

Nebius Group: Explosive growth through the European AI Revolution

DESCRIPTION

Nebius Group is a pure-play AI infrastructure provider, positioned to capitalize on surging European cloud demand. Divested from Yandex, Nebius operates a full-stack, GPU-centric cloud platform tailored to data sovereignty regulations. Strategic partnerships, notably with NVIDIA, underpin Nebius's technical leadership and competitive advantage in HPC markets.

KEY INDICATORS

Current price:	\$44.30
Price target	\$68.5
Rating	Outperform
Projected upside	+54.6%

Investment Thesis

Having successfully divested from Yandex, Nebius is now a Western-aligned, financially robust pure-play poised for hyper-growth. Our thesis is anchored in its strategic position in the AI super-cycle, the rise of data sovereignty, its strategic ownerships and partnerships -such as Toloka and Nvidia- and its unique neo-cloud architecture, creating a moat against US hyperscalers in the European market. This is further reinforced by a fortress balance sheet, and relative undervaluation. Given these catalysts we believe that NBIS warrants an Outperform rating.

Last 12 months



TLDR

- **Market Leadership:** Nebius is Europe's premier sovereign AI cloud provider, uniquely benefiting from strict EU data-sovereignty regulations that exclude US hyperscalers from critical markets.
- **Strategic NVIDIA Partnership:** Nebius's deep strategic relationship with NVIDIA, reinforced by a significant equity investment, provides privileged early access to NVIDIA's cutting-edge GPUs, including next-generation Blackwell platforms, creating a durable competitive advantage amid ongoing global GPU shortages.
- **Cost Advantage:** Nebius's vertically integrated, full-stack AI infrastructure delivers GPU compute at ~20–50% lower cost than AWS, Azure, and CoreWeave, with also nearly six times lower data egress fees.
- **Fortress Balance Sheet:** Nebius holds \$2.45B cash plus \$1B convertible debt, fully funding its \$2B capex plan without dilution or restrictive debt, further supported by stakes in high-growth assets like ClickHouse and Toloka.
- **Compelling Upside:** Our blended valuation approach, anchored 60% by a detailed DCF analysis (8.2% WACC, 4% terminal growth) and 40% by a conservative peer EV/Sales multiple (3.23x FY34 revenues), supports a \$68.35 price target, representing compelling upside potential from current trading levels.

Who are Nebius?

Nebius Group (NASDAQ: NBIS) is a pure-play AI infrastructure provider strategically positioned to capitalize on Europe's surging demand for sovereign-compliant cloud solutions, primarily targeting regulated industries such as government, healthcare, and finance. Spun out from Yandex in July 2024 and publicly relisted later that year, Nebius has quickly established itself as a critical partner for enterprises seeking secure and specialized AI computing.

Its vertically integrated AI cloud infrastructure ("neocloud") delivers specialized GPU-powered compute tailored specifically for high-performance workloads like generative AI and large language models (LLMs), significantly outperforming general-purpose hyperscaler solutions. The company's strategic partnership and equity alignment with NVIDIA provide privileged early access to cutting-edge GPUs, notably the next-generation Blackwell platform, securing a crucial competitive advantage amid global GPU shortages. Nebius's market position is reinforced by robust financial strength—including \$2.45 billion in cash and negligible debt—and its expanding network of sovereign-compliant European data centers strategically located in Amsterdam, Paris, Helsinki, and Reykjavik. Given these strategic advantages, powerful regulatory tailwinds, and compelling growth prospects, **we rate Nebius Group as Outperform and set our price target at \$68.35, reflecting substantial valuation upside from current levels.**

Zoom in: Regulatory Tailwinds and Strategic Advantages

AI Infrastructure Supercycle & Data Sovereignty

Nebius is strategically positioned to capitalize on two powerful, long-term trends driving Europe's digital transformation: exponential demand growth for specialized AI computing infrastructure and an accelerating shift toward mandatory data sovereignty.

The global AI infrastructure market is expanding dramatically, projected to grow from approximately \$638 billion in 2024 to over \$1.8 trillion by 2030. Central to this rapid growth is the escalating complexity of artificial intelligence workloads, such as generative AI, large language models (LLMs), and deep-learning applications—each requiring enormous amounts of computational power to train and run effectively. As organizations increasingly adopt sophisticated AI-driven processes, demand for specialized Graphics Processing Units (GPUs), the critical chips necessary to power these computations, is expected to nearly double in 2025 alone.

At the foundational layer, Nebius operates strategically located data centers across Europe, housing clusters of GPUs based on NVIDIA's advanced hardware, including its latest-generation Blackwell GPUs. These powerful GPU clusters are uniquely optimized to handle intense AI calculations, offering significantly enhanced speed, scalability, and reliability compared to traditional cloud computing infrastructure. Building on this foundation, Nebius has deployed specialized software tools to efficiently manage and optimize its GPU resources. Central to this approach is Kubernetes-based orchestration—a software platform that automatically manages and allocates computing resources, ensuring GPUs are efficiently shared and utilized across multiple workloads. Additionally, Nebius provides dedicated Machine Learning Operations (MLOps) tooling—specialized software solutions that automate the process of developing, training, testing, deploying, and maintaining AI models, significantly reducing complexity and accelerating time-to-value for customers. Its proprietary Nebius AI Studio complements these tools, offering developers a streamlined environment to rapidly build, experiment, and deploy their AI applications without extensive infrastructure expertise.

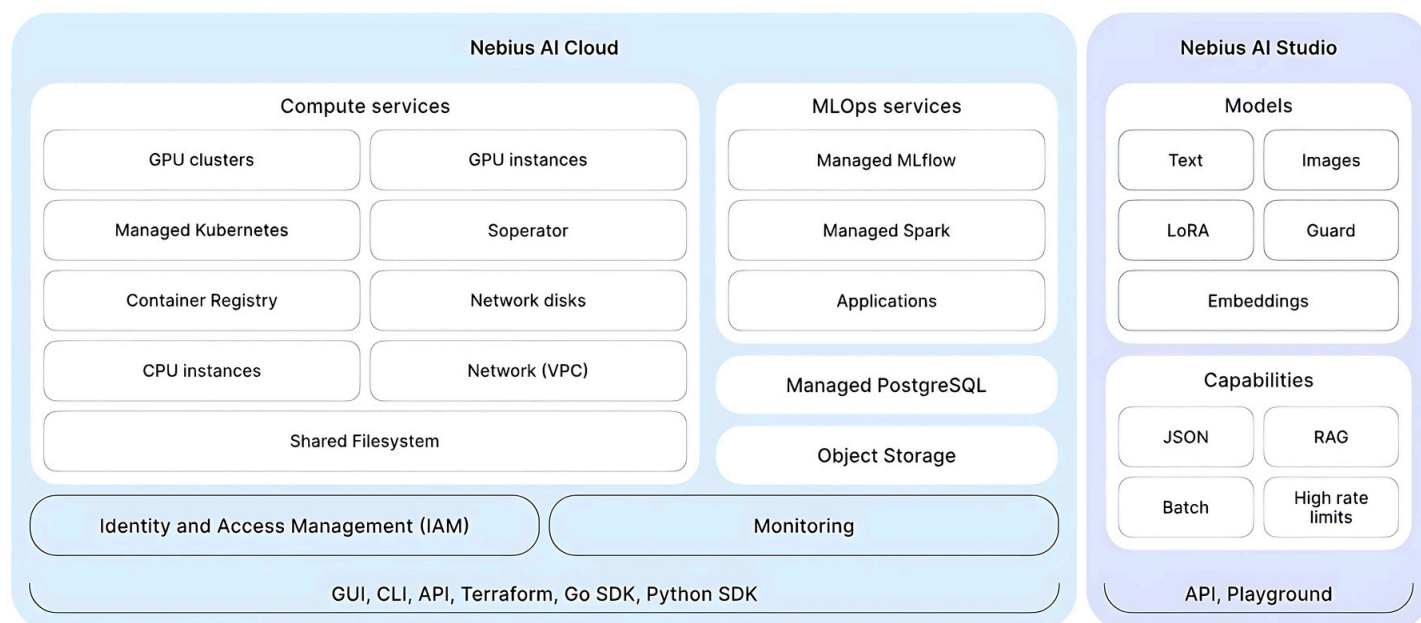


Figure 1: Nebius Neocloud architecture , Source: Nebius Investor Relations

Concurrently, Europe's regulatory landscape increasingly demands stringent compliance with data-sovereignty and data-privacy regulations. Driven by geopolitical tensions and concerns around foreign jurisdictional access, European governments and enterprises are required to store sensitive data exclusively within European borders. The EU's General Data Protection Regulation (GDPR) and heightened awareness of the U.S. CLOUD Act's extraterritorial data access provisions have effectively made US-based hyperscale cloud providers less viable for regulated European industries, including government entities, financial institutions, healthcare providers, and critical infrastructure operators.

Further reinforcing this trend are EU-wide policy initiatives specifically designed to strengthen digital sovereignty. The recently enacted AI Act requires organizations deploying high-risk AI applications to adhere to stringent data-localization and security standards. The forthcoming Cloud and AI Development Act seeks explicitly to triple Europe's domestic cloud infrastructure capacity by 2030 and promote the use of sovereign-compliant cloud providers. Complementing these regulatory frameworks, the broader EU "AI Continent" initiative—including substantial funding through the €200 billion InvestAI program—is designed to establish dedicated European AI infrastructure, such as large-scale data centers and specialized computing facilities.

Nebius's European footprint and fully compliant infrastructure uniquely position the company to benefit directly from these regulatory and policy-driven market shifts. Its regionally distributed, fully EU-compliant data centers ensure data remains locally stored, fully aligned with GDPR and the EU's stringent sovereignty standards. As European regulations increasingly mandate local data management, Nebius's specialized, sovereign-aligned AI cloud is quickly transitioning from a competitive advantage to a mandatory operational requirement for European enterprises and public-sector organizations.

The European Sovereign Cloud Moat

Building upon previously outlined regulatory-driven opportunities, Nebius's sovereign-compliant infrastructure addresses critical operational requirements across Europe's most regulated industries—government, finance, healthcare, defense, and critical infrastructure—now explicitly mandated to maintain local data residency and stringent security controls.

In finance, institutions like the European Central Bank (ECB), Bundesbank, and Banque de France increasingly require cloud providers to guarantee EU-local data storage aligned with GDPR and MiFID II standards. Similarly, European healthcare providers, governed by the European Health Data Space, mandate strict patient data localization, making Nebius's compliant facilities in Amsterdam, Paris, Helsinki, and Reykjavik strategically essential. Defense and critical infrastructure sectors are particularly sensitive, explicitly disqualifying providers exposed to foreign data jurisdiction. Recent procurement policies from NATO-aligned European defense agencies specify providers like Nebius, which transparently guarantee data residency and compliance with ISO 27001 and ISO 27017 certifications.

Nebius's sovereign cloud thus represents a strategic necessity rather than merely compliance, positioning the company as an indispensable partner for Europe's regulated industries and securing substantial, defensible long-term market opportunities.

NVIDIA Strategic Partnership and GPU Supply Advantage

Nebius's strategic relationship with NVIDIA represents a critical competitive advantage, particularly given the ongoing global shortage of advanced GPU hardware. NVIDIA, the global market leader in GPU technology—with an 88% market share in AI training GPUs according to IDC—is directly invested in Nebius, having co-led a recent \$700 million strategic financing round alongside Accel Partners. This partnership provides Nebius privileged access to NVIDIA's latest-generation GPU architectures, notably the advanced Blackwell GPUs, which deliver industry-leading performance for large-scale AI model training and inference.

This strategic supply arrangement addresses one of the most critical operational risks facing AI infrastructure providers globally: consistent access to high-performance GPUs. Independent market analyses indicate demand for NVIDIA's GPU chips currently exceeds supply by approximately 30–40%, with lead times for large orders extending 6–12 months for most enterprises. Nebius's preferential and early access to NVIDIA's constrained GPU supply materially reduces its execution risk, ensures reliable service availability for customers, and substantially differentiates Nebius from competitors that struggle to secure adequate GPU resources.

Further validating its technical capabilities, Nebius holds an official designation as an NVIDIA "Reference Platform Partner"—a distinction NVIDIA grants only to select global partners. This certification validates that Nebius's data centers, infrastructure stack, and operational procedures meet NVIDIA's stringent standards for compatibility, reliability, and performance. According to market research by Gartner, enterprise customers strongly prefer providers officially certified by major vendors such as NVIDIA, indicating that this designation significantly enhances customer trust and sales conversion rates.

Cost Leadership and Strategic Pricing Advantage

Nebius’s vertically integrated AI infrastructure model creates substantial cost advantages by leveraging key microeconomic principles such as economies of scale, vertical integration, and reduced marginal costs. By directly controlling each layer of its technology stack—from proprietary data-center facilities and customized GPU server designs to specialized orchestration software—Nebius significantly reduces transaction costs, enhances operational efficiency, and achieves superior resource allocation compared to traditional hyperscale or bare-metal GPU providers.

From a microeconomic standpoint, vertical integration allows Nebius to minimize intermediate mark-ups, achieve better internal coordination, and optimize resource utilization, translating into significantly lower marginal costs per GPU-hour delivered. Specifically, independent benchmarks verify Nebius’s significant pricing advantage, offering compute resources powered by NVIDIA’s H100 GPUs at approximately \$2.00 per GPU-hour. By contrast, AWS’s high-end GPU instances (e.g., P4d instances based on previous-generation NVIDIA A100 GPUs) exceed \$32 per GPU-hour, positioning Nebius’s pricing at more than 90% lower relative cost. Comparable GPU offerings from Microsoft Azure and Google Cloud similarly align with AWS’s pricing structure, reinforcing Nebius’s distinct competitive differentiation.

Further exemplifying Nebius’s microeconomic advantage is its aggressive pricing strategy for data-transfer costs (data egress), a critical cost element for large-scale AI workloads. Nebius charges roughly \$15 per terabyte (TB), significantly below the approximately \$90 per TB assessed by hyperscale providers like AWS and Azure. Given typical enterprise AI workflows—such as training generative AI models—often entail data transfers measured in tens or hundreds of terabytes, these cumulative savings substantially reduce total cost of ownership (TCO).

Nebius’s strategic cost leadership directly enhances consumer surplus by delivering more value at lower costs, increases market competitiveness, and creates significant switching costs, reinforcing customer retention and market share. Enterprises and regulated institutions with constrained budgets and escalating AI compute requirements thus find Nebius’s economically optimized pricing highly compelling. This cost advantage fundamentally strengthens Nebius’s bargaining power in enterprise negotiations and public-sector procurement processes, sustaining robust customer acquisition, enduring retention, and attractive long-term profitability.

METRIC	Nebius (est.)	AWS (H100)	Azure (H100 v5)	CoreWeave (H100)
GPU Compute Cost (per GPU-hr)	~\$2.00	~\$3.59	~\$6.98	~\$6.16
Cost Advantage	–	~45% lower	~71% lower	~68% lower
Data Egress Cost (per TB)	\$15	~\$90	~\$87	~\$25–30 (estimated)
Cost Advantage	–	~83% lower	~83% lower	~40–60% lower

Figure 2: Nebius cost advantage , Source: AWS, Azure, CoreWeave pricing

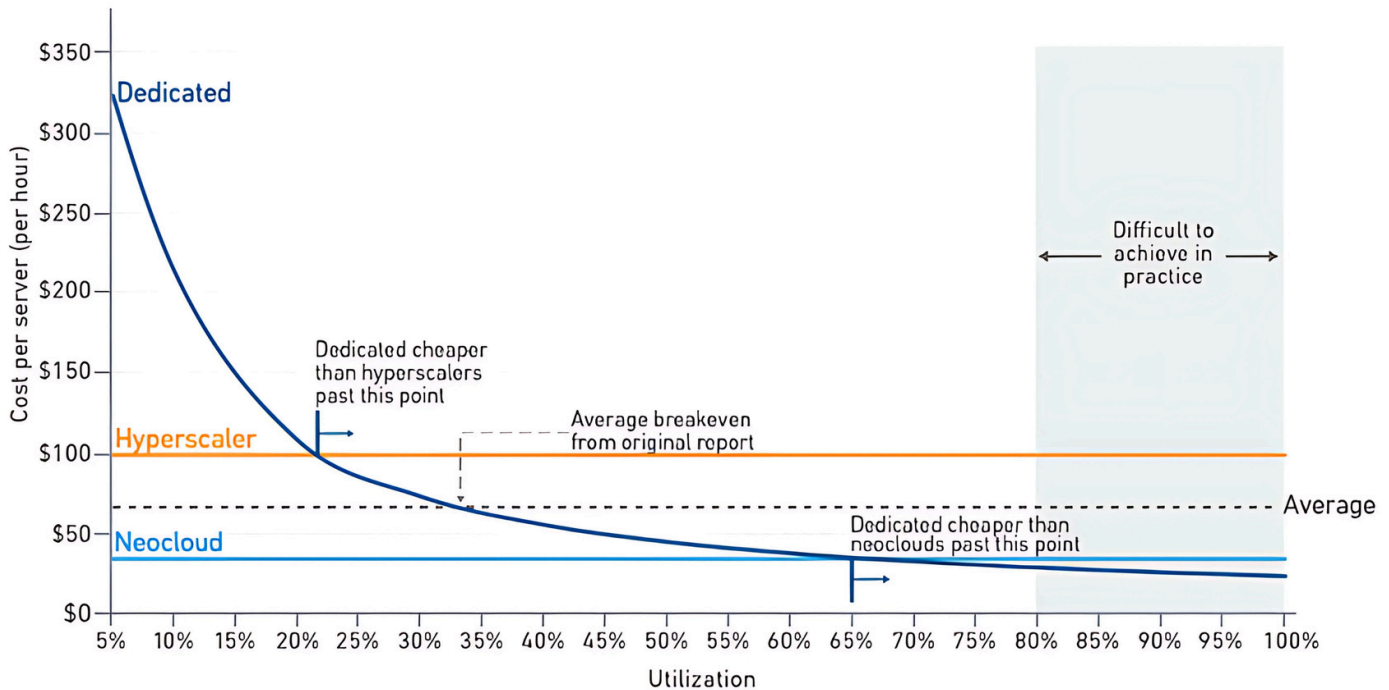


Figure 3: Hyperscaler vs neo-cloud cost advantage, Source: Uptime Intelligence

Robust Growth and a Fortress Balance Sheet

Building on Nebius’s distinctive strategic positioning as a sovereign-compliant, vertically integrated AI infrastructure provider, the company is poised to capture significant long-term growth driven by exceptional revenue momentum, operational leverage, disciplined capital allocation, strategic geographic expansion, and high-value equity holdings.

Accelerating ARR Trajectory and Revenue Momentum

Nebius is exceptionally positioned for sustained long-term growth, driven by robust market dynamics, strategic capital deployment, and a differentiated infrastructure model. The company has demonstrated remarkable financial momentum, with annualized recurring revenue (ARR) reaching \$249 million in Q1 2025—a notable year-over-year growth of 684%. Management confidently anticipates ARR to expand significantly, reaching \$750 million to \$1 billion by year-end 2025, driven by increasing demand across critical sectors such as finance, healthcare, media, and government, all of which require specialized, sovereign-compliant AI cloud services.

Unlike peers such as CoreWeave, Nebius benefits from a significantly more diversified customer base spanning over 20 industries. This breadth reduces revenue volatility and idiosyncratic risks while enhancing revenue predictability—an increasingly valuable trait in uncertain economic environments.

CoreWeave, by contrast, has faced criticism for its concentration in a narrower set of GPU-intensive clients and an aggressive financial posture. Furthermore, alternative data supports Nebius’s operational outperformance: over 100 open positions across key technical and go-to-market roles indicate expansion readiness, while strong institutional participation in Nebius options markets suggests rising investor confidence in its forward trajectory.

Nebius’s vertically integrated AI cloud architecture delivers meaningful structural cost advantages, enabling scalable operational efficiency and sustained profitability. As revenue scales, these advantages are expected to drive adjusted EBIT margins into the 20–30% range in the medium term—marking a sharp contrast with many unprofitable peers.

ARR¹ dynamics

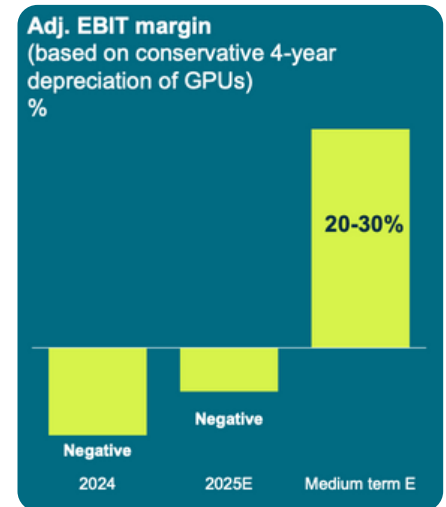
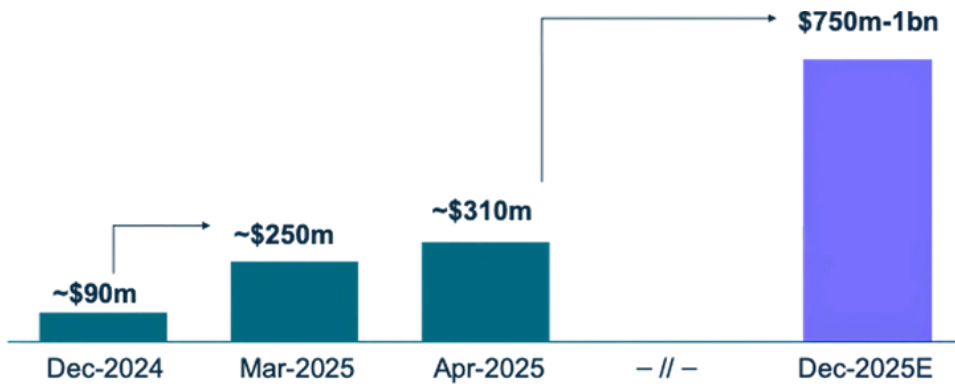


Figure 4 & 5: Nebius ARR & Adj. Operating Margin projections, Source: Nebius IR

Fortress Balance Sheet

Nebius operates from a position of rare financial strength, underpinned by a pristine capital structure and unparalleled liquidity. **As of Q1 2025, the company held \$1.4 billion in cash, with total liquidity projected at \$2.45 billion by mid-year following its \$1 billion convertible note issuance. These notes were secured on exceptionally favorable terms—low interest rates of 2–3% and high conversion premiums of 40–68%—signaling investor confidence in Nebius's growth trajectory and mitigating shareholder dilution risk.** This balance sheet strength enables Nebius to execute its \$2 billion 2025 capital expenditure plan without reliance on dilutive equity raises or restrictive debt covenants. In stark contrast to peers like CoreWeave, which carries over \$8 billion in debt, Nebius maintains a near-zero debt load, giving it unrivaled strategic flexibility and resilience. The capital expenditures are being deployed to aggressively expand sovereign-compliant AI cloud infrastructure in Europe, targeting Amsterdam, Paris, Helsinki, and Reykjavik. These data centers will ensure compliance with EU regulations, provide ultra-low-latency AI workloads, and enable total compute scalability toward the company's medium-term 1+ GW capacity goal—supporting a multi-billion-dollar ARR profile. The company's working capital ratios (Quick Ratio: 16.6x, Current Ratio: 18.0x) underscore its ability to fund growth independently of market conditions.

U.S. Expansion as a Catalyst

Nebius is now translating its European success into the U.S. market, a strategic move aimed at capturing demand from sectors with strict compliance requirements. It is currently launching two new sovereign-grade data centers in Kansas City and New Jersey—both selected for strategic access to Tier 1 interconnects and proximity to financial and healthcare clients. These locations are being developed with FedRAMP and HIPAA compliance frameworks in mind, positioning Nebius to serve regulated workloads that hyperscalers may struggle to accommodate at competitive pricing. This U.S. presence is expected to materially expand Nebius's total addressable market and create geographic diversification of revenue. These buildouts are already underway, evidenced by location-specific hiring (data center technicians, IT infrastructure managers) and customer onboarding. Coupled with Nebius's full-stack AI platform and vertically integrated architecture, this North American footprint will serve as a catalyst for long-term revenue growth and client acquisition in highly regulated industries.

Strategic Optionality

Beyond its core AI cloud operations, Nebius maintains strategic equity positions in a portfolio of high-growth, synergistic ventures that enhance its long-term value creation potential. These positions not only represent valuable monetization options but also offer integration and partnership leverage across emerging AI ecosystems.

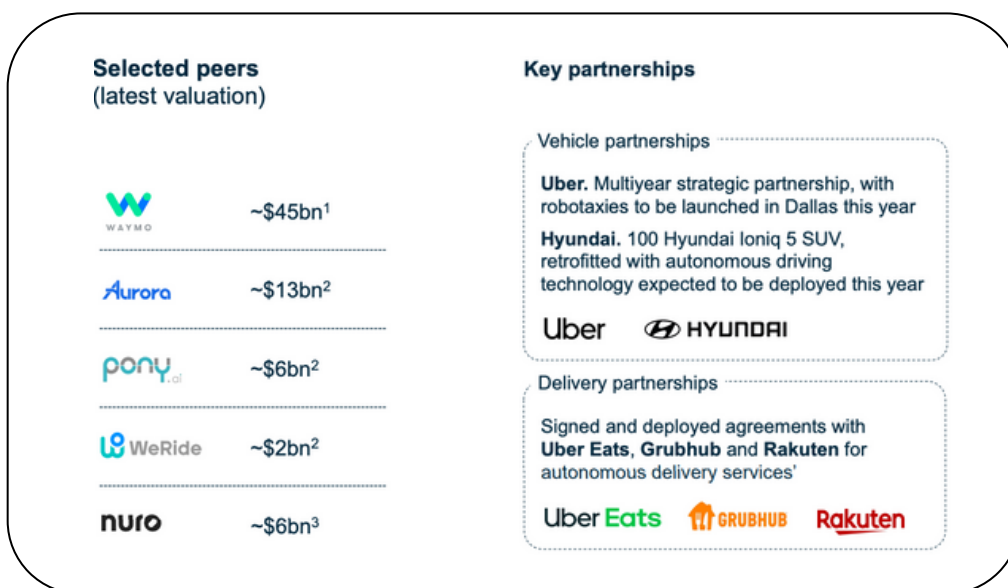
First, Nebius holds an ~28% stake in ClickHouse, a hyperscale analytics database company valued at ~\$6 billion in its latest round. This platform is deeply integrated into modern AI and analytics stacks and complements Nebius’s full-stack infrastructure offering. Should funding needs arise, the stake in ClickHouse can be partially monetized with minimal disruption to core strategy.

Second, Nebius retains a majority economic interest in Toloka, a high-scale data labeling and synthetic data generation firm. Toloka is a strategic partner to major AI developers and was recently recapitalized via a funding round led by Bezos Expeditions and Shopify CTO Mikhail Parakhin. Although Toloka was deconsolidated in Q2 2025, Nebius retains upside participation and technical synergy for its own AI training services

Third, the company owns a stake in Avride, an autonomous mobility and robotics company based in Austin, TX. Avride is a leader in full-stack autonomous systems and has announced strategic commercial deployments with Uber, Grubhub, and Rakuten, including robotaxi rollouts and last-mile delivery automation in the U.S. and Japan. The company’s partnerships with Hyundai and its international expansion signal both technological and commercial validation. Avride’s exposure to real-world edge inference, robotics navigation, and real-time optimization pipelines may offer complementary R&D overlap with Nebius’s edge-cloud infrastructure strategy

Together, these assets create strategic optionality, capital reserve flexibility, and deep technical adjacency. Nebius is not simply investing passively—it is cultivating an ecosystem of next-generation AI infrastructure, from core compute to edge mobility and synthetic data intelligence.

Avride Peers & Partners



Toloka Partners

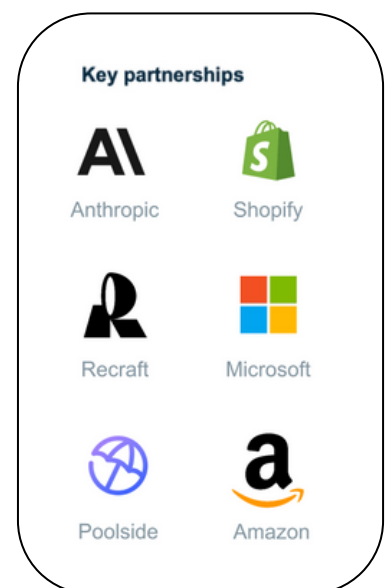


Figure 6: Avride & Toloka partners and peers, Source: Nebius IR

Compelling Valuation Upside and M&A Potential

The High Growth Valuation

Our comprehensive valuation analysis indicates a compelling investment opportunity in Nebius, integrating a robust high-growth scenario with conservative accounting treatments for leases, R&D expenses, and stock options. Using a Discounted Cash Flow (DCF) model, we projected Nebius's revenue growth trajectory from an initial \$750 million in year one to approximately \$9.87 billion by year ten, reflecting a moderated yet robust growth rate averaging approximately 37% annually capping off at 4% terminal growth. We assumed steady margin expansion, culminating in a sustainable EBIT margin of 28% in the terminal year. Capitalizing leases, R&D, and stock options provided a clearer reflection of the company's true economic asset base, enhancing the rigor of our valuation approach. Applying a weighted average cost of capital (WACC) of approximately 7.87% (declining to 7.12% in the terminal year) and incorporating a conservative terminal growth rate of 4%, we calculated the intrinsic valuation from projected free cash flow generation. The present value (PV) of free cash flows during Nebius's high-growth phase totals approximately \$3.6 billion, with an additional \$11.4 billion derived from the present value of the terminal phase. After adjusting for cash, non-operating assets, outstanding debt, and equity options, we derived an intrinsic DCF valuation of approximately \$53.75 per share.

Complementing our DCF analysis, we employed a relative valuation approach using an Enterprise Value/Sales (EV/Sales) multiple of 3.23x, consistent with high-growth specialty technology comparables. Applying this multiple to year ten revenues of approximately \$9.87 billion and discounting by a cumulative cost of capital of approximately 209%, we reached a relative valuation of \$90 per share. **We combined these two robust valuation approaches, assigning a 60% weighting to the DCF and a 40% weighting to the relative valuation. This approach yields a blended average price target of \$68.35 per share representing 54.6% upside to the stock.**

	Base	1	2	3	4	5	6	7	8	9	10	Terminal Year
Revenue Growth Rate		364,68%	81,33%	0,00%	0,00%	20,00%	17,03%	14,26%	11,74%	9,48%	7,49%	4,00%
Revenues	\$161	\$750	\$1,380	\$2,420	\$4,680	\$5,616	\$6,572	\$7,510	\$8,391	\$9,187	\$9,874	\$10,269
Operating Margin	-287,65%	-129,82%	-50,91%	-11,46%	8,27%	18,14%	23,07%	25,53%	26,77%	27,38%	27,69%	28,00%
EBIT	\$464	\$974	\$692	\$277	\$387	\$1,019	\$1,516	\$1,918	\$2,246	\$2,516	\$2,734	\$2,875
Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$192	\$422	\$494	\$553	\$602	\$633
EBIT(1-t)	\$464	\$974	\$692	\$277	\$387	\$1,019	\$1,324	\$1,496	\$1,752	\$1,962	\$2,133	\$2,243
+ Depreciation	\$239	\$239	\$286	\$335	\$383	\$428	\$468	\$503	\$524	\$545	\$566	\$589
- Capital Expenditures	\$951	\$951	\$951	\$1,141	\$1,335	\$1,525	\$1,704	\$1,866	\$2,006	\$2,086	\$2,086	\$2,064
- Chg WC	\$1,507	\$29	\$31	\$53	\$113	\$47	\$48	\$47	\$44	\$40	\$34	\$20
FCFF	\$331	\$1,715	\$1,387	\$1,136	\$678	\$126	\$40	\$86	\$226	\$381	\$579	\$748
NOL	\$107	\$1,081	\$1,773	\$2,050	\$1,663	\$645	\$0	\$0	\$0	\$0	\$0	\$0
Terminal Value												\$23,966

Present Value Calculations											
Cumulative WACC		1,08	1,16	1,26	1,35	1,46	1,57	1,69	1,82	1,95	2,09
Present Value of FCFF		\$1,590	\$1,192	\$905	\$501	\$86	\$26	\$51	\$124	\$195	\$276
Present Value of Terminal Value											\$ 11,446

The Valuation	
PV of FCFF during high growth phase =	\$3,602
PV of Terminal Value =	\$11,446
Value of Operating Assets of the firm =	\$7,844
Value of Cash & Non-operating assets =	\$3,291
Value of Firm =	\$11,135
- Value of Outstanding Debt =	\$222
Value of Equity =	\$10,913
- Value of Equity Options =	\$33
Value of Equity in Common Stock =	\$10,880
Value of Equity per share =	\$53,75

Figure 7: Nebius DCF Valuation, Data Source: Refinitiv, Cretor: Binomial Research

Relative Valuation Output		Year	Revenues	Cumulated Cost of Capital
Year in which multiple is used =	10	1	\$750	107,87%
Value to Sales Ratio for Specialty retailers=	3,23	2	\$1.360	116,36%
Revenue in chosen year =	\$9.874	3	\$2.420	125,52%
Value in chosen year =	\$31.894	4	\$4.680	135,39%
Cost of capital in chosen year	\$2	5	\$5.616	146,05%
Value today =	\$15.232	6	\$6.572	157,33%
+ Cash & Securities =	\$3.291	7	\$7.510	169,31%
- Debt outstanding =	\$222	8	\$8.391	182,03%
- Equity options outstanding=	\$33	9	\$9.187	195,47%
Value of Equity in stock =	\$18.269	10	\$9.874	209,38%
Value per share =	\$90			

Figure 7: Nebius Relative Valuation, Data Source: Refinitiv, Cretor: Binomial Research

Moats & Catalysts

- **Fortress Balance Sheet:** Exceptional liquidity and minimal debt support strategic growth without external financing.
- **Strategic Infrastructure Advantage:** Proprietary AI cloud tailored for compliance-sensitive sectors drives differentiation and pricing power.
- **Regulatory Alignment:** Sovereign-compliant data centers create strong competitive barriers.
- **Strategic Investments:** Equity stakes in ClickHouse, Toloka, and Avride offer technical advantages and monetization potential.
- **Profitability Inflection:** Expected positive Adjusted EBITDA by H2 2025 enhances investor confidence and valuation.

Risks

- **Data Sovereignty and Regulatory Risk:** Changes in EU GDPR regulations or evolving U.S. FedRAMP and HIPAA compliance standards could impact operational processes and limit market accessibility.
- **Technological Competition:** Increased investments by hyperscalers such as AWS, Azure, and Google Cloud in AI-specific cloud services could intensify competitive pressures, challenging Nebius's pricing power and market position.
- **Execution and Scaling Risk:** Rapid deployment of data centers across diverse geographic locations requires precise execution; delays or infrastructure performance issues could impair customer retention and revenue growth.
- **Supply Chain and Cost Risk:** Dependence on specialized hardware, such as GPUs from NVIDIA, exposes Nebius to potential supply disruptions, component shortages, and price volatility, negatively affecting margins and scalability.