STRATEGIC DUE DILIGENCE REPORT

June 2025

NVIDIA

ODYSSEY

Sample report
Extracts from mock case

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AI Transparency

Commitment to Transparency

At Odyssey, we are committed to fostering trust and accountability in our use of artificial intelligence (AI). We believe that transparency is essential to ensuring our stakeholders understand how AI is integrated into our operations and decision-making processes. This policy outlines our approach to AI usage, emphasizing clarity, responsibility, and ethical considerations.

Scope of AI Usage

Odyssey leverages AI to enhance operations, aligning with our commitment to innovation and client value. AI applications include:

• Strategic Analysis: AI processes datasets to identify trends, patterns, and competitive insights, informing data-driven strategies. All outputs are validated by experts, with transparent communication of AI's role in our deliverables and conclusions.

• Operational Efficiency: AI optimizes workflows and resource allocation, adhering to Odyssey's advisory methodologies.

• Content Refinement: All content is authored by Odyssey. AI tools enhance grammar, style, and clarity, ensuring professional output while preserving original expertise.

Ethical AI Principles

AI is deployed ethically to deliver value. Odyssey adheres to the following principles to ensure responsible AI use: Fairness, Accountability, Privacy, and Transparency.

Contact Us

For questions or concerns about our AI practices, please contact us at hello@odyssey.com. We value your feedback and are dedicated to maintaining an open dialogue about our use of AI.

Due Diligence Structure

1. Executive summary
2. Investment thesis and portfolio fit
3. Strategic due diligence
   - 3.1 Strategic module
     - Target overview
     - Market analysis
     - Competitive intelligence
   - 3.2 Commercial module
     - Customer analysis
     - Supplier analysis
   - 3.3 AI module
     - AI strategy
     - AI deployment
     - AI performance
4. Financial model derisking
5. Foresight analysis

Deliverables:

- Due diligence report
- Investment memo
- Action plan

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Process Timeline

Kickoff workshop · Initial insights · Midway review · Final discussions · Investment decision

	Preparation	Week 1-3	Week 2-4	Week 3-6	Week 4-8
Due diligence tasks	• Prepare data and interviews request • Onboard team • Identify initial experts • Meet clients, if relevant • Outline due diligence report	• Desktop research • Initial interviews • Client/expert scoping meeting	• Interview internal and external experts • Gather targeted data • Challenge financial model • Interview management	• Final interviews and visits • **Foresight analysis** • Share findings with other stakeholders, if relevant • Prepare final report	• Finalize due diligence report • Review deal structure, valuation and T&Cs • Issue recommendations and action plan for success
Main deliverables	• List of due diligence parameters (scope, key issues, process, documents, formats, desired outputs) • Term sheet review • Preliminary risk map • Interview guides	• List of issues to address going forward • Financial performance drivers • Interview notes/backup	• Interim review due diligence report **(inc. AI module)** • Draft financial model • Interview notes/backup	• Draft due diligence report • Interview notes/backup	• **Final due diligence report** • **Investment memo on strategy** • **Future Preparedness Assessment (option)** • Final financial model • Library • Interview notes/backup

Source: xx

1. Executive Summary

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NVidia is the world leader in accelerated computing with a compelling track record of hypergrowth and value capture

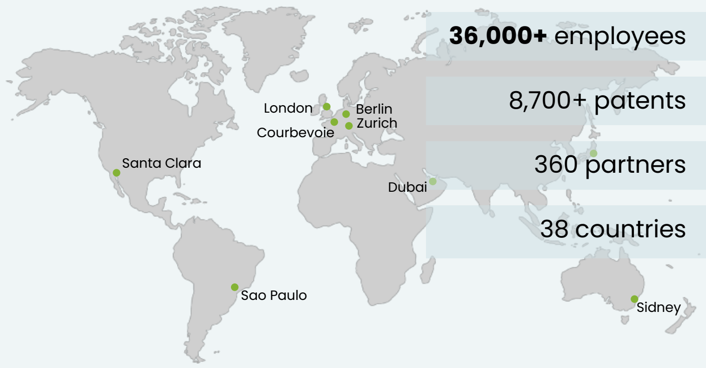
Company overview

- Founded in 1993. Headquartered in Santa Clara (CA, US), and incorporated in Delaware. Listed on Nasdaq since Jan 22, 1999 (:NVDA)
- NVidia has transformed from a chip company to the AI infrastructure company
- **Compute & Networking**: Data center accelerated computing platforms, AI solutions, software, Jetson robotics, DGX Cloud computing services
- **Graphics**: GPUs for gaming and enterprise workstation graphics, vGPUs, automotive platforms, Omniverse
- **Markets**: data center, gaming, professional visualization, automotive

FY25 Key figures (1)

$81.5B Revenue	**+147%** YoY growth	**75.0%** Gross Margin
$3.5T (2) Market cap	**+2187%** 5-year TSR	**$34.5B** Cash returned to shareholders

Geographical reach



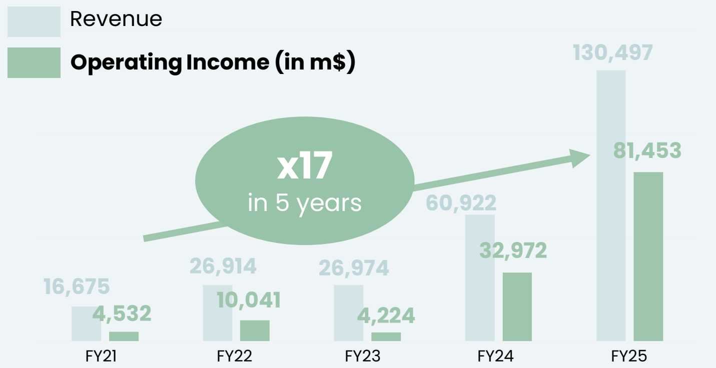
36,000+ employees

8,700+ patents

360 partners

38 countries

Profit generation



Strategic partnerships

Deep partners	Microsoft, aws, Cisco, Oracle, Google, CoreWeave
Enterprise AI partners	servicenow, SAP, Hewlett Packard Enterprise, accenture, Deloitte., Dell
Industrial AI partners	Siemens, Altair, Ansys, Dassault Systèmes, Synopsys, Foxconn, cadence
Sovereign AI clusters	AIST, Scaleway, Swisscom, BSC, Singtel, India, Canada

Management team

Named Executive Officers (NEOs):

- **Jensen Huang**, President and CEO (founder)
- Colette M. Kress, EVP and Chief Financial Officer
- Ajay K.Puri, EVP, Worldwide Field Operations
- Debora Shoquist, EVP Operations
- Timothy S. Teter, EVP and General Counsel

Other key executives: Michael Kagan (CTO), Bill Dally (Chief Scientist and SVP of Research), Rob Ober (Chief Platform Officer)

(1): GAAP, from NVidia's Annual Report FY25, and Company Overview, Feb 2025
(2): Market cap as of June 9, 2025 (:NVDA)

The AI value magnet

- NVidia employs a cohesive and **evolutionary platform strategy** designed to track and capture value as it progresses up the value chain from infrastructure (e.g., DGX Cloud, H100 GPUs) to applications (e.g., Omniverse for industrial design, DRIVE for autonomous vehicles). This evolution of value spots mirrors historical computing innovation cycles.

- NVidia **orchestrates a global hyper-ecosystem**, creating a virtuous flywheel: developers build on CUDA (with 6 million users in 2025), enterprises adopt DGX systems, and partners integrate platforms and software. However, customer and partner lock-in effects, evidenced by a 70 to 95% AI chip market share, are increasingly challenged by open ecosystems (e.g., AMD's ROCm, RISC-V consortium).

- NVidia retains the **lion's share of value in the AI early stages**, translating into undisputed financial dominance in terms of revenue, growth, profit, and cash: $130.5 billion in revenue (114% YoY growth in FY25), $81.5 billion in operating income, a 56% net income margin, and $a 43 billion treasury war, per FY25 results.

Why go beyond the “All in on AI” strategy?

NVIDIA

- The **sustainability of Nvidia’s financial overperformance** merits questioning. As a pioneer in AI, Nvidia may face the risk of a strategic inflection point post-AI heydays, requiring proactive diversification. Leading the early stages of AI adoption (Pioneering moment) does not imply becoming the winner who takes all in later stages (IBM/Yahoo moment).

- Nvidia must strengthen its adaptive competencies, which entails **preparing for the « Next Big Thing ».** Although Nvidia is well-equipped to anticipate and adapt thanks to its lean operating model and proven execution nimbleness, its adaptiveness is increasingly challenged as the company scales up.

- To derisk its business and maintain its strategic relevance in the long term, Nvidia could also accelerate in AI-adjacent businesses (healthcare AI, edge computing). For now, Nvidia considers **quantum** computing a sub-segment of the AI market since its intersecting position aims to integrate QPUs into AI infrastructure.

Derisking market expansion

- A key challenge for NVIDIA is seizing expansion opportunities to grow its addressable market from $0.6 trillion to $5 trillion by 2030. This requires addressing heavy dependencies:

  - **Product Concentration**: Datacenter GPUs and gaming GPUs account respectively for 72% and 9% of FY25 revenue, necessitating a business model shift from unsecured high-margin hardware sales to recurring revenue from AI platforms and software.

  - **Geographic Risk**: The US market generates 50% of revenue, while vulnerable to geopolitical tensions (e.g., US/China export bans affecting 13% of revenue) and trade tariffs. Expansion into Asia-Pacific, leveraging supply chain proximity, and Europe could mitigate this risk.

  - **Customer Concentration**: US hyperscalers (AWS, Microsoft, Google) drive ~40% of revenue), prompting diversification into new business segments (enterprise, sovereign AI) and verticals (healthcare, banking and finance).

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Financial dominance shall not overshadow strategic concerns

- **AI Ecosystem Bifurcation Strategy**: Nvidia faces a critical strategic challenge, being pulled upstream towards sovereign AI infrastructure (e.g., HUMAIN in Saudi Arabia) and downstream towards applications, such as AI multi-agent systems for vertical applications like manufacturing (e.g., Siemens partnership).

- Adopting a comprehensive **Total Strategy** that spans the entire value chain from infrastructure to applications risks causing strategic dilution, diminished quality, and vulnerabilities throughout the value chain. For instance, expanding into applications stretched R&D resources could delay the launch of new products (e.g., Rubin, Feynman).

- The current business concentration indicates that Nvidia has a long way to go to become a vertically specialized firm with a structured matrix organization. The **transition from a GPU to the AI company** is an ongoing process. A lack of organizational maturity could harm the company’s ability to execute and scale to more than $150 billion in revenue.

How long will margins be sustainable?

- The **end of NVidia's coopetition model** with hyperscalers is underway as deep-pocketed tech giants develop in-house AI chips (e.g., AWS's Inferentia 2, Google's TPU v5). NVidia's footprint now overlaps in infrastructure competition, with $3.4 billion in FY25 capex funding, as AI factories clash with hyperscaler data center builds.

- **Multi-faceted competition intensifies**: hyperscalers, chip manufacturers (e.g. AMD's MI300 series), and AI startups (e.g. xAI, Cerebras).

- With 28K+ R&D employees, Nvidia confirms that maintaining a technological edge requires **capital-intensive R&D**. The unanticipated combination of incremental R&D expenses under competitive pressure with capex investments in AI infrastructure could erode net margins over the next three years unless new growth drivers offset the pressure.

- **Operating margin is 60.5%** in Q1 FY26 vs. 78.4% year-over-year. This decline is partly due to new license required for exports of its H20 products into the China market.

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Although NVidia is an adaptive leader, it needs to finetune its operating model as new vital challenges arise

NVIDIA

Strategic and business challenges (non-exhaustive list):

1 Foresight	• Build **alternative or side scenarios to "all in in AI"** • Design thought **frameworks for the post-AI adoption wave** roadmap
2 Governance	• Jensen Huang's **succession planning** • Career fast-tracks to **promote next gen leaders as NEOs** • **Talent retention** and motivation of (wealthy) early employees
3 Technology	• Rapid evolution of AI architectures • **Anticipation of next market disruptions** due to future ChatGPT moment (AGI, smaller models, etc…) • AI privacy and security (cyberthreats)
4 Business	• **Ongoing shift from pure hardware to software**, applications and services • Acceleration of portfolio's **diversification into strategic B2B verticals**, such as healthcare, finance… • Product **portfolio complexity and consistency**
5 Market	• Supply chain risks, geopolitical tensions, and macroeconomic uncertainty about **Taiwan trade nexus** • **Trade tariffs and regulatory scrutiny** • Accuracy of demand forecasts to **calibrate production**
6 Competition	• Increasing competition from hyperscalers, questioning the coopetition model sustainability • Risk of **low-cost AI chip alternatives** that may lead to volume and margin erosion • Continuous intelligence on new potential entrants (telco companies, AI startups…)
7 Organization	• **Transition from GPUs to AI company to be fulfilled** • Maintenance of organizational **agility for future growth** (sales, marketing, customer support, logistics) • **Future of Gaming** as a B2C legacy business within a soaring B2B portfolio

Source: NVidia material, Odyssey analysis

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External risks mainly pertain to technological developments, geopolitical disruptions, and rising competition

Risk category	Description	Impact	Likelihood
Geopolitical Restrictions	US/China regulations restrict AI chip sales (~13% of revenue at risk)	High	High
Customer Concentration	Reliance on hyperscalers risks revenue volatility (Top3 = 40% of revenue)	High	High
Economic Volatility	Correction of lofty tech valuations in financial markets	Medium	High
Competition	AMD, Intel, and AI startups challenge NVidia's AI GPU share	Medium	High
Supply Chain Disruptions	Dependency on TSMC amplified by geopolitical tensions around Taiwan	Medium	Medium
Cybersecurity	Breaches of GFN or propietary data risk reputation and litigation	Medium	Medium
Regulatory Scrutiny	Antitrust probes (US, EU, China) over GPU dominance and bundling	Medium	Medium
Market Oversupply	Potential AI chip oversupply by mid-2026 could lead to price cuts	Medium	Medium
IP Disputes	Litigation over patents or trade secrets could disrupt operations	Medium	Medium

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NVidia is an attractive investment opportunity, unless its performance already peaked

Feat	Description	Comments	Attractiveness
Dominant Market Position	• NVidia holds a 70–95% share in the AI chip market and ~90% in data center GPUs • Its CUDA software ecosystem and GPU architectures create a strong competitive moat, locking in hyperscalers (AWS, Microsoft, Google) and enterprises • Strategic acquisitions since 2022 (e.g., Run:AI, Deci AI) bolster its AI software stack, enhancing stickiness and recurring revenue potential	The sustainability of this dominance depends on the CEO and management team's tenure.	Very High
Exceptional Financial Performance	• Triple-digit revenue growth (+144% YoY in FY25) thanks to AI momentum • Gross Margin: ~75%, ranking in top decile vs industry benchmark • Operating income x18 in 3 years and x17 in 5 years • Net income >55% of revenue in FY25 • Cash Reserves: ~$31B, with low debt (~$11B), enabling further growth investments. • Most valued public company in history (~$3.3T in May 2025), indicating strong investor confidence	Financial data signals a high entry cost. The AI revolution is already priced to a certain extent by the market, which could be an investor repellent.	High
High-growth Market Exposure	• Market size increment from GPUs for gaming to AI chips for accelerated computing • AI infrastructure spending is soaring with demand (>$500B in the US in 2029) • Adjacent markets like autonomous vehicles offer diversification potential. • Domestic manufacturing initiatives (e.g., U.S.-based AI supercomputers) align with government incentives, reducing geopolitical risks	Although AI industry appeal to investors is undeniable, the lack of certainty on AI's ROI may raise concerns.	High
Scalable Business Model	• Global organization with proven operations' efficiency and delivery capabilities • Virtuous combination of recurring software-driven revenue and high-margin hardware sales • Partnerships with hyperscalers and OEMs provide stable, long-term contracts.	The company is still transitioning from the GPU model (hardware) to AI (hardware + software).	High
Technological + Innovation Moats	• $58B invested in R&D since inception • 75% of workforce dedicated to R&D • Proven track record of technological disruption: GPU invention (1999), AlexNet (2012), Tensor Core GPU (2017), AI Enterprise software (2023), first data center CPU Grance (2023)	Such a capital-intensive model must yield strong ROI, which remains to be tested in the next stages of AI developments.	Moderate

★★★★☆

The risk of having already reached peak performance shall not be overlooked.

2. Investment Fit

NVidia aligns with [Investor Name]'s thesis and enhances portfolio diversification

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Strategic Fit	• **Technology Disruption**: NVidia's AI (Blackwell GPUs, CUDA ecosystem) and automotive (DRIVE Hyperion) solutions align with [Investor Name]'s tech innovation focus. Complements portfolio (e.g., Scaleup A, Scaleup B) with AI and digital transformation capabilities. • **Growth Potential**: 114% YoY revenue growth, $64B cash flows from operations, and $9B sovereign AI business match [Investor Name]'s high-growth criteria. Scalable platforms (Omniverse, AI Enterprise) support long-term value creation. • **ESG Alignment**: Advances healthcare, mobility, and energy-efficient computing. • **Challenge**: AI data center energy use requires [Investor Name]'s sustainability expertise. • **Portfolio Synergy**: Enhances tech exposure (AI, semiconductors) alongside analytics-focused investments. Supports [Investor Name]'s mobility and digital transformation strategies .
Financial Fit	• **Performance**: Revenue: $130.5B (114% YoY). Gross Margin: 75.0%, Operating Margin: 62.4%. Market Cap: $3.3T. Above industry peers. • **Investment Scale**: NVidia's size exceeds [Investor Name]'s mid-market focus; minority stake or NVentures partnership viable. High liquidity supports [Investor Name]'s 5–7-year exit horizon. • **Risks**: Geopolitical: U.S.-China restrictions (~13% revenue). Valuation: High P/E requires rigorous due diligence.
Recommendations	• **Investment Structure**: Pursue minority stake or co-investment via NVentures to align with fund size. • **Value Creation**: Leverage [Investor Name]'s operational expertise to expand NVidia's European presence and ESG initiatives. • **Risk Mitigation**: Diversify exposure via portfolio balancing; monitor geopolitical and competitive risks (AMD, Intel). • **Synergies**: Integrate NVidia's AI platforms with portfolio companies (e.g., Company C for analytics, Company D for healthcare AI).

- NVidia's AI leadership and growth align with Investor's tech and sustainability thesis but require scale adjustment
- NVidia enhances portfolio diversification and tech exposure

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A disciplined investment approach is required to entry price and exit timing

Deal Structure	• **Minority Stake**: Given NVidia's valuation, [Investor Name] could acquire a minority stake to gain exposure to its growth without a full buyout. This strategy aligns with NVidia's $31B net cash reserves, reducing the need for external capital. • **Special Purpose Vehicle**: Partner with NVidia on specific initiatives (e.g., U.S. AI supercomputers, automotive AI) to share risks and leverage [Investor Name]'s expertise in operational scaling.
Valuation	• Hedge against valuation risk by structuring deals with earn-outs or performance-based payouts tied to AI revenue growth. • Diversify exposure by investing in NVidia's ecosystem partners (e.g., TSMC, hyperscalers) to mitigate single-stock risk. • Monitor global regulatory developments closely, as outcomes could impact NVidia's market dominance.
Exit Strategy	• NVidia's high liquidity and investor appetite support exits via secondary offerings or strategic sales to tech giants (e.g., Microsoft, Google) within 5–7 years. • [Investor Name] should aim to exit before potential AI market saturation or regulatory evolutions erode valuation multiples.
Business Strategy	• Other PE firms with expertise in technology, supply chain, or regulatory navigation could become co-investors and bring value to the company. • Focus on NVidia's diversification into automotive and other strategic verticals (healthcare, finance) could help reduce reliance on data center GPUs. • Acceleration of disciplined M&A strategy could contribute to growth while derisking the business thanks to broaden access to new competencies and adjacent markets

- With a disciplined approach, NVidia offers a compelling opportunity for long-term value creation in the AI-driven tech landscape

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NVidia offers a strong outlook for high returns despite lofty valuation and regulatory and geopolitical risks

High valuation	• NVidia's $3.5T market cap make a full buyout impractical for most PE firms, limiting deals to minority stakes or partnerships. • With a P/E ratio at ~46x, new investors face an increasing risk of overpaying if revenue growth slows. • After a tough Q1 2026 characterized by a declining gross margin (60.5% vs 78.4% in Q1 2025), performance might have peaked.
Regulatory Scrutiny	• Export controls on China could reduce addressable market size, impacting revenue growth. • U.S. Tariffs may adversely impact Nvidia's global supply chain and its financial equation. • U.S. Department of Justice **is** investigating Nvidia's acquisition of Run:ai, alongside broader concerns about Nvidia's potential to abuse its dominance in the high-end AI chip market.
Competitive Pressures	• Hyperscalers' in-house chips (Google TPU, Amazon Trainium) threaten NVidia's dominance in inference, with Apple and Meta also developing custom silicon. • AMD and Intel are gaining traction with cost-competitive GPUs (e.g., MI300X, Gaudi 3). • Startups like Cerebras, which raised $1.1B and may prepare for IPO, and D-Matrix challenge NVidia in niche AI workloads.
Market Cyclicality	• A potential slowdown in AI infrastructure spending (e.g., if enterprise ROI on AI models declines) could dampen GPU demand. • Semiconductor industry cycles and gaming segment volatility (~9% of revenue) add uncertainty.
Execution Risks	• Nvidia is expanding into new markets, verticals, and geographies, which increases the execution risk and may require adapting the operating model accordingly. • Time-to-market of new products (e.g. Rubin, Feynman) is business critical. • Onshoring strategy creates new supply chain constraints

- Investors must compose with Nvidi'a's high valuation, regulatory risks and strong exposure to unpredictable geopolitical tensions.
- Despite these risks, there is no clear indication that NVidia's financial leadership would be seriously threatened in the next 3 to 5 years.

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[Investor Name] can unlock value by optimizing operations and diversifying revenue streams

Operational Optimization	• **Supply Chain Diversification**: Reduce reliance on TSMC by investing in alternative foundries and supporting NVidia's U.S. manufacturing push to mitigate Taiwan-related geopolitical risks. • **Cost Efficiency**: Contain the anticipated growth of SG&A and R&D expenses that is necessary to adapt the operating model to new market conditions. • **Acquisition Integration**: Accelerate integration of recent acquisitions (e.g., Run:AI, Deci AI) to enhance AI software offerings and cross-sell to existing customers.
Portfolio Development	• **Automotive Growth**: Invest in NVidia's DRIVE platform to capture a larger share of the autonomous vehicle market, through strategic partnerships in sensor or software firms. • **Omniverse Acceleration**: Scale the Omniverse platform for industrial and digital twin applications, targeting domains like manufacturing and architecture • **Edge AI**: Expand NVidia's presence in edge computing by acquiring startups in IoT or low-power AI chips, addressing the growing inference market.
Vertical Diversification	• **New Verticals**: Customize solutions' offerings to specific vertical markets with high growth potential, including healthcare, finance, and banking • **Sovereign AI**: Accelerate sales of sovereign AI factories and supercomputers across the globe to harness momentum and lock in strategic relationships with countries • **Organizational Adaptation**: Modify the global sales organization accordingly to build industry expertise in new verticals through regional hubs
Geographic Expansion	• **Increase penetration in Europe and Asia-Pacific** (ex-China) to offset China export control losses (up to ~12% of revenue at stake). • **Partner with regional cloud providers** to localize AI infrastructure, capitalizing on data
Capital Structure Optimization	• **Option to leverage NVidia's low debt-to-equity ratio** to fund growth via debt financing at favorable rates, preserving equity value. • **Option to spin off non-core segments** (e.g., gaming GPUs) to unlock value and focus on high-growth AI and data center businesses.

[Investor Name] may want to focus on sovereign AI, automotive, and a few other verticals (industry, healthcare, banking) to unleash value creation potential.

Firstly, supply chain diversification must be secured to support scale effects.

3. Strategic Due Diligence

NVidia delivers high-end, integrated, personalizable AI solutions with unparalleled performance

NVidia's unique value proposition lies in offering **cutting-edge GPU and AI computing platforms,** integrating advanced hardware, systems, networking solutions, software, algorithms, libraries and services to accelerate AI and high-performance computing across verticals.

NVidia revolutionized computing with its **GPUs**, delivering unmatched parallel processing capabilities for complex workloads. Its GPUs, leveraging advanced architectures like Blackwell and RTX 50 Series, provide superior performance and power efficiency across gaming, AI, and professional visualization.

NVidia offers CUDA, the foundational programming model that runs on all NVidia GPUs, as well as hundreds of domain-specific software libraries, SDKs, and APIs. This deep and broad **software stack** enhances the performance and eases the deployment of NVidia accelerated computing for computationally intensive workloads such as AI with vertical-specific optimizations.

NVidia's **data-center-scale offerings** are comprised of compute and networking solutions that can scale to tens of thousands of GPU-accelerated servers interconnected to function as a single giant computer. This type of data center architecture and scale is needed for the development and deployment of advanced AI applications.

NVidia's end-to-end ecosystem, from data center GPUs to cloud-based AI services, drives innovation across industries.

Its performance and scalability has no equivalent in the market.

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"Compute and Networking" is the predominant business segment and growth engine

Business Segment Overview

This business segment focuses on delivering high-performance computing solutions, including **GPUs, AI, data center networking, and accelerated computing platforms,** driving innovation in AI and cloud infrastructure.

Key Components		SoSR*
Data Center Platforms	GPUs, DGX systems, and NVidia AI Enterprise software for AI and HPC workloads	~81%
Networking Solutions	Mellanox (InfiniBand and Ethernet solutions), Spectrum-X Platform (Ethernet data centers), NVLinkFusion (integration of non-NVidia chips into NVidia's AI infrastructure), Quantum InfiniBand	~14%
Automotive & Robotics	NVidia DRIVE for autonomous vehicles and Jetson for robotics	~2%
AI Software	NVidia AI Enterprise and DGX Cloud for scalable AI deployment	~3%

Latest Developments

- **NVLink Fusion**: semi-custom AI infrastructure enabler
- **Spectrum-X & Quantum-X800**: next-gen networking for AI data centers
- **Sovereign AI**: local or regional infrastructure
- **AI Factories**: AI supercomputers with ~180 exaflops backed by partnerships
- **Blackwell**: platform supporting trillion-parameter AI models

Leadership position

Global AI chip dominance

CUDA platform leverage

Ecosystem orchestration moat

Competitive edge over AMD, Intel, others

Financial performance

$116.1B
FY25 Revenue

$82.9B
FY25 Operating Income

+144% YoY growth

Rising demand for GenAI, sovereign cloud, enterprise AI

Operating margin >70%

Stellar margins from hardware sales

*: SoSR stands for Share of Segment Revenue. Estimated contribution to business segment's FY25 revenue
(2): Operating income before unallocated corporate expenses ($6.6B for R&D, G&A, stock-based compensation not included)

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“Graphics” is becoming a legacy business segment, still growing and profitable

Business Segment Overview

This business segment is dedicated to **GPUs for gaming, professional visualization, and creative industries**.

Key Components		SoSR (1)
GeForce GPUs	Flagship GPUs for gaming with ray-tracing and DLSS (3.5-4)	~74%
Professional Visualization	Quadro and RTX A-series GPUs for design, animation and rendering	~14%
Gaming Platforms	GeForce NOW cloud gaming service	~3%
Creative tools	NVidia, Studio, Omniverse for 3D workflows, and Canvas for AI-assisted art	~7%
Technologies	DLSS, Reflex for low latency, ray-rdcing	~2%

Latest Developments

- **GeForce RTX 50 Series**: Blackwell-based GPUs for AI-driven gaming
- **DLSS 3.5 & Ray Reconstruction**: high visual fidelity and performance
- **GeForce NOW Expansion**: new titles, with lower latency and 4K streaming.
- **NVidia Studio Growth**: Expanded AI tools for creators (video editing)
- **Omniverse Adoption**: real-time 3D collaboration for automotive industry

Leadership position

Global gaming GPU dominance

200+ million gamers and creators

Technological moat

AI integration maintain performance lead

Financial performance

$14.4B
FY25 Revenue

$5.2B
FY25 Operating Income

+8% YoY growth

Rising demand for high-end cloud gaming

Operating margin >35%

High-margin GPU sales

(1): SoSR stands for Share of Segment Revenue. Estimated contribution to business segment’s FY25 revenue
(2): Operating income before unallocated corporate expenses ($6.6B for R&D, G&A, stock-based compensation not included)

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NVidia addresses 20+ B2B industries, expanding from its legacy B2C Gaming business

The vertical expansion focuses on eight strategic verticals with strong market growth and size potential

B2B | Tier-1 **Automotive**
In-car systems for self-driving, infotainment and V2X connectivity

B2B | Tier-1 **Industry & Robotics**
IoT, and edge computing for industrial automation, smart cities, and autonomous machines (manufacturing, logistics, retail)

B2B | Tier-1 **Workplace**
AI-driven enterprise software, automation, productivity tools, collaborative work, training and upskilling

B2B | Tier-2 **Telco**
AI deployment for 5G/6G infrastructure and virtualized radio access networks (vRAN)

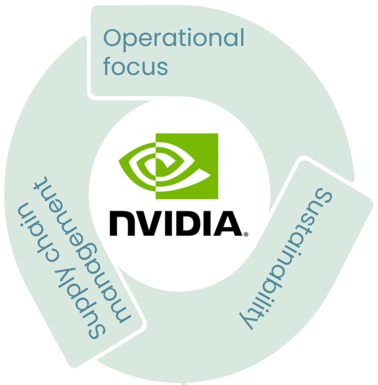
Gaming Tier-1 | B2C
Enhanced cloud-gaming and esports

Education & Research Tier-2 | B2B | B2C
AI research, scientific simulations, STEM education

Healthcare & Life sciences Tier-2 | B2B
Medical imaging, genomics, drug discovery

Aerospace & Defense Tier-2 | B2B
Simulations, satellite data processing, defense applications (surveillance, autonomous drones)

NVidia's lean operating model harnesses a complex supply chain to deliver $130B in revenue



$3.6M
Revenue per headcount

R&D and Innovation	Solution Development	Ecosystem Integration	Manufacturing	Delivery and Customer Enablement
Centralized R&D with agile development cycles, leveraging 6M+ developer ecosystem	Cross-functional teams enhance product capabilities, ensuring compatibility with industry standards	GPUs optimization for targeted vertical markets thanks to partners' ecosystem, amplifying market reach and adoption	Efficient manufacturing supply chain management, ensuring optimized logistics and regional market alignment	Omnichannel delivery of integrated solutions, including direct sales, cloud platforms, and partnerships with OEMs and distributors

Integrated

Full stack AI solutions integrating hardware, software, and customization services

Scalable

Ecosystem of software platforms and partners supporting scale-up in diverse markets

Fabless

Agile fabless model enabling rapid iteration and adjustement for AI technologies

Global

Operations in 30+ countries ensuring strong regional market penetration and global delivery

ODYSSEY

Its revenue model is governed non-recurring, high-margin hardware sales

Revenue stream	Description	Revenue	C&N	Graphics	% of revenue	Gross Margin
Hardware Sales	• Product sales • GPUs (e.g., GeForce, Quadro, H100), AI supercomputers and other hardware	Non-recurring	$105.5B	$11.2B	**89%**	High (>80%)
Licensing Agreements	• Licensing NVidia's IP (CUDA, NVidia RTX…) • Royalties from partnerships (e.g., Nintendo Switch)	Recurring	$5.9B	$1.9B	**6%**	Average (50-70%)
Cloud Services	• Subscription-based services for computing infrastructure and AI software • NVidia DGX Cloud, GeForce NOW, and AI Enterprise, AI Foundry services	Recurring	$5.8B	$0.6B	**5%**	Average (50-70%)
Total			**$117.2B**	**$13.7B**	**100%**	**75%**

Note: NVidia's business is split in to reporting business segments. Computing & Networks (C&N) represent ~90% of its revenue, while Graphics represent the remaining ~10% in FY25. All the abovementioned figures are Odyssey estimates for FY25, based on NVidia's 2025 annual report and 10-K.

A resilient model for the AI era?

NVidia's business model focuses on capturing value from the projected growth of AI and data centers.

The group leverages its exposure to hardware sales to yield high margins in the AI adoption phase.

Accelerating the ramp-up of licensing and software sales would secure the model resilience by increasing the share of recurring revenue, currently limited to 11%.

ODYSSEY

The group's organization by large markets is unbalanced, outrageously led by Data Center

	Data Center	Gaming	Visualization	Automotive
Description	• AI GPUs • DGX Systems • NVidia AI Enterprise	• Gaming GPUs • Cloud gaming platform • Graphics upscaling	• Workstations • GPUs • Omniverse (3D)	• NVidia DRIVE • AI cockpits • Robotics (Jetson)
Key developments	*Blackwell platform, NVLink Fusion, Spectrum-X, Sovereign AI*	*GeForce RTX 50 Series, GeForce NOW expansion, DLSS 3.5*	*Omniverse, AI tools for design (Canvas)*	*DRIVE Hyperion, BYD for L4, autonomy partnerships*
Market position	**Global Leader in AI chips**	**Global Leader in Gaming GPU**	**Global Leader in Professional GPUs**	**Global Leader in AI-driven platforms**
Main competitors	AMD, Intel, AI startups	AMD's RDNA4	AMD Radeon Pro	Intel's MobilEye
Revenue contribution	**$114.1B (87% of total revenue)** 145%YoY growth	**$11.8B (9%)** 6%	**$2.8B (2%)** 15%	**$2.1B (2%)** 37%
Operating margin contribution	**~90% of total OM**	**~7% of total OM**	**~2% of total OM**	**~1% of total OM**
Est. Market share	**~90%**	**~80%**	**~80%**	**~70%**

Source: All the abovementioned figures are Odyssey estimates for FY25, based on NVidia's 2025 annual report and 10-K.

ODYSSEY

NVidia leverages a global distribution and strategic partnerships network to extend its sales reach

NVidia's sales model comprises of the design support and technical expertise of its sales team, trusted distribution and integration partners, and a large community of developers.

Global Sales Team

~1,000 FTEs

- NVidia's sales team is located across global markets and **works closely with customers and various industry ecosystems**. The team combines in-depth **technical expertise and product and industry knowledge**.
- Solution architects provide pre-sales assistance to design, test, and qualify system designs. **The depth and quality of NVidia's design support is a key sales success factor.**

Partner Network

360+ Partners

- NVidia's Partner Network encompasses **global, regional and specialized players**, such as OEMs, AIBs, global system integrators, distributors, automotive manufacturers, tier-1 automotive suppliers, and other ecosystem participants.
- The network includes **technology partners (52%) and channel partners (48%)**.

Community

~6M Developers

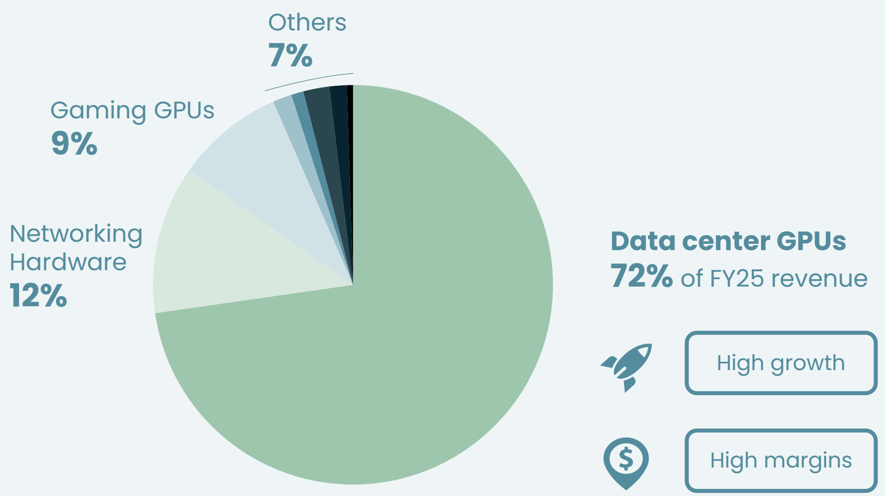
- NVidia's establishes strong relationships with its **software development** community. Engineering and marketing teams engage with developers to promote NVidia's platforms, ascertain individual product requirements, and solve technical problems.
- NVidia's developer program supports the development of **AI frameworks, SDKs and APIs**. The Deep Learning Institute provides **in-person and online traning** to build AI applications leveraging its platform (~200,000 developers trained).

Sales reach

NVidia's revenue is highly concentrated in Data Center GPUs and a few geographies

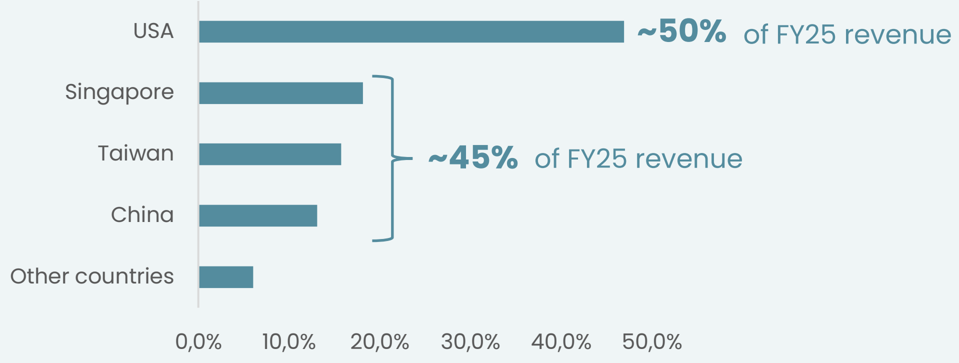
The group faces a concentration risk due to its heavy reliance on Data Center GPUs.

NVidia's hypergrowth is driven by the rising demand for Data Center GPUs, which account for almost three-quarters of its annual revenue. Although this focus enables the group to **capture value from the AI revolution**, **a slowdown in AI spending or oversupply could decelerate growth and put pressure on margins**.



NVidia's leadership has not yet translated into geographically diversified revenue.

The company has **substantial exposure to its domestic market**, driven by hyperscalers. **Its geographical diversification is limited to South-East Asia**. The rising demand for sovereign AI may unlock NVidia's access to other regions (Europe, Middle East) and countries (Japan) eager to participate in the AI race. The sale of over 1 million of NVidia's China-specific flagship chips represents a $13 billion revenue at risk in FY26 due to geopolitical tensions.



ODYSSEY

NVidia's revenue is primarily driven by US hyperscalers, which are customers, partners, and competitors

Top3 customers represent >40% of revenue.

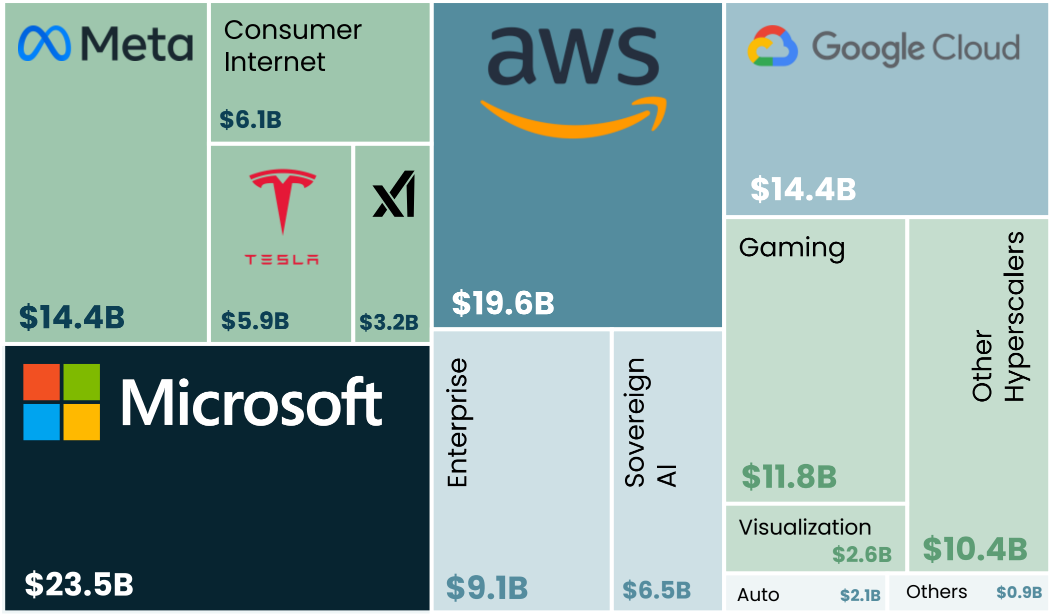
NVidia's revenue is heavily concentrated among a few large customers, with Microsoft representing ca 18% of total revenue in fiscal year 2025.

Recent pledges by major clients like Meta, Alphabet, and Microsoft to **increase spending on AI investments** have significantly boosted demand and NVidia's stock value, demonstrating the strong link between customer demand and NVidia's market performance.

As these hyperscalers aim at competing with NVidia on AI chips, this revenue concentration is a major issue that can only be **mitigated by a holistic diversification strategy (new market segments, geographies, and verticals)**.

The trust placed in NVidia by tech behemoths highlights its state-of-the-art expertise in AI and HPC.

All other Mag-7 companies are major customers



Other hyperscalers: Lambda NEBIUS Crusoe CoreWeave

ODYSSEY

Top customers are developing in-house AI chips, intensifying competition with NVidia

Key customer	Customer relationship	Key solutions purchased	Revenue share [1]	Risk of NVidia's dependency	Risk of competition
Microsoft	Longstanding collaboration, integrating NVidia's generative AI and Omniverse technologies into Azure, Azure AI services, Microsoft Fabric, and Microsoft 365	• GPUs (H100, Blackwell) • DGX Cloud • TensorRT-LLM (AI training and inference)	~18%	High	High Builds **Maia 100** AI accelerator with Intel
aws	Strategic collaboration spanning over 13 years, including Project Ceiba for supercomputing infrastructure. AWS recently joined NVidia's DGX Cloud indicating deep integration	• GPUs (H100, Blackwell) • DGX Cloud • AI Enterprise (NIM, Nemo for AI inference)	~15%	High	High Develops **Trainium2** and **Inferentia** chips
Google Cloud	Expanded partnership to advance AI computing, with Google DeepMind and Research Teams using NVidia's generative AI tech	• GPUs (H100, Blackwell) • DGX Cloud • Software for AI training and inference	~11%	Medium	High Develops **Ironwood** (6th-gen TPU)
Meta	Reliance on NVidia for Meta's AI Research SuperCluster (RSC)	• GPUs (H100, Blackwell) • Servers for Llama model training and inference	~11%	Medium	High Develops **Artemis** AI chip
TESLA	NVidia GPUs are fueling Tesla's Dojo supercomputer and Autopilot and Optimus robotics systems.	• GPUs (H100, Blackwell) for autonomous driving and robotics	~5%	Medium	Medium Builds **D1 chips** for automotive only
xAI	Close relationship, with xAI building 200k (Colossus) and 1 million GPUs facilities. Elon Musk prioritizes NVidia's AI chips shipment to xAI over Tesla	• GPUs (H100, Blackwell) for training Grok model	~2%	Medium	Low

(1): Odyssey's estimate based on FY25 Revenue

ODYSSEY

The NVidia Partner Network (NPN) supports sales, distribution, and technical expertise to address granular customer needs

NVidia orchestrates a global network that reflects its shift to a full-stack computing company. Partners like HPE, Dell, and AWS drive hardware sales, while global system integrators and startups accelerate the adoption of software and services.

Cloud Service Providers (CSPs)

- **Partners**: CoreWeave, Crusoe, Firmus, Lambda, Nebius, Nscale, Paperspace, AWS, Microsoft Azure, Google Cloud, Oracle Cloud Infrastructure.
- **Role**: Deliver HPC for AI and data analytics using NVidia GPUs and NVidia AI Enterprise. Provide cloud-based infrastructure, managed services, and AI blueprints for applications.

Global Systems Integrators (GSIs)

- **Partners**: Deloitte, Infosys, Wipro, Capgemini, Accenture.
- **Role**: Offer consulting and integration services to implement NVidia-based solutions for enterprise AI, HPC, and digital twins.

Service Delivery Partners (SDPs)

- **Partners:** Quantiphi, Slalom Consulting, Data Monsters.
- **Role:** Provide specialized technical services, focusing on AI and cloud computing infrastructure deployment.

OEMs

- **Partners**: Hewlett Packard Enterprise (HPE), Dell Technologies, Lenovo, ASUS, MSI, Gigabyte, Foxconn, Supermicro, Yotta Data Services.
- **Role**: Manufacture and resell NVidia-based hardware (e.g., DGX systems, RTX workstations) under their brands, integrating GPUs and networking solutions.

360 partners

NVIDIA Partner Network

27,000 AI Startups

NVIDIA INCEPTION PROGRAM

ODYSSEY

NVidia undertakes a diversification strategy to reduce critical reliance on TSMC and improve supply chain resilience

NVidia commits to a **fabless and contracting manufacturing strategy**. Its outsourcing process encompasses the whole value chain of hardware manufacturing. Leveraging a global network of suppliers, NVidia focuses on product design and quality, sales, marketing, and customer support.

<100
Key suppliers

NVidia is exposed to a significant **risk of strategic dependency on key suppliers such as TSMC**. To strengthen supply chain redundancy and resilience in Taiwan, NVidia diversifies with other suppliers, such as Samsung and Amkor. NVidia proposes supplier programs on supply chain collaboration, NVLink Fusion, sustainability and security.

NVidia outsources all phases of hardware manufacturing from wafer fabrication to packaging.

Foundries	Assembly	Component Suppliers	Equipment Suppliers	Others
• Manufacturing of GPUs and SoCs using advanced process nodes (4-5nm)	• Outsourced semiconductor assembling and testing (OSAT) and chip advanced packaging (CoWoS)	• Supply of HBM for AI workloads, DRAM, NAND flash and substrates for chip integration	• Manufacturing equipment and special materials for wafer fabrication	• Supply of networking components and custom ASICS for data centers
tsmc, SAMSUNG	SPIL, FOXCONN, wistron	micron, SK hynix	Lam Research, ASML, Applied Materials	BROADCOM, MEDIATEK

ODYSSEY

Key suppliers are developing their US capabilities as NVidia reinforces its domestic production in response to regulators

Key Supplier	Strategic importance	HQs	US facilities		Long-term agreement		Role
tsmc	Critical	Taiwan	✅	Operating Fab 21 in Arizona, producing 4nm chips for NVIDIA's Blackwell GPUs since 2024. Two additional Arizona fabs (2026, 2028) with $165B investment, focusing on advanced nodes (2nm) and packaging (CoWoS)	✅	Yes, for TSMC's 2nm, A14, and A10 services through 2030+ for Blackwell and next-gen Rubin GPUs.	TSMC's **CoWoS and foundry services are foundational to NVidia's AI GPU production**. TSMC provides CoWoS advanced packaging technology, which enables high-density chip integration essential for NVidia's AI GPUs (e.g., H100, Blackwell). TSMC is NVidia's primary foundry, manufacturing ~80–90% of its chips using 4nm and 5nm nodes.
SK hynix	High	South Korea	📅	$3.87B advanced packaging and R&D facility in West Lafayette, Indiana (operational 2028), for HBM3E and HBM4 chips used in NVIDIA's AI GPUs.	✅	Yes, for HBM4 development and supply through 2028+, part of a "triangular alliance" with Nvidia and TSMC.	SK Hynix's **HBM leadership** ensures NVidia's GPUs meet AI performance demands. SK Hynix supplies high-bandwidth memory (HBM), including HBM3 and HBM3E for NVidia's H100, Blackwell GPUs, and HBM4 development poised to support future products like Rubin Ultra (2027).
micron	High	US	📅	New $15B memory fab in Boise, Idaho (online 2027), and $100B megafab in Clay, New York (2030), for HBM3E and next-gen memory.	➡️	Implied, through multi-year HBM and DRAM supply for NVIDIA's AI and gaming GPUs.	Micron's **HBM and DRAM supply** supports NVidia's GPUs, ensuring performance and scalability. Micron supplies HBM, DRAM, and NAND flash memory for NVidia's GPUs, particularly for data center and gaming applications. Micron is a key player in HBM3 and HBM4, complementing SK Hynix and Samsung in meeting NVidia's memory needs.
FOXCONN	High	Taiwan	✅	Operates limited manufacturing facilities in Wisconsin and supports AI server assembly in Houston, Texas. Houston facility for AI supercomputer manufacturing, ramping up in 2026 (Omniverse for digital twins and Isaac for robotics).	➡️	Implied, through multi-year AI infrastructure projects	Foxconn's role in U.S. manufacturing aligns with NVidia's $500B AI supercomputer push by 2029, **enhancing supply chain resilience and supporting domestic production**. Foxconn provides assembly, testing, and module integration for NVidia's AI supercomputers, particularly Blackwell systems. Foxconn It collaborates with TSMC, Amkor, and SPIL to support NVidia's U.S.-based AI infrastructure goals.
wistron	High	Taiwan	📅	No operational U.S. facilities as of 2025, relying on Taiwan and Mexico for server production. $500M Dallas, Texas facility for AI server and supercomputer production (2026).	➡️	Implied via U.S. AI server facility investment ($500M, Dallas, 2026) and ongoing HGX partnership since 2017	Wistron provides **assembly and testing** for NVidia's AI servers, focusing on Blackwell-powered systems. Wistron's expertise in **AI server production and digital twins** enhances NVIDIA's scalability and efficiency, critical for AI factory growth.Wistron supports NVidia's goal to double AI server shipments by FY27, reducing logistics bottlenecks and aligning with U.S. production priorities.
inspur	Moderate	China	❌	No	🔎	Not confirmed	Inspur is **critical for NVidia's market presence in China**, but export controls and China's push for domestic chips reduce its long-term strategic weight compared to global suppliers. Inspur is a systems integrator and server manufacturer, acting as an **OEM partner**. Inspur integrates NVidia GPUs (H100) into its AI servers and supercomputing systems, serving Chinese enterprises and data centers.

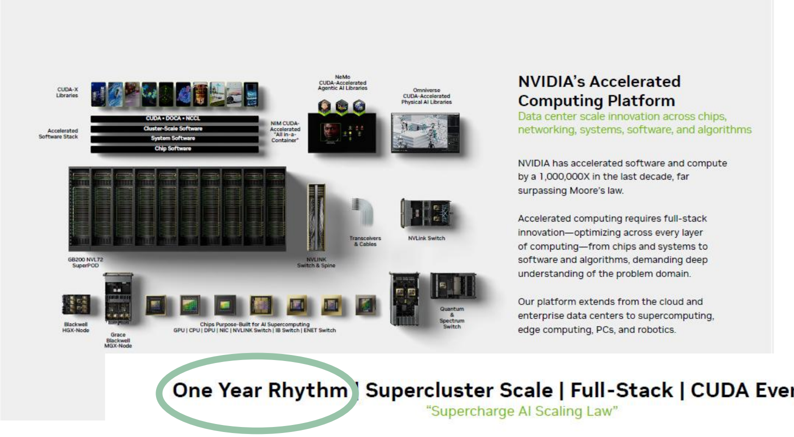
ODYSSEY

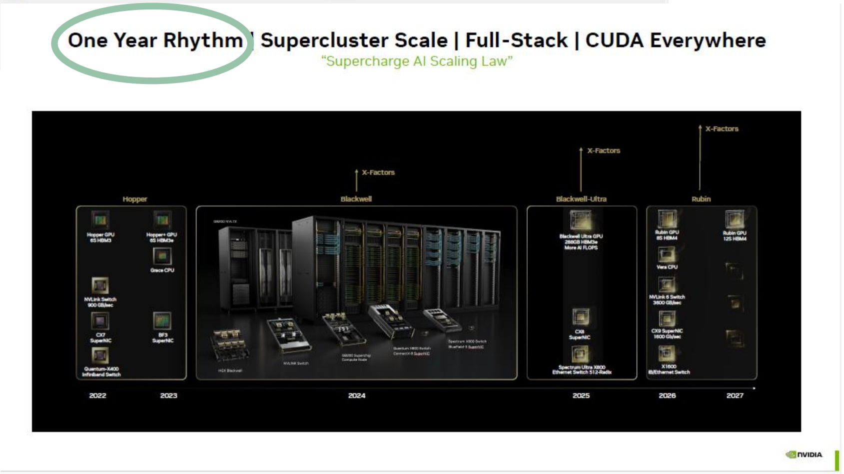
NVidia’s full-stack technology platform is poised for high-performance computing, AI training and inference

NVidia’s platform excels due to its integrated hardware, comprehensive software, and high-performance networking solutions.

Structure	• GPU-centric hardware (Blackwell GPUs, Grace CPUs, ConnectX-8 DPUs) • Software ecosystem (CUDA, CUDA-X, TensorRT, AI Enterprise, NIM) • Networking & System Integration (InfiniBand, NVLink Fusion, Spectrum-X) • Domain-specific platforms and services (DRIVE Hyperion, Omniverse, Isaac, Inception program)
Strengths	• Unmatched parallel computing power and AI optimization • GPUs: cutting-edge technologies, hardware excellence, portfolio diversity • Robust software stack (300+ libraries) • Developer ecosystem support (programs, toolkits, SDKs) • Scalability and deployment flexibility (cloud, hybrid, edge)
Weaknesses	• Ecosystem perceived as closed despite efforts • Fragmented software solutions vs competitors’ integrated platforms • Short-term visibility on production and roadmap, frustrating customers • High power consumption which can trigger efficiency lags (Grace)
Next Upgrades	• Next gen GPUs: Blackwell Ultra, Rubin, Feynman • CUDA-Q for hybrid AI and quantum computing • Sustainability: 100% renewable electricity, liquid-cooled racks • Advanced networking (multi-chips integration) and performance enhancement technologies

The platform may be too complex and evolutive for customers to keep pace with NVidia’s innovations.





ODYSSEY

NVidia's portfolio of solutions is a sophisticated blend of hardware, software and partner services

NVidia's marketplace

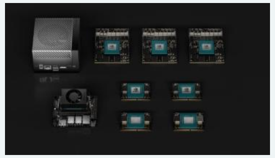
Enterprise

Enterprise AI Factory
- NVidia-Certified™ Servers with Blackwell accelerated computing

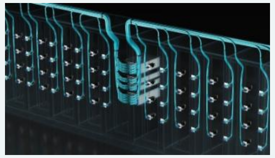
Data Center
- DGX BasePod, SuperPod
- DGX H200 Systems
- Exxact TensorEX

Workstations
- DGX Spark
- RTX Pro
- RTX Ada Generation

Personal AI Supercomputers
- DGX Spark



Robotics & Edge AI
- Jetson modules (Orin, Xavier)
- Jetson developer kits (Orin)



Networking
- Adapters (ConnectX 7)
- DPU (BlueField)
- Interconnect (QSFP)
- Switch systems (Spectrum, Quantum)

Gaming

Graphic Cards
- GeForce RTX 50 Series
- GeForce RTX 40 Series
- GeForce RTX 30 Series

Gaming Desktops
- Embedding GeForce, G-Sync, and DLSS4

GFN Cloud Gaming
- Monthly membership to GeForce Now platform

Gaming & Studio Laptops
- Embedding GeForce, G-Sync, and DLSS4

Software Libraries

Software
- AI Enterprise, DGX Cloud, Run:AI, Riva, Morpheus, NeMo, TensorRT, Triton Inference Server…

Software libraries across 15 industries (education, energy, financial services…) and 8 AI workloads (genAI, data science, inference…)

Digital Learning

Deep Learning Institute
- Online education and training solutions

Partner Services

Cloud Solutions
- Cloud services powered by NVidia GPUs (AWS, Microsoft Azure…)

Qualified Systems
- GPU-accelerated systems available from NVidia partner Network

ODYSSEY

Integrated and modular solutions are at the core of NVidia's differentiation

Category	Name	Description	Data Center	Gaming	Visualization	Automotive	Availability
Hardware	Nvidia Blackwell	New generation of GPUs for generative AI	•		•	•	Yes
Hardware	Nvidia Blackwell Ultra	AI factory platform enabling AI reasoning	•		•	•	H2 2025
Hardware	Nvidia Rubin	Next-gen platform for agentic AI models (inc. NVLink6 and HBM4)	•		•	•	H2 2026
Hardware	Nvidia Feynman	Next-gen platform for AI (inc. silicon photonics interconnects)	•		•	•	2028
Hardware	Nvidia Grace	High-performance data center CPU	•				Yes
Hardware	Nvidua RTX GPU	GPU with next gen graphics and AI for gaming, including ray tracing and DLSS		•			Yes
Hardware	Blackwell GeForce RTX 50 Series	Latest generation of consumer GPUs for gaming		•			Yes
Hardware	Nvidia Photonics	Co-packaged optical (CPO) switch systems	•				Yes
Hardware	DGX Workstation	AI workstation	•		•		Yes
Platform	Nvidia CUDA	Parallel computing platform and programming model	•		•	•	Yes
Platform	Nvidia AI Enterprise	Modular software platform that accelerates agentic AI development and deployment	•		•	•	Yes
Platform	Nvidia CUDA-X Libraries	Suite of 400+ acceleration libraries (cuDNN, TensorRT, Parabricks, cuQuantum)	•		•	•	Yes
Platform	Nvidia NeMo tools	Solutions for curating, fine-tuning, and evaluating domain-adapted AI models and agents			•		Yes
Platform	Nvidia vGPU	Advanced graphics visualization software platform			•		Yes
Platform	Nvidia DGX Cloud	Unified AI platform on leading clouds that optimize performance	•		•	•	Yes
Platform	Nvidia NIMs	Deployable inference microservices	•		•		Yes
Platform	Nvidia AI Blueprints	Launch platform for ready-made, domain-specific AI agents	•		•		Yes
Platform	GeForce NOW	Cloud gaming services		•			Yes
Platform	Nvidia Omniverse	Development platform and operating system for virtual world simulation applications			•	•	Yes
Platform	Nvidia Cosmos	World foundation model for robotics and physical AI			•	•	Yes
Platform	Nvidia Jetson AGX	Advanced developer kit with AI inferencing capabilities for next-gen robotics			•	•	Yes
Platform	Nvidia DRIVE	Autonomous car development platform				•	Yes
Platform	Nvidia HALOs	Chip-to-deployment AV Safety System				•	Yes
Platform	Nvidia Dynamo	Inference operating system of AI factories	•		•		Yes
Services	Nvidia development services	Customization of IP components	•		•		Yes
Technologies	NVLink	High-speed GPU interconnect	•	•			Yes
Technologies	Spectrum-X	Supercharged Ethernet	•				Yes
Technologies	Nvidia ACE	Suite of technologies to bring digital avatars to life with genAI		•	•		Yes

NVidia delivers scalable, modular solutions that aggregate hardware, software platforms, SDKs, and APIs for AI and computing applications.

Software platforms, optimized for NVidia's hardware, enable **seamless customization and deployment**

Tools, SDKs, and services empower customers and partners to **customize IP components** for their assets

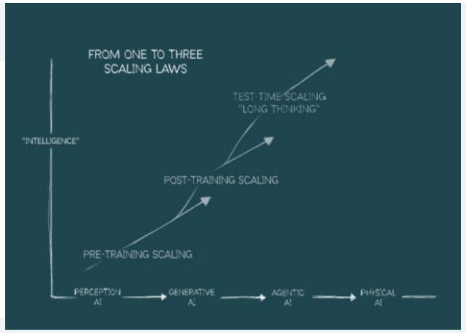
Proprietary technologies support computing performance and ensure interoperability across platforms

ODYSSEY

The AI revolution is accelerating the semiconductor industry's transformation towards software integration and inference

Industry overview

NVidia operates at the intersection of the AI semiconductor and AI-enabling software platforms industries. The proliferation of genAI and data-intensive applications has created unprecedented demand for high-performance AI chips. These chips handle training and inference for complex models requiring massive parallel processing. The current industry era is defined by the critical role of **AI-centric computing** powered by personalized AI hardware (GPUs, TPUs, IPUs) and the orchestration of agentic systems.



Key Trends

AI Chips	The rising demand for high-end AI chips drives the industry towards technical excellence and innovation.
Inference	The gradual shift from AI training to inference is creating opportunities for industry players, adding agentic software development to their offerings.
Sustainability	Energy-efficient GPUs are prioritized due to high power consumption in data centers, particularly in Europe.
Onshoring	Many countries incentivize or require domestic manufacturing capabilities in strategic domains such as AI infrastructure and processors.
Ecosystems	Competitors grow their ecosystems of partners as AI adoption is becoming pervasive across technology layers, business functions, and vertical markets.
Consolidation	Leaders drive market consolidation by outspending rivals to acquire challengers and deter potential new entrants.

Market drivers

- Technological advancements
- Supply chain dynamics
- Rising AI demand (B2B)
- Private investments

Barriers to entry

- Capital-intensive R&D
- Procurement constraints
- Intellectual property
- Economies of scale
- Customer lock-in
- Walled ecosystems

ODYSSEY

Unpredictable geopolitical and macroeconomic environments pose challenges to the industry's solid foundations

SWOT Analysis | Industry

STRENGTHS

- **High computational performance** confirming technological leadership of AI semiconductors such as GPUs and AI accelerators
- **Innovation intensity**, due to focus on R&D investments and technological advancements
- **Customer lock-in effect** resulting from upstream position in the AI value chain, which increases customer retention and ensures stable customer base for industry players
- **Solid financial growth** over the past two decades, boosted by rising AI
- **Ecosystem development**, enhancing developer adoption and growing the addressable market

WEAKNESSES

- **High development** costs requiring substantial investments and posing entry barriers
- **Supply chain complexity** from design to supply involving a large number of intermediaries
- **Geographical concentration** of raw materials and rare minerals (China, East Asia), which creates high dependencies
- **Talent shortage** with competition from tech giants exacerbating the skill gap issue
- **Energy inefficiencies** on the path to balance AI performance with efficient energy consumption
- **Market concentration** among a few dominating players, which may limit diversity and innovation in the long run
- **Industry cycles** that question growth sustainability

OPPORTUNITIES

- **Bullish AI momentum** stimulated by soaring appetite from customers and investors
- **Energy-to-intelligence** vertical integration
- **Vertical diversification** in other industries, which could mitigate risks associated with demand fluctuations
- Persisting **gaming sector growth**, although single-digit
- **Government support**, strengthening industry resilience

THREATS

- **Intense competition** from tech giants in adjacent industries (e.g Amazon, Google) and emerging players (e.g Graphcore) pressuring market shares and margins
- **Supply chain vulnerabilities** pertaining to rare minerals for AI
- **Unpredictable regulations**, especially on domestic production and international trade regulation and tariffs
- **Macroeconomic volatility**, which could erode sales, margins, and access to financing
- **Geopolitical risks** putting at risk the supply chain and international sales
- **Natural disasters and climate events** threatening industry infrastructure

ODYSSEY

NVidia's anticipation, adaptation, and agility are its main strengths in overcoming future market shifts

SWOT Analysis | NVidia

STRENGTHS

- **Visionary founder/leader** anticipating market shifts
- **Organizational anticipation, adaptation, agility** with lean operating model
- **Undisputed domination** in the AI chips and GPU industry with a 70-95% market share depending on market segment ("winner takes all")
- **Technological leadership** in flagship AI GPUs, chips and CUDA software
- **Top-notch R&D** and innovation capabilities resulting from continuous investment efforts
- **World's most valuable public company** with a market cap of $ 3.30T
- **Extraordinary financial performance** yielding recurring high growth, high profit, high cash position
- **End-to-end platform strategy** inducing stronger customer retention
- **Extensive ecosystem** of world-class partners and customers
- **Proven capability to scale up** quickly and deliver

WEAKNESSES

- **"All-in" strategy** triggering extreme dependency on global AI demand
- **Capital-intensive business model** incurring high capex and operational costs
- **Profit dependency on GPUs**
- **Business dependency** on concentrated third-party suppliers and partners
- **Complex supply chain**
- **Restricted access to raw materials**
- **High sale price unit** that may deter customers
- **Organizational transition** from the GPUs to the AI company to finetune on certain aspects

OPPORTUNITIES

- **Bullish AI momentum** stimulated by soaring appetite from customers and investors
- **Energy-to-intelligence** vertical integration
- **Vertical diversification** potential in other end markets (banking and finance, healthcare)
- **Professional services** with the development of a consulting arm
- **Sovereign AI projects** with a rising demand of AI Factories and equipment

THREATS

- **Rising competition** from challengers from adjacent industries (chipmakers, hyperscalers, AI startups and others)
- **Uncertain coopetition model** with top customers (Google, Microsoft, AWS)
- **Supply chain risks** specific to rare minerals for AI
- **Financial exposure** to market correction or downturn
- **Regulatory exposure** to international trade restrictions and tariffs
- **Persistent unpredictability** of macro environment (geopolitics, economics…)

NVidia faces a $0.6T economic opportunity in its core markets by 2030

Market	Description	Growth drivers	Market size 2025	Market size 2030	2025-2030 CAGR
AI Data Center GPUs	GPUs designed for data centers, powering AI, machine learning (ML), and high-performance computing (HPC) workloads, including training and inference for large language models (LLMs) and generative AI.	Rapid adoption of AI/ML, generative AI, real-time inference, hyperscale data center investments, and demand for high-performance parallel processing.	30.4	81.1	21.5%
AI Solutions	Includes AI software (e.g., machine learning frameworks, NLP tools), edge computing solutions, and AI platforms for industries like autonomous vehicles, IoT, and healthcare.	Increasing adoption of AI in enterprises, development of edge computing, autonomous vehicles, IoT, and healthcare applications.	152.5	467.0	25.0%
Gaming GPUs	GPUs designed for gaming applications, including PCs, consoles, and cloud gaming platforms, supporting advanced graphics like ray tracing and VR/AR.	Rising demand for high-quality graphics, cloud gaming, VR/AR adoption, and 5G connectivity enabling immersive gaming experiences.	4.9	21.0	33.9%
Total Market			$187.8B	$569.1B	24.8%

Most industry risks revolve around the unsecured adoption curve and ROI of AI

Risk	Analysis	Impact	Probability
AI demand	• **Soaring AI demand is difficult to evaluate accurately** • Risks: production inadequacy, customer deception, fly to alternatives, market contraction • Mitigation: accelerate software (recurring) revenue generation	◑	◑
Capital intensity	• **R&D investments could reach up to 40% of revenue** • Risks: overinvesting, underinvesting, innovation plateau, scarcity of funding and exit opportunities • Mitigation: increase financial surface and market intelligence	◕	◑
Talent challlenge	• **Talent production is short of 100,000 skilled resources per year** • Risks: skill gap, flawed automation substitutes, salary increase, insufficient collective intelligence • Mitigation: empower talents, train and upskill teams thanks to AI	◑	◔
Supply chain vulnerability	• **Procurement tensions weaken the global production supply chain** • Risks: rising product costs, changes in time-to-market, reputation, deteriorated cash position • Mitigation: diversify portfolio of suppliers for better resilience	◕	◕
Sustainability & efficiency	• **AI data centers consume ~4% of total electricity produced** • Risks: stakeholder relations, reputation, climate-related laws, hardware destruction due to climate events • Mitigation: undertake power-to-intelligence vertical integration	◑	◔
Regulatory scrutiny	• **Restrictions and tariffs are imposed on AI businesses** • Risks: higher supply costs, lower sales volumes, increasing compliance costs (EU AI Act) • Mitigation: boost domestic production and revenue diversification	◔	◕

ODYSSEY

Energized by AI attractiveness, competition is intensifying on the verge of a fierce software ecosystem war

Tier-1 competition

Hyperscalers
Large cloud services providers

- Deeppocketed coopetitors with increasing business overlaps in AI chip design and manufacturing
- Ex: Google, AWS, Microsoft, Alibaba

AI startups
New entrants in the AI chips market

- New entrants focusing on specialized architectures (ASICS, LPUs, or IPUs) for AI workloads
- Ex: Cerebras, Groq, Etched, d-Matric, Graphcore

Tier-2 competition

Suppliers of integrated GPUs

- Direct competitors developing hardware (chips) and software (drivers, APIs) for gaming and lightweight AI workloads
- Ex: AMD, Intel

Designers and integrators of ARM-based processors

- Designers and manufacturers of chips and processors based on the ARM architecture for computing and AI inference
- Ex: MediaTek, Huawei

Suppliers of hardware and software for SoCs

- Peripheral competitors that supply apps and custom AI integration in specific domains (automotive, edge AI)
- Ex: Ambarella, Qualcomm, Renesas

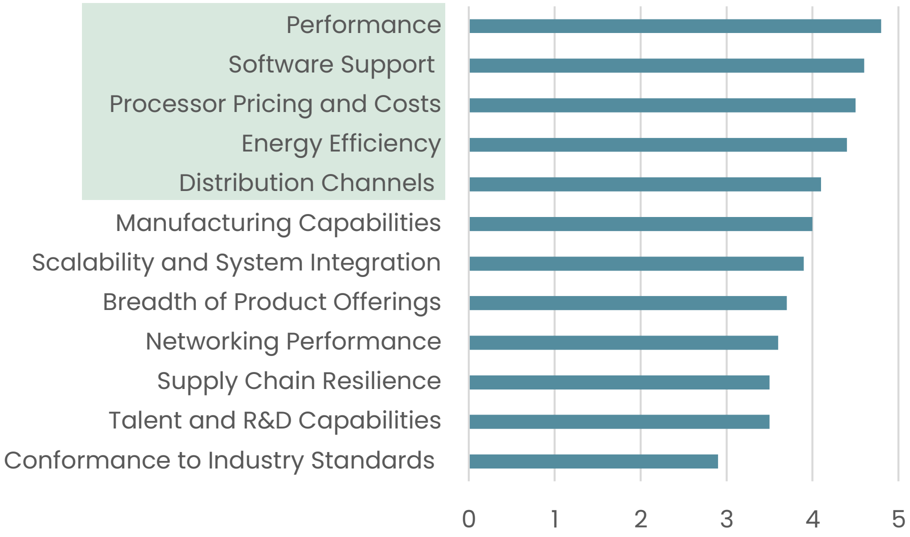
Suppliers of networking products

- Peripheral competitors in networking technologies
- Ex: Arista Networks, Broadcom, Cisco, Lumentum Holdings, Marwell Technology

Competition intensity

Although barriers to entry are high, rivalry is increasing in the context of a **looming ecosystem war** among tech behemoths

Competitive factors



Shifting market dynamics are starting to move value spots from chip manufacturing to software ecosystem orchestration

Market dynamics have shifted dramatically as the AI adoption curve whets the appetites of competitors. Amid rising competitive pressures, NVidia must navigate the delicate balance of maintaining its innovation lead and market dominance while contending with the inevitable price and margin squeeze new chip alternatives may bring.

Race to alternatives

Semiconductor companies develop alternative chips designed to perform energy-efficient, aiming to undercut NVidia on price and erode its market share. Intel's Gaudi 3 is expected to be 1.5x faster than H100 chips and 30%-60% cheaper. Its Granite Rapids chips will feature inference processing units suitable for smaller AI models.

These companies also develop their own "secret sauce" software platforms to compete with CUDA, often in collaboration with partners. Intel works with Google and Qualcomm.

Fading coopetition model

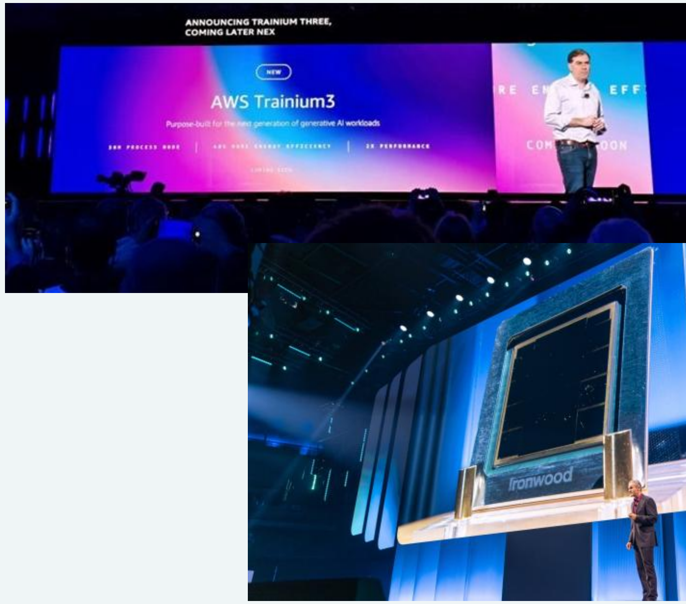
NVidia's acceleration in computing power for cloud, AI factories, and AI Enterprise platform ignites tensions with the cloud giants (AWS, Microsoft, Google), which are its main customers. The competition model with hyperscalers is waning.

They develop in-house chips such as Google's TPU and Amazon's Trainium, which threaten NVidia's market share in AI training and inference. Additionally, cloud service providers are developing new ecosystems for AI orchestration through proprietary tools and services.

AI orchestration moats

Competitors' capabilities to orchestrate comprehensive AI workloads or systems of AI applications and agents for end customers become a differentiating moat. As AI adoption rises, industry value creation is gradually shifting from the infrastructure layer to the application layer.

The reliance on a strong ecosystem of partners (vendors, distributors, and developers), ease of integration, and interoperability are critical to thriving in the agentic AI era.



ODYSSEY

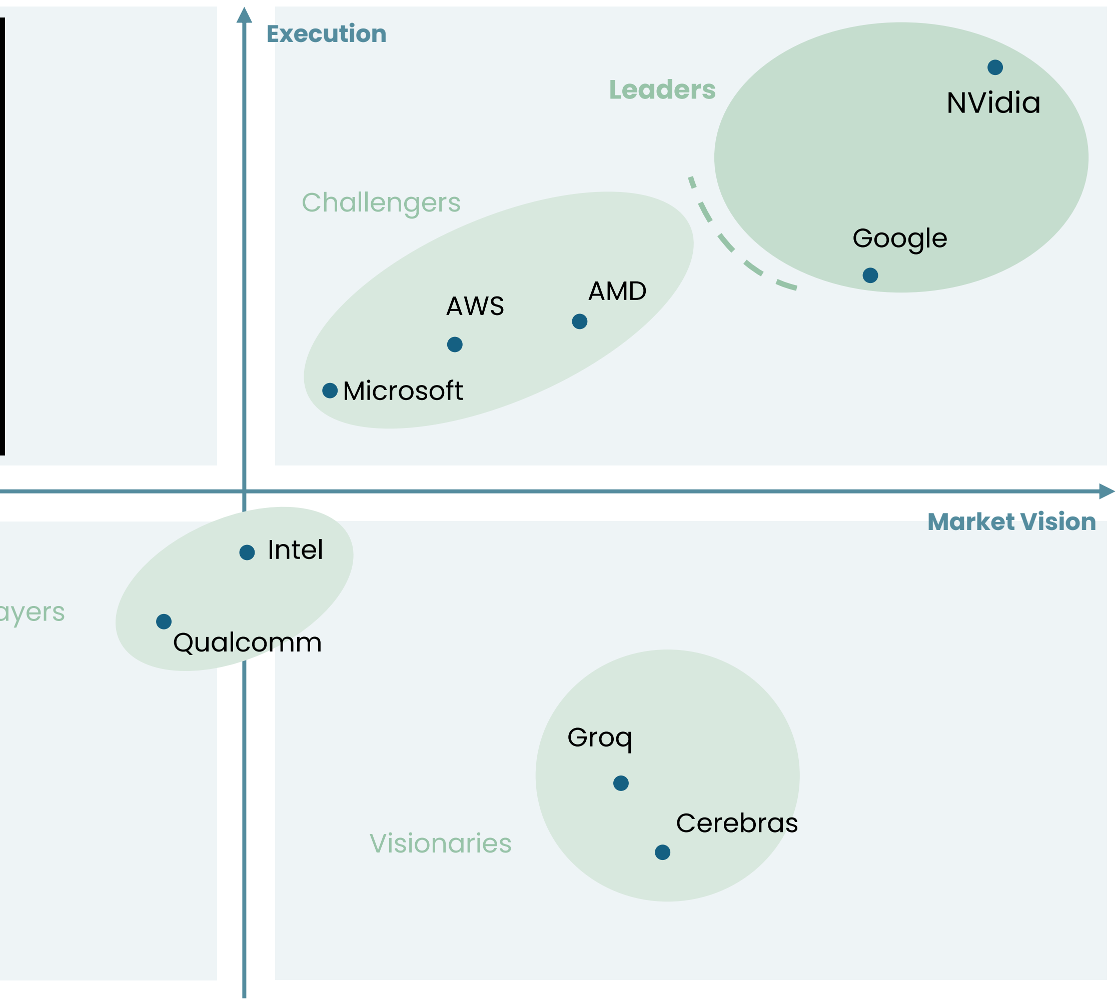
Top customers morphing into tough competitors: the scheduled end of NVidia's coopetition model

Competitor	Competition Scope	AI Chips	Competition intensity
Microsoft	Develops custom AI chips for Azure cloud infrastructure to reduce reliance on NVidia for AI workloads, particularly for training and inference of LLMs like those powering Copilot.	• Maia 100 (ASIC designed for training and inference)	**High**: Microsoft is investing in in-house chips to optimize costs and performance for Azure. Their market impact is contained due to the focus on internal use but growing with partnerships like OpenAI.
aws	Designs AI chips for cloud-based AI workloads, offering cost-effective alternatives for training and inference on AWS platforms.	• Trainium (training, up to 4x performance of first-gen, ~210 TOPS INT8) • Inferentia (inference, ~50% better price-performance than NVidia GPUs)	**High**: AWS leverages its cloud dominance to push its AI chips with customers like Anthropic. Whilst competition is intense for cost-sensitive cloud users, it is contained by Amazon's internal focus.
Google Cloud	Develops TPUs for internal AI workloads (e.g., Gemini) and offers them via Google Cloud, competing in both training and inference for large language models (LLMs)..	• TPU v5p (Trillium, ~459 TOPS FP16) • TPU v4 (~275 TOPS FP16)	**Very high**: Google's TPUs are well-established, with significant in-house use and external adoption (e.g., Apple). Strong software integration and cloud presence make it a formidable competitor.
cerebras	Specializes in large-scale AI training and inference with wafer-scale chips, targeting high-performance AI workloads.	• WSE-3 (900,000 AI cores, ~125 PFLOPS FP16, 7,000x bandwidth of NVidia H100, claiming 20x faster inference than NVidia GPUs on certain LLMs	**Very high**: Cerebras' WSE-3 claims superior performance for training large models. Although limited by niche focus and high costs, they are gaining traction with cloud providers.
AMD	Competes directly in data center AI with GPUs optimized for training and inference, targeting NVidia's H100 and Blackwell.	• MI300X (~1,300 TOPS FP8) • MI325X (~1,600 TOPS FP8, claims parity with NVidia H100 for inference)	**Very high**: AMD is NVidia's closest traditional competitor, with MI300X adopted by major tech firms. Software (ROCm) lags behind CUDA. Improvements in benchmarks and partnerships are boosting its intensity.
intel	Offers AI accelerators for training and inference alongside CPUs for edge and data center AI, with a focus on cost-effectiveness and efficiency.	• Gaudi 3 (~1,835 TOPS INT8, claims 1.5x faster training than NVidia H100), Xeon (inference-focused)	**High**: Intel's Gaudi 3 shows promise but has lower market traction. Although new leadership and open-source efforts (e.g., UXL) aim to challenge NVidia, software and market share lag.
Qualcomm	Focuses on edge and cloud inference, leveraging mobile chip expertise for low-power AI solutions.	• Cloud AI 100 Ultra (~870 TOPS INT8, 227 queries/watt vs. NVidia H100's 108), • Snapdragon 8 Elite (45% AI performance boost)	**Moderate**: Qualcomm excels in power-efficient inference, outperforming NVidia in specific benchmarks. Despite a smaller market presence, the company is enchancing its reach through partnerships.

ODYSSEY

NVidia stands in the magic quadrant as the category leader, outstripping emerging contenders

The central question for NVidia is to know when its revenue will be diversified enough to overcome strategic vulnerabilities to its main customers (Microsoft, Google, AWS).



- Hyperscalers and AMD are the main competitors of NVidia. Their alternative AI chips face limitations in terms of breadth of usage and the software ecosystem.
- Most AI startups lack execution capabilities, sales reach, and financial drypowder to threaten NVidia's leadership.
- Neoclouds (Coreweave, Cruose, Nebius) do not show any ambition to compete with NVidia by developing their own AI chips in the short term.

ODYSSEY

NVidia leads the AI revolution thanks to its unmatched vision and execution capabilities

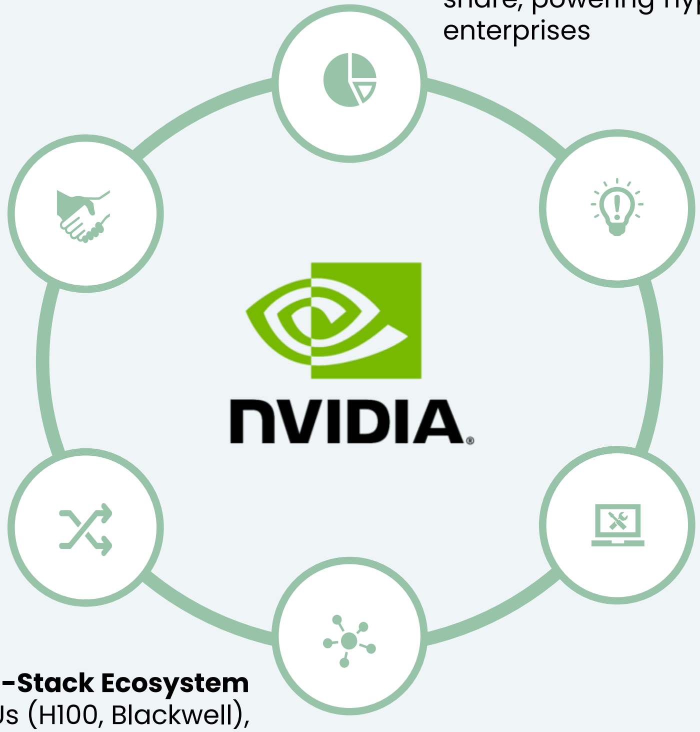
A leadership that exudes across the entire value chain

NVidia is building differentiating assets that confirm its versatile market dominance.

Market Leadership
Dominates with 70-95% AI chip market share, powering hyperscalers and enterprises

Strategic Partnerships
Collaborates with AWS, Microsoft, SAP, and CoreWeave to achieve a global reach

Innovation Pipeline
Pioneers generative AI and next-gen architectures (Rubin) for future growth



Supply Chain Strength
Scales production via TSMC’s advanced nodes

Software Dominance
CUDA and AI frameworks lock in developers, ensuring seamless integration and collaboration

Full-Stack Ecosystem
Integrates GPUs (H100, Blackwell), CUDA software, and DGX Cloud for end-to-end AI solutions

ODYSSEY

NVidia harnesses favorable AI momentum to consolidate its other strategic moats

Compute Core

NVidia's end-to-end data center solutions create a seamless AI infrastructure for hyperscalers and enterprises.

- Moat strength: customer lock-in, value chain control
- Defensibility: **High**

Talent Constellation

NVidia's workforce includes 36k+ top engineers, AI researchers, and industry experts, led by a visionary CEO.

- Moat strength: execution excellence, talent magnet
- Defensibility: **High** thanks to high compensation

Galaxy Center

NVidia's ecosystem includes partnerships with cloud providers, enterprises, and developers for AI solutions.

- Moat strength: developer lock-in, partnerships
- Defensibility: **High** due to network effect

Beacon of Trust

NVidia is the go-to provider for cutting-edge AI and graphics solutions, enjoying strong customer loyalty.

- Moat strength: market trust, loyalty, premium pricing
- Defensibility: **Moderate**, needing sustained performance

IP Fortress

NVidia's IP portfolio includes 15k+ patents covering GPUs, AI algorithms, networking technologies, and software.

- Moat strength: patent protection, licensing revenue
- Defensibility: **High**

Vault of Resilience

NVidia is armed for strategic investments and resilience with USD 64B net cash flows from operations in FY25.

- Moat strength: investment capacity, strategic flexibility
- Defensibility: **Moderate** due to high capex

Innovation Engine

NVidia invests ~8% of revenue in R&D, fostering innovation in AI, quantum, emerging technologies, and sustainability.

- Moat strength: innovation, speed-to-market
- Defensibility: **High**

Pioneer's Edge

NVidia's early focus on AI, since CUDA launch in 2006, gave it a head start in market share and developer mindshare.

- Moat strength: entrenchment as AI standard
- Defensibility: **Low**

Most of NVidia's moats are strong, defensible, and durable unless unforeseen market disruptions reshape the competitive landscape by 2030.

ODYSSEY

The company's market dominance is a strong and sustainable moat reinforced by its proven adaptability

Definition

NVidia simultaneously dominates the AI, gaming, and HPC markets with an impressive lion's share of the global market, ranging from 70% to 95%, depending on business segments.

Moat pillars

Market Scale | Ecosystem Lock-in | Operating Model

Competitive advantages

Brand Equity	NVidia's reputation as the gold standard for gaming GPUs, AI GPUs, and HPC enhances customer loyalty and allows for high-end positioning.
Financial Strength	NVidia's financial performance provides the resources to sustain market leadership and expansion.
High barriers to entry	NVidia's CUDA platform, GPU technology, and ecosystem, create a competitive edge by making it costly and complex for competitors to challenge.
Cross-market leverage	By applying its full-stack technologies and expertise across diverse sectors, NVidia makes it difficult for competitors to match its broad market reach.

Moat strength

High

NVidia converted its market dominance into a self-reinforcing economic moat (growth, profit, and cash), which is **formidably broad and robust**. The firm is building solid, valuable intangible assets (IP rights, brand, software ecosystem) that accentuate its differentiation and dominance.

Key threats

Demand Push For Cost-Efficiency | Hyperscalers | Antitrust Scrutiny

Moat durability

High

The moat sustainability(1) over time depends on industry cycles and on **competitors' ability to develop AI-specific chips or open-source platforms** that gain traction.

(1): However, NVidia's proactive innovation and financial strength may help mitigate these risks.

ODYSSEY

NVidia's ecosystem orchestration moat is challenged by alternative platforms from emerging consortia

Definition

NVidia orchestrates the globally leading AI ecosystem, integrating hardware, software, and partnerships.

Moat pillars

- Platform Strategy
- Partner Network
- Software Dominance

Competitive advantages

Developer Lock-in	CUDA's dominance and optimization create a high barrier to entry, as competitors' platforms lack equivalent adoption and maturity.
Partner Ecosystem	Strategic alliances with cloud providers and enterprises ensure NVidia's technology is the backbone of AI infrastructure, making it costly to switch.
Causality Dilemma	Competitors face a "causality dilemma" where a lack of adoption hampers the further development of alternative platforms, such as AMD's ROCm.
Cross-industry Reach	NVidia's expansion into gaming, automotive, and metaverse applications diversifies its ecosystem, reducing reliance on AI alone.

Moat strength

High

NVidia's ecosystem orchestration moat is **wide**, driven by network effects (developer community), switching costs (CUDA lock-in, infrastructure integration), intangible assets (proprietary software), and strategic partnerships.

Key threats

- **Competitor Ecosystems**
- **Regulatory Pressures**
- **Market Cyclicality**

Moat durability

High

The long-term sustainability of this moat depends on **maintaining developer loyalty, countering competitive ecosystems, and adapting to market shifts.**

ODYSSEY

NVidia's technological moat is very powerful, but exposed to unanticipated disruptions and open-source alternatives

Definition

NVidia leads the global race to AI, GPU, and networking technologies' performance. The firm's innovation and technological advancements position it in the high-end market segment.

Moat pillars

- R&D Scale
- Properietary Architectures
- Software Integration

Competitive advantages

Leading Performance	Innovations make NVidia GPUs uniquely suited for AI workloads, outperforming general-purpose chips or competitors' offerings.
Full-stack Technology	The full-stack approach optimizes performance across the entire AI workflow, from training to inference.
R&D Investments	NVidia's high R&D budget helps maintain a technological lead and rapidly adapt to emerging trends, such as genAI and inference-heavy workloads.
Adaptive Innovation focus	NVidia's anticipates market needs, focusing innovation on inference to align with the growing demand for real-time AI deployment.

Moat strength

Very High

NVidia's technological moat is **exceptionally strong**, characterized by the aggregation of intangible assets (CUDA, proprietary libraries) and AI-driven innovation. The combination of hardware and software optimization creates a high barrier to entry, reinforced by NVidia's first-mover advantage in AI and rapid innovation cycle.

Key threats

- **Open-source Movement**
- **Technological Disruption**
- **Supply chain Constraints**

Moat durability

High

The moat's long-term sustainability depends on NVidia's ability to **maintain innovation** while countering emerging threats.

4. Financial Model Derisking

ODYSSEY

The continuity bet: NVidia's growth strategy consists of capitalizing on its strategic assets to expand further

2025

2030

Develop Data Centers

- Grow Spectrum-X and H200 instances
- Modernize $1T infrastructure
- Invest $50B/quarter by Q4 2026

Scale AI Leadership

- Ramp Blackwell & Rubin for AI training and inference
- Deploy NVidia NIM for cloud-to-edge AI

Address Emerging Markets

- Drive autonomous vehicles (DRIVE)
- Metaverse (Omniverse),
- Edge AI (Jetson)

Expand Use Cases

- Accelerate penetration of new sectors from robotics to healthcare through specific use cases to broaden the TAM

Enter New Partnerships

- Secure Middle East/Asia deals
- Offset China losses with new market
- Pursue programmatic M&A strategy

Consolidate Financial Strength

- Sustain 70%+ margins
- Net FCFs > $5B+ per year to fund R&D and supply chain resilience

ODYSSEY

Derisked forecasts result in a USD 190B revenue and net margin of more than 40% in FY28

In millions ($), except per share data	Analyst consensus			Derisked forecasts			Derisking		
	FY26 (B)	FY27 (F)	FY28 (F)	FY26	FY27	FY28	FY26	FY27	FY28
Sales	187 500	227 500	260 700	170 951	184 627	190 166	(16 549)	(42 873)	(70 534)
Cost of revenue	(49 688)	(59 150)	(66 479)	(47 866)	(56 865)	(56 099)	1 821	2 285	10 380
Gross profit	137 813	168 350	194 222	123 085	127 762	134 067	(14 728)	(40 588)	(60 154)
R&D	(11 390)	(12 740)	(14 340)	(11 625)	(14 586)	(18 066)	(235)	(1 846)	(3 726)
SG&A	(3 610)	(3 870)	(4 690)	(4 787)	(7 200)	(8 938)	(1 177)	(3 330)	(4 248)
Opex	(15 000)	(16 610)	(19 030)	(16 411)	(21 786)	(27 004)	(1 411)	(5 176)	(7 974)
EBITDA	124 875	154 473	177 797	106 673	105 976	107 063	(18 202)	(48 497)	(70 734)
D&A	(2 075)	(2 503)	(2 597)	(3 419)	(5 539)	(7 607)	(1 344)	(3 036)	(5 009)
Operating Income	122 800	151 970	175 200	103 254	100 437	99 457	(19 546)	(51 533)	(75 743)
Taxes	(20 900)	(25 800)	(29 800)	(18 586)	(18 581)	(19 096)	2 314	7 219	10 704
Other income	1 700	1 600	1 800	1 700	1 600	1 800	-	-	-
Net Income	103 600	127 700	147 200	86 369	83 456	82 161	(17 231)	(44 244)	(65 039)
YoY Revenue growth	43,7%	21,3%	14,6%	31,0%	8,0%	3,0%	-12,7%	-13,3%	-11,6%
Gross profit Margin %	73,5%	74,0%	74,5%	72,0%	69,2%	70,5%	-1,5%	-4,8%	-4,0%
EBITDA Margin %	66,6%	67,9%	68,2%	62,4%	57,4%	56,3%	-4,2%	-10,5%	-11,9%
Operating Income Margin %	65,5%	66,8%	67,2%	60,4%	54,4%	52,3%	-5,1%	-12,4%	-14,9%
Net Margin %	55,3%	56,1%	56,5%	50,5%	45,2%	43,2%	-4,7%	-10,9%	-13,3%

- Analyst consensus leads to a **linear "hypergrowth continuity" scenario.** This scenario seems unlikely and should not be retained as the central case because it ignores ongoing industry paradigm shifts (onshoring, rising competition, and the AI adoption curve).
- The derisking exercise proves Nvidia's model resilience in stress test scenarios

Source: Odyssey meta analysis based on Morgan Stanley, DBS Group Research (US Equity Research, Nov 2024), and other analyst reports.

ODYSSEY

Derisking confirms Nvidia's model resilience despite expected market turbulence

		Consensus			Derisked assumptions		
		FY26	FY27	FY28	FY26	FY27	FY28
Revenue (as % YoY revenue growth)	Revenue growth may be inferior to consensus expectations as the coopetition model with Top7 customers is shifting, and as the AI adoption curve will peak at some point, although Nvidia is well-positioned to activate new growth drivers. A negative growth rate could be contemplated in an alternative scenario.	43,7%	21,3%	14,6%	31,0%	8,0%	3,7%
Gross profit (as % of revenue)	The announced objective of a stable gross margin in the mid-70s may be very difficult to achieve in the midterm due to tighter supply chains constraints and global unpredictability, despite production onshoring impacts. A more conservative approach would target an average 70% gross profit over the period, with potential sub-70s peaks.	73,5%	74,0%	74,5%	72,0%	69,2%	70,5%
R&D (as % of revenue)	Flat R&D expenses as % of revenue are an unlikely scenario as competition intensifies. To struggle for dominance continuity, further investments may be requested by shareholders, clients, and partners.	6,00%	6,00%	6,00%	6,80%	7,90%	9,50%
SG&A (as % of revenue)	The current lean SG&A structure may not be preserved, as a new matrix organization is needed to increase sales, address specific vertical needs, and accelerate international expansion.	2,00%	2,00%	2,00%	2,80%	3,90%	4,70%
D&A (as % of revenue)	Future D&A are underestimated as the company engages massive Capex investments to build AI factories and meet sovereign AI demand. The soaring capex intensity was not reflected in initial forecasts.	1,10%	1,10%	1,00%	2,00%	3,00%	4,00%
Taxes (as % of operating income)	Effective tax rate may increase due to (i) future U.S. income tax rises and (ii) international expansion in countries with higher corporate income tax. A derisked scenario anticipates that the effective corporate income tax gradually nearing a normative ~20% of operating income	17,00%	17,00%	17,00%	18,00%	18,50%	19,20%

Source: Odyssey meta analysis based on Morgan Stanley, DBS Group Research (US Equity Research, Nov 2024), and other analyst reports.

- A steep **slowdown in revenue growth** seems ineluctable in the coming years.
- The combination of rising operating expenses and capital expenditures to foster a new sales model and sovereign AI infrastructure respectively, leads to a **net margin squeeze** that must be thoughtfully considered for investment purposes.

ODYSSEY

The growth strategy is future-proof despite a lack of visibility on energy efficiency plans and alternatives to TSMC

Growth challenge	Execution risks	Mitigations
• How does Nvidia plan to **maintain its position at the forefront of the AI revolution while expanding its global influence** through new technology developments?	• Delays in product roadmap delivery • Losing market share to AMD, Intel, others • Lock-in weakened by open ecosystems	• Accelerate Blackwell/Rubin innovation • Enhance NVidia NIM for cloud-to-edge AI • Secure operational efficiency across organization • Strengthen hyperscaler partnerships
• What is the group's strategy to capture value from the upcoming **quantum revolution**?	• Hybrid quantum-AI fails to deliver • Skepticism delays adoption	• Use CUDA-Q for hybrid algorithms • Partner with Quantinuum, QuEra, and others • Accelerate drug discovery targeting
• What are Nvidia's plans to reduce its **dependency on key suppliers** amid geopolitical tensions?	• TSMC reliance and supply chain disruption • China losses from export bans	• Diversify with Foxconn, MediaTek, Samsung • Expand in Middle East (Saudi's Humain), India • Explore U.S. production
• How will Nvidia **manage its customer relationship with hyperscalers**?	• Revenue from cloud giants sharply decreases as they prioritize their in-house AI chips • Competition intensity increases	• Accelerate customer portfolio diversification outside the US (sovereign AI) • Accompany the AI adoption of smaller companies in strategic verticals
• How does NVidia plan to **meet sustainability demand** from its stakeholders?	• High power use (150+ kW/rack) conflicts with green regulations • Competitors gain on efficiency	• Scale Spectrum-X, Quantum-X for 3.5x efficiency • Adopt liquid cooling • Partner with Tapestry for grid optimization
• How does NVidia prepare to **conquer emerging markets**?	• High R&D costs for DRIVE, Omniverse • Delayed adoption in automotive and Omniverse • Competitors specialize in other fast-growing verticals (healthcare, banking)	• Prioritize high-growth verticals ($300B auto market) • Boost partnerships (Disney, DeepMind) • Open-source Newton engine

ODYSSEY

NVidia spearheads the intersection of AI and quantum revolution

NVidia does not build the quantum computer of the future, but the full ecosystem around it.

NVidia positions quantum computing not as a new hardware frontier but as a systems-level challenge requiring shared infrastructure, accelerated computing, scaled AI-driven collaboration, and deep integration across disciplines.

At GTC 2025, NVidia announced the NVidia Accelerated Quantum Center and a series of quantum partnerships that emphasize hybrid quantum-classical systems.

Companies such as QC Design, Pasqal, and SEEQC integrated NVidia's CUDA-Q platform to address quantum error correction, fault tolerance, and simulation scalability.

Research institutions and startups are utilizing Nvidia's AI supercomputing to drive quantum advancements in imaging, layout optimization, error correction, and hybrid algorithm development.

Integrating QPUs with AI supercomputers

to transform industries and accelerate scientific discovery

ODYSSEY

The group accelerates its programmatic M&A strategy, winning since 2020

Target Company	Business Description	Est. Revenue	Headquarters	Status	Transaction Date	Transaction Value	Equity Stake
Lepton AI	AI cloud platform to develop, train and deploy AI models	$20M–$100M	Cupertino, CA, USA	Reported talks	-	Unknown	Unknown
Gretel	Synthetic data platform for flagship AI models training	<25M$	San Diego, CA, USA	Reportedly Closed	Mar 19, 2025	$350M (Est.)	100%
Run:AI	Orchestration software for AI workloads and GPU efficiency	$10M–$50M	Tel-Aviv, Israel	Closed	Dec 30, 2024	$700M	100%
VInBrain	AI-based healthcare solutions	<30M$	Hanoi, Vietnam	Closed	Dec 10, 2024	Undisclosed	100%
Augtera	AIOps platform for network operations automation	<10M$	Palo Alto, CA, USA	Closed	Dec 2024	Undisclosed	100%
OctoAI	Full-stack, hardware-agnostic, inference platform purpose-built for genAI developments	<50M$	Seattle, USA	Closed	Sep 30, 2024	$250M (Est.)	100%
Brev	Cloud GPU development platform to run, build, train, deploy and scale AI models	<10M$	San Francisco, CA, USA	Closed	Jul 17, 2024	Undisclosed	100%
Shoreline.io	Incident management automation, reliability, and operational efficiency enhancement of cloud-based services	$5M–$20M	Redwood City, CA, USA	Closed	Jun 19, 2024	$100M (Est.)	100%
Deci AI	End-to-end deep learning platform for AI model design optimization, leveraging Neural Architecture Search (NAS)	$10M–$30M	Tel-Aviv, Israel	Closed	May 2024	$300M	100%

NVidia closed at least 26 acquisitions, including Mellanox Technologies (Networking products, $6.3B in 2019) and Bright Computing (GPU cluster management, 2022). Since 2019, NVidia has completed no acquisition exceeding $1B in deal value, which confirms a strategic shift to programmatic M&A focused on smaller transactions.

- NVidia accelerates its programmatic M&A strategy with a **record-high volume** of disciplined acquisitions in FY2025.
- NVidia **cherry-picks early and growth-stage startups** to leverage synergies from their advanced AI infrastructure offerings and expertise.
- Although NVidia may align its purchase price on lofty VC valuation multiples, its **financial exposure is circumscribed** to sustainable transaction values <$1B.

NVidia is stockpiling a $43B war treasury of cash and marketable securities for future growth and resilience

ODYSSEY

In millions ($), except per share data	2021	2022	2023	2024	2025
ASSETS					
Current assets:					
Cash and cash equivalents	847	1 990	3 389	7 280	8 589
Marketable securities	10 714	19 218	9 907	18 704	34 621
Accounts receivable, net	2 429	4 650	3 827	9 999	23 065
Inventories	1 826	2 605	5 159	5 282	10 080
Prepaid expenses and other current assets	239	366	791	3 080	3 771
Total current assets	16 055	28 829	23 073	44 345	80 126
Propery and equipment, net	2 149	2 778	3 807	3 914	6 283
Operating lease assets	707	829	1 038	1 346	1 793
Goodwill	4 193	4 349	4 372	4 430	5 188
Intangible assets, net	2 737	2 339	1 676	1 112	807
Deferred income tax assets	806	1 222	3 396	6 081	10 979
Other assets	2 144	3 841	3 820	4 500	6 425
Total assets	28 791	44 187	41 182	65 728	111 601

Source: NVidia's 10-K reports for FY21, FY22,FY23,FY24, and FY25

- NVidia's **balance sheet size has almost tripled (x2.9)** since 2021 as a result of its stellar growth.
- NVidia is an **asset-light firm,** confirming its lean operating model, despite a growing appetite for acquisitions.
- **Accounts receivable from competitors** and **growing product inventories** may require tighter management scrutiny ahead of future growth opportunities.

ODYSSEY

Shareholders’ equity quintupled over the past half-decade to near $80B, easing deleveraging strategy

In millions ($), except per share data	2021	2022	2023	2024	2025
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities:					
Accounts payable	1 149	1 783	1 193	2 699	6 310
Accrued and other current liabilities	1 777	2 552	4 120	6 682	11 737
Short-term debt	999	-	1 250	1 250	-
Total current liabilities	3 925	4 335	6 563	10 631	18 047
Long-term debt	5 964	10 946	9 703	8 459	8 463
Long-term operating lease liabilities	634	741	902	1 119	1 519
Other long-term liabilities	1 375	1 553	1 913	2 541	4 245
Total liabilities	11 898	17 575	19 081	22 750	32 274
Shareholders' equity					
Common + preferred stock	3	3	2	25	24
Additional paid-in capital	8 719	10 385	11 971	13 109	11 237
Treasury stock at cost	(10 756)	-	-	-	-
Accumulated other comprehensive loss	19	(11)	(43)	27	28
Retained earnings	18 908	16 235	10 171	29 817	68 038
Total shareholders' equity	16 893	26 612	22 101	42 978	79 327
Total liabilities and shareholders' equity	28 791	44 187	41 182	65 728	111 601

Source: NVidia’s 10-K reports for FY21, FY22,FY23,FY24, and FY25

- **NVidia is deleveraging,** reaching a gearing ratio below 20%. Financial liabilities are worth 17% of net income.
- Future **lease obligations attached to new data centers** are a key point of vigilance for management.
- NVidia’s rapid growth entails **new purchase, warranty, and return obligations and provisions** that require close monitoring.

ODYSSEY

Notes on Nvidia’s FY 25 Balancesheet

ASSETS

Current assets

- Marketable securities mainly include corporate debt securities ($16.5B), debt securities issued by the US treasury ($15.0B), and US government agencies ($2.8B)
- Two direct customers accounted for 17% and 16% of our accounts receivable balance as of January 26, 2025
- Inventories include raw materials ($3.4B), work in progress ($3.4B), and finished goods ($3.3B)

Intangible and other assets

- Property, plant, and equipment include equipment, computing, and software (70%) and land, building, and construction (30%)
- Intangible assets include acquisition-related intangible assets ($0.6B) and patents and licensed technologies ($0.2B)
- Goodwill increased by $758 million in fiscal year 2025 from acquisitions and was allocated to the Compute & Networking reporting unit. Annual qualitative tests concluded the absence of impairment for FY23, FY24, and FY25.
- Deferred tax assets mainly comprise capital R&D expenditure ($6.3B in FY25), GILTI deferred assets ($2.8B), accruals and reserves ($2.1B), and others (-$0.3B).

LIABILITIES

Liabilities

- Accrued and other current liabilities include customer program accruals ($4.9B), excess inventory purchase obligations ($2.1B), product warranty and return provisions ($1.4B), and others ($3.3B)
- NVidia’s long-term debt amounts to $8.5B, of which $2.3B is due in one to five years, $2.8B is due from five to ten years, and $3.4B is due in more than ten years.
- NVidia has a $575 million commercial paper program to support general corporate purposes. As of January 26, 2025, the firm had no outstanding commercial paper.
- Long-term liabilities include notes carried at their original issuance value, net of unamortized debt discount and issuance costs. Notes are due 2026-2060 at annual rates ranging from 1.55% to 3.70%.
- NVidia’s lease obligations primarily consist of operating leases for its headquarters' campus and domestic and international offices and data centers, with lease periods expiring between fiscal years 2026 and 2037. Between fiscal years 2026 and 2030, NVidia expects to commence leases with future obligations of $7.6 billion primarily of data center and office operating leases, with lease terms of 3 to 15.5 years.

Shareholders’ equity

- Shareholders’ equity includes common stock, $0.001 par value; 80,000 shares authorized; 24,477 shares issued and outstanding as of January 26, 2025.
- The main variation in shareholders’ equity since FY23 pertain to stock-based compensation ($3.6B in FY24 plus $4.8 in FY25) and tax withholding related to vesting of restricted stock units (-$6.9B).

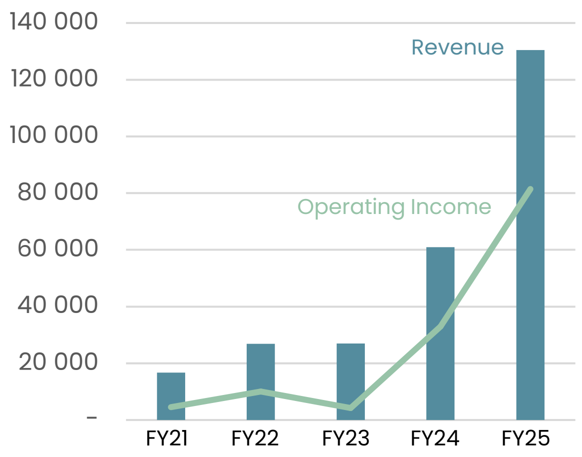
Source: NVidia’s 10-K reports for FY21, FY22,FY23,FY24, and FY25

The triple-digit revenue growth yielded an average 52% net income margin in FY24 and FY25

In millions ($), except per share data	2021	2022	2023	2024	2025
Revenue	**16 675**	**26 914**	**26 974**	**60 922**	**130 497**
Cost of revenue	6 279	9 439	11 618	16 621	32 639
Gross profit	10 396	17 475	15 356	44 301	97 858
Operating expenses					
Research and development	3 924	5 268	7 339	8 675	12 914
Sales, general and administrative	1 940	2 166	2 440	2 654	3 491
Acquisition termination cost	-	-	1 353		
Total operating expenses	5 864	7 434	11 132	11 329	16 405
Operating Income	**4 532**	**10 041**	**4 224**	**32 972**	**81 453**
Interest income	57	29	267	866	1 786
Interest expense	(184)	(236)	(262)	(257)	(247)
Other, net	4	107	(48)	237	1 034
Other income (expenses), net	(123)	(100)	(43)	846	2 573
Income before income tax	4 409	9 941	4 181	33 818	84 026
Income tax expense (benefit)	77	189	(187)	4 058	11 146
Net income	**4 332**	**9 752**	**4 368**	**29 760**	**72 880**
YoY revenue growth	*53%*	*61%*	*0%*	*126%*	*114%*
Gross profit margin	*62%*	*65%*	*57%*	*73%*	*75%*
R&D as % of revenue	*24%*	*20%*	*27%*	*14%*	*10%*
SG&A as % of revenue	*12%*	*8%*	*9%*	*4%*	*3%*
Net income as % of revenue	*26%*	*36%*	*16%*	*49%*	*56%*

Source: NVidia's 10-K reports for FY21, FY22,FY23,FY24, and FY25

Comments (FY25)



Notes:

- Operating expenses indicate a relative deceleration of R&D investment pace, from 23% of revenue in FY21 to 10% in FY25. The capex increase in data centers and supercomputers partly explain and offset this trend.
- Income before income tax amounts to $84B in FY25, of which $77.4B in the US and $6.6B in foreign countries.

- NVidia's revenue growth has been explosive with a 67% CAGR over FY21-FY25.
- NVidia has shown ability to maintain **high gross margin, now stabilizing in the mid-70s,** despite swings due to macroeconomic tailwinds.
- Its operating income **outstrips peers, confirming NVidia's capture of AI value**.

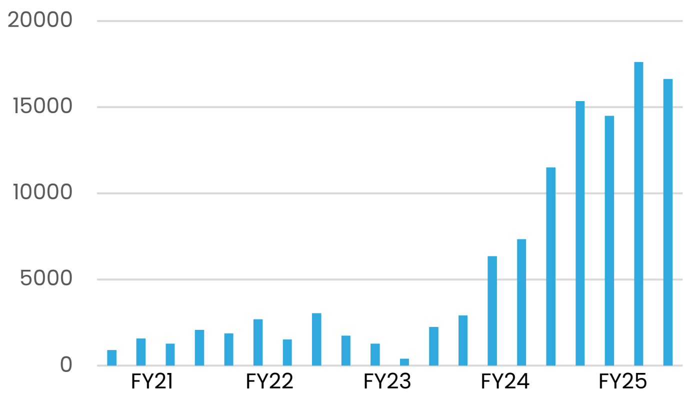
ODYSSEY

Cash flows from operations soar to an average $16B per quarter despite moderate swings

In millions ($), except per share data	2021	2022	2023	2024	2025
Cash flows from operating activities					
Net income	4 332	9 752	4 368	29 760	72 880
Adjustments to reconcile net income to net cash provided by operating activities					
Stock-based compensation expenses	1 397	2 004	2 709	3 549	4 737
Depreciation and amortization	1 098	1 174	1 544	1 508	1 864
Acquisition termination cost	-	-	1 353	-	-
(Gains) losses on non-marketable equity securities and publicly-held equity securities, net	-	(100)	45	(238)	(1 030)
Deferred income taxes	(282)	(406)	(2 164)	(2 489)	(4 477)
Other	(20)	47	(7)	(278)	(502)
Changes in operating assets and liabilities, net of acquisitions:					
Accounts receivable	(550)	(2 215)	822	(6 172)	(13 063)
Inventories	(524)	(774)	(2 554)	(98)	(4 781)
Prepaid expenses and other assets	(394)	(1 715)	(1 517)	(1 522)	(395)
Accounts payable	312	568	(551)	1 531	3 357
Accrued and other current liabilities	290	581	1 341	2 025	4 278
Other long-term liabilities	163	192	252	514	1 221
Net cash provided by operating activities	**5 822**	**9 108**	**5 641**	**28 090**	**64 089**
Cash flows from investing activities:					
Proceeds from maturities of marketable securities	8 792	15 197	19 425	9 732	11 195
Proceeds from sales of marketable securities	527	1 023	1 806	50	495
Proceeds from sales of non-marketable securities	-	-	8	1	171
Purchases of marketable securities	(19 308)	(24 787)	(11 897)	(18 211)	(26 575)
Purchases related to property and equipment and intangible assets	(1 128)	(976)	(1 833)	(1 069)	(3 236)
Purchases of non-marketable equity securities	(34)	(24)	(85)	(862)	(1 486)
Acquisitions, net of cash acquired	(8 524)	(263)	(49)	(83)	(1 007)
Other	-	-	-	(124)	22
Net cash provided by (used in) investing activities	**(19 675)**	**(9 830)**	**7 375**	**(10 566)**	**(20 421)**
Cash flows from financing activities				(124)	22
Proceeds related to employee stock plans	194	281	355	403	490
Payments related to repurchases of common stock	-	-	(10 039)	(9 533)	(33 706)
Payments related to tax on restricted stock units	(942)	(1 904)	(1 475)	(2 783)	(6 930)
Repaymnet of debt				(1 250)	(1 250)
Dividends paid	(395)	(399)	(398)	(395)	(834)
Principal payments on property and equipment	(17)	(83)	(58)	(74)	(129)
Issuance of debt, net of issuance costs	4 968	4 977	-		
Repayment of debt	-	(1 000)	-		
Other	(4)	(7)	(2)	(1)	-
Net cash provided by (used in) financing activities	**3 804**	**1 865**	**(11 617)**	**(13 633)**	**(42 359)**
Change in cash and cash equivalents	(10 049)	1 143	1 399	3 891	1 309
Cash and cash equivalents at beginning of period	10 896	847	1 990	3 389	7 280
Cash and cash equivalents at end of period	847	1 990	3 389	7 280	8 589

Source: NVidia's 10-K reports for FY21, FY22,FY23,FY24, and FY25

Quarterly cash flows from operations



Notes:

- Quarterly declines were driven by higher accounts receivable balance and increased inventory to support the Blackwell ramp.
- In FY25, cash paid for income taxes, net, amounted to $11.118B, and cash paid for interests to $0.246B.

88%
Cash Conversion Ratio in FY25

- NVidia generated **increasing cash flows from operations** since Q3 2023, driven by rising AI demand and higher revenue.
- The company utilized cash of **$34.8B towards shareholder returns** in FY25, including $34.0B in share repurchases and $0.8B in cash dividends.
- The management **invested $3.4B in capital expenditures** in FY25 (2.6% of revenue) to support future growth.

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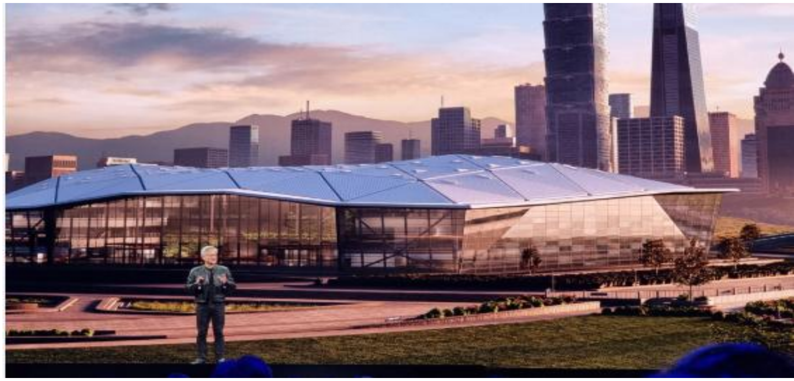
NVidia invested $10B capex over five years to build AI factories, supercomputers, and ramp up chip production

	Capex investments	In M$
2026	Forecasted capex **increase by 10% to 20%** to sustain growth and invest in new AI capabilities.	~3,700
2025	Large-scale investments in AI supercomputer factories, Blackwell full-scale production, and global data center expansions.	3,400
2024	Investments in advanced manufacturing and AI supercomputing facilities, including the Blackwell platform and DGX systems.	1,068
2023	Spending supported the ramp-up of A100 and H100 GPU production and data center expansions to meet surging AI demand.	1,833
2022	Capex investments in A100 GPUs production and initial contributions to AI infrastructure and supercomputing (e.g Perlmutter system at NERSC).	976
2021	Minimal capex focused on R&D and maintenance of existing facilities to support the Ampere architecture for GPU development.	NC

Key investments



New offices:

- Armenia (ongoing)
- Taiwan “Constellation” (2025)
- Vietnam R&D (2024)

Data centers and AI factories:

- UAE Stargate (2026)
- Paris (2026)
- Saudi Arabia (HUMAIN), Japan, US supercomputers

Appendix

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Q1 2026 | Results

Q1 Fiscal 2026 Summary

GAAP					
($ in millions, except earnings per share)	**Q1 FY26**	**Q4 FY25**	**Q1 FY25**	**Q/Q**	**Y/Y**
Revenue	$44,062	$39,331	$26,044	12%	69%
Gross margin	60.5%	73.0%	78.4%	(12.5) pts	(17.9) pts
Operating expenses	$5,030	$4,689	$3,497	7%	44%
Operating income	$21,638	$24,034	$16,909	(10)%	28%
Net income	$18,775	$22,091	$14,881	(15)%	26%
Diluted earnings per share*	$0.76	$0.89	$0.60	(15)%	27%

"**AI inference token generation has surged tenfold in just one year, and as AI agents become mainstream, the demand for AI computing will accelerate**. Countries around the world are recognizing AI as essential infrastructure, just like electricity and the internet, and NVidia stands at the center of this profound transformation."

--- Jensen Huang, CEO

Financial results

Revenue of $44.1 billion, up 12% from Q4 and up 69% from a year ago

- Data Center revenue of $39.1 billion, up 10% from Q4 and up 73% from a year ago.
- Gaming revenue was a record $3.8 billion, up 48% from the previous quarter and up 42% from a year ago.
- Automotive revenue was $567 million, down 1% from the previous quarter and up 72% from a year ago.

- On April 9, 2025, NVidia was informed by the U.S. government that a license is required for exports of its H20 products into the China market. As a result of these new requirements, NVidia incurred a $4.5 billion charge in Q1 2026 associated with H20 excess inventory and purchase obligations as the demand for H20 diminished.
- For the quarter, GAAP gross margins were 60.5% and would have reached 70.7% without the $4.5 billion charge.
- Introduced NVidia Blackwell Ultra and NVidia Dynamo for accelerating and scaling AI reasoning models.

Source: www.NVidia.com

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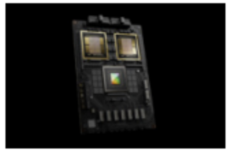
Q1 2026 | Latest news

NVIDIA is the engine of the world's AI infrastructure. Companies and countries around the world are building NVIDIA-powered AI factories to process, refine, and manufacture intelligence from data, creating new revenue opportunities for the world's $100 trillion of industries.

CUDA®, our parallel computing model, offers developers a powerful toolkit with over 400 libraries, 600 AI models, numerous software development kits, and support for 3,700 GPU-accelerated applications. CUDA has more than 53 million downloads.

Accelerated computing is sustainable computing. If certain accelerated computing and AI workloads were switched from CPU infrastructure to DPU- and GPU-accelerated operations, we estimate the world could save nearly 30 trillion watt-hours of energy per year.



Blackwell is one of the most important products in our history, boasting technologies that power AI training and real-time large language model inference for models scaling up to 10 trillion parameters.

NVIDIA NIM™, part of the NVIDIA AI Enterprise software platform, is a set of easy-to-use microservices designed for secure, reliable deployment of high-performance AI model inferencing across clouds, data centers, and workstations.

Latest NVIDIA News

AI/Data Center

- NVIDIA DGX personal AI supercomputers bring NVIDIA Grace Blackwell architecture to the desktop.
- NVIDIA Blackwell Ultra AI factory platform paves the way for the age of AI reasoning.
- NVIDIA Dynamo open-source inference software accelerates and scales AI reasoning models.
- The NVIDIA GB200 NVL72 system set records in the latest MLPerf Inference benchmarks.

RTX/Graphics

- New GeForce RTX™ 50 Series Desktop and Laptop GPUs announced.
- NVIDIA DLSS 4, featuring Multi Frame Generation, now available.
- GeForce NOW™ library features over 2,000 games.

Physical AI

- Introduced NVIDIA Cosmos™ platform for world model training and physical AI development.
- Launched NVIDIA Halos, a full-stack, comprehensive safety system for autonomous vehicles.
- Announced NVIDIA Isaac GR00T N1 open foundation model for humanoid robots.
- Unveiled NVIDIA Jetson Orin Nano™ Super Developer Kit.

Source: www.NVidia.com

Glossary

AIB	Graphics add-in board (AIB) refers to an electronic component used in computer systems to augment graphics, memory and communication capabilities
CPU	A Central Processing Unit (CPU) is the primary processor in a given computer. Its electronic circuitry executes instructions of a computer program
CoWoS	Chip-on-Wafer-on-Substrate (CoWoS) refers to a multi-chip packaging technology, stacking components on a substrate and enabling better I/O connections
CUDA	Compute Unified Device Architecture, created by NVidia in 2006
DGX	Deep GPU Xceleration, representing a series of servers and workstations designed by NVidia, primarily geared towards enhancing deep learning applications
DLSS	Deep Learning Super Sampling is a revolutionary suite of neural rendering technologies that uses AI to boost FPS, reduce latency, and improve image quality
DRIVE	Introduced in Jan 2015, NVidia DRIVE Is a computer platform aimed at providing autonomous car and driver assistance functionality powered by deep learning
GTC	NVidia's GPU Technology Conference is a global conference for AI developers and industry professionals
GPU	Introduced by NVidiai, a graphics processing unit (GPU) is a specialized electronic circuit designed for digital image processing and to accelerate computer graphics
HPC	High-performance computing is the use of supercomputers and computer clusters to solve advanced computation problems
IPU	An Intelligence Processing Unit (IPU) is a highly flexible, easy-to-use parallel processor designed from the ground up for AI workloads (training and inference)
NEOs	NVidia's Named Executive Officers
NVLink	High-speed GPU interconnect developed by NVidia, using mesh networking to communicate instead of a central hub
OEM	Original Equipment Manufacturer
SoC	A system on a chip (**SoC**) is an integrated circuit that combines most or all key components of a computer or electronic system onto a single microchip
STEM	Science, Technology, Engineering, and Mathematics
TPU	A Tensor Processing Unit (TPU) is an AI accelerator application-specific integrated circuit developed by Google, using Google's own TensorFlow software.
V2X	Vehicle-to-everything (V2X) describes wireless communication between a vehicle and any entity that may affect, or may be affected by, the vehicle

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