

## WHY WE OWN THIS COMPANY

- Explosive AI TAM:** AI compute market growing from \$33B (2023) to \$260B (2030) at 34% CAGR. Nebius built a full-stack cloud platform purpose-designed for AI from day one.
- \$46B Contract Backlog:** Legally binding contracts with Microsoft (\$19.4B, 5-yr) and Meta (\$27B) secure demand through 2030 with high revenue visibility.
- NVIDIA Strategic Partnership:** \$2B investment grants priority access to H200/B200 next-gen GPUs — a critical competitive edge in supply-constrained markets.
- Proven Founder Execution:** Arkady Volozh scaled Yandex to Russia's dominant search engine. Starting with 1,000 engineers and \$2.5B initial capital.
- Power Infrastructure Moat:** Targeting 2GW (2025) → 3GW (2026) → 5GW (2030). Power is the binding constraint for AI datacenters — early movers win.
- Vertical Integration:** Full-stack from hardware to software creates high switching costs and network effects — hard for competitors to replicate.
- High-Margin Model:** Q1 2026 adj. EBITDA margin of 45%, with operating leverage driving further margin expansion at scale.

## KEY METRICS

Revenue (TTM)	\$0.9B
Rev Growth YoY	+684%
P/E	81.4x
P/S	61.2x
EBITDA Margin	45%
52-Week Range	\$43.89–\$278.84
Beta	1.43

## WHERE WE MIGHT BE WRONG

### Outstanding Questions

- How long will hyperscalers depend on external AI infra?
- Real impact of rising power costs on unit economics?
- Can Nebius compete with CoreWeave's 10x GPU fleet?

### Strongest Bear Case

- DCF models flag extreme overvaluation (Alpha Spread: \$1.55, Simply Wall St: \$17.47)
- Capital-intensive model: high cash burn vs limited reserves
- Market skepticism growing as AI bubble narrative intensifies

### Thesis Falsifiers

- Microsoft/Meta contract renegotiation or volume reduction
- 2025 2GW power target missed
- Adj. EBITDA margin <40% for 2 consecutive quarters

## THE 10 QUESTIONS (Baillie Gifford Framework)

#	QUESTION	OUR ASSESSMENT	CONF.
Q1	Can revenue 2x in 5 years?	Yes. 43% consensus CAGR. \$46B backlog de-risks near-term.	HIGH
Q2	What does it look like in 10 years?	Global AI infra platform leader, 5GW+ capacity, \$100B+ MCap.	MED
Q3	What is the competitive moat?	Full-stack AI infra + NVIDIA GPU priority + 1,000 eng team.	MED
Q4	Distinctive culture?	Yandex engineering DNA. AI-first design. Deep hyperscaler understanding.	MED
Q5	Why do customers love it?	AI-optimized cloud at lower cost vs generic providers. Democratizing AI.	MED
Q6	Are returns adequate?	45% adj. EBITDA margin — above hyperscalers. Fair given capital intensity.	HIGH
Q7	Will returns improve?	Operating leverage + high utilization economics → margin expansion.	HIGH
Q8	How is capital allocated?	\$20-25B CapEx for infra build-out. Strategic M&A; (Eigen AI \$643M).	HIGH
Q9	How could this be worth 5x?	TAM 8x growth + share gains → \$20B+ rev by 2030 = 5x current value.	LOW
Q10	Why is the market underpricing?	New IPO, no track record, AI bubble fears, capital-intensive model.	MED

## HOW WE COULD MAKE MONEY (5-Year Horizon)

SCENARIO	PROB.	IMPLIED PRICE	CAGR	KEY ASSUMPTIONS
BULL	~30%	\$800	+30%	Rev \$20B (22x current), adj. EBITDA 50%. AI demand explosion, 5GW target met, pricing power from supply constraints.
BASE	~50%	\$400	+14%	Rev \$12B, adj. EBITDA 40%. Backlog-driven steady growth but CoreWeave competition compresses pricing. 3GW achieved.
BEAR	~20%	\$150	-7%	Rev \$6B, adj. EBITDA 30%. AI investment slows, hyperscalers insource, power costs surge, profitability erodes.

NBIS vs S&P 500 — 5년 증가 성과 (기준=100)

