

NVIDIA Corporation

US CORE HOLDING*

Recommended since 13.01.25

13.01.2025



Country	US	Market capitalization (bn)	USD	3370,3
Sector	Technologie	Free float		96,0%
Factset	NVDA-US	Closing price	USD	135,91
ISIN	US67066G1040	ESG Risk score*	12,2	Low risk

Perf. since reco. (%)	
NVIDIA Corporation	0,0
Sector	0,0



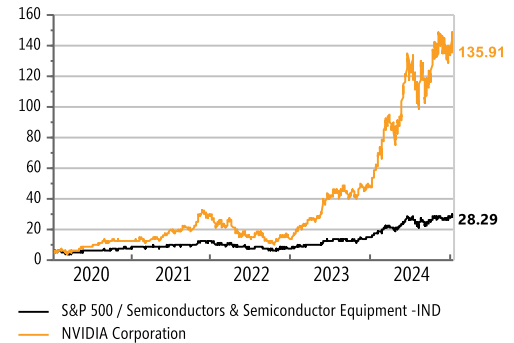
*From 2015, B&Cie separates its investment recommendations into Core Holdings (higher organic growth potential, high free cash flow, ROCE in excess of the cost of capital and balance sheet efficiency throughout the cycle) and Satellite Recommendations, which do not meet the above criteria but are likely to outperform in the short-to-medium term.

Profile

NVIDIA Corporation, founded in 1993, is a global leader in graphics, computing, and networking solutions. The company develops GeForce GPUs for gaming, RTX platforms for visualization, and solutions for the automotive and data center markets, with flagship products such as the Hopper and Blackwell architectures.

Market - competition - positions - barriers to entry

The AI chip market, estimated at \$54 billion in 2023, is projected to reach \$200 billion by 2027. NVIDIA dominates through its integrated ecosystem combining cutting-edge GPUs, software like CUDA, and advanced networking solutions. Its substantial investments in R&D and strategic partnerships bolster its leadership, while high barriers to entry, requiring both hardware and software expertise, limit competitors such as AMD and Intel.



Source: Factset

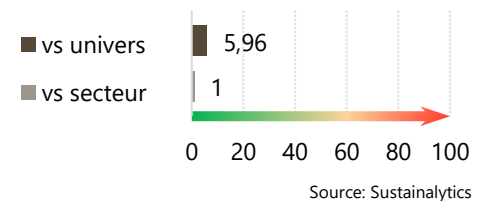
Investment case

- NVIDIA is the undisputed leader in advanced technologies, thanks to its expertise in high-performance computing, artificial intelligence, and robotics. In 2025, the company stands out with innovations like the Blackwell and Hopper architectures, the NVIDIA Inference Microservices (NIMs) suite, and the Digits project, designed to streamline the management of massive data flows. These technologies address key sectors such as data centers, robotics, and bioinformatics while strengthening its central role in generative AI and automated systems.
- Data centers, expected to account for nearly 90% of revenue in 2025, remain NVIDIA's primary growth driver. This success is built on an integrated ecosystem combining advanced GPUs, proprietary software (CUDA, NIMs), and high-speed interconnects (via Mellanox). Its robust product pipeline, with Rubin scheduled for 2026-2027, demonstrates its ability to innovate continuously and maintain an edge over competitors like AMD and Intel.
- At the same time, NVIDIA is expanding into emerging markets. Its Jetson platforms drive advancements in industrial automation (robotics) and autonomous vehicles, while its bioinformatics solutions accelerate the analysis of complex medical data. In gaming, NVIDIA continues to lead with ever-more powerful GeForce RTX GPUs and its GeForce NOW service, which democratizes high-quality gaming via the cloud (note that gaming will account for only 9% of sales in 2025).
- With major partners such as Microsoft, Amazon, and Alphabet, NVIDIA benefits from widespread adoption of its solutions for critical AI and cloud projects. Its strategy to monetize software like NIMs and Omniverse generates recurring revenue while diversifying its business model.
- Through constant innovation, mastery of strategic markets, and high barriers to entry, NVIDIA is well-positioned to maintain its dominance. Its diversified pipeline ensures robust and sustainable growth beyond 2025, cementing its role in the global digital economy..

ESG - risks and key points

- NVIDIA faces intense competition, not only from traditional players like AMD and Intel but also from tech giants such as Alphabet, Amazon, Microsoft, Meta, and Alibaba, which are developing their own computing solutions.
- Limited production capacity, coupled with strong demand for AI and cloud applications, can create supply chain pressures and lead to price fluctuations.
- Geopolitical tensions and export regulations (particularly involving China) may impact NVIDIA's revenue and expansion strategy.

ESG risk vs. universe & sector (percentile)*



Source: Sustainalytics

Valuation** in USD

Current price	Value Bordier Scenario
136	155

Our scenario is based on a risk-free rate of 3.5% for the United States and strong revenue growth of 50% in 2026. The EBIT margin is expected to stabilize at 63% in the long term.

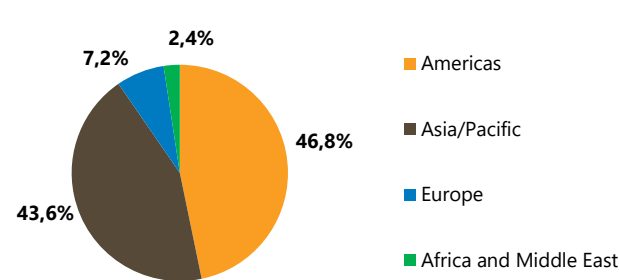
**The theoretical value reflects the company's business model, our baseline growth and profit scenario and market data, exogenous to the company (risk-free rate and equity risk premium). It does not in itself constitute a target price.

"Bordier Core Holding" indicators

In millions of USD	2023	2024	2025e	2026e	2027e
Sales revenue	26 974	60 922	129 764	198 539	238 246
Sales growth %	22,8%	79,0%	113,0%	53,0%	20,0%
o/w organic	22,8%	58,0%	113,0%	53,0%	20,0%
EBIT adjusted	9 040	37134	84087	126271	151286
% of sales	33,5%	61,0%	64,8%	63,6%	63,5%
Net income	8 367	32312	75498	113464	135979
Adjusted EPS	0,39	1,32	3,08	4,63	5,55
Adjusted EPS growth	-89,8%	237,6%	133,7%	50,3%	19,8%
Free cash-flow	3 808	27021	70144	102112	126449
FCF/Sales	14,1%	44,4%	54,1%	51,4%	53,1%
Dividend per share	0,02	0,02	0,00	0,00	1,00
Dividend yield	0,0%	0,0%	0,0%	0,0%	0,7%
ROCE - WACC	29,4%	65,5%	55,4%	40,6%	31,2%
ROE (%)	44,0%	75,2%	63,7%	48,9%	39,6%
Net debt/Ebitda	-13,6%	-39,2%	-99,6%	-145,2%	-186,9%

Source: Factset, Bordier estimates

Sales breakdown - 01/2024



Governance and ownership structure

Jen Sen Huang, CEO since the company's founding in 1993

Key shareholders (if any):

Free float close to 100%; the largest shareholders are activist asset managers like Vanguard, State Street or BlackRock.

Any special characteristics of ownership (multiple voting rights, controlling holding company, shareholders' agreements, etc.):

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Glossary

ESG Risk Score

At B&Cie, we take particular care to ensure that the companies in which we recommend investing are sustainable. Accordingly, our selection process takes account of risks relating to environmental, social and governance (ESG) issues. This approach is underpinned by research from Sustainalytics, the global leader in ESG and corporate governance analysis, whose methodology aims to identify major controversies and risks and assess a company's ESG risks relative to both its sector and the investment universe as a whole. The corresponding score is expressed as a percentile: the lower the overall risk score, the lower the risk within the investment universe.

b-Digital & b-Transition

Over and above the standard geographical and sectoral approaches to asset management, at B&Cie we believe that the world of tomorrow is shaped by structural trends. We have identified two main structural trends: ongoing digital globalisation of the economy and economic transition, particularly in the energy sector. We believe selecting and investing in companies that play an active role in these transformations should lead to more resilient portfolios that generate higher long-term returns. Our investment recommendations in the digital globalisation space are labelled "b-Digital", while those in the economic transition space are labelled "b-Transition". A given recommendation may fall under both themes at once, in which case it will carry both labels.

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