas	Private	8.5	0.0	0.3%	0.2%	0.3%	-0.6
Halldis	Private	7.6	-0.3	-4.1%	-8.5%	-17.0%	-2.1
Italianway	Private	6.6	0.4	5.5%	-10.5%	-3.9%	-1.3
Mean				0.9%		-13.6%	
Median				2.4%		-10.5%	
G Rent	Public	1.7	-0.7	-43.2%	-60.4%	na	-0.9

Source: EnVent Research on Creditsafe

International luxury property managers active in Italy

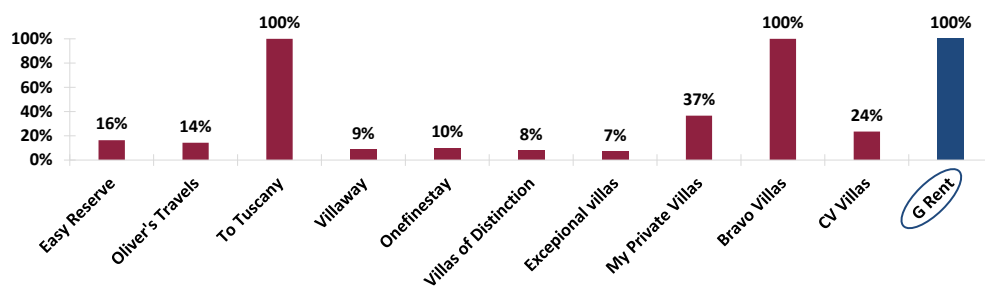
G Rent competes with international players in the vacation rental market, particularly for short-term rentals of luxury villas.

Number of luxury properties managed in Italy



Source: EnVent Research on companies' website

Number of luxury properties managed in Italy over total stock (%)



Source: EnVent Research on companies' website

Market forces

Competitive forces		Risk map
Force	Factors	
Competitive rivalry	<ul style="list-style-type: none"> • Competition mostly from international property managers 	<p>The risk map plots five forces on a grid where the vertical axis represents risk (from Lower risk at the bottom to Higher risk at the top) and the horizontal axis represents impact (from Lower impact on the left to Higher impact on the right). The forces are represented by circles of varying sizes and colors: Substitutes (small green circle, low risk/low impact), Suppliers (medium green circle, low risk/low impact), New entrants (medium yellow circle, low risk/high impact), Customers (large yellow circle, high risk/high impact), and Competitive rivalry (large dark red circle, high risk/high impact). The overall risk profile is labeled as MEDIUM.</p>
Customers	<ul style="list-style-type: none"> • Customers want to maximize their overall return 	
New entrants	<ul style="list-style-type: none"> • Low barriers to entry: service-based industry which does not require a lot of capital to start up 	
Substitutes	<ul style="list-style-type: none"> • No substitute threat 	
Suppliers	<ul style="list-style-type: none"> • Booking, housekeeping and laundry services easily available from multiple sources 	

Source: EnVent Research

Key takeaways

- Low number of national players in Luxury segment, competition come from outside Italy
- The overall short-term rental market is dominated by companies catering to the mass market with diversified portfolios
- Short-term rentals for luxury villas represent a specialized segment within the broader short-term rental industry

6. MARKET METRICS

Market value of comparable companies

Selection criteria of comparable listed companies

Selection criteria

Key selection factors:

- Property management business in short-term rental industry
- Worldwide geographical scope

We have created a panel of online hospitality and travel companies. The panel is composed of property managers, online travel agencies and vacation rental listing sites. While the significant differences in size, maturity, core business, and business model among the selected peers, we believe they share certain characteristics:

- Follow the same industry logic
- Online-driven business
- Transaction-based business models

International online travel agencies and vacation rental listing sites

Booking.com (USA) - FY23 Revenues €19.3bn

Leading provider of online travel and related services, which simplify online travel purchases between travel service providers and travelers, offering advertising services, restaurant reservations, and other services such as travel-related insurance.

Expedia (USA) - FY23 Revenues €11.6bn

Online travel company which provides a wide range of services, including booking of hotel rooms, airline seats, car rentals, and destination services. Group's brands include Expedia.com, Hotels.com, Vrbo, Orbitz, ebookers, CheapTickets, Hotwire, CarRentals .com, Travelocity, Trivago, Expedia Partner Solutions, and Wotif Group.

Airbnb (USA) - FY23 Revenues €9bn

Online alternative accommodation travel agency, which also offers booking services for boutique hotels and experiences. The app allows hosts to list their properties for lease, and enables guests to rent or lease on a short-term basis, which includes vacation rentals, apartment rentals, homestays, castles, tree houses and hotel rooms.

Trip.com (USA) - FY23 Revenues €5.7bn

Operates as a travel service provider for accommodation reservation, transportation ticketing, packaged tours and in-destination, corporate travel management. Company's brands include Ctrip, Skyscanner, and Qunar.

Vacasa (USA) - FY23 Revenues €1bn

Operates vacation rental management platform which enables guests to book properties on Vacasa.com and its Guest App.

eDreams (USA) - FY23 Revenues €588m

Online travel agency which offers regular flights, airlines, hotels, cruises, car rental, vacation packages, and travel insurances. It operates through various e-commerce travel brands including Travellink, Opodo, eDreams, Go Voyages, and Lilligo.

Sonder (USA) - FY23 Revenues €551m

Provides short and long-term accommodations to travelers.

Trivago (USA) - FY23 Revenues €485m

Operates as a hotel and accommodation search platform. It offers online search for hotels and accommodation through online travel agencies, hotel chains, and independent hotels.

Lastminute.com (UK) - FY23 Revenues €321m

Online travel and leisure company which offers access to travel services such as flights, hotels, cruises, car hire, and other related services.

HomeToGo (Luxembourg) - FY23 Revenues €161m

Online marketplace with a selection of vacation rentals. Its portfolio include accommodations from vacation homes, cabins, beach houses, apartments, condos, houseboats, castles, farm stays.

Italian property managers

Emma Villas - FY23 Revenues €33m

provides short-term rentals of prestigious villas, country houses and residences in Italy. It also offers property management services. Location: Tuscany, Umbria, Marche, Emilia-Romagna, Sardinia, Sicily, Lazio, Liguria, Veneto, Lombardy, Piedmont, Campania, Abruzzo and Calabria, with a portfolio of over 490 properties.

CleanBnB - FY23 Revenues €15m

property manager in the short/medium-term rental market. The Company takes care of payment tasks and provides full hospitality services, such as check-in/out, cleaning and laundry, assistance and maintenance. Location: Sicily, Sardinia, Puglia, Campania, Emilia-Romagna, Liguria, Piedmont, Venice, Garda and Como Lake, with a portfolio of over 2,000 managed proprieties.

Source: EnVent Research on publicly available information and S&P Capital IQ

Key data comparison: size, growth, scalability

Company	Revenue CAGR 2019-23	Revenues 2023 (€m)	EBITDA Margin % 2023	Avg. EBITDA Margin 2019-23	Net Debt (Cash) 2023 (€m)	Market Cap at 23/04/24 (€m)
International online travel agencies and vacation rental listing sites						
Booking.com	9.5%	19,329	30%	28%	1,818	112,862
Expedia	2%	11,615	13%	4%	1,625	17,198
Airbnb	20%	8,972	16%	-12%	(7,027)	95,569
Trip.com	6%	5,679	27%	9%	(2,079)	30,315
Vacasa	40%	1,011	1%	-8%	(56)	86
eDreams	2%	588	-2%	-9%	352	770
Sonder	44%	551	-29%	-99%	(74)	41
trivago	-13%	485	8%	3%	(86)	169
Lastminute.com	-2%	321	10%	-11%	(26)	228
HomeToGo	23%	161	-12%	-47%	(117)	232
Mean	13%		6%	-14%		
Mean w/out extremes	12%		8%	-9%		
Median	8%		9%	-9%		
Italian property managers						
Emma Villas	21%	33	15%	6%	(6)	19
CleanBnB	46%	15	6%	-26%	(3)	11
Mean	34%		11%	-10%		
Mean w/out extremes	na		na	na		
Median	34%		11%	-10%		
Full sample						
Mean	17%		7%	-14%		
Median	15%		9%	-9%		
G Rent	207%	1.9	neg	neg	(0.4)	3.9

Source: S&P Capital IQ, 23/04/2024

Market multiples

Company	EV/REVENUES				EV/EBITDA				EV/EBIT				P/E			
	2023	2024E	2025E	2026E	2023	2024E	2025E	2026E	2023	2024E	2025E	2026E	2023	2024E	2025E	2026E
International online travel agencies and vacation rental listing sites																
Booking.com	5.9x	5.3x	4.9x	4.4x	19.7x	15.5x	13.8x	12.4x	19.3x	16.7x	14.9x	13.3x	29.1x	20.1x	17.9x	15.9x
Expedia	1.9x	1.5x	1.4x	1.3x	13.5x	7.1x	6.3x	5.9x	19.4x	12.6x	10.5x	9.7x	23.9x	10.9x	9.4x	8.8x
Airbnb	8.0x	8.5x	7.6x	6.8x	63.2x	23.5x	20.4x	17.5x	41.5x	34.9x	29.4x	24.1x	22.0x	35.4x	30.5x	26.4x
Trip.com	3.3x	4.2x	3.6x	3.2x	18.2x	14.2x	12.1x	10.5x	21.2x	17.3x	14.7x	12.6x	24.0x	17.7x	15.3x	12.9x
Vacasa	0.1x	0.1x	0.1x	0.1x	13.7x	8.7x	3.5x	1.7x	neg	neg	neg	neg	neg	neg	neg	neg
trivago	2.2x	1.7x	1.4x	1.3x	neg	14.3x	7.6x	5.8x	219.7x	27.5x	11.2x	7.8x	neg	87.1x	12.4x	8.2x
Sonder	-0.1x	2.2x	1.9x	n.a.	neg	neg	neg	n.a.	neg	neg	neg	n.a.	neg	neg	neg	na
eDreams	0.1x	0.2x	0.2x	0.1x	2.0x	36.1x	4.0x	2.4x	neg	neg	6.4x	3.8x	neg	neg	15.5x	5.4x
Lastminute.com	0.8x	0.6x	0.5x	0.5x	6.4x	3.8x	3.2x	2.8x	24.8x	10.2x	6.5x	5.3x	32.8x	19.2x	11.7x	9.4x
HomeToGo	1.2x	0.5x	0.5x	0.4x	neg	9.6x	5.6x	3.7x	neg	neg	neg	neg	neg	neg	neg	neg
Mean	2.3x	2.5x	2.2x	2.0x	19.5x	14.8x	8.5x	7.0x	57.7x	19.9x	13.4x	10.9x	26.3x	31.7x	16.1x	12.4x
Mean w/out extremes	1.9x	2.0x	1.8x	1.6x	14.3x	13.3x	7.5x	6.2x	26.7x	18.5x	11.5x	9.7x	25.6x	23.1x	14.6x	11.0x
Median	1.6x	1.6x	1.4x	1.3x	13.7x	14.2x	6.3x	5.8x	23.0x	17.0x	11.2x	9.7x	24.0x	19.7x	15.3x	9.4x
Italian property managers																
Emma Villas	0.5x	0.5x	0.4x	0.4x	3.9x	3.4x	2.7x	2.3x	4.5x	4.0x	3.1x	2.6x	20.6x	6.1x	4.6x	3.8x
CleanBnB	0.5x	0.5x	0.4x	n.a.	8.2x	5.1x	3.7x	n.a.	14.8x	7.6x	4.9x	n.a.	11.3x	17.6x	10.6x	na
Mean	0.5x	0.5x	0.4x	0.4x	6.1x	4.3x	3.2x	2.3x	9.7x	5.8x	4.0x	2.6x	16.0x	11.9x	7.6x	3.8x
Median	0.5x	0.5x	0.4x	0.4x	6.1x	4.3x	3.2x	2.3x	9.7x	5.8x	4.0x	2.6x	16.0x	11.9x	7.6x	3.8x
Full sample																
Mean	2.0x	2.1x	1.9x	1.9x	16.5x	12.9x	7.5x	6.5x	45.7x	16.3x	11.3x	9.9x	23.4x	26.8x	14.2x	11.4x
Median	1.0x	1.0x	1.0x	0.9x	13.5x	9.6x	5.6x	4.7x	20.3x	14.6x	10.5x	8.7x	23.9x	18.4x	12.4x	9.1x
G Rent	1.8x	2.7x	1.3x	0.8x	neg	neg	28.0x	6.9x	neg	neg	neg	13.5x	neg	neg	neg	22.1x

Source: S&P Capital IQ, 23/04/2024

7. FINANCIAL ANALYSIS AND PROJECTIONS

Historical overview

Established in 2019

G Rent was established in March 2019, with Luxury houses and Interior Design BUs. Corporate houses BU became active only during 2022. Over the last five years total revenues jumped from €0.01m in 2019 to €1.1m in 2023, growing at CAGR of 207%. The substantial growth comes mainly from increasing number of properties under management and interior design works.

G Rent is an early-stage company, as such the launch of its business units led to substantial costs penalizing profitability in the first years.

FY 2023 results

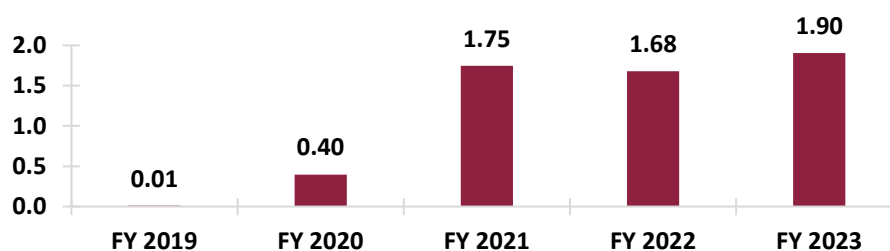
- Revenues of €1.9m, +14% YoY
- EBITDA was €(0.9)m, from €(0.7)m in 2022, due to growth of operating costs, with a slight increase in personnel and services costs.
- Net loss of €(1.1)m, from €(1.0)m in 2022 which included an extraordinary positive item of €0.3m related to tax credit.

Segment sales

- Luxury houses: €0.2m, -23% YoY
- Corporate houses: €0.4m, +110% YoY
- Interior Design: €0.2m, -83% YoY

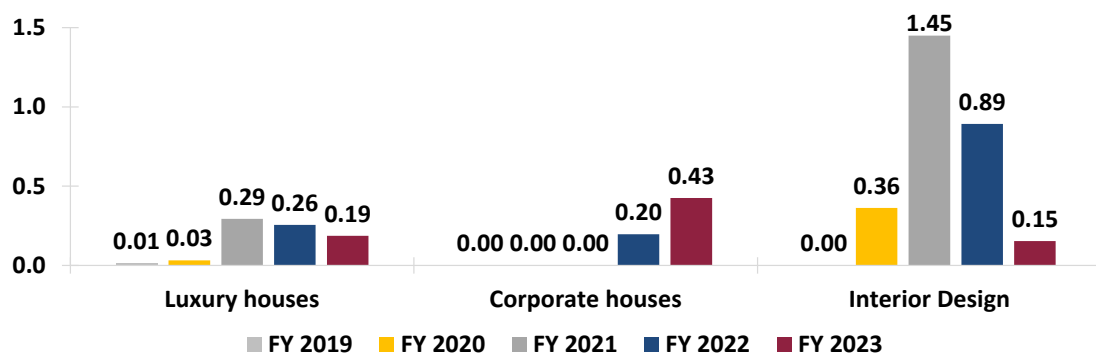
In 2023, sharing fee for luxury houses has been 67% compared to 73% in 2022.

Total Revenues - FY 2019-23 (€m)



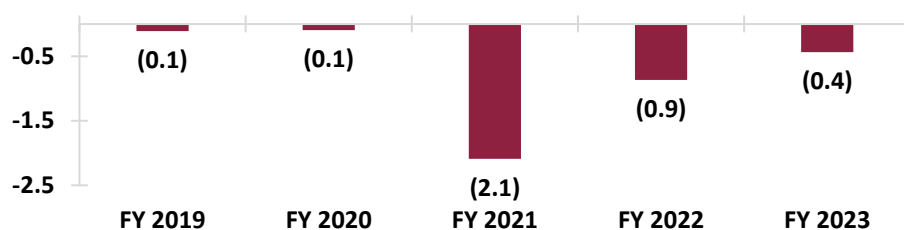
Source: Company data

Sales breakdown by Business Unit - FY 2019-23 (%)



Source: Company data

Net Debt (Cash) - FY 2019-23 (€m)



Source: Company data

Management indications

Financial performance and outlook:

- The Management has identified a potential liquidity challenge in 2024, primarily stemming from operational that is not yet able to fully cover fixed cost. However, shareholder Esperia Investor Srl has committed to providing necessary funding to address any cash flow shortfalls during this period.
- The Company is actively implementing strategies to optimize its cost structure and drive revenue growth. This strategic approach should position them for financial sustainability by 2025.

Business segments:

- **Luxury houses:** the value of the managed portfolio is experiencing steady growth, a trend expected to continue in 2024. This positive trajectory is expected to be further bolstered by synergies with the Gabetti Group.
- **Corporate houses:** launched in 2022, this segment is projected for continued expansion in 2024.
- **Interior design:** this established business line remains active with ongoing project development. These projects are anticipated to yield positive results as early as 2024.

Our estimates

Our 2024-2026E projections are built on a conservative basis, considering the Company's historical trend alongside the broader market potential.

Italy's tourism rebound presents a significant opportunity. Bank of Italy data confirms a robust 17% YoY increase in international arrivals for 2023, surpassing pre-pandemic levels. This influx of foreign visitors, G Rent's core customer base, highlights a promising market landscape.

**A cautious approach
in a market with
growth potential**

Moreover, according to MarketsandMarkets research, demand for property management services is set to grow further as the number of residential properties increases, just as commercial segment is set to expand through the administration and management of non-residential properties.

Despite the positive momentum in the target market, ongoing structure rationalization appears to have limited G Rent's ability to capitalize on this growth. An increasing focus on less volatile business line (e.g., corporate houses) and an optimization of cost structure should enable G Rent to tap the market potential. Meanwhile, we look at G Rent as a company in an early stage of development.

Looking ahead, we believe the evolving relocation and property management markets offer promising ground for growth. Upon completion of its strategic restructuring, G Rent should be well-positioned to exploit emerging opportunities within these dynamic sectors, although at this stage we must give due consideration to the period of transition the Company is facing.

Assumptions 2024-2026E

Revenues	Revenues (net of sharing fee of 65%): CAGR 75% - Luxury houses (net of sharing fee): CAGR 107% - Corporate houses: CAGR 49% - Interior Design: CAGR 87%
Operating costs	On total revenues and on average: - Services: ca. 55% - Personnel: below 4% - Other operating costs: below 45%
Income taxes	- Corporate tax (IRES): 24% - Regional tax (IRAP): 3.9%
Working capital	- DSO 80 - DPO 90
Capex	- below 6% of total revenues

Financial projections

Profit and Loss

€m	2022	2023	2024E	2025E	2026E
Revenues	1.3	0.8	1.1	2.3	4.1
Other income	0.3	1.1	0.2	0.2	0.1
Total Revenues	1.7	1.9	1.3	2.5	4.1
YoY %	-4.0%	13.6%	-33.9%	102.0%	63.1%
Services	(1.9)	(1.1)	(1.0)	(1.3)	(1.9)
Personnel	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Other operating costs	(0.4)	(1.6)	(0.7)	(1.0)	(1.6)
Operating costs	(2.4)	(2.8)	(1.7)	(2.4)	(3.7)
EBITDA	(0.7)	(0.9)	(0.5)	0.1	0.5
Margin	neg	neg	neg	4.8%	11.9%
D&A	(0.3)	(0.2)	(0.2)	(0.2)	(0.2)
EBIT	(1.0)	(1.1)	(0.7)	(0.1)	0.3
Margin	neg	neg	-53.6%	-3.5%	6.1%
Interest	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
EBT	(1.0)	(1.1)	(0.7)	(0.1)	0.2
Margin	neg	neg	-53.9%	-3.8%	5.9%
Income taxes	0.0	0.0	0.2	0.0	(0.1)
Net Income (Loss)	(1.0)	(1.1)	(0.5)	(0.1)	0.2
Margin	neg	neg	-38.8%	-2.7%	4.2%

Source: Company data 2022A-23A, EnVent Research 2024E-26E

Revenues breakdown

€m	2024E	2025E	2026E
Luxury houses (before sharing fee)	1.0	2.4	4.7
Corporate houses	0.5	0.9	1.4
Interior Design	0.3	0.6	1.0
Revenues (before sharing fee)	1.7	3.9	7.1
Sharing fee	(0.7)	(1.6)	(3.1)
Other income	0.2	0.2	0.1
Total revenues	1.3	2.5	4.1

Source: EnVent Research 2024E-26E

Balance Sheet

€m	2022	2023	2024E	2025E	2026E
Receivables	1.7	0.5	0.3	0.7	1.2
Payables and advances from customers	(1.4)	(0.9)	(0.6)	(0.8)	(1.2)
Trade Working Capital	0.3	(0.4)	(0.2)	(0.1)	0.0
Other assets (liabilities)	(0.3)	(0.1)	(0.1)	(0.1)	(0.2)
Net Working Capital	0.0	(0.5)	(0.3)	(0.2)	(0.2)
Intangible assets	0.6	0.4	0.3	0.3	0.3
Non-current assets	0.8	0.6	0.5	0.5	0.5
Provisions	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Net Invested Capital	0.8	0.1	0.2	0.3	0.3
Net Debt (Cash)	(0.9)	(0.4)	0.2	0.3	0.1
Equity	1.7	0.6	0.1	0.0	0.2
Sources	0.8	0.1	0.2	0.3	0.3

Source: Company data 2022A-23A, EnVent Research 2024E-26E

Cash Flow

€m	2022	2023	2024E	2025E	2026E
EBIT	(1.0)	(1.1)	(0.7)	(0.1)	0.3
Current taxes	0.0	0.0	0.2	0.0	(0.1)
D&A	0.3	0.2	0.2	0.2	0.2
Provisions	0.0	0.0	0.0	0.0	0.0
Cash flow from P&L operations	(0.7)	(0.9)	(0.3)	0.2	0.4
Working Capital	0.3	0.7	(0.2)	(0.2)	(0.1)
Capex	(0.2)	(0.1)	(0.1)	(0.2)	(0.2)
Other assets and liabilities	(0.4)	(0.2)	(0.0)	0.1	0.1
Operating cash flow after WC and capex	(1.0)	(0.4)	(0.6)	(0.1)	0.2
Interest	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Capex - IPO cost	0.0	0.0	0.0	0.0	0.0
IPO proceeds	0.0	0.0	0.0	0.0	0.0
Paid-in capital	0.0	0.0	0.0	0.0	0.0
Net cash flow	(1.2)	(0.4)	(0.6)	(0.1)	0.2
Net (Debt) Cash - Beginning	2.1	0.9	0.4	(0.2)	(0.3)
Net (Debt) Cash - End	0.9	0.4	(0.2)	(0.3)	(0.1)
Change in Net (Debt) Cash	(1.2)	(0.4)	(0.6)	(0.1)	0.2

Source: Company data 2022A-23A, EnVent Research 2024E-26E

Ratio analysis

KPIs	2022	2023	2024E	2025E	2026E
ROE	neg	neg	neg	neg	700%
ROS (EBIT/Revenues)	neg	neg	neg	neg	6%
ROIC (NOPAT/Invested Capital)	neg	neg	neg	neg	64%
DSO	374	190	90	90	90
DPO	174	98	100	100	100
TWC/Revenues	24%	-53%	-22%	-3%	1%
NWC/Revenues	2%	neg	neg	neg	neg
Net Debt / EBITDA	cash	cash	-0.3x	2.1x	0.2x
Net Debt / Equity	cash	cash	1.9x	19.0x	0.6x
Net Debt / (Net Debt+Equity)	cash	cash	0.7x	0.9x	0.4x
Cash flow from operations / EBITDA	100%	100%	59%	127%	88%
FCF / EBITDA	139%	47%	122%	-73%	33%

Source: Company data 2022A-23A, EnVent Research 2024E-26E

8. VALUATION

Key value drivers

- **Thriving market**, demand for luxury and corporate short-term rentals is surging, growing need of asset management services
- **Experiences above all**, modern luxury travelers seek personal growth, cultural immersion, and connection with the environment and local communities
- **Resilient costumers**, luxury travelers are less susceptible to economic downturns
- **Unmatched expertise**, Santandrea Top Rent, a Gabetti Group brand, is a national leader in luxury real estate
- **Scalable model**, G Rent's business model allows for cost-effective expansion in prime luxury tourist destinations

Valuation methodologies

We perform our valuation process through a two-stage DCF model with forecasted period from 2024-2026.

Considering G Rent's early-stage development, valuation methods based on peer multiples of operating profitability are not fully applicable. Furthermore, given the material discrepancies between G Rent and potential comparables, a top-line multiple alone is unlikely to provide a robust valuation.

Discounted Cash Flows

Main metrics and assumptions:

- Risk free rate: 3.2% (Italian 10-year government bonds interest rate - last 30 days average. Source: Bloomberg, April 2024)
- Market return: 11.9% (last 30 days average. Source: Bloomberg, April 2024)
- Market risk premium: 8.6%
- Beta: 1.2
- Cost of equity: 13.6%
- Cost of debt: 6.5%
- Tax rate: 24% IRES
- 20% debt/(debt + equity) as target capital structure
- WACC calculated at 11.9%, according to above data
- Perpetual growth rate after explicit projections (G): 3.5%
- Terminal Value assumes a 15.0% EBITDA margin

DCF model

€m	2023	2024E	2025E	2026E	Perpetuity
Revenues	1.9	1.3	2.5	4.1	4.3
EBITDA	(0.9)	(0.5)	0.1	0.5	0.6
<i>Margin</i>	<i>neg</i>	<i>neg</i>	5%	12%	15%
EBIT	(1.1)	(0.7)	(0.1)	0.3	0.4
<i>Margin</i>	<i>neg</i>	<i>neg</i>	<i>neg</i>	6%	9%
Taxes	0.0	0.2	0.0	(0.1)	(0.1)
NOPAT	(1.1)	(0.5)	(0.1)	0.2	0.3
D&A	0.2	0.2	0.2	0.2	0.2
Provisions	0.0	0.0	0.0	0.0	0.0
Cash flow from P&L operations	(0.9)	(0.3)	0.2	0.4	0.5
Trade Working Capital	0.7	(0.2)	(0.2)	(0.1)	0.2
Capex	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)
Other assets and liabilities	(0.2)	(0.0)	0.1	0.1	0.0
Yearly Unlevered Free Cash Flows	(0.4)	(0.6)	(0.1)	0.2	0.5
Free Cash Flows to be discounted		(0.6)	(0.1)	0.2	0.5
WACC	11.9%				
Long-term growth (G)	3.5%				
Discounted Cash Flows		(0.5)	(0.1)	0.1	
Sum of Discounted Cash Flows	(0.5)				
Terminal Value					5.5
Discounted TV	3.9				
Enterprise Value	3.5				
Net cash as of 31/12/23	0.4				
Equity Value	3.9				
Equity Value per share (€)	0.65				
DCF - Implied multiples	2023	2024E	2025E	2026E	
EV/Revenues	1.8x	2.7x	1.4x	0.8x	
EV/EBITDA	neg	neg	28.2x	7.0x	
EV/EBIT	neg	neg	neg	13.6x	
P/E	nm	neg	neg	22.2x	
Discount of current market price vs DCF	-2%				
Current Price - Implied multiples	2023	2024E	2025E	2026E	
EV/Revenues	1.8x	2.7x	1.3x	0.8x	
EV/EBITDA	neg	neg	28.0x	6.9x	
EV/EBIT	neg	neg	neg	13.5x	
P/E	neg	neg	neg	22.1x	

Source: Company data 2023, EnVent Research 2024-26E

Valuation summary and Target Price

G Rent's value expectation can vary significantly, depending on the perceived effectiveness of the service, the timing of achieving a significant local market share and the spread of active locations, as well as the pace of implementation of its restructuring strategy.

We believe that a possible more pronounced focus on the Corporate houses line of business, given the multi-year duration of contracts and the upward trend in relative demand, while appropriately leveraging synergies with the Interior Design BU, could improve G Rent's visibility in the coming years to effectively mitigate the volatility specific to the Luxury Houses BU.

Based on our analysis, we initiate coverage of G Rent with a target price of €0.65 per share. This target price is in line with the current share price, thus justifying our NEUTRAL rating.

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

G Rent Price per Share	€
Target Price	0.65
Current Share Price (23/04/2024)	0.64
Premium (Discount)	2%

Source: EnVent Research

DISCLAIMER (for more details go to www.enventgroup.eu under “Legal notices - Disclaimer”)

This publication has been prepared by Luigi Tardella, Head of Research Division, Silvestro Bonora and Ivan Tromba, Equity Analysts, on behalf of the Research & Analysis Division of EnVent Italia SIM S.p.A. (“EnVent”). EnVent Italia SIM is authorized and regulated in Italy by Consob (Register of Investment Firms Reg. No. 315).

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.

EnVent 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, EnVent 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 EnVent 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.

EnVent 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.

EnVent 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. EnVent 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 EnVent has played a role (as Euronext Growth Advisor, for example) or to the specific recommendation or view in this publication. EnVent has adopted internal procedures and an internal code of conduct aimed to ensure the independence of its financial analysts. EnVent research analysts and other staff involved in issuing and disseminating research reports operate independently of EnVent Group business. EnVent, 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, EnVent adopts organizational and procedural measures for the prevention and management of conflicts of interest (for details www.enventgroup.eu under “Legal notices - Disclaimer”, “Procedures for prevention of conflicts of interest”).

MIFID II DISCLOSURES

G Rent S.p.A. (the “Issuer or the “Company”) is a corporate client of EnVent. 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.

CONFLICTS OF INTEREST

In order to disclose its possible conflicts of interest, EnVent states that it acts or has acted in the past 12 months as Euronext Growth Advisor to the subject Company on the Euronext Growth Milan market, a Multilateral Trading Facility regulated by Borsa Italiana (for details www.enventgroup.eu under “Legal notices - Disclaimer”, “Potential conflicts of interest”).

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 EnVent.

VALUATION METHODOLOGIES

EnVent 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: 23/04/2024 h. 6.20pm

Date and time of Distribution: 24/04/2024 h. 7.20pm

DETAILS ON STOCK RECOMMENDATION AND TARGET PRICE

Date	Recommendation	Target Price (€)	Share Price (€)
24/04/2024	NEUTRAL	0.65	0.64

ENVENT RECOMMENDATION DISTRIBUTION (April 24th, 2024)

Number of companies covered:	27	OUTPERFORM	NEUTRAL	UNDERPERFORM	SUSPENDED	UNDER REVIEW	NOT RATED
Total Equity Research Coverage %		89%	11%	0%	0%	0%	0%
of which EnVent clients % *		78%	33%	na	na	na	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.enventgroup.eu under “Legal notices - Disclaimer”.

Additional information available upon request.

© Copyright 2024 by EnVent Italia SIM S.p.A. - All rights reserved