VSF

RIVIAN

Rating: 1 | 2 | **3** | 4 | 5

We expect Rivian to deliver durable long-term growth supported by expanding EV adoption, improving manufacturing scale, and its strategic partnership with Amazon. This provides commercial demand visibility and strengthens its position in the electric delivery vehicle market.

52 Week Price Range	Market Capitalization	Price as of 11/11/25	Annual Dividend Rate	Industry
$9.85 - $18.13	**$18.52 Billion**	**$18.02**	**$0.00**	**EV Manufacturing**

Recommendation Summary: BUY

VSF Target Price: ***$23.90***

(32% Upside)

Electric car sales have **exceeded 17 million worldwide**. In 2024, EV sales grew more than 25% and by Q1 of 2025, EV sales expanded significantly by 35% compared to Q1 2024. According to the International Energy Agency, **by 2035 EV sales in the United States may contribute to one quarter of passenger car sales** as this increase in popularity continues. While EV cars require less maintenance and cost less to fuel, there is also a great appeal to them as they don't produce any tailpipe emissions and thus are a good alternative to gasoline cars which aren't as environmentally sustainable.

Rivian is an **electric vehicle manufacturer focused on the electric pickup and SUV segment**, with a strong brand in the premium **off-road and adventure market.** The company has recently demonstrated improving operational discipline through cost reductions and software-driven efficiency gains, helping to narrow losses and move toward margin improvement. With approximately $7.7 billion in liquidity and the upcoming launch of its more affordable R2 platform, the company is positioned to expand its addressable market and support long-term growth.

For peer benchmarking, we analyzed **Rivian (RIVN)** against leading electric vehicle and EV-focused peers, including **Lucid Group (LCID)**, **Tesla (TSLA), NIO (NIO),** and **Li Auto (LI).** This peer set provides a comprehensive view across the global EV manufacturing landscape, highlighting Rivian's relative valuation and competitive positioning within the rapidly evolving electric vehicle ecosystem.

We excluded P/E and EV/EBITDA because most EV manufacturers are currently unprofitable, which makes earnings-based multiples unreliable and often meaningless when EBITDA or net income are negative. Instead, we use EV/Revenue because it provides a more consistent way to compare companies based on scale and growth potential, and this approach is standard practice in capital-intensive, high-growth industries such as EVs, biotech, high-growth SaaS, and clean energy startups.

Ticker	Company	Share Price ($)	Shares Outstanding	Equity Value	EV/Revenue
RIVN	Rivian Automotive Ir	$ 14.66	1,131,000	16,580,460	2.5x
LCID	Lucid Group Inc.	$ 11.72	303,221	3,553,750	3.8x
TSLA	Tesla Inc.	$ 395.23	3,216,000	1,271,059,680	13.3x
NIO	NIO Inc.	$ 5.40	2,094,978	11,312,881	0.2x
LI	Li Auto Inc.	$ 17.65	2,122,020	37,453,653	-0.1x

Rivian's Top Customers:

Amazon – The online shopping website is one of Rivian's largest customers. Many of their delivery vans come from Rivian. In 2019, Amazon was the top purchaser, ordering 100,000 vans.

HelloFresh/Factor – As a meal-kit company based in Germany, HelloFresh was the next major customer. Nearly a quarter of their delivery fleet is constructed by Rivian's electric vans.

AT&T – As the American Telephone and Telegraph company grew, they signed an agreement with Rivian to purchase some commercial vans for their fleet. This deal also connected AT&T as the exclusive connectivity provider for Rivian EVs.

Canada Post – Rivian is supplying more electric vehicles to Morgan Olson who are constructing electric delivery vans for the Canada Post[al service]. They provide service to more than 16 million addresses and delivered nearly 8.4 billion items in 2022.

HELLO FRESH

AT&T

CANADA POSTES POST CANADA

Fiscal Year End	2022	2023	2024	TTM
Revenue ($B)	1.658	4.434	4.970	5.835
Net Income ($B)	-6.752	-5.432	-4.746	-3.578
Free Cash Flow ($B)	-6.421	-5.892	-2.857	-0.489
Cash Balance ($B)	12.099	7.857	5.294	4.439

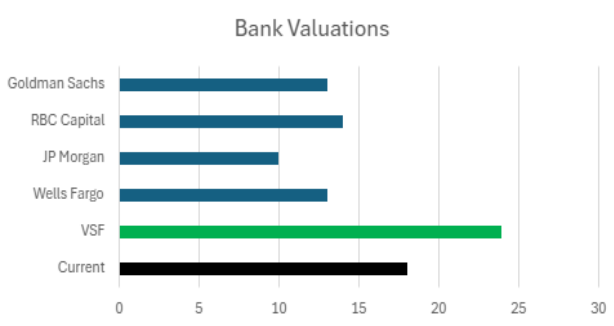
Fiscal Year End	2022	2023	2024	TTM
EPS Growth (%)	-7.40	-5.74	-4.69	-3.10
Gross Margin (%)	-188.35	-45.78	-24.14	3.32
Operating Margin (%)	-413.51	-129.43	-94.34	-58.49
FCF Margin	-387.27	-132.88	-48.96	-8.38

Category	Risks	Mitigants
Reduced Tax Credits	A large attractor to the EV market comes from the tax bonuses that they received for maintaining clean energy. With the Trump administration cutting back on clean energy tax credits, it will negatively affect the demand for EVs.	Having fewer benefits for clean energy will reduce consumer spending on EVs, however, the developed brands (such as Rivian) will be affected less due to their reputaion within the sector. Many of the non-traditional EV companies will see a much more drastic affect.
Competitive Market	The electric vehicle industry is at risk from hybrid cars and other cars that are getting large miles per gallon. It is much more convenient for the consumer to have a quick gas stop rather than sitting there and charging for 30 mins to an hour. As the EVs start to increase range they can make a competitive comeback, but convenience is a large factor when consumers are in the car marker.	The consumer report on Rivian is quite high as they have established themselves in the industry. Amazon is a top buyer pledging to by 100,000 vehicles by the year 2030. If Amazon is pledging to purchase their EVs, many other companies could follow shortly after because of their well-known reliability.
Cost and Product	Rivian is currently burning through cash, and the quickest way to sustainable profit is mass production. Their current profit margins are quite low, and the work to fix their cost-to-price ratio is something they have been actively working on. Their new plant in Georgia is looking to cut costs massively and to allow for quicker production.	While they spend a lot, they also have some unique products that are ahead in the industry. Specifically, their off-road car is a rare sight for an electric vehicle, with only a couple of other competitors. These other competitors are much less established, allowing Rivian to become the largest and most well-known car company catering to this.

Comparables Analysis is POSITIVE

We derived our target price by applying the peer group's EV/Revenue multiples to Rivian's projected revenue, reflecting the most appropriate valuation approach given the industry's current lack of profitability. Using this method, we arrive at an implied target price of **$23.90 per share.**

Comps Summary	
Price Targets	**EV/Revenue**
Maximum	$70.17
75th Percentile	$33.64
Average	$23.90
Median	$12.07
25th Percentile	$2.33
Minimum	$1.30

Relative valuation is POSITIVE

This chart compares **Rivian's** current share price with recent target valuations from major banks. **RBC Capital** is the most constructive at **$14**, reflecting cautious optimism around production progress and long-term EV adoption. **Wells Fargo** and **Goldman Sachs** both maintain more conservative targets of **$13**, citing ongoing concerns around cash burn and margin pressure. **JP Morgan** holds the lowest target at **$10**, reflecting skepticism around near-term profitability and competitive intensity in the EV market. The **VSF target price of $24** reflects our conviction in Rivian's differentiated product positioning, Amazon partnership, and long-term scaling potential, implying meaningful upside from the current price of $18.