

DEPOSITARY RECEIPT (DR) STRATEGY



Globlex
Securities Co., Ltd.

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Hyperscale Gravity: Why Everything Orbits NVIDIA

- The AI data-center stack is consolidating around NVIDIA—Alibaba plugs in ex-China while hyperscalers (OpenAI, xAI, CoreWeave, Nebius) standardize on NVDA.
- OpenAI dual-sources—AMD 6 GW + NVDA ≥10 GW LOI; AMD eyes Intel U.S.
- This Week's DR Pick: NOVOB80 with TP of THB2.23 (DKK438 at DKK/THB 5.1).

Why the AI Universe Orbits NVIDIA

The AI data-center ecosystem is consolidating around **NVIDIA (NVDA80)**. **Alibaba's (BABA80)** new partnership—integrating NVIDIA's robotics/embodied-AI stack into Alibaba Cloud's Platform for AI—arrives alongside a **global data-center push** (Brazil, France, Netherlands first) and underscores that at scale you need a working relationship with NVDA. Even with U.S. export controls limiting certain chips in mainland China, leaders like xAI, CoreWeave, Nebius—and increasingly **OpenAI** as it shifts from “AI lab” toward “hyperscaler”—anchor on NVIDIA's stack. As Jensen Huang has argued, OpenAI could be a “multi-trillion” company; strategically, Alibaba is positioning to plug into this NVDA-centric network ex-China.

GW Meets 10 GW: The Dual-Source Blueprint Behind OpenAI's Next Leap

To diversify beyond a single vendor, **OpenAI** signed a multi-year deal with **AMD** to deploy **6 GW** of Instinct MI450 GPUs (**initial 1 GW** in 2H26), including milestone-linked warrants that could allow OpenAI to purchase up to ~10% of AMD; the news sent AMD shares up 24% on 6-Oct-25. This builds on the 22-Sep-25, Letter of Intent for **NVDA with OpenAI** to construct ≥10 GW of NVIDIA-powered data centers, with up to ~\$100 b of investment as capacity rolls out. Dual-sourcing de-risks supply, but on total cost of ownership (performance per watt and per dollar), **NVIDIA still leads today**.

All Roads Lead to Intel: Tariffs and the Return of U.S. Foundries

AMD is said to be in **early talks with Intel** to manufacture some chips at Intel's U.S. fabs. Though Intel's process roadmap still trails **TSMC**, the move grants AMD optionality—especially in a climate of **tariffs**, export control risk, and onshoring pressure. In particular, Trump-era policies and the drive to repatriate semiconductor manufacturing favor domestic fabs—a dynamic that helps explain federal backing for Intel and NVIDIA's reported ~\$5b investment into the company—hence why the industry keeps circling Intel.

The Next Lens: Apple Refocuses from Headset to Smart Glasses

Bloomberg reports that **Apple** has **paused further Vision Pro** development to shift engineering toward **smart glasses**. Two models are in the works: a display-less version that pairs with iPhone (targeting a **2026** debut, broader release by **2027**) and a display-equipped model originally slated for **2028** but now fast-tracked, featuring cameras, speakers, and deep AI/voice interaction. The broader market is converging on this form factor as well—Google is moving into smart glasses, and **Meta's new Ray-Ban Display** glasses underscore the pace of competition.

This Week's DR Pick: NOVOB80 with TP of THB2.23 (DKK438 at DKK/THB 5.1)

We reiterate **NOVOB80** as our weekly **DR pick (TP THB2.23)** on a **turnaround setup**. After 2023–1H25 shortages—plus compounded GLP-1s and non-FDA copies siphoning cash-pay demand—NVO cut guidance twice in 2025, changed CEOs, and announced ~9k layoffs, driving a ~54% 1Y drop. **The backdrop now looks steadier**: oral Wegovy is showing injection-like weight loss with an FDA decision due in 4Q25, and true generics are unlikely before the 2030s+, preserving GLP-1 leaders' moats. Net-net, risk/reward skews favorable into the catalyst path.

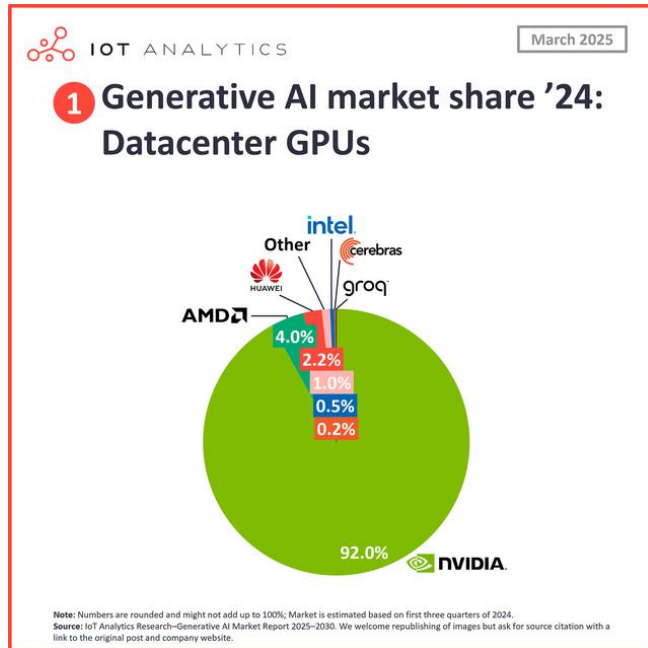
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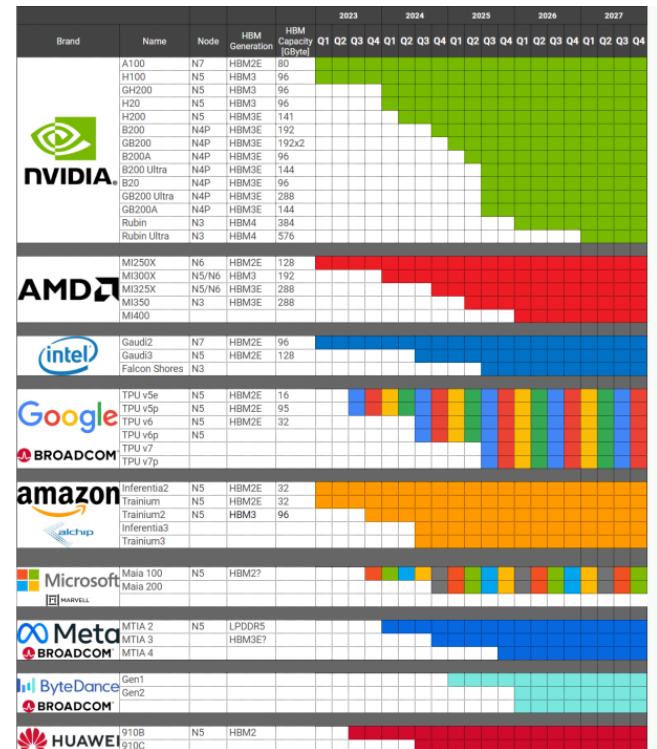
Peerayu Sirivorawong

Exhibit 1: Generative AI, Datacenter GPU market share



Sources: IOT ANALYTICS

Exhibit 2: Data Center AI Chip Roadmap



Sources: Tweaktown.com

Exhibit 3: AMD's 2Q25 Financial

Q2 2025 Summary P&L GAAP					
\$ in millions, except per share data and %	Q2'25	Q2'24	Y/Y	Q1'25	Q/Q
Revenue	\$7,685	\$5,835	Up 32%	\$7,438	Up 3%
Gross Profit	\$3,059	\$2,864	Up 7%	\$3,736	Down 18%
Gross Margin	40%	49%	Down 9 ppts	50%	Down 10 ppts
Operating Expenses	\$3,193	\$2,595	Up 23%	\$2,930	Up 9%
Operating Expense/Revenue %	42%	44%	Down 2 ppts	39%	Up 3 ppts
Operating Income (Loss)	\$(134)	\$269	Down 150%	\$806	Down 117%
Operating Margin	(2)%	5%	Down 7 ppts	11%	Down 13 ppts
Net Income	\$872	\$265	Up 229%	\$709	Up 23%
Diluted Earnings Per Share	\$0.54	\$0.16	Up 238%	\$0.44	Up 23%

Sources: AMD

Exhibit 4: AMD's 2Q25 Revenue Breakdown

Q2 2025 Segment Results					
\$ in millions	Q2'25	Q2'24	Y/Y	Q1'25	Q/Q
Data Center					
Net Revenue	\$3,240	\$2,834	Up 14%	\$3,674	Down 12%
Operating Income (Loss)	\$(155)	\$743	Down 121%	\$932	Down 117%
Client & Gaming					
Net Revenue	\$3,621	\$2,140	Up 69%	\$2,941	Up 23%
Operating Income	\$767	\$166	Up 362%	\$496	Up 55%
Embedded					
Net Revenue	\$824	\$861	Down 4%	\$823	Flat
Operating Income	\$275	\$345	Down 20%	\$328	Down 16%

Sources: AMD

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Analyst Certification

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RECOMMENDATION STRUCTURE

Stock Recommendations

Stock ratings are based on absolute upside or downside, which we define as (target price* - current price) / current price.

- BUY:** Expected return of 10% or more over the next 12 months.
HOLD: Expected return between -10% and 10% over the next 12 months.
REDUCE: Expected return of -10% or worse over the next 12 months.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Sector Recommendations

- Overweight:** The industry is expected to outperform the relevant primary market index over the next 12 months.
Neutral: The industry is expected to perform in line with the relevant primary market index over the next 12 months.
Underweight: The industry is expected to underperform the relevant primary market index over the next 12 months.

Country (Strategy) Recommendations

Overweight: Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral: Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight: Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.