The present research was prepared within NES IRC 2025
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делимобиль

Table 1: Recommendation and key data

Recommendation	**Sell**
Ticker	DELI
Exchange	MOEX
Share price (RUB)	205
Target share price (RUB)	166
Downside	-19%
52w low (RUB)	151,1
52w high (RUB)	363,4
Market Cap (RUB)	36,1 bn
EV (RUB)	65,8 bn
P/E	4550,1
EV/EBITDA	11,4
Credit Rating (ACRA)	A
Net Debt/EBITDA	5,1

Table 2: Financial performance

RUB bn	2022	2023	2024
Revenue	**15,7**	**20,9**	**27,9**
growth	*26%*	*33%*	*34%*
EBITDA	**5,1**	**6,4**	**5,8**
growth	*83%*	*26%*	*-10%*
margin	*32%*	*31%*	*21%*
EBIT	**3,0**	**5,2**	**4,0**
growth	*113%*	*75%*	*-24%*
margin	*19%*	*25%*	*14%*
Net Profit	**0,8**	**1,9**	**0,0**
growth	*-*	*139%*	*-100%*
margin	*5%*	*9%*	*0%*

Figure 2: Key rate projections (%)

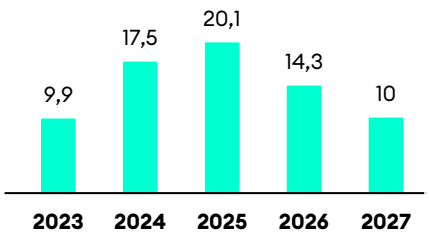
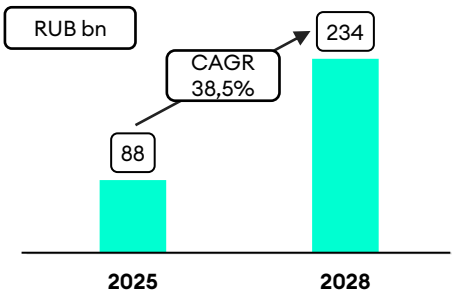


Figure 3: Carsharing market volume



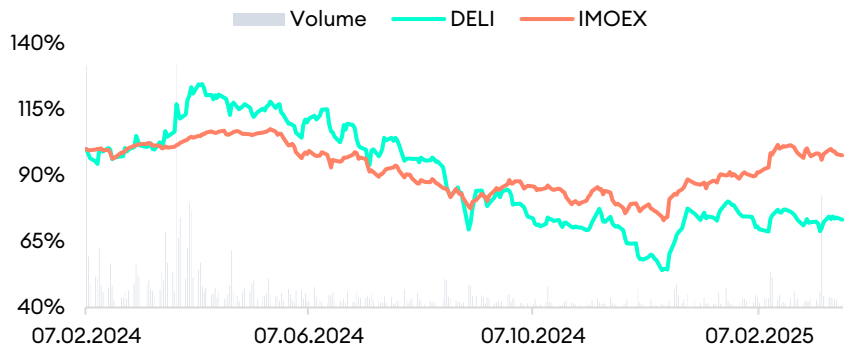
Executive summary

About the company

Delimobil is a leading carsharing company in Russia, founded in 2015, offering a convenient and affordable short-term rental service. Its fleet consists of over 31,700 vehicles, including economy, comfort, premium, and cargo classes. The company operates in 13 cities.

At the end of January 2024, the company went public at a price of RUB 265 per share with a free-float of 9%. Since then, the stock has shown the following dynamics:

Figure 1: Stock performance



External factors

The carsharing market is expected to grow, according to B1's forecast, with a CAGR of 38.5% between 2025 and 2028 (Figure 3). However, high inflation and elevated key interest rates (Figure 2) are putting significant pressure on the economy, making credit less accessible and making prices more heavy.

Company position

The company's revenue continues to grow at a rapid pace; however, profitability across various metrics is declining as a consequence of inflationary pressures on its operations. The current debt burden limits the company's ability to access resources for more aggressive expansion. This is especially true when considering the key rate (see Figure 2).

Investment rationale

Due to the rapid growth of the carsharing market, the company's revenue has continued to increase. However, significant debt obligations and high interest rates have impeded the company's ability to raise capital for investing in its asset-heavy business, while inflation has significantly impacted its profitability.

Sources: Delimobil annual and quarterly reports, MOEX data as of 25.03.2025, CBR, B1 report

Figure 4: Russia GDP forecast

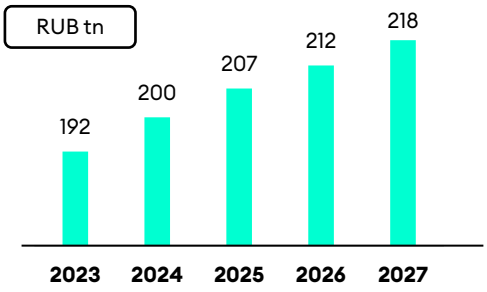


Figure 5: CPI and Nominal wages growth

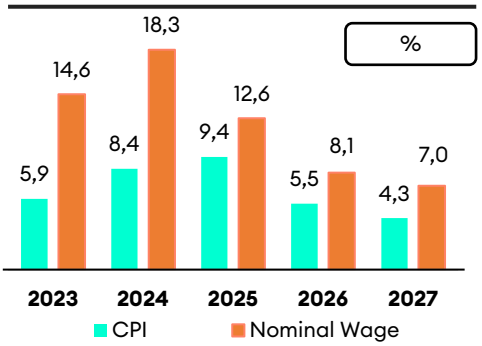


Figure 6: Population of age 18-70

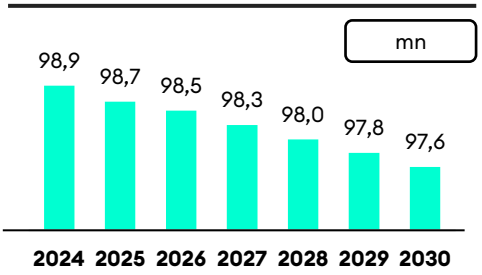


Figure 8: Projected key rate

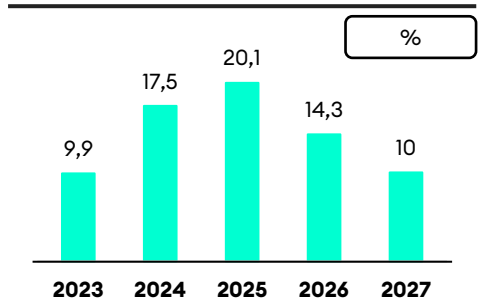
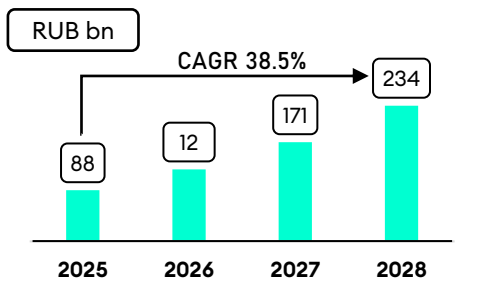


Figure 9: Carsharing market volume



Macroeconomics overview

GDP outlook

We consider the forecast of Russia's GDP as a basic macroeconomic indicator based on the reports of the Ministry of Economic Development. We obtained a CAGR from 2023 to 2027 equal to 2.57% (Figure 4).

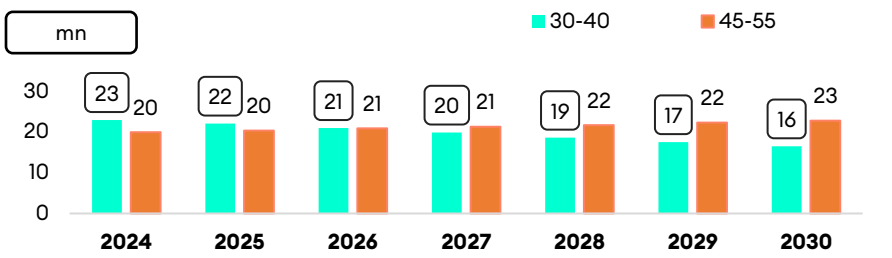
CPI and Nominal wages growth

We also looked at the growth rates of nominal wages and inflation as indicators of the rate of price growth in the country and changes in real income of the population.
The growth of nominal wages is higher than inflation, which indicates an increase in the consumer capacity of the population. At the same time, these indicators have a downward trend (Figure 5).

Demographic analysis

We conducted a demographic analysis of the country as a whole, as well as an analysis of people of an age that falls under our target audience category. We came to the conclusion that in general all our target audience is falling with CAGR= -1% (Figure 6), the most decreasing group of 30-40 years old, and the category of 40-50 is the fastest growing (Figure 7). We would also like to note that the number of 18-year-olds in the country is growing the most, their CAGR is 20%.

Figure 7: Extra groups population



Key rate

The key rate is expected to fall to 10% by 2027, which will ease the credit burden on companies, according to the Central Bank's forecasts

Industry overview

High stable market growth

In the context of stagnating demand for personal car ownership caused by an increase in the cost of both direct purchase and car maintenance, the car rental (carsharing) market is showing stable growth rates, and the expected average annual growth is more than 38.5%, thereby overtaking the projected economic growth by more than 12 times

Sources: The Ministry of Economic Development, CBR, B1

Figure 10: Carsharing potential users

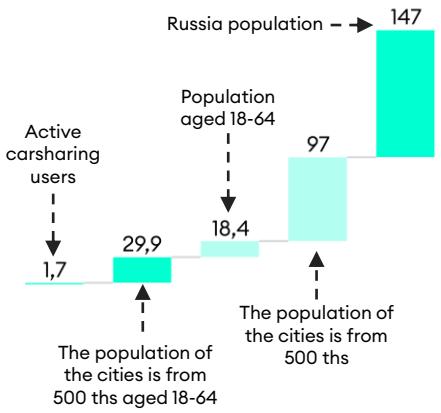
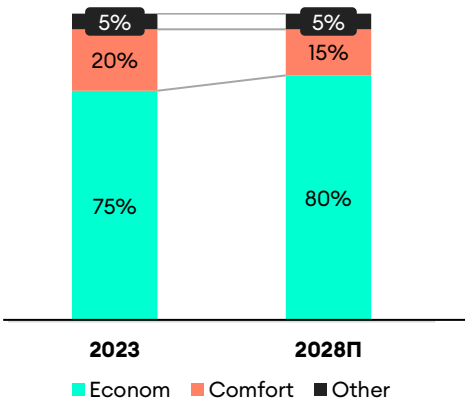


Figure 11: Carsharing fleet breakdown



Growth factors: new regions and penetration

There are 36 cities in Russia with a population of 500,000+ people, which definitely indicates the potential for carsharing to spread to the masses throughout Russia. And given that the trend is just beginning to gain momentum, the penetration in cities that are already covered by the service is just beginning to increase. These two factors are driving the market upward, increasing both the breadth of coverage of the regions and the coverage density of the target segment within them.

Economy class will be still popular

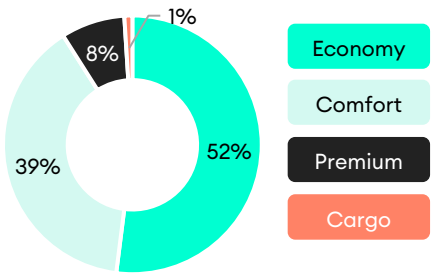
The product mix line won't change a lot. Economy low cost car models would be a little more favorable than now.
It would be driven by the main concept of carsharing – cheaper than own car. So, that's why market offer mostly economy class cars.
The trend about expensive luxury cars is ending
Customers prefer efficiency instead prestigious

Delimobil is absolutely leader in industry

Delimobil occupies on average about half of the market both in terms of the number of trips and the physical volume of the fleet. There is a steady trend in the market to displace smaller players, with more than 90% of the fleet and trips accounted for by the 4 largest services.
With all this, even in specific performance indicators, for example, the number of trips per car, the Delimobile manages to consolidate its leadership with a small gain.

Figure 12: Carsharing market key players

Figure 13: Delimobil fleet structure



Company overview

Fleet outlook

The car fleet is growing very fast, the company has almost doubled its fleet since 2020, with a CAGR of 22.3%. The fleet consists mainly of Economy class vehicles, with the Comfort category also having a heavy weight.

Sources: B1, Delimobil data

Figure 14: Delimobil fleet size

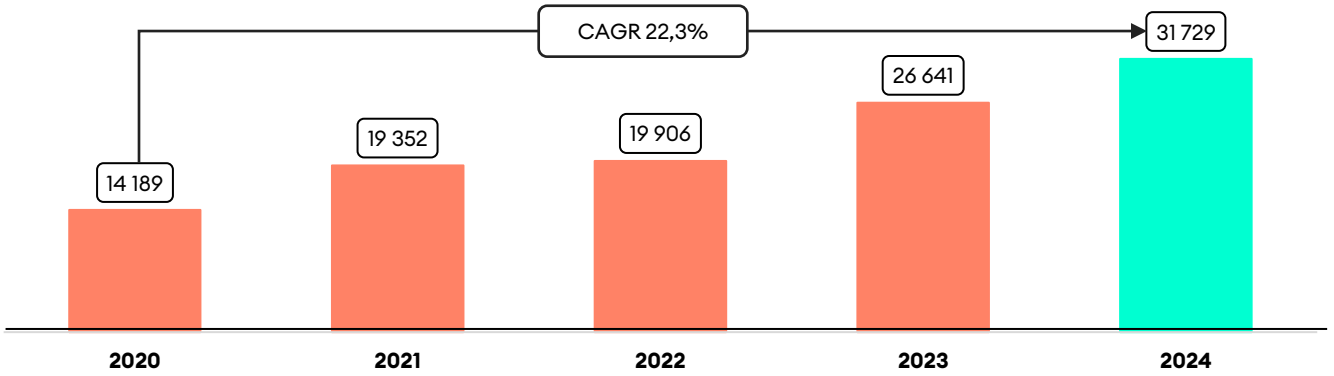
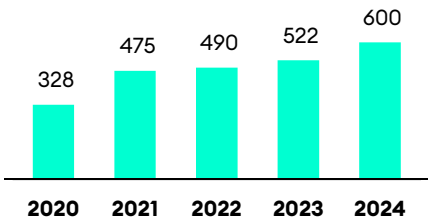


Figure 15: Delimobil MAU (ths)



Registered users

Analyzing the app's user growth showed growth with a CAGR of 18.5% this growth rate nearly matched the company's fleet expansion, with growth in monthly active users showing a lower growth rate of 16.3%.

Figure 16: Delimobil number of registered users

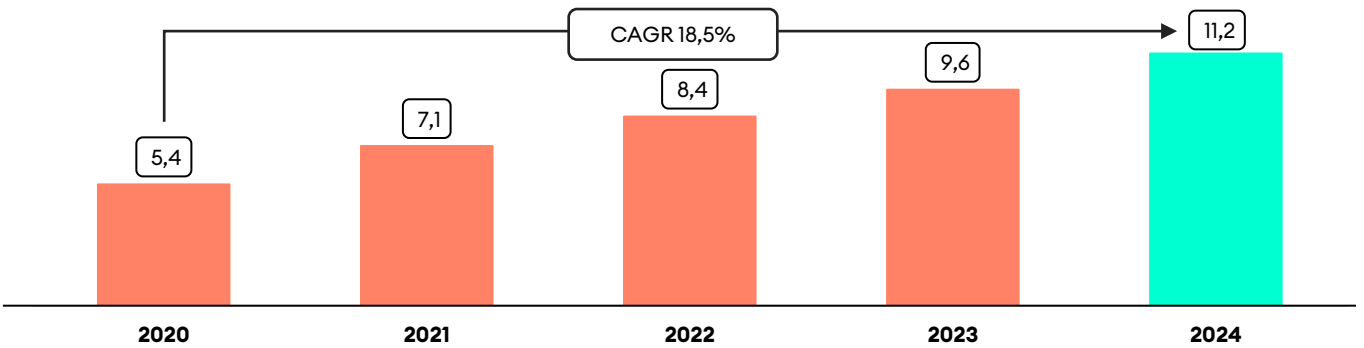
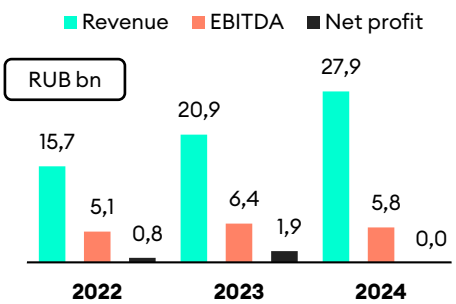


Figure 17: Financial performance



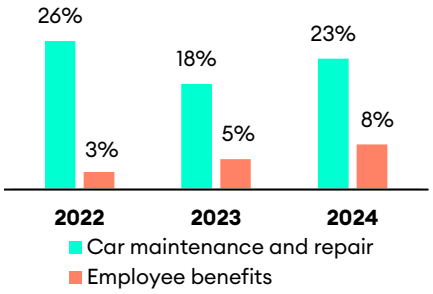
Financial overview

Income dynamics

The company demonstrates stable revenue growth. However, this is more likely due to the active growth of the carsharing market rather than the effective management of the company. This can be inferred from the dynamics of EBITDA and Net Profit. While revenue is increasing, these metrics are still decreasing.

Sources: Delimobil data

Figure 18: Costs as a % of revenue



Costs dynamics

In the revenue costs, there are significant items that consistently grow as a percentage of revenue: vehicle repairs and employee salaries. This can be attributed to high inflation (resulting in higher wages) and the devaluation of the ruble (as foreign vehicles lead to increased parts costs). Additionally, Delimobil's lenient policy regarding minimum experience contributes to more frequent accidents.

Table 3: Credit metrics

		2022	2023	2024
Credit ratios				
Net debt / EBITDA	x	3,0x	3,3x	5,1x
EBITDA / interest expense	x	2,2x	2,2x	1,2x
EBIT/interest expense	x	1,3x	1,8x	0,8x
Liquidity ratios				
Current ratio	x	0,2x	0,6x	0,6x
Quick ratio	x	0,1x	0,6x	0,4x
Cash ratio	x	0,1x	0,5x	0,2x

Debt position analysis

The company has accumulated substantial debt, compelling it to devote significant resources to debt servicing, which detracts from its ability to invest in business growth. High interest rates further complicate matters by limiting its options for refinancing and increasing its financial burden. This situation is evident in the declining liquidity and creditworthiness metrics.

Valuation

DCF

We estimated the fair value of Delimobil using the discounted cash flow (DCF) method as our primary valuation approach. In our view, the DCF method better captures the fair value of the company compared to alternative valuation techniques, given that the company lacks publicly traded direct peers in Russia and operates within a niche industry whose specific nuances are effectively reflected in a DCF analysis.

Revenue

The company's revenue was modeled using the following approach: initially, the entire customer base was segmented by region, followed by estimating the potential client base, specifically individuals aged 18-60 who possess a driver's license (based on team estimates and Rosstat data). The subsequent step involved estimating the approximate penetration ratio of car-sharing services into the potential market (utilizing team assessments and B1 analytics). We then estimated Delimobil's approximate market share, incorporating the company's strategy aimed at maintaining market leadership. Consequently, we forecasted the number of Delimobil customers.

We analyzed historical data on the number of minutes sold per customer and assumed this metric remains constant, as significant changes in urban infrastructure are not anticipated during the forecast horizon. Therefore, it was assumed that the average consumption of minutes per client would remain stable, as would the number of minutes serviced per car.

Subsequently, we forecasted the price per minute sold, projecting that the company will increase prices at a rate exceeding inflation, specifically at 3%. This assumption was based on the rationale that, despite the price increase, car sharing will remain relatively cheaper compared to private car ownership and taxi services, thus maintaining its attractiveness to customers. Consequently, we forecasted revenue from the sale of minutes.

Revenue from car sales was projected based on a proportion of the average fleet size over the previous four years, considering the vehicle's useful life ranging from three to six years. This proportion was derived from the company's strategic outlook (forecasting vehicle sales at 4,500 units in 2025) and depreciation norms.

To estimate fleet purchase and maintenance expenses, we calculated the fleet size required based on the projected number of customers, their minute consumption, and the service capacity per vehicle.

Sources: Delimobil data

COGS

The company's Cost of Goods Sold (COGS) was assessed using the following methodology: initially, expenses were categorized into two groups–those directly associated with the fleet and those related to overall business operations. Fleet-related expenses were evaluated on a per-vehicle basis, subsequently adjusted in forecasts based on projected inflation. Expenses tied to overall business activities were modeled as a percentage of related revenue.

SG&A

Selling, General, and Administrative (SG&A) expenses were projected as a percentage of total revenue, reflecting the assumption that these expenses grow in line with business expansion.

Operating Working Capital

Operating Working Capital (OWC) was assessed using turnover days, assuming no further improvements in efficiency due to the company's current advanced operational standards.

Capex

Capital Expenditures (CAPEX) were projected based on customer demand for minutes, meaning vehicles are acquired as necessary to meet demand levels. Depreciation and Amortization (D&A) were estimated as a percentage of the fleet, calculated based on the company's depreciation policies.

Terminal Value calculation

For estimating the company's Terminal Value, we utilized the Gordon Growth Model.

WACC

		For 2025 - 2026	Long-term from 2027	
Category	**Name**	31.12.2024	LT	**Reference**
Risk-free Rate in dollars	Rf	9,11%	6,24%	Cbonds, yield to maturity of Eurobonds of the Russian Federation
Unlevered Beta	βunlev	0,48	0,48	Median beta of comparables
Debt to equity ratio	D/E	0,83	0,83	Current company ratio
Debt share	Wd	45%	45%	D/E / (1 + D/E)
Equity share	We	55%	55%	1-Wd
Levered Beta	**βrelev**	**0,88**	**0,88**	**βunlev * (1 + D/E)**
Equity Risk Premium	ERP	5,5%	5,5%	Team analisys
Equity cost (USD)	**Ke (USD)**	**14,0%**	**11,1%**	**Rf + βrelev * ERP**
Yield to maturity of government bonds	YTM (RUB)	16,11%	9,68%	Cbonds, yield to maturity of bonds of the Russian Federation, with maturity in 2029 year
Yield to maturity of government Eurobonds	YTM (USD)	9,77%	5,00%	Cbonds, yield to maturity of Eurobonds of the Russian Federation, with maturity in 2029 year
Equity cost (RUB)	**Ke (RUB)**	**20,5%**	**16,0%**	**(1 + Ke (USD)) * (1 + YTM (RUB)) / (1+ YTM (USD)) - 1**
Debt cost (before tax)	Kd (RUB)	24,96%	12,68%	Company cost of debt
Tax rate	t	0,25	0,25	The Tax Code of the Russian Federation
WACC	**WACC (RUB)**	**19,7%**	**13,1%**	**Ke (RUB) * We + (1 - t) * Kd (RUB) * Wd**

FCFF projections

		2025F	2026F	2027F	2028F	2029F	2030F	2031F	2032F	2033F	2034F	2035F
Revenue	**RUB mn**	**34 453**	**41 546**	**48 526**	**57 042**	**65 126**	**73 750**	**82 941**	**92 873**	**103 367**	**114 157**	**125 353**
Growth rate	%	*23,5%*	*20,6%*	*16,8%*	*17,6%*	*14,2%*	*13,2%*	*12,5%*	*12,0%*	*11,3%*	*10,4%*	*9,8%*
COGS	RUB mn	(22 920)	(26 833)	(30 554)	(35 091)	(39 207)	(43 615)	(48 368)	(53 520)	(58 998)	(64 640)	(70 509)
SG&A	RUB mn	(3 857)	(4 652)	(5 433)	(6 386)	(7 292)	(8 257)	(9 286)	(10 398)	(11 573)	(12 781)	(14 035)
EBITDA	**RUB mn**	**7 676**	**10 061**	**12 538**	**15 564**	**18 628**	**21 878**	**25 286**	**28 954**	**32 795**	**36 736**	**40 809**
Growth rate	%	*32,7%*	*31,1%*	*24,6%*	*24,1%*	*19,7%*	*17,4%*	*15,6%*	*14,5%*	*13,3%*	*12,0%*	*11,1%*
D&A		(2 073)	(2 469)	(2 862)	(3 349)	(3 719)	(4 125)	(4 554)	(5 023)	(5 521)	(6 033)	(6 565)
EBIT	**RUB mn**	**5 603**	**7 592**	**9 676**	**12 215**	**14 908**	**17 753**	**20 732**	**23 932**	**27 274**	**30 702**	**34 244**
Growth rate	%	*40,2%*	*35,5%*	*27,5%*	*26,2%*	*22,1%*	*19,1%*	*16,8%*	*15,4%*	*14,0%*	*12,6%*	*11,5%*
Tax rate	%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Tax	RUB mn	(1 401)	(1 898)	(2 419)	(3 054)	(3 727)	(4 438)	(5 183)	(5 983)	(6 819)	(7 676)	(8 561)
NOPAT	**RUB mn**	**4 202**	**5 694**	**7 257**	**9 161**	**11 181**	**13 314**	**15 549**	**17 949**	**20 456**	**23 027**	**25 683**
Growth rate	%		*35,5%*	*27,5%*	*26,2%*	*22,1%*	*19,1%*	*16,8%*	*15,4%*	*14,0%*	*12,6%*	*11,5%*
D&A add.	RUB mn	2 073	2 469	2 862	3 349	3 719	4 125	4 554	5 023	5 521	6 033	6 565
Change in WC	RUB mn	(455)	(321)	(376)	(417)	(413)	(429)	(464)	(499)	(530)	(544)	(565)
Capex	RUB mn	(3 213)	(7 390)	(8 748)	(11 251)	(11 726)	(12 862)	(13 953)	(15 316)	(16 636)	(17 886)	(19 238)
FCFF	**RUB mn**	**2 606**	**452**	**995**	**844**	**2 763**	**4 148**	**5 686**	**7 157**	**8 811**	**10 630**	**12 446**

Comparables

Additionally, a comparative valuation approach using multiples from comparable companies was used as a cross-check. Given the absence of publicly listed analogues on the Russian market, we selected several international comparables operating within car-sharing or mid-term vehicle leasing sectors. Forward multiples were used, as they better reflect fair company valuation. It should be noted that although all comparables are international and ideally a discount should be applied due to significant geopolitical risks and uncertainties in Russia, such a discount was not implemented since the multiples were already low.

Comparables

Company	Main Region	Market Cap ($ bn)	EV ($ bn)	EV/Revenue 2025F	EV/EBITDA 2025F
AYVENS (AYV.PA)	France	7,56	57,18	2,08	34,18
Avis Budget Group, Inc. (CAR)	US	2,13	6,77	0,56	6,76
Hertz Global Holdings, Inc. (HTZ)	US	1,06	17,98	1,96	118,68
Sixt SE (SIX2.DE)	Germany	3,79	7,51	1,61	4,30
Localiza Rent a Car S.A. (RENT3.SA)	Brazil	6,15	12,37	1,63	4,97
Movida Participações S.A. (MOVI3.SA)	Brazil	0,31	3,15	1,24	3,48
Zigup Plc (ZIG.L)	UK	0,88	0,28	0,11	0,46
SoCar	South Korea	0,33	0,33	1,51	7,24
United International Transportation Company	Saudi Arabia	1,70	2,09	3,37	7,05
Lumi Rental Company	Saudi Arabia	1,00	1,40	3,36	7,80
Theeb Rental Company	Saudi Arabia	0,77	0,77	3,02	6,17
Lotte Rental	South Korea	0,74	0,74	1,85	4,11
25th percentile				**1,44**	**4,25**
median				**1,74**	**6,46**
75th percentile				**2,31**	**7,38**

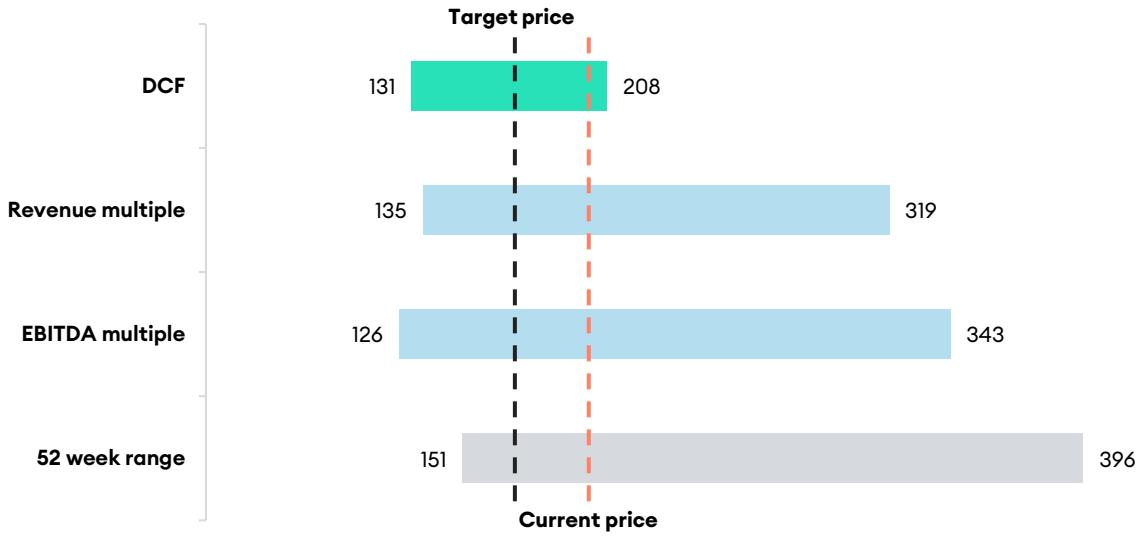
Valuation summary

Using both previous methods, we calculated the EV. Then, we used the EV-to-Equity bridge to determine the share price.

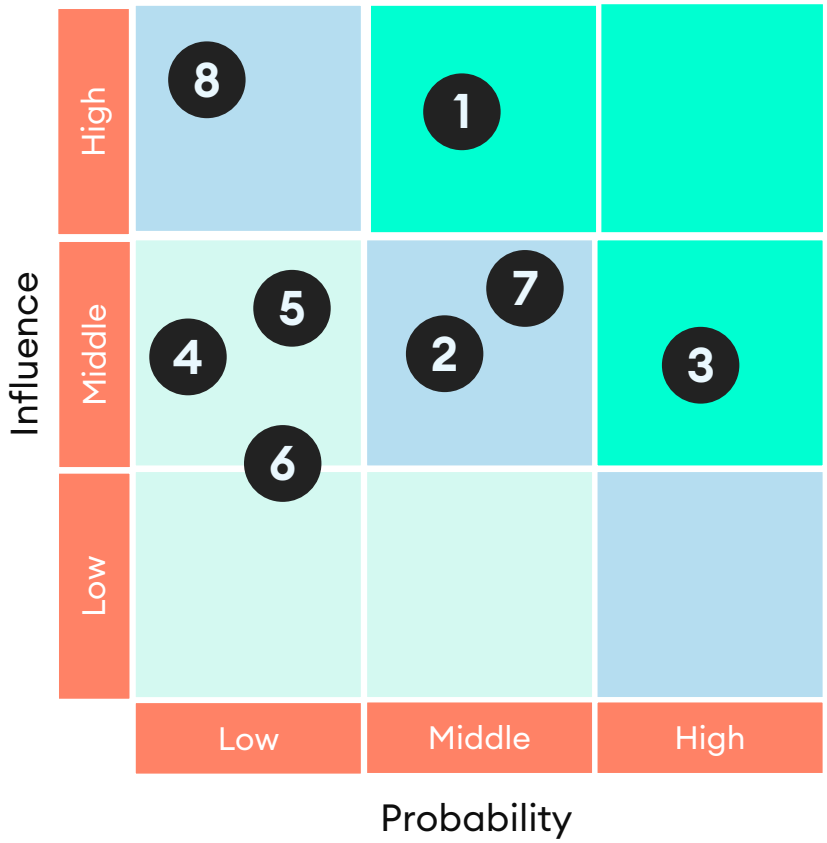
EV-to-Equity bridge

Debt (LT)	RUB mn	12401	-
Leases (LT)	RUB mn	12564	-
Debt (ST)	RUB mn	1776	-
Leases (ST)	RUB mn	4645	-
NCI	RUB mn	0	-
Cash and Equivalents	RUB mn	1687	+
Shares outstanding	mn	176	/

The final current fair value based on the discounted cash flow (DCF) method is **166 RUB** per share, while the valuation based on comparable companies' multiples is 176 RUB per share. However, this valuation was derived from median multiples without applying any discount, reflecting a rather optimistic scenario. Consequently, we anticipate a potential decrease in equity value.



Risk analysis



1. **Increased competition - emergence of new players, especially in the regions**
2. **Changing consumer preferences-increasing popularity of electric scooters, development of public transportation**
3. **Increase in maintenance costs-inflation, increase in spare parts prices, sanctions on distributors**
4. **Technological obsolescence - rapid technology development and insufficient fleet replacement rate**
5. **Regulatory changes-Possible changes in the regulation of the carsharing market (e.g., stricter insurance requirements) will increase the company's costs**
6. **Cyberattacks The theft of user personal data or a hack into a fleet management system can lead to serious reputational and financial consequences. At the same time, maintaining the security of IT systems is expensive**
7. **Increase in cost of capital- key rate changes, market volatility**
8. **Shortage of cars - sanctions restrictions, supply problems**

SWOT analysis

Strengths

-Developed infrastructure and geographical coverage:
Delimobil is present in the largest cities of Russia(13 regions), providing convenience for users. The availability of its own service stations allows for prompt fleet maintenance.
-High market share:
45% market share of the number of trips and 40% market share of the vehicle fleet

Weaknesses

-High creditworthiness of the company:
Debt/EBITDA ratio doubled from 2021 to 3.7 in 2024. Current ratio is below the norm - 0.61, Cash Ratio is also low - 0.2
-Limited presence in the regions:
The company has no plans to expand into a large number of regions.

Opportunities

Carsharing market growth:

The shift toward ride-sharing and the diminishing appeal of personal car ownership create a favorable environment for further growth.
-Introduction of new technologies:
The company has no plans to expand into a large number of regions.
-Partnerships and integration with city initiatives
Collaboration with local governments and other transportation market players can help improve infrastructure and increase consumer confidence.

Threats

-Increased competition:
Increased competition between current players . Struggle for market share in new regions
-Regulatory and legislative changes:
Possible changes in legislation regarding transportation services and carsharing may impose additional costs and restrictions
-Demographic crisis:
Decrease in population, including the number of urban population considered as the company's target audience