

CoreWeave, Inc. (Nasdaq: CRWV)

CoreWeave's Real Risk Is Not Its Contracts. It Is the Next Loan

Can CoreWeave keep financing its build-out at a cost that still leaves a profit?

Results to 30 June 2026; filings to 22 September 2026. Produced 17 October 2026.

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\$35.6B Debt principal at 30 Jun 2026, up from \$21.6B six months earlier; 90% guaranteed by the parent	\$104.2B Revenue backlog at 30 Jun 2026, +246% in a year; plus more than \$25B signed in July–August	36% Largest customer's share of Q2 2026 revenue; 71% a year earlier	6 years Depreciation life of GPU servers, against a weighted-average contract of about five years	1.5 GW Active power at 30 Jun 2026, of 4.2 GW contracted by 11 Aug 2026	14.9% Yield on the 9.75% notes due 2031 on 14 Oct 2026, when the shares fell 15.5% in a day
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The Thesis

CoreWeave rents out NVIDIA GPU clusters on multi-year take-or-pay contracts, and borrows against each contract to buy the chips. Each loan is paid down from its contract under strict lender tests, though the filings do not show that the original contracts alone repay it in full. The company as a whole is not self-funding: it signs contracts faster than they pay back, so it keeps needing new unsecured debt and equity.

CoreWeave, Inc. (ticker CRWV) calls itself an AI cloud. In practice it rents out computing power. It buys NVIDIA GPU servers, installs them in data centres it mostly leases, and rents the capacity to AI labs, hyperscalers (the largest cloud operators) and large companies. In the twelve months to 30 June 2026 it took \$7.6B of revenue, up 115.3% on the year before. It reported an operating loss of -\$230.7M and a net loss of -\$1.9B. Over the same twelve months its spending on equipment, recorded as an outflow of -\$20.6B, was nearly three times its revenue. Most of that money was borrowed.

This report is about how that borrowing works and whether it holds up. CoreWeave puts most new GPUs in special-purpose subsidiaries. These subsidiaries borrow under delayed-draw term loans (loans drawn in stages as equipment is delivered), secured

on the GPUs and on one or a few customer contracts. The loans amortise, meaning the principal is repaid in instalments, out of the customer's payments. The lenders set debt-service-coverage tests of 1.15 to 1.35 times, which means the cash from the contract must be at least that multiple of the loan payments due. The parent company then borrows separately, through unsecured bonds (bonds not secured on any specific asset) now yielding close to 15% (the yearly return a buyer earns at today's market price, and roughly what new borrowing of this kind would now cost). That money pays for the part of each build-out the lenders will not fund. It also covers leases, staff and the next contract's deposit. Our reading is that the contract-backed loans in the subsidiaries are sound on their own terms, and that the risk sits in the parent's unsecured borrowing. The full argument is in the Debate 1 chapter.

The evidence differs from the common view in two places, and the two differences point in opposite directions. First, the October selloff treated CoreWeave's debt as a single pile, about 6.8 times a year's revenue once leases are counted. The filings show layers instead. Most of the asset-level debt (the loans taken out by the GPU-owning subsidiaries) is matched to named contracts and is repaid in instalments from their payments. Second, people often read "asset-backed" as "non-recourse", meaning the lenders can be repaid only from the pledged assets and have no claim on the parent. For most of this debt that reading is wrong. About 90% of it is guaranteed by the parent. If a contract failed, the shortfall would pass to the parent and its bondholders instead of staying with the subsidiary's lenders.

Key Takeaways

#	Takeaway	Confidence
1	Contract-level loans are covenant-protected, but full repayment from the original contracts is unproven. Under these covenants (tests the borrower must keep passing), the newest facilities require debt-service coverage of 1.15–1.35 times, and DDTL 5.5 traps and then sweeps cash (holds back the cash due to the parent, then uses all of it to pay the loan down early) if a breach would let a customer terminate or the facility's contract-value ratio (the projected value of its contracts against the loan outstanding) falls below 2.4 times. DDTL 5.5 lends for about five years against contracts averaging three.	Moderate
2	The company is not self-funding. Remaining 2026 capital spending of roughly \$19–23B against twelve-month operating cash flow of \$6.9B means each year of growth needs fresh unsecured money; the 14.9% bond yield on 14 October raised the price of exactly that money.	High
3	"Asset-backed" is mostly recourse. \$31.4B of the \$35.1B carrying value of debt at 30 June 2026 is guaranteed by the parent; only the \$8.5B DDTL 4.0 facility and some vendor financing are non-recourse.	High
4	The six-year GPU life is supported so far by re-rentals of old chips (an A100 contract running to 2029, H100 rentals at \$2.53 an hour), but it outlasts the roughly five-year average contract, so the residual risk (the chance that a GPU earns too little after its first contract ends to cover its remaining cost) sits with shareholders, not with the asset-level lenders.	Moderate
5	Revenue concentration has halved; backlog concentration is not disclosed. The top customer fell from 71% to 36% of quarterly revenue, but Meta's announced awards alone total up to about \$35B, equal to a third of the backlog (revenue under signed contracts not yet delivered), though part has already been recognised.	Moderate

#	Takeaway	Confidence
6	Backlog conversion depends on sites other people build. Only 395 MW of the 590 MW leased from Core Scientific (a former bitcoin miner that converted its sites into data centres for CoreWeave) was billing at 30 June 2026, two years after the first contract; 2.7 GW of contracted power (data-centre capacity CoreWeave has signed for, counted by the electricity it can draw) is not yet active.	Moderate

Four debates decide how CoreWeave's business turns out. Each is listed below with our view and how confident we are in it, and each has its own chapter.

The Four Debates That Decide CoreWeave

Debate 1 Deciding	Does contract cash cover the debt raised against it, and can CoreWeave keep borrowing on terms that leave a profit? Our view The loans taken out against each contract are designed to be paid down from that contract's payments, and the lenders protect themselves: contract cash must cover each loan payment 1.15 to 1.35 times, the contracts' projected value must stay at 2.4 times the loan, and in the newest facility (DDTL 5.5) cash is held back if a customer gains an uncured right to cancel or that ratio slips below 2.4. What is not proven is that the original contracts alone repay the loans in full. The coverage test leaves out the final lump-sum repayment, the contracts' projected value is blacked out in the filings, and DDTL 5.5 lends for about five years against contracts averaging three, so it partly relies on renewals, replacements or new money. The weak link is the parent. It guarantees about 90% of the debt; a large guaranteed loan called in early could put its unsecured bonds in default; and growth needs a steady flow of new unsecured money, whose cost rose to about 15% in October 2026.	Confidence Medium Chapter Read the chapter →
Debate 2	Do the GPUs keep earning for their six-year depreciation life? Our view Observed re-rentals of old chips at firm prices (an A100 contract to 2029, H100 rentals at \$2.53 an hour) support the six-year life so far, but the evidence comes from one supply-constrained market, and the A100 contract shows the architecture still earning nine years after launch, not how long any particular GPU has earned; the life exceeds the roughly five-year average contract, so the residual risk sits with shareholders rather than asset-level lenders, except in DDTL 5.5, and NVIDIA's conditional obligation to buy unsold capacity (initially \$6.3B, to April 2032) cushions only part of it.	Confidence Medium Chapter Read the chapter →
Debate 3	Can a few customers, one of them loss-making, carry CoreWeave's debt? Our view Revenue concentration has halved (largest customer 71% to 36% of quarterly revenue). Announced award maxima for Meta (up to about \$35B) and OpenAI (up to about \$22.4B, including the May 2025 expansion) indicate potentially material backlog exposure to a few customers, but actual backlog shares and any change in backlog concentration cannot be established; OpenAI is the weakest large credit among them.	Confidence Medium Chapter Read the chapter →
Debate 4	Will the backlog turn into revenue on schedule despite site delays? Our view The backlog will convert later than scheduled at the margin, as it has before; delays have so far moved revenue rather than cancelled it, but each delay adds interest, rent and, in DDTL 4.0, early amortisation before revenue.	Confidence Medium Chapter Read the chapter →

Debate 1 is the one that decides the business, because the other three feed into it. Three things could go wrong: the GPUs (the AI chips CoreWeave rents out) could have a shorter working life, a customer could stop paying, or a data centre could be late. Each matters to the extent that it breaks the link between the cash the contracts bring in and debt service, meaning the interest and principal due on the debt. Our view would be wrong if the parent company paid a failed contract's loan from its own cash in more than one case. A single case would lower our confidence. So far there has been none.

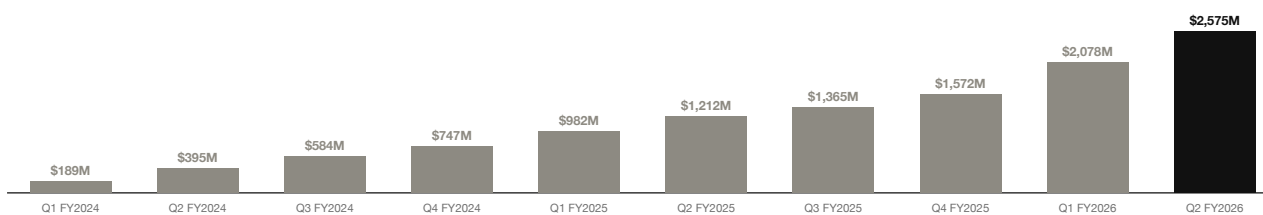
01 The Business and Its Economic Engine

What CoreWeave Sells and Who Pays

A CoreWeave customer buys a reserved block of GPU capacity: a cluster of a stated size and chip generation, in named data centres, for a fixed term. Committed contracts of this kind produced over 98% of revenue in 2025, 96% in 2024 and 88% in 2023, and they are take-or-pay, meaning the customer owes the fee whether or not it uses the capacity, according to the Form 10-K for 2025, Item 1A¹ [E02]. The same filing says committed contracts typically include a prepayment of 15% to 25% of total contract value before the customer gets access, and that the weighted-average contract lasted about five years at the end of 2025 [E01]. The rest of revenue is on-demand capacity sold by the hour.

The company reports one operating segment and does not split revenue by product. Its revenue is overwhelmingly American: \$4.80 billion of the 2025 total of \$5.13B came from customers with a US address, according to the geographic note in the 2025 10-K¹ [E04]. Software sits on top of the rented hardware: orchestration, storage, the Weights & Biases developer tools acquired in 2025. Management put non-GPU annual recurring revenue at \$400 million and managed-inference recurring revenue at \$100 million on the second-quarter 2026 call, as reported in the call transcript² [E41]. Against an annualised revenue run-rate above \$10 billion, that is a small share. The business is still the rental of GPU time.

Figure 1 Revenue Has Grown Fourteenfold in Nine Quarters



Evidence: Atlas FA, quarterly revenue Q1 FY2024 to Q2 FY2026 (CoreWeave's fiscal year is the calendar year).

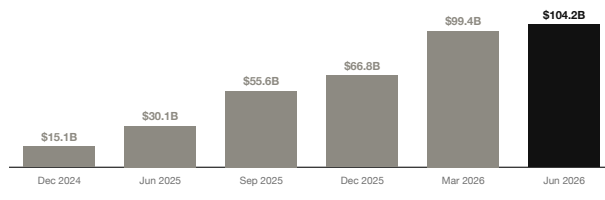
Method: Q4 values are Atlas calculations from the annual figure less the first three quarters, not separately reported quarters.

Synthesis: growth follows power coming online, so the steps track data-centre deliveries rather than demand, which ran ahead of supply throughout.

Revenue in the second quarter of 2026 was \$2.58B, against \$1.21B a year earlier. A simple driver tree fits this business: revenue equals active power, times the revenue each megawatt earns, times the share of that power that is billing. CoreWeave discloses the first term. In this business capacity is counted in megawatts of electricity, because the power a site can supply, and the cooling that goes with it, sets how many GPUs it can run. Active power is the part that is built and switched on; contracted power, which CoreWeave also reports, adds the sites it has signed for that are still being built. Active power was about 70 MW at the end of 2023, about 360 MW at the end of 2024 and over 850 MW at the end of 2025, according to the 10-K¹ [E01], then passed 1 GW in the first quarter and reached about 1.5 GW at 30 June 2026, according to the second-quarter release³ [E13]. The second and third terms are not disclosed. Dividing annualised second-quarter revenue by average active power over the quarter, about 1.25 GW, gives roughly \$8 million per megawatt-year, but that ratio mixes power that was billing all quarter with power that came on in June, so it is a rough average and not a unit price. CoreWeave did disclose that short contracts of three to six

months signed since 30 June 2026 priced at about \$40 million per megawatt of annualised revenue, in its September 2026 prospectus supplement⁴ [E21]. That figure uses the power a cluster needs as its denominator and covers only short deals at spot-like prices, so the two figures cannot be compared.

Most revenue comes from customers expanding commitments. The company does not report revenue from new against existing customers, net revenue retention or customer counts; we looked in the 10-K, both 2026 10-Qs, the four most recent earnings releases and the September 2026 investor presentation. What it does show is how the backlog was built. Revenue backlog, which is remaining performance obligations (the contracted revenue not yet delivered) plus a small amount of other contracted revenue, grew from \$15.1 billion at the end of 2024 to \$104.2 billion at 30 June 2026, according to the September 2026 investor presentation⁵ [E17]. Most of the increase came from a few large orders: Meta's \$14.2 billion order in September 2025 [E34] and its \$21 billion order in March 2026 [E30], OpenAI's \$6.5 billion order in September 2025 [E32], and Jane Street's \$6 billion commitment in April 2026 [E31].

Figure 2 The Backlog Grew Sevenfold in Eighteen Months

Evidence: CoreWeave earnings releases for Q3 FY2025, Q4 FY2025, Q1 FY2026 and Q2 FY2026; September 2026 investor presentation (Dec 2024 and Jun 2025 values).

Method: revenue backlog as the company defines it: remaining performance obligations plus other committed amounts (\$0.5B at June 2026). Excludes more than \$25B signed between 30 June and 11 August 2026.

Synthesis: the backlog moves in steps when a large order is signed, so its growth says more about a few buyers' decisions than about a broad base of demand.

Who pays is concentrated. Microsoft provided about 67% of revenue in 2025, according to the 10-K¹ [E02]. In the second quarter of 2026 the largest customer (labelled Customer A, and not named) provided 36%, a second 26% and a third 10%, against 71% for the largest a year earlier, according to the 10-Q for the quarter⁶ [E06]. The filing warns that the letters may refer to different customers in different periods. The Debate 3 chapter tests what this concentration means for the debt.

Quarterly Revenue, Operating Income and Operating Cash Flow

Metric	Q3 FY2024	Q4 FY2024	Q1 FY2025	Q2 FY2025	Q3 FY2025	Q4 FY2025	Q1 FY2026	Q2 FY2026
Revenue	\$583.9M	\$747.0M	\$982.0M	\$1.2B	\$1.4B	\$1.6B	\$2.1B	\$2.6B
Operating income	\$117.1M	\$112.3M	-\$27.0M	\$19.0M	\$51.9M	-\$89.6M	-\$144.0M	-\$49.0M
Operating cash flow	\$641.2M	\$186.6M	\$61.0M	-\$251.0M†	\$1.7B	\$1.6B	\$3.0B	\$679.0M

Evidence: Atlas FA, from CRWV's SEC filings (snapshot in Sources).

Method: figures as reported in CoreWeave's SEC filings. † marks a value Atlas flags for data quality (see Sources); n/a means no value was recorded.

Synthesis: discussed in the surrounding text.

The quarterly table shows the other side of the growth. Cost of revenue, which is mostly data-centre rent and power, was \$879.0M in the second quarter of 2026. Depreciation and amortisation was \$1.39B, more than half of revenue, and most of it sits in the line CoreWeave calls technology and infrastructure, below gross profit. The Atlas gross margin of 67.4% is therefore revenue less cost of revenue before most server depreciation. It is correct on its own definition and much higher than the margin a reader would get after the cost of the GPUs. Operating income for the quarter was -\$49.0M.

Income Statement, Fiscal Years

Metric	FY2023	FY2024	FY2025	Trend
Revenue	\$229.0M	\$1.9B	\$5.1B	↗
Gross profit	\$160.0M	\$1.4B	\$3.7B	↗
Operating income	-\$14.0M	\$324.0M	-\$46.0M	↘
Net income	-\$594.0M	-\$863.0M	-\$1.2B	↘

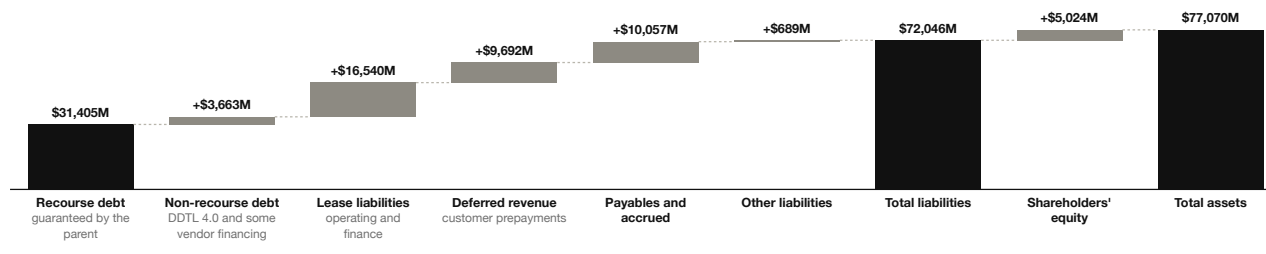
Evidence: Atlas FA, from CRWV's SEC filings (snapshot in Sources).

Method: figures as reported in CoreWeave's SEC filings. † marks a value Atlas flags for data quality (see Sources); n/a means no value was recorded.

Synthesis: discussed in the surrounding text.

How the GPU Fleet Is Paid For

At 30 June 2026 CoreWeave owed \$35.6 billion of debt principal, according to the debt note in its second-quarter 10-Q⁶ [E07]. Six months earlier it owed \$21.6 billion [E17]. It also had lease liabilities, mostly for data centres, with a present value of \$16.5 billion. Present value means future rent discounted back to today's money. It also had \$9.7 billion of deferred revenue, which is cash customers had prepaid for capacity not yet delivered [E06] [E08]. Shareholders' equity was \$5.0B, against total assets of \$77.1B.

Figure 3 Debt and Leases Fund Two-Thirds of the Balance Sheet; Equity Funds 7%

Evidence: CoreWeave Form 10-Q for Q2 FY2026, balance sheet and Note 10 (Debt); Atlas FA, total liabilities, equity and total assets at 30 June 2026.

Method: debt at carrying value, net of \$483M unamortised discount; lease liabilities \$584M + \$15,735M operating and \$7M + \$214M finance; deferred revenue \$2,686M current + \$7,006M non-current; payables \$3,633M + accrued \$6,424M; other = other current \$70M + deferred tax \$256M + other non-current \$363M.

Synthesis: debt plus leases is \$51.6B, the figure the press quoted in October; it mixes amortising contract debt, unsecured bonds and 7–16-year leases with different claims on different cash.

The debt comes in four kinds, each on different terms.

Delayed-draw term loans (DDTLs). These loans are the core of CoreWeave's financing. CoreWeave forms a subsidiary for one customer contract, or a few, and that subsidiary borrows to buy the GPU servers the contracts need. The loan is drawn only as the equipment is delivered. The amount is capped in two ways: at a share of the servers' depreciable cost, and by projected debt-service coverage, which measures how comfortably the cash expected from the contracts covers the loan payments, according to the 10-Q debt note⁸ [E07]. The lenders hold first-priority security over the subsidiary's assets and over its shares, which gives them first claim on both. Repayment starts when the

drawing period ends, in monthly or quarterly instalments. The subsidiaries must also keep restricted cash, money set aside that they cannot spend freely, covering roughly three months of interest, principal and operating costs. At 30 June 2026, \$13.6 billion was outstanding across six separate loans, with effective interest rates from 7% (DDTL 4.0) to 15% (DDTL 1.0, which matures in March 2028) [E07]. In the 10-Q, CoreWeave says these loans "amortize over time as contracted cash flows are generated in a regular and predictable manner, with excess cash made available to us" [E10]. The September 2026 investor presentation adds that the debt "typically amortizes as customers make contractual payments, such that the debt is fully repaid by the time the customer contract expires" [E17].

DEFINITION

Recourse and non-recourse

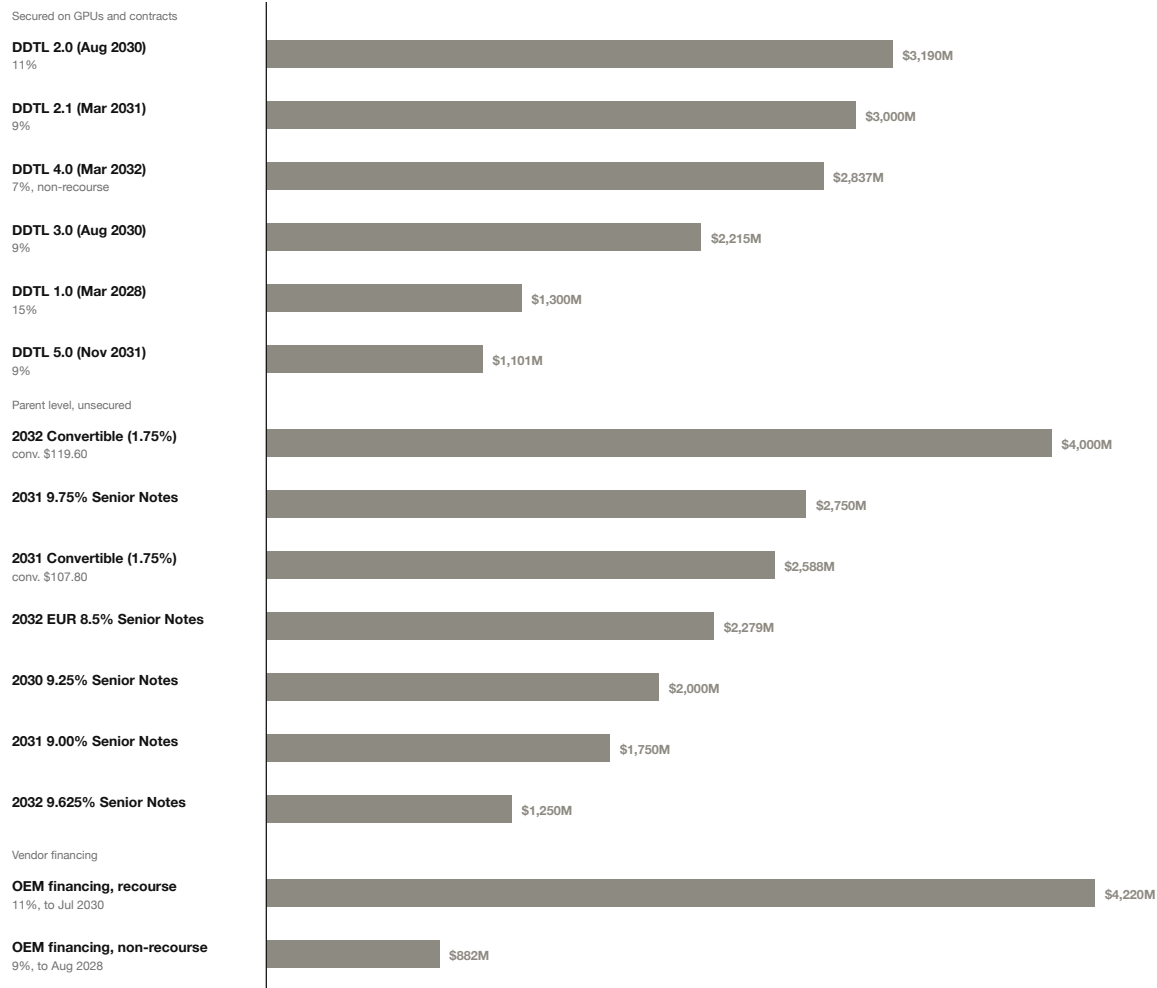
A loan is non-recourse when the lenders can collect only from the assets pledged to them. If those assets fall short, the parent company owes nothing more. A recourse loan is guaranteed by the parent, so a shortfall at the subsidiary becomes the parent's debt. CoreWeave's DDTLs are secured on subsidiary assets, but every one except DDTL 4.0 is also unconditionally guaranteed by CoreWeave, Inc.

Unsecured senior notes. Since May 2025 the parent company has issued five series of fixed-rate bonds: \$2.0 billion at 9.25% due 2030, \$1.75 billion at 9.0% due 2031, \$2.75 billion at 9.75% due 2031, \$1.25 billion at 9.625% due 2032 and €2.0 billion at 8.5% due 2032 [E07]. Operating subsidiaries guarantee them, but no assets are pledged against them. The proceeds were "retained for general corporate purposes". In practice that means the share of each build-out that the DDTL lenders do not fund, plus data-centre deposits, staff and working capital.

Convertible notes. Three issues pay low interest because holders can swap them for shares at a set price, the conversion price: \$2.6 billion at 1.75% due 2031 (conversion price \$107.80), \$4.0 billion at 1.75% due 2032 (\$119.60), and \$4.2 billion at 2.875% due 2033 (\$97.85). The last of these closed on 22 September 2026, according to the 8-K filed that day⁷ [E18]. CoreWeave

bought capped calls (options that offset dilution up to a cap) on each issue, at a combined cost of at least \$1.3 billion (\$340M, \$492M and \$499M before the 2033 issue was enlarged) [E05] [E07] [E19].

Vendor financing and leases. Equipment makers have lent \$4.8 billion against servers and networking gear, at a weighted effective rate of about 11% and with maturities from late 2026 to 2030, and a software vendor has lent \$347 million [E07]. Almost all of CoreWeave's data-centre space is leased. On leases that have already started, the payments still due add up to \$29.1 billion as a simple undiscounted total. Leases signed but not yet started add another \$35.5 billion over terms of seven to sixteen years, and one further site carries rent of up to \$14.7 billion over sixteen years, tied to the landlord's construction costs, according to the 10-Q lease note⁶ [E08]. The company's debt figures leave leases out. The rent is still fixed, and it starts whether or not the GPUs inside are rented.

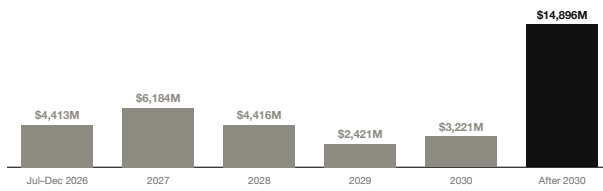
Figure 4 Asset-Level Loans Are the Largest Layer, but Parent Bonds and Converts Together Are Larger

Evidence: CoreWeave Form 10-Q for Q2 FY2026, Note 10 (Debt), principal and effective interest rates at 30 June 2026.

Method: principal before unamortised discount; the Magnetar loan (\$189M) is omitted. The \$4.2B 2.875% convertible due 2033 and the \$2.6B DDTL 5.5 facility were added after the quarter and are not shown.

Synthesis: only DDTL 4.0 and \$882M of vendor financing are non-recourse. The parent-level layer, \$16.6B at 30 June and \$20.8B after September, is the layer the October selloff repriced.

CoreWeave has covered the rest by selling shares. It raised \$1.4 billion net in its March 2025 listing at \$40 a share. It then sold \$2.0 billion of stock to NVIDIA at \$87.20 a share in January 2026 and \$1.0 billion to Jane Street at \$109.00 in April 2026, according to the 10-Q's liquidity section [E10] and the NVIDIA release⁸ [E36]. On 17 September 2026 it set up an at-the-market programme (a standing arrangement to sell new shares gradually at market prices) for up to 35 million new shares [E20]. Class A and Class B shares outstanding rose a further 4.9% after NVIDIA's January purchase, from 525.7 million at 31 January 2026 to 551.5 million at 31 July 2026, according to the cover pages of the 10-K and the second-quarter 10-Q.

Figure 5 \$10.6 Billion of Principal Falls Due Before the End of 2027

Evidence: CoreWeave Form 10-Q for Q2 FY2026, Note 10, future principal payments at 30 June 2026 (total \$35,551M).

Method: the company's own schedule; DDTL instalments depend on management's estimate of when sites are delivered, so near-term amounts can move.

Synthesis: the near-term payments are mostly DDTL and vendor instalments paid from contract cash; the unsecured bonds do not mature until 2030–2033.

CoreWeave's borrowing has become cheaper. The company puts its weighted-average interest rate (the average rate across all its debt, weighted by amount) at 14.9% for 2023, 12.2% for 2024, 9.0% for 2025 and 8.3% at 30 June 2026 [E17]. The amount it has borrowed has risen faster than the rate has fallen, and its interest bill has grown with it. Net interest expense was \$1.23 billion in 2025, according to the fourth-quarter release⁹ [E15], and \$640 million in the second quarter of 2026 alone [E13]. Management forecast third-quarter interest expense of \$860–940 million [E41]. Principal repayments fall due steadily: \$4.4 billion in the second half of 2026, \$6.2 billion in 2027, \$4.4 billion in 2028, \$2.4 billion in 2029, \$3.2 billion in 2030 and \$14.9 billion after that [E07].

Balance Sheet at Fiscal Year End

Metric	FY2023	FY2024	FY2025	Trend
Cash	\$217.0M	\$1.4B	\$3.1B	↗
Total debt	n/a	\$7.9B	\$21.4B	
Total assets	n/a	\$17.8B	\$49.3B	
Shareholder equity	-\$597.0M	-\$414.0M	\$3.3B	↗

Evidence: Atlas FA, from CRWV's SEC filings (snapshot in Sources).

Method: figures as reported in CoreWeave's SEC filings. † marks a value Atlas flags for data quality (see Sources); n/a means no value was recorded.

Synthesis: discussed in the surrounding text.

Margins, Cash and a Slowdown Test

On reported numbers CoreWeave loses a little money before interest and a lot after it. Its operating margin for the twelve months to 30 June 2026 was -3.0%. Depreciation and amortisation over the same period was \$4.0B. The twelve-month net interest figure has to be built from the quarterly releases: adding up the last four gives net interest expense of \$1.88 billion [E13] [E14] [E15] [E16].

Management prefers two adjusted measures. Adjusted EBITDA (earnings before interest, tax, depreciation and amortisation, also excluding stock-based pay) was \$1.51 billion in the second quarter of 2026, a 59% margin, and adjusted operating income, which adds back stock-based pay and some acquisition costs, was \$128 million, a 5% margin [E13]. Stock-based pay was \$165 million in the quarter. Almost all of the gap between the 59% and the 5% is depreciation, so the adjusted EBITDA margin describes the business before it pays for its main asset, the GPUs. A lender checking whether cash covers interest can use it, but it cannot show whether the business earns a return on the GPUs.

Cash flow looks better than profit, for a reason that will not last. Operating cash flow over the twelve months was \$6.9B, against \$3.06B for calendar 2025. Much of the increase is customer prepayments: deferred revenue, which is cash customers have paid for services not yet delivered, rose by \$1.37 billion in the first half of 2026, and operating cash flow swung from \$2.98B in the first quarter to \$679.0M in the second as receivables and payables moved [E13]. A prepayment is real cash, but it is revenue collected early. When the capacity is delivered, that revenue is booked without any new cash coming in. Free cash flow, which Atlas calculates by adding the capital-spending figure, a negative number, to operating cash flow, was -\$1.11B in 2023, -\$5.95B in 2024, -\$7.25B in 2025 and -\$13.7B over the latest twelve months. On the Atlas measure, customers take 122.2 days on average to pay what they owe.

Margins have fallen while revenue doubled. Adjusted operating margin was 16% in the second and third quarters of 2025, 6% in the fourth, 1% in the first quarter of 2026 and 5% in the second [E17]. Between the second quarter of 2025 and the second quarter of 2026, revenue rose by \$1.36 billion and GAAP operating income fell by \$68 million, so the incremental margin, the profit earned on the added revenue, was negative. That figure is worked out from company-wide totals, and it does not measure what any unit of capacity costs. Management's explanation is ramp cost. A data centre starts paying rent and power, and depreciating its equipment, before its clusters are fully billing, so when many sites ramp up at once the margin across the whole fleet dips before settling, in management's illustration, at a contribution margin in the mid-20s per cent [E17]. CoreWeave does not define contribution margin in its filings or report sites that have finished ramping separately, so the mid-20s figure is management's projection.

Cash Generation and Capital Spending, Fiscal Years

Metric	FY2023	FY2024	FY2025	Trend
Operating cash flow	\$1.8B	\$2.7B	\$3.1B	
Capital expenditure	-\$2.9B	-\$8.7B	-\$10.3B	
Free cash flow	-\$1.1B	-\$6.0B	-\$7.3B	

Evidence: Atlas FA, from CRWW's SEC filings (snapshot in Sources).

Method: figures as reported in CoreWeave's SEC filings. † marks a value Atlas flags for data quality (see Sources); n/a means no value was recorded.

Synthesis: discussed in the surrounding text.

The slowdown test asks what happens to margins if revenue growth halves while the cost of the equipment already bought stays fixed. On its August call, CoreWeave forecast 2026 revenue of \$12.4–13.2 billion and 2026 capital spending of \$35–39 billion [E41]. Our base case for 2027 is \$24.5 billion of revenue (see The Forward Bridge), growth of about 90%. Halving that growth gives about \$18.7 billion. Most of the 2027 depreciation charge is already fixed by 2026 spending. The second-quarter charge of \$1.39 billion comes to \$5.6 billion over a full year, and roughly \$21 billion of further 2026 equipment, depreciated over six years, adds about \$3.5 billion. Equipment bought during 2027 itself adds more, so \$11 billion is a central estimate for 2027. The grid varies revenue and depreciation. It holds cost of revenue at 33% of revenue and other technology costs at 4.5%, which are the first-half 2026 ratios, rounded. It holds sales and administration at 7%, an assumed improvement on the first half's 10.1%.

Figure 6 If Growth Halves, Depreciation Already Committed Turns a Thin 2027 Profit into a Loss

2027 revenue ↓ · 2027 depreciation and amortisation →			
	\$9B	\$11B	\$13B
\$18.7B (growth halves)	7.4%	−3.3%	−14.0%
\$21.6B	13.8%	4.6%	−4.7%
\$24.5B (base)	18.8%	10.6%	2.4%

Cells are 2027 GAAP operating margin, %. Operating margin = $1 - 0.33 - 0.045 - 0.07 - \text{D\&A} \div \text{revenue}$.

Evidence: CoreWeave Form 10-Q for Q2 FY2026 (cost ratios, first half 2026); Atlas FA, Q2 FY2026 depreciation; Q2 FY2026 earnings call (2026 guidance).

Method: a rough sensitivity, not a forecast. The base cell differs from the forward bridge because the bridge models technology costs as one line. Interest is excluded; at the Q3 2026 guided run-rate of about \$3.6B a year it would take every cell in the top row below zero before tax. Sales and administration is an assumed 7%; at the first-half 2026 ratio of 10.1%, every cell would be about 3.1 points lower.

Synthesis: the business has high fixed costs once equipment is bought, so profit depends on keeping capacity billed; a slowdown in new contracts matters less than a slowdown in deliveries of contracted capacity.

The cash version of the test is starker. In the halved-growth case, earnings before depreciation are about 55.5% of \$18.7 billion, roughly \$10.4 billion. Against that, CoreWeave owes \$3.5–4 billion of interest and \$6.2 billion of principal scheduled for repayment in 2027. Earnings cover interest and principal with \$0.2–0.7 billion to spare. If sales and administration stay at the first half's actual 10.1%, earnings before depreciation fall to about 52.4%, roughly \$9.8 billion. Depending on the interest bill, that is between \$0.1 billion more than interest and principal combined and \$0.4 billion less. Either way almost nothing is left for new equipment, so growth would stop until new money came in. The weak point is the pace of growth CoreWeave has committed to, combined with debt that a slowdown would leave only just covered.

The Forward Bridge

The forward bridge projects CoreWeave's revenue and costs for each year from 2027 to 2030, in millions of US dollars. CoreWeave reports a single segment and does not break revenue down by geography within the year. The bridge therefore splits revenue by when the contracts were signed. The first line is the backlog: revenue from the \$104.2 billion of existing contracts the company held at 30 June 2026. The second line is revenue from the more than \$25 billion of commitments signed between 30 June and 11 August 2026 [E21]. Those came from both existing and new customers, and the company does not say how they split. The third line covers everything signed after that, combining new customers and renewals of expiring capacity. Every value in the bridge is an assumption, and each line states what it is based on.

CoreWeave discloses when it expects to earn its remaining performance obligations, which is the accounting term for the backlog of contracted revenue not yet booked. It expects 41% within 24 months of 30 June 2026, 39% in months 25 to 48 and the rest in months 49 to 78 [E06]. That is \$42.5 billion, \$40.4 billion and \$20.7 billion, and the backlog line follows this schedule. Company guidance implies \$7.7–8.5 billion of revenue in the second half of 2026, so most of the first 24-month window falls in 2027 and early 2028. The base case moves about 7% of each window into the next, because sites have come online late before

(see the Debate 4 chapter). The third line assumes \$30 billion a year of newly signed contracts from 2027, about a third of the pace of the last eighteen months, with each year's contracts turning into revenue over five years.

Costs are three lines. Cost of revenue, mostly rent and power, is held at 33% of revenue, close to the 34.3% of the first half of 2026. Technology and infrastructure, which includes depreciation on the servers, was 59.7% of revenue in the first half of 2026. The

bridge has it falling from 57% of revenue in 2027 to 52% in 2030 as the extra costs of bringing new capacity into service fade. Sales and administration (sales and marketing plus general and administrative expense) fall from 7% to 5%. The base case is more cautious than management's contribution margin in the mid-20s percent: in 2030, cost of revenue and technology costs together still take 85% of revenue.

Forward Bridge: The Base Case, Line by Line

Line	2027	2028	2029	2030	Basis
Revenue lines					
Revenue from the \$104.2B backlog at 30 June 2026 (existing contracts)	\$21.0B	\$20.5B	\$20.0B	\$15.0B	CoreWeave's RPO schedule (41% of \$103.7B in months 1–24, 39% in months 25–48, 20% in months 49–78) after H2 2026 guided revenue of \$7.7–8.5B, with about 7% of each window slipping into the next: \$21.0B, \$20.5B, \$20.0B, \$15.0B.
Revenue from the >\$25B of commitments signed 30 June–11 August 2026	\$2.0B	\$5.0B	\$5.5B	\$5.5B	\$25B recognised over about five years from mid-2027 as the added 0.5 GW of contracted power is built: \$2.0B, \$5.0B, \$5.5B, \$5.5B.
Revenue from contracts signed after August 2026 (new customers and renewals)	\$1.5B	\$6.0B	\$12.0B	\$18.0B	\$30B a year of new bookings from 2027, about a third of the 2025–H1 2026 pace, each converting over five years after a short ramp: \$1.5B, \$6.0B, \$12.0B, \$18.0B.
Cost of revenue					
Cost of revenue (data-centre rent, power, site costs)	\$8.1B	\$10.4B	\$12.4B	\$12.7B	33% of revenue, against 34.3% in H1 2026 and 28.3% in 2025.
Operating expenses					
Technology and infrastructure (mainly server depreciation)	\$14.0B	\$17.3B	\$19.9B	\$20.0B	57%, 55%, 53% and 52% of revenue in 2027–2030 as ramp costs fade, against 59.7% in H1 2026; cost of revenue plus this line still takes 85% of revenue in 2030, more cautious than management's mid-20s contribution margin.
Sales and marketing plus general and administrative	\$1.7B	\$1.9B	\$2.1B	\$1.9B	7.0%, 6.0%, 5.5% and 5.0% of revenue, against 9.2% in Q2 2026.
Totals					
Revenue	\$24.5B	\$31.5B	\$37.5B	\$38.5B	
Gross margin	67.0%	67.0%	67.0%	67.0%	
Operating income	\$735.0M	\$1.9B	\$3.2B	\$3.9B	
Operating margin	3.0%	6.0%	8.5%	10.0%	

Evidence: the study's own scenario model (base path); each basis cites the record it rests on in the surrounding text.

Method: each line is the model's base-case value with the assumption that produces it; the totals follow from those lines. Part VI's paths change named lines of this table.

Synthesis: the argument for each assumption is in the surrounding text; this exhibit carries the bridge only.

The model stops at GAAP operating income, which is revenue less cost of revenue, technology and infrastructure, sales and marketing, and general and administrative expense. CoreWeave reports the same measure, and for the twelve months to 30 June 2026 the model matches the reported figures exactly. Revenue of \$7.6B less cost of revenue of \$2.5B gives gross profit of \$5.1B. The three operating expense lines total \$5.35 billion, which leaves operating income of -\$230.7M. The model does not go on to adjusted operating income, which adds back about \$640 million a year of stock-based pay. It also stops before interest. In the base case, 2030 revenue is \$38.5B and operating income is \$3.85B, a margin of 10.0%. If interest expense stayed at today's annual rate, it would take most of that operating income.

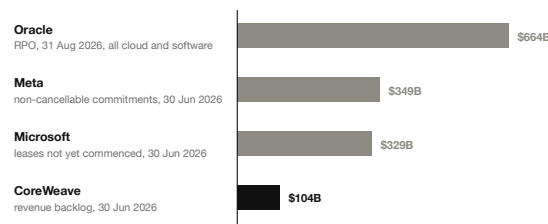
02 The Industry

Demand, Power and the Price of GPU Time

CoreWeave's prospects depend on three things it does not control: how much the largest AI buyers want to rent capacity rather than build their own, how fast power and buildings can be delivered, and what an hour of GPU time sells for. A fourth, the price of credit, moved sharply in October 2026.

Buyers. CoreWeave's customers are also its competitors, and they are building on a far larger scale than CoreWeave. Meta reported \$349.31 billion of non-cancellable commitments at 30 June 2026, which it says “mostly relate to third-party cloud capacity arrangements and investments in servers and network infrastructure, data centers”, plus \$279 billion of data-centre leases not yet started and a further \$68 billion signed in July, according to its 10-Q for the quarter¹⁰ [E53]. Microsoft reported \$329.1 billion of leases not yet started at 30 June 2026, mainly for data centres, in its 10-K for fiscal 2026¹¹ [E54]. Oracle's remaining performance obligations (revenue it has under contract but has not yet recognised) were \$664 billion at 31 August 2026, according to its 10-Q¹² [E51].

Figure 7 CoreWeave's Backlog Is Small Next to What Its Customers and Rivals Have Committed



Evidence: Oracle Form 10-Q for the quarter to 31 August 2026; Meta Form 10-Q for Q2 2026, Note 9; Microsoft Form 10-K for fiscal 2026, lease note; CoreWeave Q2 FY2026 earnings release.

Method: each bar is a different measure: Oracle's and CoreWeave's are contracted revenue owed to them; Meta's and Microsoft's are money they have committed to spend. The bars show scale only and are not a ranking of the same quantity.

Synthesis: CoreWeave is a supplier at the margin of a build-out its customers mostly do themselves; its demand depends on how much of their overflow they choose to rent.

Independent forecasts. On 14 October 2026 Gartner forecast that spending on AI-optimised infrastructure-as-a-service, the market CoreWeave sells into, would grow from \$66 billion in 2027 to \$174 billion in 2030, and that this growth would be “too low for most AI compute providers to recover their AI investments before the current generation of AI semiconductors is replaced”, according to its press release¹³ [E44]. It predicted that over 80% of neocloud providers would cease independent operations by 2030. Neoclouds are the newer companies whose business is renting out GPU capacity, such as CoreWeave, Nebius, Lambda and Crusoe; for the hyperscalers, the same capacity is one part of a much larger cloud business. That forecast covers the group as a whole. CoreWeave is the largest of these providers and has contracted backlog. The forecast matters because it is the sharpest public statement of the bear case for the industry, and it came out on the day of the selloff.

The price of GPU time. Rental prices fell sharply after 2023 and have since recovered. Silicon Data's H100 rental index, a daily standardised rate drawn from neocloud providers and marketplaces, stood at \$2.53 per GPU-hour on 17 October 2026, according to its index page¹⁵ [E45]. The H100 was introduced in 2022. CoreWeave told investors that it raised prices about 25%

Two readings fit those numbers. In the bull reading, the buyers' commitments are so large that renting from a specialist stays a small but lasting source of overflow capacity. In the bear reading, customers building at this scale will need less overflow capacity once their own sites are finished. Meta's filing shows the terms on which it buys overflow capacity: it has “contingent obligations to purchase up to \$14.72 billion of cloud capacity over a five-year period, which may be reduced if the cloud service provider is able to sell such capacity to other customers” [E53]. The provider is not named. Under that clause, Meta has kept the right to have its commitment reduced if the provider can resell the capacity to someone else.

Power. GPU capacity is limited more by electricity and buildings than by chips. Lawrence Berkeley National Laboratory's Queued Up 2026 report¹⁴ found that for power projects completed in 2025, the median time from an interconnection request (asking to be connected to the grid) to commercial operation was over five years, and that only 13% of capacity that requested interconnection between 2000 and 2020 had been built by the end of 2025 [E46]. The report counts generators rather than data centres drawing power, but it describes the same grid queue. CoreWeave avoids most of that wait by leasing sites from developers who have already secured power: in its own illustration, a partner takes 12–18 months to deliver the building shell, grid connection and cooling, and CoreWeave then needs one to two months to install and test the GPUs [E17]. That makes the developers' delivery the step that sets the timetable, which the Debate 4 chapter tests.

across its products in July 2026 and that pricing for prior-generation chips was “at or above where it was years ago” [E41]. The two sources agree that GPU time is scarce in 2026. Neither shows what a 2026 chip will rent for once the next two generations of chips are widely available.

Credit. The AI build-out is now financed in the bond market. Alphabet, Amazon, Meta and Oracle together issued more than \$228 billion of bonds by 13 October 2026, more than twice their total for 2025, according to LSEG data cited by CNBC¹⁶ [E42]. A credit rating is an agency's letter grade for how likely a borrower is to default, and the lower the grade, the more lenders charge. The upper part of the scale is called investment grade. CoreWeave's

corporate rating is B+, below investment grade. CoreWeave competes for the same lenders with a weaker balance sheet. Its answer has been to borrow against specific customer contracts, so that the customer's credit can support the loan's rating. DDTL 4.0 was rated A3 by Moody's, according to the March 2026 release¹⁷ [E27], while DDTL 5.0 and 5.5, backed by a wider mix of customers, were rated Ba2 [E29] [E23].

03 The Debates

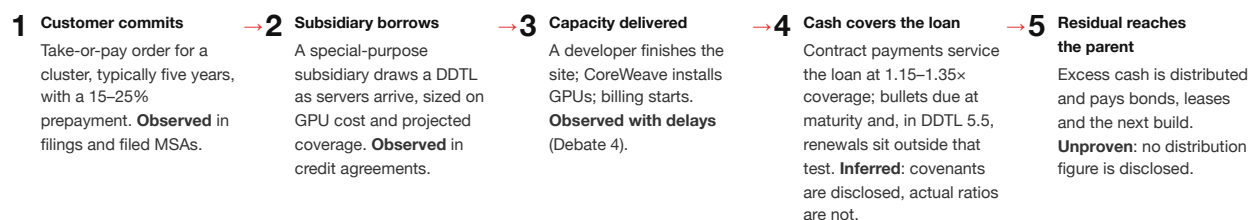
Debate 1 (Deciding): Does Contract Cash Pay the Debt, and Can CoreWeave Keep Borrowing?

On 14 October 2026 CoreWeave's shares fell 15.5% and the yield on its 9.75% notes due 2031 rose to about 14.9%, according to CNBC¹⁶ [E42]. The yield is the yearly return a buyer earns by paying today's market price and holding the bond until it is repaid. A yield that high on a bond with a 9.75% coupon (the fixed interest it pays each year on its face value) means the bond was trading well below that face value. Bond investors were pricing in a real chance that they would not be paid in full. The chief executive, Michael Intrator, told staff in a memo quoted by CNBC that "we are confident in our backlog which more than supports all of our debt obligations."

The first question in this debate is whether the cash CoreWeave collects from customer contracts covers the interest and principal on the debt raised to serve them over the contracts' lives. The second is whether the company can keep financing new contracts on terms that still leave it a profit as credit tightens. Our view would be wrong in either of two cases. One is if, more than once, a contract financed with its own loans failed and the parent company had to make the payments on those loans from other cash. The other is if the parent company could no longer raise unsecured money (borrowing not backed by specific assets) at a cost its contracts can bear.

How the Money Is Meant to Flow

The money is meant to reach CoreWeave through a chain that starts with what a customer needs and ends with the cash CoreWeave collects. The strength of the evidence differs from link to link.



The first two links are well documented. The order forms with OpenAI and Meta filed in September 2025 commit the customers to pay, but "subject to any termination described below and satisfaction of delivery and availability of service requirements" [E32] [E34]. The master services agreements (MSAs) behind them set the general terms and were filed with some text redacted. They let either party terminate only for cause, meaning an uncured material breach (a serious breach of the contract that has not been put right) or the other side's insolvency (OpenAI MSA, Section 10)¹⁸ [E33]. The Meta agreement¹⁹ adds that if Meta terminates for cause, CoreWeave refunds the pro rata (proportional) share of any prepayment [E35]. Neither filed agreement contains a right to cancel for convenience, that is, to cancel without cause. The order forms, which carry delivery dates and any credits for late delivery, are not public.

The credit agreements set how much can be lent against the contracts through covenants, which are ratio tests the borrower must keep passing. In the \$2.6 billion DDTL 5.5 facility of August 2026, the borrowing subsidiary must keep a debt-service

coverage ratio (the cash available for loan payments divided by the payments due) of at least 1.35 times and a "Projected Contract Value Ratio" of at least 2.40 to 1, according to the 8-K²⁰ [E22] and the credit agreement itself²¹ [E24]. The second ratio compares "Total Projected Contract Value" with the outstanding loan. The public copy redacts the definition of that value, so a reader cannot check what it counts. The \$8.5 billion DDTL 4.0 facility of March 2026 requires coverage of at least 1.15 times [E25]. That lower bar fits its investment-grade customer (one rated a low risk of default) and its A3 rating. In DDTL 5.5, the debt service being covered leaves out the bullet repayment due at maturity, which is the single lump sum of principal owed when the loan ends. For periods not under contract, the projections may rest on the facility's base-case assumptions. So even if the covenants hold, they do not show that the original contracts repay the whole loan.

What Happens When a Contract Is Cut Short

The obvious question is what happens to a facility if a contract ends early or a customer weakens. The credit agreements answer it directly, and the answer differs by facility.

Facility Responses to a Customer Problem, as Written in the Credit Agreements

Event	DDTL 5.5 (recourse, Aug 2026)	DDTL 4.0 (non-recourse, Mar 2026)	Who bears a shortfall
Unwaived material breach of a master services agreement that would give the customer a right to terminate, or a contract-value ratio below 2.40x	"Cash Trap Event": cash is held back from the parent; after three monthly payment dates it becomes a "Cash Sweep Event" and 100% of collateral cash prepays the loan until the contract-value ratio is above 2.40x	Default under a material project contract can become an event of default if it would have a material adverse effect, unless replaced within 90 days	Parent loses distributions at once in both
Customer terminates the master services agreement	Contract leaves the borrowing base; prepayment needed to restore coverage of 1.35x and contract value of 2.40x	Event of default if the MSA is "terminated or cancelled in full" and the cure period lapses; lenders can accelerate	5.5: parent, under its unconditional guarantee. 4.0: lenders, against the GPUs and subsidiary assets only
Contract expires and is not renewed by the renewal deadline	"Maturing MSA Non-Replacement": mandatory prepayment within five business days to restore 1.35x and 2.40x, unless a replacement contract meeting eligibility criteria is signed	Not an event of default if the contract expires on its own terms	5.5: parent if subsidiary cash is short
Change of control of CoreWeave	Full prepayment	Full prepayment	Parent or acquirer

Evidence: DDTL 5.5 credit agreement (Exhibit 10.1 to the 8-K of 10 August 2026), definitions and Section 2.09(b) [E24]; DDTL 4.0 credit agreement²² (Exhibit 10.1 to the 8-K of 31 March 2026), Section 7.01(m) [E26]; 10-Q for Q2 FY2026, Note 10 [E07]. **Method:** paraphrase of the operative clauses; cure periods and thresholds marked [*] in the public copies are redacted.

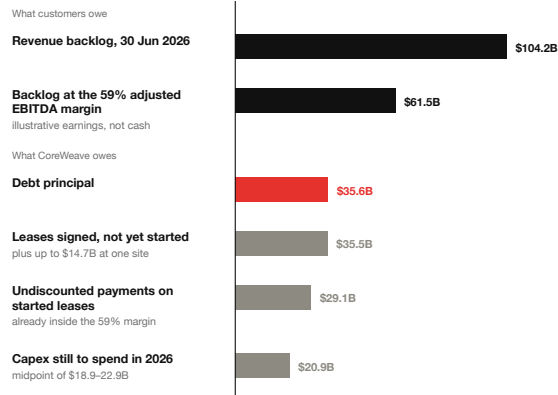
Two things follow. First, the lenders have arranged to be paid before CoreWeave sees anything. In DDTL 5.5 a breach that would let the customer terminate, or a contract-value ratio below 2.40x, traps cash in the subsidiary from the next monthly payment date. A customer that stops paying is not one of the named triggers; it would show up through the coverage test or a termination. The parent's income from a financed contract is the residual, and the residual stops first. Second, except in DDTL 4.0 and \$882 million of vendor financing, the parent has guaranteed the loans [E07]. At 30 June 2026, \$31.4 billion of the \$35.1 billion carrying value of debt was recourse to CoreWeave, Inc. A contract that failed inside DDTL 2.0, 3.0, 5.0 or 5.5 would leave the lenders able to collect the shortfall from the parent. The stress can also reach the bonds. The indenture for the 9.625% notes due 2032²³ makes a payment default at maturity or an acceleration of debt the parent guarantees an event of default on the notes once it exceeds the greater of \$200 million and 5% of twelve-month EBITDA, though the notes' acceleration is annulled if the default is

cured within 30 days (Sections 6.1(a)(4) and 6.2) [E60]. The 2033 convertible's indenture²⁴ has the same threshold for the parent's and its significant subsidiaries' borrowed money, and allows 30 days after notice to cure before the trustee or holders of 30% can accelerate (Sections 6.01(h) and 6.02) [E61]. Both exclude the financing subsidiaries from the subsidiaries they count, so a large enough accelerated recourse DDTL reaches the 9.625% notes through the parent's guarantee.

The DDTL 5.5 facility shows where the structure is going. Its customer contracts average about three years while the loan runs about five, so the lenders are underwriting renewal, as CoreWeave's release²⁵ says: lenders are "signalling confidence in the long-term value of NVIDIA GPUs ... and a willingness to underwrite renewal risk" [E23]. The non-replacement clause decides who carries that risk. If a three-year contract is not renewed, the subsidiary must prepay, and if it cannot, the parent pays. Lenders are lending past the contract because the parent stands behind them.

Does the Backlog Cover the Debt?

Intrator's claim compares revenue with debt. Measured that way, the revenue backlog of \$104.2 billion is about 2.9 times the \$35.6 billion of debt principal. The fair test would compare cash with debt service (the interest and principal payments that fall due), and the filings do not give enough to run it. If the whole backlog were recognised at the second-quarter adjusted EBITDA margin of 59%, it would produce about \$61.5 billion of adjusted EBITDA. That figure illustrates future earnings. It is not a schedule of cash still to be collected, because the backlog includes amounts already billed: deferred revenue stood at \$9.7 billion at 30 June [E06]. To turn it into cash available for debt service, you would have to adjust for prepayments, collections, costs that adjusted EBITDA leaves out, and the timing of debt payments. CoreWeave does not give that bridge.

Figure 8 The Backlog Is Large Against Today's Debt, and Delivering It Needs New Money

Evidence: CoreWeave Form 10-Q for Q2 FY2026, Notes 2, 8 and 10; Q2 FY2026 earnings release (adjusted EBITDA margin); September 2026 investor presentation (H1 2026 capex of \$16.1B on the company's definition); Q2 FY2026 call (2026 capex guidance of \$35-39B).

Method: $104.2 \times 0.59 = 61.5$, illustrative adjusted EBITDA on future revenue recognition, not a cash-collection schedule; it makes no adjustment for consideration already billed or prepaid, working capital or the timing of debt payments. Remaining 2026 capex = \$35-39B less \$16.1B. Rent on started leases is an operating cost already deducted in the 59% margin, so it is shown for scale and not to be added to debt.

Synthesis: the backlog's earnings are large against existing debt, but whether its cash covers debt service is not shown, and part of that backlog is capacity not yet built, whose equipment will be bought with debt not yet raised.

At 30 June 2026 CoreWeave had about 1.5 GW (gigawatts) of active power and 3.7 GW under contract, rising to 4.2 GW by 11 August [E13] [E21]. The comparison breaks down here, because the backlog and the debt describe different capacity. Much of the backlog is revenue from capacity that does not exist yet, and the equipment for it will be bought with money that has not yet been borrowed. Measured against the debt that will exist once the backlog is delivered, the coverage is thinner than 2.9 times. On the August call CoreWeave said more than 50% of the backlog was attached to contracts where delivery had begun, and that it expected the share to pass two-thirds by the end of 2026, according to the corrected transcript²⁶ [E66]. It does not disclose how much of the backlog relates to fully delivered capacity, so the true coverage, contract by contract, cannot be worked out from public filings.

The cash figures for the company as a whole show a gap that the parent company has to fill. Operating cash flow over the past twelve months was \$6.9 billion, a figure flattered by prepayments (cash customers paid in advance). Capital spending still to come in 2026 is about \$19-23 billion, and \$10.6 billion of principal falls due by the end of 2027 [E07]. Liquidity at 30 June was \$15.6 billion. Of that, \$10.0 billion was committed facilities not yet drawn, most of it delayed-draw term loan (DDTL) capacity that can only pay for specified equipment, and \$2.0 billion was the general-purpose revolving facility [E10] [E07]. The September 2026 convertible bond added about \$3.6 billion of net cash after the cost of capped calls (hedged bought to reduce dilution when the bonds convert into shares) [E19]. CoreWeave has filled the gap every quarter so far: management said on the call that it raised about \$18 billion in the second quarter alone [E41]. As it does so, interest coverage (the number of times earnings cover interest) is falling. Over the past twelve months, adjusted EBITDA of \$4.40 billion covered net interest of \$1.88 billion 2.3 times. Annualising the second quarter's \$1.51 billion of adjusted EBITDA against the \$900 million midpoint of guided third-quarter interest gives 1.7 times.

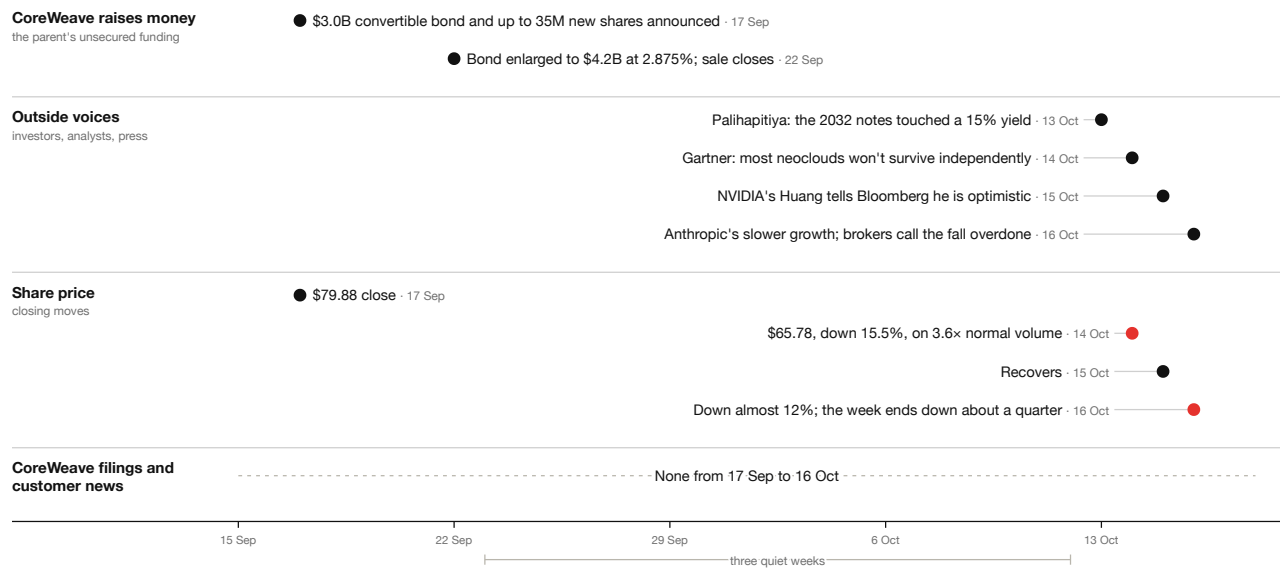
2.8x → 1.7x

Interest cover a year apart: adjusted EBITDA ÷ interest, annualised

A year earlier, $\$753\text{M} \div \$267\text{M}$. Now, the second quarter's $\$1.51\text{B} \div$ the \$900M midpoint of guided third-quarter interest. Interest is growing faster than cash earnings because debt is drawn before the capacity it funds starts billing.

The October Selloff

Figure 9 The Selloff Followed New Borrowing, Not a Filing



Evidence: CoreWeave releases of 17 and 22 September 2026 [E20] [E18]; closing prices [E19] [E42]; Gartner, 14 October 2026 [E44]; CNN, 16 October 2026 [E56].

Method: each event placed at its date, in the lane of who acted; the bottom lane is empty because no CoreWeave filing or customer announcement fell in the window.

Synthesis: the price fell as the parent raised new unsecured money and outside voices questioned the model, not on news from the contracts themselves.

The events ran over five weeks. On 17 September CoreWeave announced a \$3.0 billion convertible bond and, the same day, a programme to sell up to 35 million new shares [E20]; the stock closed at \$79.88 [E19]. The bond issue was enlarged to \$4.2 billion with a 2.875% coupon, and the sale closed on 22 September [E18]. On 13 October the investor Chamath Palihapitiya posted that the 2032 notes had touched a 15% yield, and Elon Musk replied “yikes” [E42]. On 14 October Gartner published its forecast that most neoclouds would not survive as independent companies [E44]. The same day, US consumer prices were reported up 0.6% for September, according to Vantage Markets’ account²⁷ citing the Bureau of Labor Statistics [E43]. CoreWeave’s shares closed at \$65.78, down 15.46%, on 107 million shares traded against a three-month average of 29.5 million. Oracle fell almost 9% and Nebius 10% the same day [E42]. No CoreWeave filing or customer announcement came out that day.

The shares recovered on Thursday 15 October, helped by NVIDIA’s chief executive Jensen Huang telling Bloomberg he was optimistic about CoreWeave, then fell almost 12% on Friday 16 October, ending the week down about a quarter and more than 65% below their peak shortly after the 2025 listing, according to CNN²⁸ [E56]. CNBC linked Friday’s fall to slower revenue growth reported by Anthropic, which is itself a CoreWeave customer. It also reported that brokers at Jefferies, JPMorgan and Cantor Fitzgerald called the fall overdone. Other analysts, and lawyers

who work on these contracts, questioned whether take-or-pay terms are as iron-clad as assumed and whether backlog should be treated as revenue, according to CNBC²⁹ [E57]. That last question matters most here, and the filed agreements answer it only in part. They allow termination for cause, and the delivery terms that would decide a dispute are in order forms that are not public.

The selloff shows that raising money has become more expensive for the parent company, and the parent’s money is what the financing model needs most. The filings support three parts of the market’s concern: debt has risen faster than revenue, interest is rising faster than cash earnings, and growth depends on raising new unsecured capital every few months, now including new shares. The press’s “debt at 6.8 times sales” framing implies that existing loans are in danger, and the filings do not support that. Those loans are being repaid in instalments out of contracts with Meta, Microsoft, OpenAI and others. The company reported that it was in compliance with all its DDTL covenants at 30 June 2026 [E07], and the first of its unsecured debt falls due in June 2030. The 15% yield reflects the risk that the parent cannot keep funding growth and ends up holding guarantees on contracts that go bad. Nothing in the filings points to an imminent default. The bonds’ indentures (their governing contracts) do contain cross-acceleration clauses, which can make the bonds fall due at once if other debt is called in early. Because of them, a large contract going bad could put the bondholders at risk before 2030.

The Strongest Case Against Our View

The strongest argument against our view goes like this. The protections written into the contracts are real, but they protect the lenders rather than CoreWeave. Every protective clause moves cash away from the parent company at the first sign of trouble. Meanwhile the parent company has guaranteed 90% of the debt, signed \$35.5 billion of leases that have not yet started, and committed to spend \$35–39 billion this year. Its business model requires it to keep raising unsecured debt, meaning borrowing that is not backed by specific assets. That debt now costs it about 15%. Its customer contracts were priced when it cost 9%. On this reading CoreWeave holds the riskiest position in the AI build-out: it is paid last, after the lenders, and it is heavily in debt itself. The contracts give most of the upside to customers and most of the protection to secured lenders. The parent company is left with whatever cash remains, plus the guarantees. If credit stays tight, CoreWeave has to slow its growth. A slower-growing CoreWeave would still owe \$20.8 billion of bonds and convertibles (debt that can be exchanged for shares) at the parent level. It would then need its stabilised contracts, the ones running at their full rate, to produce far more leftover cash than they have shown so far.

Where We Land

Once a contract has been delivered and is performing, meaning the customer is paying as agreed, it is built to cover the scheduled interest and principal on its own loan, as the loan covenants are written. It is unproven that the original contracts repay the whole loan, including any bullet payment (a lump sum due when the loan matures). For DDTL 5.5, repayment depends partly on renewal, replacement or other repayment funding. We hold this view with medium confidence because three things are not disclosed: the coverage ratios actually achieved, the cash distributed to the parent company, and the share of the backlog tied to fully delivered capacity.

Much of that is right, and it is why our confidence is medium. Two pieces of evidence keep it from being the whole story. First, the parent company has been able to choose where it borrows. In the weeks before unsecured yields peaked it sold convertible debt at 2.875%, and its single-customer, investment-grade facility (a loan backed by one customer with a strong credit rating) priced at SOFR (the benchmark US overnight lending rate) plus 2.25%, against SOFR plus 4.0–4.25% for the 2025 facilities [E16] [E25]. The multi-customer loans, DDTL 5.0 and 5.5 (delayed-draw term loans, which the borrower draws down in stages), cost more, at SOFR plus 4.50% and 5.50% [E28] [E22]. So the low rate depends on the customer being investment grade. Second, asset-level debt, which is secured on the assets of each build, is now the largest part of CoreWeave's new financing, and lenders price it on the customer's credit rather than CoreWeave's. If that market stays open, the parent company needs unsecured debt only for the equity slice of each build. That slice is the 15–25% customer prepayment plus whatever the DDTL's cost cap leaves unfunded.

The weakest link is the fifth step in the chain. That step is whether the cash left over after the loan payments reaches the parent in amounts that, together with new capital, fund the parent's bonds, leases and the next build. It is unproven, and the October repricing made it more expensive. For that reason, the evidence status is limited.

The evidence for our view is primary: the company's own credit agreements, filings and covenant disclosures. The evidence against it is mostly market pricing and industry forecasts. The proof that would settle the debate is subsidiary-level cash flows, and those are not public.

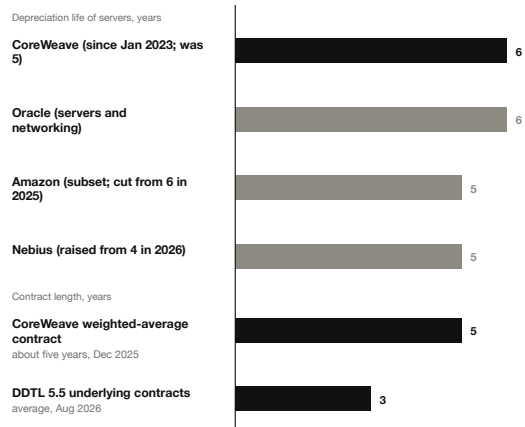
Debate 2: Do GPUs Earn for the Six Years CoreWeave Depreciates Them Over?

CoreWeave depreciates its technology equipment, the GPU servers and networking that make up most of its assets, over six years on a straight line, which spreads the cost evenly across those six years. It lengthened the life from five years to six on 1 January 2023, which cut 2023 expenses by \$20 million, according to the accounting-policy note in the 2025 10-K¹ [E03]. Technology equipment had a gross cost (its cost before depreciation) of \$33.8 billion at 30 June 2026, out of \$52.6 billion of gross property and equipment [E09]. The debate is whether a GPU bought today keeps earning rental income for six years. The alternative is that a faster product cycle means the depreciation charge is too small and reported profit is overstated.

Depreciation is an accounting charge that involves no cash, so the life CoreWeave chooses does not change the cash it collects. It changes reported profit, and it changes who is exposed if a chip stops earning. The asset-level loans are repaid in instalments over

the contract, which typically runs about five years. A five-year contract that the customer pays as agreed is therefore meant to repay its lenders before the sixth year. Earnings in the sixth year depend on the chance to re-rent the chip once the first contract ends. Shareholders carry that risk. In the DDTL 5.5 facility, which finances shorter contracts, the parent company's guarantee also carries part of it, through the non-replacement clause.

One contract reduces the risk. Under a September 2025 order initially valued at \$6.3 billion, NVIDIA must buy residual capacity, meaning capacity that CoreWeave's own customers leave unsold, through 13 April 2032, subject to termination rights and delivery and availability-of-service requirements, according to the 8-K filed 15 September 2025³⁰ [E62]. That backstop is small next to \$33.8 billion of technology equipment at cost. It also depends on a single counterparty, which supplies the chips and owns CoreWeave shares.

Figure 10 CoreWeave's Six-Year Life Is at the Long End, and Longer Than Its Contracts

Evidence: CoreWeave Form 10-K for 2025, Note 1; Oracle Form 10-Q for the quarter to 31 August 2026, Note on property; Amazon Form 10-K for 2025, Note 1; Nebius interim report for Q2 2026; CoreWeave 10-K for 2025, Item 1; CoreWeave DDTL 5.5 release, August 2026.

Method: lives as each company states them for its servers; Amazon's five years applies to a subset of servers and networking equipment only. Contract lengths are CoreWeave's own averages.

Synthesis: the companies that moved in 2025–2026 moved in opposite directions, so there is no settled industry life; CoreWeave's life exceeds its own average contract by about a year.

The evidence against the six-year life concerns how fast chips are replaced, and when the supporting evidence was gathered. NVIDIA now ships a new generation roughly every year. CoreWeave itself completed the first bring-up of the Vera Rubin NVL72 system in the second quarter of 2026 [E13]. Gartner's October forecast rests on this point: providers will not recover their investment "before the current generation of AI semiconductors is replaced" [E44]. IREN's 2026 annual report warns that "the economic useful life and residual value of our deployed equipment may be shorter or lower than we anticipate" as demand concentrates on the newest chips [E50]. The re-rental

The peers do not agree. Amazon shortened the life of a subset of its servers and networking equipment from six years to five from 1 January 2025, citing "the increased pace of technology development, particularly in the area of artificial intelligence and machine learning", in its 2025 10-K³¹ [E52]. Oracle states a six-year life for its servers and networking equipment in its latest 10-Q¹² [E51]. Nebius, the most comparable neocloud, moved the other way, from four years to five starting in the first quarter of 2026, "to reflect usage patterns and current utilization commitments", according to its second-quarter interim report³² [E49].

The evidence for a long earning life comes from old chips being rented out again. On the August call CoreWeave said it had "recently signed an A100 contract that extends into 2029 at an attractive price" (the A100 was introduced in 2020), and that it remained "largely sold out of prior generations" [E41]. Its September presentation reported an H200 cluster renewed for three years at a premium to the original contract [E17]. Prices from outside CoreWeave point the same way. The Silicon Data H100 index was \$2.53 per GPU-hour (the price of renting one chip for one hour) on 17 October 2026 [E45], so a chip launched in 2022 still commands a market price four years later. The A100 design will still be earning nine years after its 2020 launch. But the call transcript²⁶ [E66] does not say when the GPUs under that contract entered service, so it does not show nine years of earnings, or a six-year recovery of cost, for any particular chip.

evidence also comes from 2025–2026, a period when every GPU found a buyer because power, not chips, was scarce. It shows that old chips earn money in a tight market. It does not show what they earn when power is plentiful and the newest chips are cheap per unit of work.

A shorter life would make a large difference to reported profit and a small one to cash. If the six-year life were wrong and technology equipment should be depreciated faster, twelve-month depreciation would rise and operating income would fall, as shown below.

Figure 11 Each Year Taken off the GPU Life Costs Hundreds of Millions of Reported Profit

Life of technology equipment ↓ · Twelve months to 30 June 2026, USD millions →	Extra depreciation	Operating income
6 years (as reported)	\$0M	-\$231M
5 years	\$663M	-\$894M
4 years	\$1,658M	-\$1,889M
3 years	\$3,316M	-\$3,547M

Extra depreciation = TTM D&A × 83% technology-equipment share × (6 ÷ life – 1).

Evidence: Atlas FA, twelve-month depreciation and amortisation and operating income to 30 June 2026; CoreWeave Form 10-Q for Q2 FY2026, Note 5 (technology equipment \$33,823M of \$40,704M gross property in service).

Method: a static re-scaling, not a restatement: it assumes the technology-equipment share of depreciation equals its share of gross property in service, and ignores that a change in estimate applies only prospectively.

Synthesis: the depreciation life decides whether the business reports a small loss or a large one; it does not change cash, so the lenders' risk and the shareholders' risk diverge here.

The strongest alternative explanation of the re-rental evidence is scarcity. On this reading, old chips are renting well because nothing else is available, and the six-year life will look generous once supply catches up. Two things would tell the explanations apart: the rental price of three- and four-year-old chips in a quarter when new capacity is plentiful, and CoreWeave's renewal rate on contracts reaching term, meaning the share it renews when they end. Neither is available yet, because CoreWeave's first large multi-year contracts, signed in 2023 and 2024, have barely begun to expire.

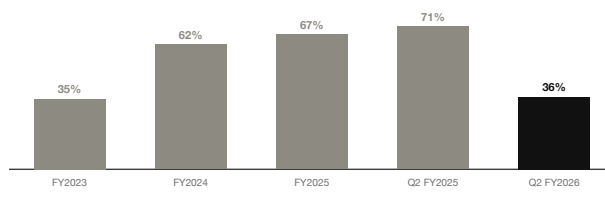
Our view, at medium confidence, is that what has been observed supports the six-year life. The debate is contested. Observed re-rentals at firm prices, Nebius's move to five years and Oracle's six all support it. Amazon's shorter life for some servers, the annual chip cycle and Gartner's forecast all weigh against it, and the supporting evidence comes from a single tight market.

For the financing question in Debate 1, the life matters less than it seems. Most loans are sized to the contract rather than to the depreciation life. A shorter life would lower reported profit and equity, but the contracted cash that pays the debt would not change. The exception is DDTL 5.5, whose repayment depends partly on renewing or re-renting the GPUs after contracts averaging three years.

Debate 3: Can a Few Customers Carry This Much Debt?

The common reading of CoreWeave's second quarter was that customer concentration, its dependence on a few large customers, had been solved. The largest customer's share of revenue fell from 71% to 36% in a year [E06]. But revenue measures what CoreWeave delivered last quarter. The debt is paid from the backlog, which is the next five years of deliveries. The announced contract awards point to heavy reliance on a few customers in that backlog, although CoreWeave does not say how the backlog divides by customer.

Figure 12 The Largest Customer's Share of Revenue Halved in a Year



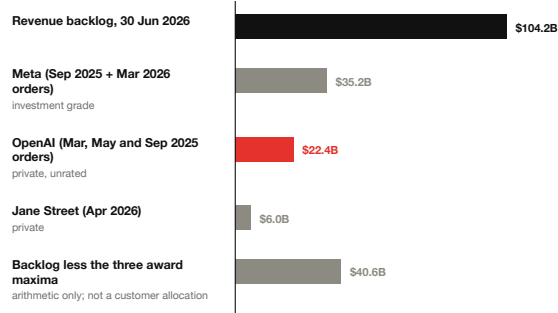
Evidence: CoreWeave Form 10-K for 2025, customer concentration note (FY2023–FY2025, Customer A); Form 10-Q for Q2 FY2026, Note 2 (quarters).

Method: the share of the single largest customer in each period. The filings warn that "Customer A" may be a different customer in different periods; Microsoft is named as the largest in 2025, while the 2026 largest customer is not named.

Synthesis: diversification by revenue is real and recent; it reflects new large customers ramping, mainly Meta and OpenAI, rather than a broad base of small ones.

In the second quarter of 2026 three customers provided 72% of revenue between them: 36%, 26% and 10%. Two of them each accounted for 32% of receivables (money billed to customers but not yet collected) [E06]. CoreWeave does not report backlog by customer. The announced orders are the maximum each award could be worth. Some of each has already been recognised as revenue, so less than that remains to be delivered, and other orders may not have been announced. Meta committed up to \$14.2 billion in September 2025 [E34] and about \$21 billion more in March 2026, for capacity running to December 2032 [E30]. That is up to about \$35 billion in total, equal to a third of the \$104.2 billion backlog. OpenAI committed up to \$11.9 billion in March 2025, up to \$4 billion in May 2025 and up to \$6.5 billion in September 2025 [E02] [E32]. That is up to about \$22.4 billion in all, according to CoreWeave's release of 25 September 2025³³ [E63]. Jane Street committed about \$6 billion in April 2026 [E31]. No filing puts a figure on Microsoft's or Anthropic's commitments.

Figure 13 Three Customers' Announced Awards Total Up to \$64 Billion, Against a \$104 Billion Backlog



Evidence: CoreWeave 8-Ks of 25 and 30 September 2025 (OpenAI and Meta order forms); CoreWeave release of 25 September 2025 (OpenAI total, including May 2025); 10-K for 2025, Item 1A (OpenAI March 2025 commitment); releases of 9 and 15 April 2026 (Meta, Jane Street); Q2 FY2026 earnings release (backlog).

Method: announced commitments "up to" stated amounts; part of each has been recognised and other orders may be unannounced, so these are maxima for the announced orders, not each customer's share of the backlog. OpenAI includes the May 2025 expansion of up to \$4 billion. Residual = $104.2 - 35.2 - 22.4 - 6.0$, arithmetic only.

Synthesis: the announced awards of the weakest large credit, OpenAI, equal about a fifth of the backlog, and those of the strongest, Meta, about a third; how much of each remains in the backlog is not disclosed.

The shock path in Part VI models a large AI-lab customer that stops paying from 2028. The lost revenue is a hypothetical \$4.5 billion a year, about 14% of base-case revenue for that year. In that path 2028 operating income falls to -\$1.94B, because depreciation and rent continue after the revenue stops. That is worse than the bear case for that year. The path does not test the loss of the largest customer, or whether CoreWeave could fund the debt and guarantee payments that would follow. The GPUs would be released to rent to someone else, and in today's market they would find a buyer. For some of that capacity there is already a buyer under contract: NVIDIA is obliged to buy unsold capacity through April 2032, an obligation initially valued at \$6.3 billion and subject to delivery and availability requirements [E62]. Whether the rest would find a buyer at a price high enough to keep up the loan payments depends on the market examined in Debate 2.

The company also points to a wider range of customers. CoreWeave says financial-services customers account for about 10% of the backlog, and it has named Caterpillar and CrowdStrike as recent enterprise customers [E17]. These are the company's own statements about its pipeline, and it has not disclosed a contract value for any of them.

Where we land, at medium confidence: customer concentration by revenue has fallen fast. The backlog is what the debt is paid from, and the announced awards point to material exposure to Meta and OpenAI in it. How far concentration in the backlog has changed cannot be measured. Of the large customers, OpenAI is the riskiest. The evidence is limited because CoreWeave discloses neither backlog by customer nor the ratings of the contracts inside each DDTL. Disclosure of either would change our confidence more than any other single filing.

For the debt, what matters is whether each customer can pay. Meta and Microsoft can pay any contract CoreWeave holds. DDTL 4.0, a loan financed against a single customer contract with what CoreWeave calls a "leading AI enterprise", earned an A3 rating because the lenders could judge it on that customer's ability to pay [E27]. OpenAI is a different case. The 10-K describes it as "a private company" among customers that "may have increased risk of insolvency, bankruptcy, or other issues impacting their creditworthiness" [E02]. Jane Street is private too, and it also bought \$1 billion of CoreWeave shares [E31].

The filings do not settle whether CoreWeave could absorb the loss of its largest customer. In DDTL 5.5, a customer that stops paying is not one of the named cash-trap triggers, the events that hold back cash that would otherwise pass up to CoreWeave. Instead, the trap is triggered by a breach that would let the customer terminate, or by a contract-value ratio below 2.40x. A termination would require the loan to be prepaid, with the parent company's guarantee behind the prepayment. If a parent-guaranteed loan larger than \$200 million or 5% of twelve-month EBITDA, whichever is greater, were accelerated (made due immediately), that could become a default on the 9.625% notes [E60].

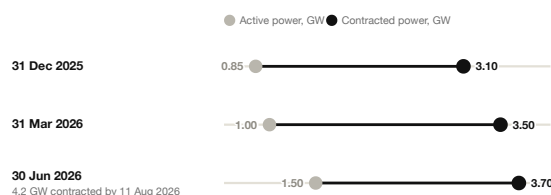
The alternative reading is that customer concentration is less dangerous than it looks, because the largest customers have the least reason to walk away. Each depends on CoreWeave for capacity it could not build in time, prepaid part of the contract, and can terminate only for cause. The evidence that would decide between the two readings is what a large customer does when its own capacity comes online. It could renew, extend, or use a clause like the one in Meta's 10-Q, where a \$14.72 billion contingent capacity purchase "may be reduced if the cloud service provider is able to sell such capacity to other customers" [E53]. Meta does not name the provider in that clause, and it should not be assumed to be CoreWeave.

Recent news about demand from these customers is mixed. CNBC reported on 16 October 2026 that Anthropic, which signed a multi-year agreement with CoreWeave in the first quarter [E14], had reported slowing revenue growth [E57]. That is a press report of another company's figures, and we draw no conclusion from it. But news like this is what would come before a renewal problem.

Debate 4: Will the Backlog Turn into Revenue on Schedule?

Core Scientific, a former bitcoin miner that converted its sites into data centres for CoreWeave, leased CoreWeave about 590 MW of capacity across five sites under contracts first announced in 2024. At 30 June 2026 about 395 MW had started billing, according to Core Scientific's 10-Q for the quarter³⁴ [E47]. So two years after the first contract, two-thirds of the capacity was live. Core Scientific also disclosed that CoreWeave accounted for 77% of its revenue, and that "certain CoreWeave license agreements were assigned to a special purpose vehicle financing structure while CoreWeave remained a primary obligor". That means some of the license agreements were moved into a separate entity used for financing, and CoreWeave stayed directly responsible for the payments. It is the financing model described in Debate 1, seen from the landlord's side.

Figure 14 Contracted Power Has Stayed Two to Three Times Active Power



Evidence: CoreWeave Form 10-K for 2025, Item 1; Q1 and Q2 FY2026 earnings releases; September 2026 prospectus supplement (4.2 GW).

Method: company figures, stated as "over 850 MW", "surpassed 1 GW", "over 3.5 GW" and "approximately 1.5 GW"; plotted at those floors.

Synthesis: CoreWeave adds contracted power about as fast as it activates it, so the gap to fill is not closing; the backlog depends on 2.7 GW of capacity not yet live.

Delays cost money even when contracts survive. Equipment bought for late sites is held as construction in progress, the balance-sheet line for assets not yet in use, which stood at \$11.9 billion at 30 June 2026. The interest on it is capitalised, meaning it is added to the cost of the asset instead of being charged against earnings; that came to \$79 million in the second quarter [E09]. Leases that have been signed but have not yet started total \$35.5 billion and begin between 2026 and 2029. At one site, 393 MW was still undelivered at 30 June, due in phases in 2026 and 2028, and at other sites a further 355 MW was due between 2026 and 2028 [E08]. The DDTL 4.0 loan agreement goes further. Under it, principal starts being repaid on a "delayed data center site

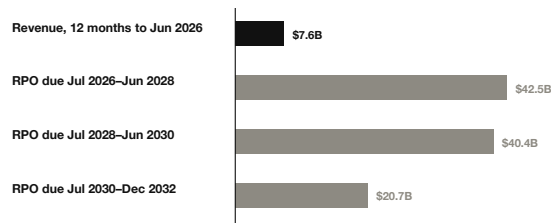
The question is whether CoreWeave can turn its backlog into revenue on the schedule it has disclosed. CoreWeave reports the backlog as remaining performance obligations (RPO), meaning revenue under signed contracts that it has not yet recognised. The schedule calls for 41% of the \$103.7 billion of RPO, about \$42.5 billion, within 24 months of 30 June 2026 [E06]. That schedule is demanding. Revenue in the twelve months to that date was \$7.6B. To meet the schedule, CoreWeave would have to average more than \$21 billion of revenue a year for two years from the existing backlog alone. Management's guided exit rate for 2026, the annual pace of revenue it expects to be running at by the end of the year, is \$18.5–19.5 billion a year [E41].

In November 2025 CoreWeave disclosed that a single third-party data-centre developer was late delivering capacity. Its 10-Q for that quarter refers to "the recently announced delays with respect to the delivery of certain data centers to be provided by a third-party data center provider" [E40]. CoreWeave lowered its 2025 revenue outlook and said the affected customer had agreed to extend the contract with its total value unchanged, as reported by Reuters, via Business Day³⁵ [E55]. Revenue for 2025 came in at \$5.13B. So far, then, delays have moved revenue later without losing it. That rests on a single case, in which a large customer chose to wait for the capacity instead of cancelling.

amortization date" for any site that misses its delivery requirements, according to the 10-Q debt note⁶ [E07]. A late site can therefore bring debt repayment forward, before its revenue starts.

The same constraint affects the rest of the industry. IREN delivered the first of four data-centre phases for its \$9.7 billion Microsoft contract in August 2026, after delays caused by "industry-wide component shortages, principally relating to NVIDIA equipment", and has grace periods for the remaining phases running to the beginning of the second quarter of 2027, according to its 2026 annual report³⁶ [E50]. Lawrence Berkeley National Laboratory puts the time from a grid connection request to operation at more than five years [E46], and every new site that does not already have power waits in that queue.

Figure 15 The Next 24 Months of Backlog Is More Than Five Times Last Year's Revenue



Evidence: CoreWeave Form 10-Q for Q2 FY2026, Note 2 (RPO of \$103.7B and its timing); Atlas FA, twelve-month revenue.

Method: 41%, 39% and 20% of \$103.7B; revenue is the Atlas twelve-month figure.

Synthesis: the schedule assumes revenue roughly triples within two years; the disclosed variable consideration already allows for some delay, so a slip beyond it would show up as lower RPO, not only as later revenue.

CoreWeave builds some protection into the RPO figure itself. It reports RPO after deducting “estimated variable consideration”, which includes potential credits owed to customers under availability-of-service agreements and “amounts that may not be recognized as revenue due to delivery delays” [E06]. The schedule is therefore the company’s own estimate after allowing for the delays it expects. The test comes in November 2026, when CoreWeave reports third-quarter revenue against guidance of \$3.45–3.6 billion [E41].

The strongest alternative reading is that the schedule is conservative, because CoreWeave has brought power online faster in 2026 than ever before. It added nearly 500 MW in the second quarter, 300 MW of it in June [E41], and raised its full-year guidance in August. Both readings predict third-quarter revenue near guidance, so that result will not tell them apart. What will tell them apart is the gap between the power CoreWeave has contracted and the power that is active over the next four quarters, and whether RPO is revised down for delays.

Where we land, at medium confidence and with limited evidence: the backlog will turn into revenue somewhat later than scheduled, as it has before, and so far delays have moved revenue later instead of cancelling it. CoreWeave bears the cost of a delay, in interest, rent and early debt repayment, and the revenue still arrives eventually. So each quarter of delay bears directly on the financing question in Debate 1.

04 Competitors Head to Head

Hyperscalers, Neoclouds and the Customer's Own Build

CoreWeave's 10-Q names Amazon, Google, Microsoft and Oracle as its main competitors, "a number of which are also our current customers" [E11]. IREN's annual report lists CoreWeave, Nebius, Crusoe, Lambda and others as specialised rivals [E50]. We compare CoreWeave with four alternatives, chosen because there is evidence that they win the same kind of contract: the customer building its own capacity (Microsoft and Meta), Oracle, Nebius and IREN.

	CoreWeave CRWV	Oracle (OCI) ORCL	Nebius NBIS	IREN IREN	Microsoft own build MSFT
Latest period	Quarter to 30 Jun 2026	Quarter to 31 Aug 2026	Quarter to 30 Jun 2026	Year to 30 Jun 2026	Year to 30 Jun 2026
AI infrastructure revenue	 \$2,575M (all revenue)	 \$7,388M (cloud infrastructure)	 \$582M (group revenue)	 \$129M (AI cloud, full year)	 Not disclosed (Azure +41%)
Server depreciation life	6 years	6 years	5 years (was 4)	5 years (HPC hardware)	Not disclosed
Largest disclosed contract	 Meta, about \$21B (Mar 2026)	 Not disclosed (RPO \$664B)	 Meta, up to about \$27B (Mar 2026: \$12B dedicated, up to \$15B of residual capacity)	 Microsoft, \$9.7B (Nov 2025)	 Not disclosed (leases not started \$329.1B)
How GPUs are financed	 Contract-level loans plus parent bonds	 Corporate bonds and equity	 Secured loan on GPUs and a contract (\$775M, SOFR + 2.50%, Jul 2026)	 Secured GPU loans on contracts (about \$3.6B, May 2026, investment-grade rated)	 Corporate balance sheet and leases

Evidence: CoreWeave 10-Q and Q2 FY2026 release; Oracle 10-Q for the quarter to 31 August 2026 (cloud infrastructure revenue, RPO, useful life, equity distribution agreement); Nebius Q2 2026 results and interim report, and its releases of 16 March 2026³⁷ [E64] and 17 July 2026³⁸ [E65]; IREN Form 10-K for the year to 30 June 2026 (useful lives and GPU financing) [E50]; Microsoft Form 10-K for fiscal 2026. **Method:** periods differ by up to two months and scopes differ (Nebius's figure includes its Avride and TripleTen units); Nebius's Meta figure includes up to \$15B of capacity Meta buys only if third parties do not; "Not disclosed" means not found in the filings and releases read.

Workflow one: a lab or hyperscaler buys a dedicated multi-year cluster. This is most of CoreWeave's backlog. The buyer needs a large cluster of a named chip generation, running by a set date, for five to seven years. The steps are: find a site with power, secure the chips, build and cool the hall, install and test the cluster, then run it with the buyer's software. CoreWeave handles the first step by leasing sites from developers such as Core Scientific [E47]. It has been early with each new NVIDIA generation, including the first GB300 deployment and the first Vera Rubin bring-up (getting the first systems of a new generation running) [E17]. NVIDIA has reinforced that supply advantage with its \$2 billion share purchase and its commitment to help CoreWeave procure "land, power and shell" [E36]. CoreWeave charges per reserved cluster, with a 15–25% prepayment [E02]. Oracle sells the same thing at a larger scale. Its cloud infrastructure revenue more than doubled to \$7.39 billion in the quarter to 31 August 2026, and its remaining performance obligations (revenue under signed contracts that it has not yet delivered) reached \$664 billion [E51]. IREN sells the same product

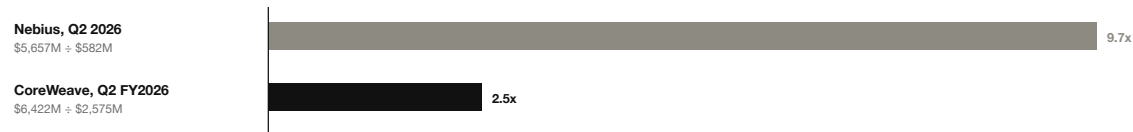
from sites it controls, and its \$9.7 billion Microsoft contract shows Microsoft buying it from a smaller rival [E50]. The largest alternative of all is the buyer building for itself: Microsoft has \$329.1 billion of data-centre leases yet to start [E54].

CoreWeave claims its edge in how much work it takes to get a cluster running and in how well the cluster performs. It cites SemiAnalysis's ClusterMAX Platinum rating, its MLPerf results (an industry benchmark of AI system speed), and a total cost of ownership "up to 47% lower than the average hyperscaler", a figure management gave on the August call [E41] [E17]. These are the company's own claims or ratings it cites. No customer has published a measured comparison. At the hardware level, customers can move their work easily, because they run their own models on standard NVIDIA systems, managed with Kubernetes and Slurm (widely used tools for scheduling work across many machines). CoreWeave has made moving easier on purpose, with zero-egress migration (moving data across without a transfer fee) [E15] and a private interconnect to Google Cloud [E13]. That makes it easy for customers to move workloads in, and just as easy to move them out when the contract comes up for renewal. What keeps a customer at CoreWeave is the contract.

Workflow two: an enterprise or a lab rents capacity for months. Since 30 June 2026 CoreWeave has signed contracts of three to six months at about \$40 million of annualised revenue per megawatt [E21], and it launched flexible reservations and spot capacity (spare

capacity sold at short notice) in the first quarter [E14]. In this market the price is set per GPU-hour, and any provider with idle capacity is a competitor. Silicon Data publishes separate price readings for neoclouds and hyperscalers because hyperscaler on-demand capacity “typically prices above neo-cloud and marketplace supply” [E45]. Short contracts earn more per megawatt while capacity is scarce, but the revenue depends on customers renewing. The DDTL 5.5 facility is the first that lends against them [E23].

Figure 16 Nebius Is Spending Ahead of Revenue Even Harder Than CoreWeave



Evidence: Nebius Q2 2026 results release (purchases of property, equipment and intangibles; revenues); CoreWeave Q2 FY2026 earnings release (purchase of property and equipment; revenue).

Method: cash capital spending in the quarter to 30 June 2026 divided by revenue in the same quarter; both are US GAAP cash-flow figures. Nebius's revenue includes non-cloud units.

Synthesis: CoreWeave is further along: more of its fleet is billing, so its spending is smaller relative to revenue. The ratio measures the stage of build-out, not efficiency.

The decision file below includes only documented decisions:

Decision File: Documented Buyer Decisions, 2025–2026

Type	Buyer and date	What was chosen	Alternatives and incumbent
Win (expansion)	Meta, Sep 2025 and Mar 2026	CoreWeave: up to \$14.2B to Dec 2031, then about \$21B to Dec 2032	Incumbent CoreWeave (MSA of Dec 2023); alternatives not disclosed; Meta also builds its own
Win (expansion)	OpenAI, Mar, May and Sep 2025	CoreWeave: up to \$11.9B to Oct 2030, up to \$4B in May 2025, then up to \$6.5B to May 2031; up to about \$22.4B in all	Alternatives not disclosed; OpenAI also contracts with Oracle and Microsoft (not verified at a primary source)
Win (expansion)	Jane Street, Apr 2026	CoreWeave: about \$6B, plus \$1B of equity	Incumbent CoreWeave; alternatives not disclosed
Coexistence	Microsoft, 2025–2026	CoreWeave (largest customer in 2025) and IREN (\$9.7B, Nov 2025) side by side, plus its own build	Both suppliers serve the same buyer for the same product
Loss	None found	No primary record of a buyer choosing a rival over CoreWeave when CoreWeave was in the running	A March 2025 press report of Microsoft withdrawing from some agreements is in Not Verified

Three conclusions follow, each limited to what is public. First, CoreWeave wins large expansions from existing customers, which shows that customers who have used it come back for more. Every documented decision is an expansion, though, so the record says nothing about how CoreWeave does when it bids against rivals for new work. Second, the strongest competitor is the buyer itself, and the buyer's build-out is far larger than any neocloud's. Third, the competitors face CoreWeave's constraints: IREN's delays, Nebius's spending and Oracle's bond issuance show the same bottlenecks in power, chips and capital [E50] [E48] [E42].

Nebius and IREN now finance GPUs the way CoreWeave does. Nebius's first secured loan, \$775 million at SOFR plus 2.50% due 2030, is backed by GPUs and an investment-grade customer's contract [E65]. That rate is close to the SOFR plus 2.25% on CoreWeave's DDTL 4.0. IREN has roughly \$3.6 billion of investment-grade-rated GPU financing, and its parent company guarantees only a limited part of it [E50]. CoreWeave's advantages are that it gets new chips early and that it has the largest track record of financing capacity and delivering it. Neither is a durable cost advantage, and a rival with time and capital could match both.

05 Management and Capital Allocation

Decisions, Guidance Against Results, and Control

CoreWeave is run by its founders. Michael Intrator (chief executive and chair), Brian Venturo (chief strategy officer) and Brannin McBee (chief development officer, who runs financing) hold Class B shares, which carry ten votes each. At 15 April 2026 they controlled 38.70%, 20.30% and 14.59% of the vote, and directors and officers together held 72.32%, according to the 2026 proxy statement³⁹ [E38]. The outside shareholders with more than 5% were Magnetar (17.07% of Class A), NVIDIA (10.66%) and Jane Street (6.53%). Their shares carried 5.34%, 3.27% and 2.00% of the vote. Three of the five directors standing after the 2026 meeting were independent. Outside shareholders cannot change management or strategy against the founders' wishes. The founders' incentive is for the company they control to grow and to survive.

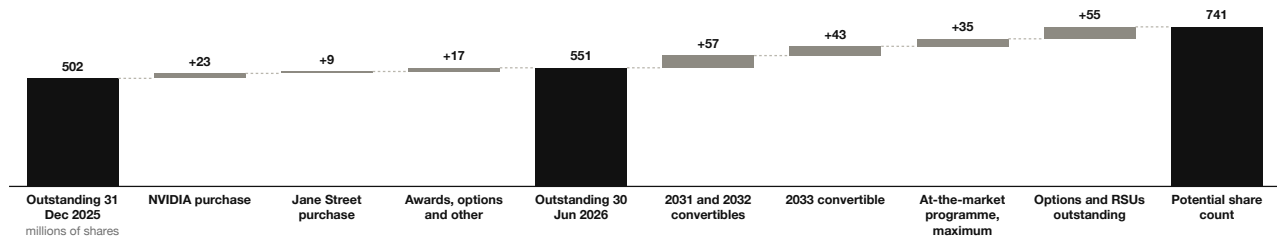
CoreWeave's record of capital allocation (how it chooses to spend its money) is short, and almost all of it is about growth. The company pays no dividend and buys back no stock. Every dollar of cash and new capital has gone into GPUs, data-centre commitments and a few acquisitions. The ledger below lists the major decisions and the status of each.

Decision Ledger, 2025–2026

Date	Decision and rationale	Resources	Promised outcome	Realised outcome	Status
Mar 2025	Listing on Nasdaq to fund growth and replace costly private debt	37M shares at \$40; \$1.4B net [E10]	Equity base and access to public debt markets	Bond market opened within two months (\$2.0B of 9.25% notes, May 2025) [E05]	Delivered
Jul 2025	All-stock purchase of Core Scientific, its largest landlord, to own power and sites	All-stock merger agreement [E37]	Ownership of the sites and power it leases	Rejected by Core Scientific's shareholders on 30 Oct 2025; CoreWeave stays a tenant	Failed
Nov 2025	Respond to a developer's late delivery by extending the affected contract	Revenue moved from Q4 2025 into 2026	Contract value preserved	Customer extended, per Reuters [E55]; 2025 revenue \$5.13B	Remediated
Jan 2026	Sell \$2B of stock to NVIDIA and plan more than 5 GW by 2030	About 23M shares at \$87.20 [E36]	Faster procurement of land, power and shells	Contracted power 3.1 GW → 4.2 GW by Aug 2026 [E21]	Open
Mar 2026	First investment-grade, non-recourse GPU loan (DDTL 4.0) for one customer contract	\$8.5B facility [E25]	Lower cost of capital	Rated A3; priced at SOFR + 2.25% against 4.0–4.25% in 2025 [E27]	Delivered
2026	Commit up to \$1.7B to two data-centre joint ventures	\$479M carrying value at 30 Jun 2026 [E06]	Access to new campuses	Projects under development	Open
2026	Spend \$35–39B on capacity in the year	\$14.1B cash spent in H1 [E10]	Year-end revenue run-rate of \$18.5–19.5B [E41]	Not yet measurable	Open
Sep 2026	\$4.2B convertible and a 35M-share at-the-market programme	Net about \$3.6B after capped calls [E19] [E20]	Fund growth; move the credit profile "toward investment grade" [E21]	Unsecured yields near 15% three weeks later [E42]	Open

The record for checking management's guidance (its published forecasts) against results is short. On the August 2026 call, the company reported second-quarter capital spending "slightly above the high end of our guided range" and adjusted operating income "well above the high end of our guidance". It also raised full-year 2026 revenue guidance to \$12.4–13.2 billion [E41]. In November 2025 it lowered its 2025 revenue outlook because of a delay at a single developer [E55]. Earlier guidance was given on calls whose transcripts we did not verify at a primary source. On the record we have, management has met or beaten its quarterly guidance and has missed once, on timing.

CoreWeave's shares outstanding rose from 502 million at 31 December 2025 to 551 million at 30 June 2026, according to the balance sheet in its quarterly report, the 10-Q⁶ [E06]. Shareholders have been diluted steadily, which means each existing share owns a smaller part of the company than before. More dilution is possible.

Figure 17 Shares Rose 10% in Six Months, and Instruments Already Issued or Authorised Could Add Up to 35% More

Evidence: CoreWeave Form 10-Q for Q2 FY2026 (shares outstanding; anti-dilutive securities of 57M convertible, 24M options, 31M RSUs); 8-K of 22 September 2026 (conversion rate 10.2194 per \$1,000); 424B5 of 17 September 2026; NVIDIA and Jane Street releases.

Method: NVIDIA $\$2.0B \div \$87.20 \approx 23M$; Jane Street $\$1.0B \div \$109 \approx 9M$; the remainder is the balancing item. 2033 notes $\$4.2B \times 10.2194 \div 1,000 \approx 43M$. Capped calls would offset part of any conversion; the convertibles convert only above \$97.85–\$119.60 a share.

Synthesis: the potential count is an upper bound, not a forecast; it shows that equity has been and remains part of how the fleet is paid for.

Pay is mostly equity (shares and share awards), and it is reported in two ways that give very different figures. The Summary Compensation Table values awards when they are granted. It puts the chief executive's 2025 total at \$3.45 million. The pay-versus-performance rules value unvested equity at what it was worth at year-end. Under those rules his "compensation actually paid" was \$146.7 million. A \$100 investment at the listing was worth \$179.03 at year-end [E38]. Despite its name, compensation actually paid is not pay he received. It moved with the share price.

CoreWeave is more candid about its financing than most issuers. It files its credit agreements and customer master agreements, with redactions, and gives a detailed debt note. Two things count against it. First, the amount the company may borrow under its unsecured bonds is measured on "Run-Rate Adjusted EBITDA". In the June 2026 offering materials, that measure took \$3.6 billion of reported adjusted EBITDA and added \$15.1 billion of projected profits from new contracts to reach \$18.76 billion [E39]. The

covenants therefore let the parent borrow against profits it has not yet earned. Second, the chief executive responded to the October selloff by calling the market "irrational" [E42]. He added no disclosure on the subsidiaries' coverage, which was what bondholders were asking about. A securities class action filed in January 2026 and related derivative suits (claims brought by shareholders on the company's behalf) are pending. The company calls them without merit [E12].

Insiders have been selling modestly under pre-arranged plans. Form 4 filings (the reports insiders file when they trade) show Intrator selling about 187,000 Class A shares at \$85.86–\$88.72 on 29 September 2026 under a Rule 10b5-1 trading plan (Form 4)⁴⁰ [E58]. The chief financial officer sold about 22,600 shares at around \$80 on 12 October, also under a 10b5-1 plan (Form 4)⁴¹ [E59]. Next to the founders' holdings of tens of millions of shares, these sales are small. All they show is that the plans kept running through the selloff.

Leadership is concentrated in the three founders, and the company has disclosed no succession plan. The finance team has grown since the listing. A chief financial officer and a "chief architect of strategic financing" are listed among senior staff [E17].

06 Scenarios and Risks

Bull, Base and Bear Business Outcomes to 2030

The three scenarios show how the business could perform over 2027–2030. Each is built from the same revenue and cost lines as the forward bridge, and each path changes only the lines it names. The probability weights are our judgement, ranked using the evidence from the four debates. All figures are GAAP operating income before interest.

Scenario Bridge: Each Path from Its Operating Lines

Operating Income by Path	2027	2028	2029	2030	Margin 2030	vs Base
Bear Backlog ~15% later with credits; Q3 commitments delayed; new bookings halve; technology costs stay near 60%	-\$909.0M	-\$490.0M	\$147.0M	\$610.0M	2.0%	-\$3.2B
Base Backlog converts with ~7% slippage; \$30B a year of new bookings; technology costs fall to 52% of revenue	\$735.0M	\$1.9B	\$3.2B	\$3.9B	10.0%	—
Bull Backlog on schedule; \$40B a year of new bookings; technology costs fall to 46% of revenue	\$1.3B	\$3.4B	\$5.6B	\$6.9B	16.0%	+\$3.0B
Single shock One large AI-lab customer stops paying from 2028 (a hypothetical \$4.5B of revenue a year, about 14% of base 2028 revenue); power savings only; does not model loss of the largest customer or financing and guarantee payments	\$735.0M	-\$1.9B	-\$637.0M	\$875.0M	2.5%	-\$3.0B

Evidence: the study's own scenario model built from Part I's forward bridge.

Method: the model states each revenue, cost-of-revenue and operating-expense line per year; revenue, gross margin, operating income and operating margin follow from those lines. A path other than base moves only the lines it lists; every other line equals base.

Synthesis: the drivers and weights are argued in the surrounding text; this exhibit carries the arithmetic only.

Bull · 20%

The backlog arrives on schedule and new bookings run at about \$40 billion a year. Ramp costs fade as sites stabilise, and technology costs fall to 46% of revenue by 2030. Revenue reaches \$43.0B in 2030 and operating income \$6.88B, a margin of 16.0%. Parent borrowing gets cheaper as the mix of investment-grade contracts grows.

Base · 50%

About 7% of each backlog window slips a period; new bookings slow to \$30 billion a year; margins improve slowly. Revenue reaches \$38.5B in 2030 and operating income \$3.85B. Contract-level debt is repaid on schedule from contract cash, renewals and, where needed, the parent; the parent keeps refinancing, at a higher cost than in 2025–2026.

Bear · 30%

Site delays push the backlog about 15% later and some revenue is lost to credits; new bookings halve; renewals reprice lower. Technology costs stay near 60% of revenue because depreciation runs ahead of billing. Operating income is -\$909M in 2027 and only \$610M on revenue of \$30.5B in 2030. Growth has to slow to what the parent can fund.

The single-shock path starts from the base case and removes one large AI-lab customer from 2028. That customer is about \$4.5 billion of revenue a year, or 14% of base-case 2028 revenue. Power savings equal 15% of the cost of revenue tied to that lost revenue, while depreciation and rent continue. Revenue falls to \$27.0B in 2028 and operating income to -\$1.94B, worse than the bear case for that year. Operating income then recovers to \$875M in 2030 as the freed GPUs and new bookings refill the capacity. The shock changes only backlog revenue and cost of revenue. New bookings, the July–August 2026 commitments and the equipment-related costs are unchanged.

The shock could also cause problems in the financing structure. If it led to a terminable breach or a contract-value shortfall, cash could be trapped in the affected subsidiary. A termination would trigger the parent's guarantee. If a large parent-guaranteed loan were accelerated (its lenders demanding immediate repayment), that could become a default on the unsecured notes (see the Debate 1 chapter). The path tests a hypothetical \$4.5 billion interruption. It does not test the loss of the largest customer, or whether CoreWeave could fund the resulting debt and guarantee payments. It also gives no credit for NVIDIA's conditional obligation to buy unsold capacity. Those cash effects sit outside the operating model and would come on top of it.

Figure 18 2030 Operating Income Ranges
From Barely Positive to About \$7 Billion



Evidence: this study's scenario model (see the scenario bridge above); Q2 FY2026 earnings call (Q3 2026 interest guidance of \$860–940M).

Method: GAAP operating income in 2030 on each path. The reference line annualises the guided Q3 2026 interest midpoint ($\$900\text{M} \times 4$); 2030 interest will differ as debt amortises and new debt is added.

Synthesis: only the base and bull paths earn more than today's interest bill by 2030; in the bear path the business covers interest only if debt falls.

The base case carries half the weight because the backlog is contracted, mostly with customers that have strong credit, and delays so far have pushed revenue later without cancelling it (Debate 4). The bear case carries more weight than the bull because the things that would cause it tend to arrive together. A pullback in AI spending would lower GPU rental prices (Debate 2), weaken the least creditworthy customers (Debate 3) and close the unsecured bond market (Debate 1) at the same time. October 2026 showed how quickly that market can close. The bull case carries the least weight because it needs two independent things to go right at once: faster delivery, and new bookings near the 2025–2026 pace.

The signposts that would show which path is unfolding are the gap between contracted and active power, quarterly revenue against guidance, the price and availability of new asset-level loans, renewal pricing on contracts that reach the end of their term, and the unsecured bond yield. What to Watch lists each one with its trigger.

Risk Register, as of 17 October 2026

Risk	Likelihood	Impact	Timing
Parent cannot raise unsecured money at a cost new contracts can bear	Medium	High: growth slows to what contract cash and asset-level loans fund	Any quarter; tested at each raise
Developer delays push backlog conversion later	High	Medium: interest, rent and early amortisation before revenue	2026–2028, as 2.7 GW comes online
A large AI-lab customer weakens or stops paying	Low to medium	High: possible cash trap or prepayment, guarantee call, a year of losses	2027–2030
GPU rental prices fall as supply catches up	Medium	Medium: lower renewal revenue; possible impairments	From the first large contract expires, 2027–2029
Further dilution through the at-the-market programme or conversions	High	Low to medium per share; no effect on the business	Ongoing
A customer shifts work to its own new capacity at renewal	Medium	Medium: lost renewal, freed GPUs	As first five-year contracts end, 2028–2030

07 Verdict

Where We Land and What to Watch

CoreWeave is a rental business that needs a great deal of capital. Its financing is better built than its critics allow, and it depends on outside money more than its management admits. When a contract performs, meaning the customer pays as agreed, its payments reduce the loan raised against it on schedule. The filings do not show that the original contract repays all of that loan. Growth needs a steady supply of new unsecured capital (money not tied to specific contracts or assets), and in October 2026 that capital started to cost about 15%. Whether this is a good business is unproven. Here a good business means one that earns more than its cost of capital, the return its lenders and shareholders demand, across a full cycle. CoreWeave has not yet earned an operating profit at scale, and it has no long record of customers renewing. Its main advantages are early access to new NVIDIA chips and the largest record of financed delivery. Well-funded rivals and its own customers can close both leads.

We disagree with the common view on two points, and add a caution on a third. First, the October selloff treated all of the debt as one burden. Most of the asset-level debt, the loans raised against specific assets, is matched to named contracts and is paid down in instalments from those contracts' payments. The filings do not show that those payments alone pay it off. The risk is at the parent company, which has to keep funding new builds. Second, and against the company's framing, calling the debt "asset-backed" does not make it ring-fenced, which would mean walled off from the parent so that a default stays with the assets behind the loan. About 90% of the debt is guaranteed by the parent, and the newest facility relies on that guarantee to lend beyond what its contracts cover. Third, the largest customer's share of revenue has fallen, but that fall may overstate how much CoreWeave's reliance on a few customers has eased. Meta and OpenAI have announced contract awards worth up to about \$35 billion and \$22 billion. Those are large next to the \$104 billion backlog, the contracted revenue not yet earned, that the debt is repaid from. How much of each award is still left in the backlog is not disclosed.

Predictions, Dated

#	Prediction
1	CoreWeave will report active power of at least 3.0 GW at 31 December 2027 (testable in the 2027 Form 10-K, early 2028).
2	CoreWeave will issue new common equity, through its at-the-market programme or a private placement, in each of calendar 2027 and 2028 (testable in the 10-Qs and 10-Ks).
3	No DDTL facility will enter a cash sweep, mandatory prepayment for non-replacement, or acceleration caused by a customer default before 31 December 2029 (testable in the 10-Q debt notes and 8-Ks).
4	CoreWeave will still depreciate technology equipment over six years in its 2028 Form 10-K (early 2029).
5	No single customer will exceed 50% of annual revenue in 2027, 2028 or 2029 (testable in each 10-K).

What to Watch

Observable and source	Baseline	Trigger	Debate	Response
Disclosure of a cash trap, cash sweep, non-replacement prepayment or acceleration under any DDTL (10-Q Note 10, 8-K)	None; all covenants met at 30 Jun 2026	Any such event	Debate 1	Investigate
Yield on the 9.75% senior notes due 2031 (market quotes)	About 14.9% on 14 Oct 2026	Above 18% for a month, or no new unsecured issue for two quarters	Debate 1	Reduce confidence
Adjusted EBITDA ÷ net interest, quarterly (earnings releases)	1.7× (Q2 2026 EBITDA against Q3 2026 guided interest)	Below 1.3× for two quarters	Debate 1	Reduce confidence
Technology-equipment useful life and GPU impairments (10-K Note 1, 10-Q)	6 years; no impairments	Life shortened, or GPUs impaired because they cannot be re-rented	Debate 2	Overturn

Observable and source	Baseline	Trigger	Debate	Response
Silicon Data H100 neocloud rental index	\$2.53 per GPU-hour on 17 Oct 2026	Below \$1.50 for a full quarter	Debate 2	Reduce confidence
Largest customer's share of quarterly revenue (10-Q Note 2)	36% in Q2 2026	Above 50% again	Debate 3	Investigate
A top-three customer reduces a committed order or misses payment (8-K, RPO note)	None disclosed	Any disclosed reduction or non-payment	Debates 3 and 1	Overturn
Active against contracted power (earnings releases)	1.5 GW against 3.7 GW at 30 Jun 2026	Active power below 2.0 GW at 31 Dec 2026	Debate 4	Investigate
Quarterly revenue against guidance (earnings releases)	Q3 2026 guide \$3.45–3.6B	Below the low end of guidance	Debate 4	Investigate
RPO revised down for delivery delays (10-Q Note 2)	\$103.7B at 30 Jun 2026	A fall of more than 10% in a quarter not explained by revenue recognised	Debates 4 and 1	Overturn

Current view. Contract cash services contract debt on the covenants, but full repayment from the original contracts is unproven; the parent's funding of growth is the weak link.

Signal, and what it would show

A financed contract fails and the parent pays the DDTL from other cash. That would show the contract-level structure does not hold under stress. A one-off dispute with a single customer could also explain it, so one case would lower our confidence and a second would overturn the company-wide view.

CoreWeave shortens the GPU life or impairs GPUs it cannot re-rent. That would show older chips stop earning sooner than six years. A change in accounting policy without lower rental prices would be weaker evidence.

RPO is revised down by more than 10% in a quarter for delivery delays. That would show delays are cancelling revenue rather than moving it. A single large site failure could also explain it, so we would check whether more than one developer was involved.

Nov 2026 Third-quarter results against guidance of \$3.45–3.6B revenue and \$860–940M interest

Dec 2026 DDTL 5.5 drawing period ends; its 1.35× coverage test begins

Jun 2027 DDTL 4.0 drawing period ends; amortisation and its 1.15× coverage test begin

Mar 2028 DDTL 1.0, the most expensive facility at 15%, matures

2028–2030 First large five-year contracts reach term: the first real test of renewal pricing

Jun 2030 First unsecured maturity: \$2.0B of 9.25% senior notes

S Sources and What Is Not Verified

Evidence Register

Every source cited in the text, with its publication date and tier: primary (the company's, a counterparty's, a rival's or a government body's own record), secondary (independent work by a third party), vendor (a company's claim about itself) or press (a report relaying someone else's statement). All were read on 17 October 2026, the evidence cut-off. Several entries point to different sections of one filing; they are listed separately because they support different claims. Subject-company financial figures marked in the text come from Atlas FA's package as set out below.

The financial figures in this study come from Atlas FA's package, built from SEC filings checked through 2026-10-17. Package status: ready with limitations.

Atlas snapshot ID 2beee76b461... (full ID in the run record)

Sources Read Through 17 October 2026

#	Source	Published	Tier	What it supports
1 E01	Form 10-K FY2025, Item 1 Business: active and contracted power, RPO, contract duration	2026-03-02	Primary	Item 1: active power 70 MW (2023), 360 MW (2024), >850 MW (2025); contracted ~3.1 GW; RPO \$60.7B (Dec 2025) vs \$15.1B; weighted-average contract ~5 years
2 E41	Q2 2026 earnings call transcript (The Motley Fool)	2026-08-18	Press	FY2026 revenue \$12.4–13.2B; capex \$35–39B; exit run-rate \$18.5–19.5B; Q3 revenue \$3.45–3.6B; Q3 interest \$860–940M; ~25% price increase in July; A100 contract into 2029; ~\$18B raised in Q2; ~500 MW added in Q2
3 E13	Q2 2026 earnings release (8-K Ex. 99.1)	2026-08-11	Primary	Revenue \$2,575M; operating loss \$49M; interest expense \$640M; adjusted EBITDA \$1,510M (59%); adjusted operating income \$128M; backlog ~\$104B; active power 1.5 GW; contracted 3.7 GW; Vera Rubin bring-up; balance sheet and cash flows
4 E21	Prospectus supplement (424B5), 17 Sep 2026: recent developments	2026-09-17	Primary	Short-dated (3–6 month) contracts at ~\$40.0M per MW; >\$25B net new commitments 30 Jun–11 Aug 2026; contracted power ~4.2 GW at 11 Aug 2026; proceeds may support 'migrating our enterprise credit profile toward investment grade'
5 E17	Investor presentation for 2033 convertible notes (8-K Ex. 99.2)	2026-09-17	Primary	Asset-level debt 'typically amortizes ... fully repaid by the time the customer contract expires'; weighted rate 14.9%/12.2%/9.0%/8.3%; total debt \$35.6B; backlog history; A100 and H200 renewals; contribution margin stabilising mid-20s; ~10% of backlog financial services
6 E06	Form 10-Q Q2 FY2026, Note 2 Revenue: customers, RPO, deferred revenue; balance sheet share counts	2026-08-12	Primary	Customer A 36%, B 26%, C 10% of Q2 2026 revenue (71% top customer Q2 2025); A and B 32% each of receivables; RPO \$103.7B, 41% within 24 months, 39% months 25–48; deferred revenue \$9.7B; JV commitments \$1.7B; shares 457M Class A + 94M Class B
7 E18	Form 8-K, 22 Sep 2026: \$4.2B 2.875% convertible senior notes due 2033	2026-09-22	Primary	\$4.2B issued incl. \$500M option; 2.875%; due 1 Apr 2033; senior unsecured, subsidiary-guaranteed
8 E36	NVIDIA collaboration and \$2B investment release (8-K Ex. 99.1)	2026-01-26	Primary	NVIDIA invests \$2B at \$87.20 per share; plan for >5 GW by 2030; NVIDIA to help procure land, power and shell
9 E15	Q4 2025 earnings release (8-K Ex. 99.1)	2026-02-26	Primary	FY2025 revenue \$5,131M; interest expense \$1,229M; backlog \$66.8B; zero egress migration; >850 MW active
10 E53	Meta Form 10-Q Q2 2026, Note 9	2026-07-30	Primary	Non-cancellable commitments \$349.31B mostly third-party cloud capacity, servers, data centres; leases not commenced \$278.99B plus \$68B in July; contingent obligation up to \$14.72B of cloud capacity, reducible if provider resells
11 E54	Microsoft Form 10-K FY2026, lease note and MD&A	2026-07-29	Primary	Leases not yet commenced \$329.1B, commencing FY2027–FY2033; Azure and other cloud services revenue +41%
12 E51	Oracle Form 10-Q for quarter to 31 Aug 2026	2026-09-11	Primary	RPO \$664B (13% within 12 months); cloud infrastructure revenue \$7,388M vs \$3,347M; servers and networking six-year life; equity distribution agreement

#	Source	Published	Tier	What it supports
13 E44	Gartner press release: \$3.5 trillion of AI infrastructure spending could be exposed to impairment	2026-10-14	Secondary	AI-optimised IaaS spending \$66B (2027) to \$174B (2030); >80% of neoclouds to cease independent operations by 2030; recovery not before current chip generation is replaced
14 E46	Lawrence Berkeley National Laboratory, Queued Up: 2026 Edition	2026	Primary	Median interconnection request to commercial operation >5 years for projects built in 2025; 13% of 2000–2020 requests built
15 E45	Silicon Data H100 Rental Price Index (SDH100RT)	2026-10-17	Secondary	\$2.53 per GPU-hour, neocloud reading, updated 17 Oct 2026; hyperscaler on-demand typically prices above neocloud
16 E42	CNBC: CoreWeave shares tumble as bond yields near 15%	2026-10-14	Press	Shares -15.5%; 9.625% 2032 notes YTM 14.8%, 9.75% 2031 ~14.9%; Intrator memo; S&P B+; Oracle -9%, Nebius -10%; hyperscaler bonds >\$228B (LSEG)
17 E27	DDTL 4.0 closing release (8-K Ex. 99.1)	2026-03-31	Primary	Non-recourse; A3 (Moody's) / A (low) (DBRS); for 'previously contracted cloud services with leading AI enterprise'
18 E33	OpenAI Master Services Agreement (8-K Ex. 10.1, redacted)	2025-09-25	Primary	Section 10(b): a party may terminate for cause on uncured material breach; no termination for convenience in the filed text
19 E35	Meta Master Services Agreement (8-K Ex. 10.1, redacted)	2025-09-30	Primary	Section 11: termination for cause (uncured breach, insolvency); pro rata refund of prepayment if customer terminates; amounts not offset
20 E22	Form 8-K, 10 Aug 2026: DDTL 5.5 facility	2026-08-10	Primary	\$2.6B; SOFR+5.50%; matures 1 Sep 2031; parent guarantee; DSCR ≥1.35x; events of default for adverse events on material contracts
21 E24	DDTL 5.5 Credit Agreement (8-K Ex. 10.1)	2026-08-10	Primary	Definitions: Cash Trap Event (material MSA breach; Projected Contract Value Ratio <2.40); Cash Sweep Event after three monthly dates; Section 2.09(b)(iii) Maturing MSA Non-Replacement prepayment to restore 1.35x DSCR and 2.40x PCVR
22 E26	DDTL 4.0 Credit Agreement (8-K Ex. 10.1)	2026-03-31	Primary	Section 7.01(m): event of default if the MSA or a data-centre lease is terminated or cancelled in full (not on expiry); 90-day replacement right for other material contracts
23 E60	Indenture for the 9.625% senior notes due 2032 (8-K Ex. 4.1)	2026-06-18	Primary	Section 6.1(a)(4): payment default at final maturity or acceleration of debt of the Company, a Significant Subsidiary or debt they guarantee, above the greater of \$200.0M and 5.0% of LTM EBITDA, is an event of default; Section 6.2: annulled if cured within 30 days; existing and future SPVs excluded from Significant Subsidiary
24 E61	Indenture for the 2.875% convertible senior notes due 2033 (8-K Ex. 4.1)	2026-09-22	Primary	Section 6.01(h): failure to pay at final maturity or acceleration of borrowed money of the Company or a Significant Subsidiary above the greater of \$200M and 5% of LTM EBITDA, not cured within 30 days after notice; Section 6.02: trustee or 30% of holders may accelerate; SPVs excluded from Significant Subsidiary
25 E23	DDTL 5.5 closing release (8-K Ex. 99.1)	2026-08-10	Primary	~5-year maturity vs ~3-year average underlying contracts; lenders 'willing to underwrite renewal risk'; Ba2/BB+; option to renew or re-lease
26 E66	CoreWeave Q2 2026 earnings call, corrected transcript (company-hosted)	2026-08-11	Primary	Page 8: more than 50% of existing backlog attached to contracts where customer delivery has commenced, more than two-thirds expected by year-end; A100 contract extending into 2029, SKU introduced in 2020
27 E43	Vantage Markets: CoreWeave stock falls 15.46% on Gartner warning and bond stress	2026-10-15	Press	Close \$65.78 on 14 Oct 2026, -15.46%, 107M shares vs 29.5M average; September CPI +0.6% m/m, +3.7% y/y (citing BLS)
28 E56	CNN: Nasdaq sinks more than 2% as investors raise questions about AI debt	2026-10-16	Press	CoreWeave fell almost 12% on 16 Oct after a Thursday rally on Jensen Huang's comments; lost a quarter of its value in the week; >65% below post-IPO peak; D.A. Davidson's Luria: 'subprime tranche of the AI trade'
29 E57	CNBC: The drumbeat to buy battered shares of CoreWeave is growing louder	2026-10-16	Press	Anthropic reported decelerating revenue growth; Jefferies, JPMorgan, Cantor call selloff overdone; other analysts and attorneys question whether take-or-pay structures are iron-clad and whether backlog equals revenue
30 E62	Form 8-K, 15 Sep 2025: NVIDIA order form under the April 2023 MSA	2025-09-15	Primary	Item 1.01: order with an initial value of \$6.3B; NVIDIA obligated to purchase residual unsold capacity through 13 April 2032, subject to termination and delivery and availability-of-service requirements; termination on 30 days' notice of breach or insolvency
31 E52	Amazon Form 10-K FY2025, Note 1	2026-02-06	Primary	Useful life of a subset of servers and networking equipment cut from six to five years effective 1 Jan 2025, due to pace of AI/ML technology development

#	Source	Published	Tier	What it supports
32 E49	Nebius Q2 2026 interim report (6-K Ex. 99.1)	2026-08-12	Primary	Useful life of server and network equipment revised from four to five years from Q1 2026
33 E63	CoreWeave release: expands agreement with OpenAI by up to \$6.5B	2025-09-25	Primary	Initial agreement up to \$11.9B (Mar 2025); expansion up to \$4B (May 2025); total contract value with OpenAI up to approximately \$22.4B
34 E47	Core Scientific Form 10-Q Q2 2026	2026-07-28	Primary	~590 MW leased to CoreWeave across five sites; ~395 MW billing at 30 Jun 2026; CoreWeave 77% of revenue; licence agreements assigned to CW SPV with CoreWeave as primary obligor
35 E55	Business Day (Reuters): CoreWeave cuts revenue forecast on data centre delay	2025-11-11	Press	Forecast cut for delays with a top data-centre partner; affected customer agreed to extend the contract keeping total value; Barclays: 'operational risk'
36 E50	IREN Form 10-K for year to 30 Jun 2026	2026-08-27	Primary	Microsoft agreement ~\$9.7B TCV (Nov 2025); Horizon 1 delivered Aug 2026; Horizons 2–4 grace periods to Q2 2027; NVIDIA equipment shortages; AI cloud revenue \$128.8M; competitors include CoreWeave, Nebius; useful-life risk; HPC hardware 5-year life; ~\$3.6B investment-grade-rated secured GPU financing (May 2026) with limited guarantees
37 E64	Nebius release: new AI infrastructure agreement with Meta	2026-03-16	Primary	Up to approximately \$27B: \$12B of dedicated capacity over five years from early 2027, plus up to \$15B of additional capacity Meta buys if not taken by third-party customers
38 E65	Nebius release: \$775 million first secured debt financing	2026-07-17	Primary	\$775M senior secured debt backed by deployed GPUs and contracted cash flows from an investment-grade customer; SOFR + 2.50%; matures 31 Oct 2030
39 E38	Definitive proxy statement (DEF 14A), 2026	2026-04-22	Primary	Voting power: Intrator 38.70%, Venturo 20.30%, McBee 14.59%, officers and directors 72.32%; Magnetar 17.07% of Class A, NVIDIA 10.66%, Jane Street 6.53%; CEO SCT \$3,454,004, CAP \$146,695,704; TSR \$179.03
40 E58	Form 4, Michael Intrator, transactions of 29 Sep 2026	2026-10-01	Primary	Sales of 89,338; 74,072; 12,712; 10,719 Class A shares at \$85.86–\$88.72 under a Rule 10b5-1 plan
41 E59	Form 4, Nitin Agrawal, transactions of 12 Oct 2026	2026-10-14	Primary	Sales of 15,388 and 7,191 Class A shares at about \$79.95–\$80.51 under a Rule 10b5-1 plan
42 E14	Q1 2026 earnings release (8-K Ex. 99.1)	2026-05-07	Primary	Revenue \$2,078M; backlog \$99.4B; >1 GW active, >3.5 GW contracted; interest \$536M; flexible reservations and spot launched
43 E16	Q3 2025 earnings release (8-K Ex. 99.1)	2025-11-10	Primary	Backlog \$55.6B; Meta up to \$14.2B; DDTL 3.0 at SOFR+4%; DDTL 2.1 at SOFR+4.25%
44 E19	Pricing release, 18 Sep 2026 (8-K Ex. 99.1)	2026-09-18	Primary	\$3.7B priced; conversion price ~\$97.85, 22.5% premium to \$79.88 close on 17 Sep; net ~\$3,644.5M (~\$4,137.0M with option); \$498.8M capped calls
45 E20	Form 8-K, 17 Sep 2026: convertible offering and Equity Distribution Agreement	2026-09-17	Primary	Up to 35,000,000 Class A shares may be sold at the market or via collared forwards
46 E25	Form 8-K, 31 Mar 2026: DDTL 4.0 facility	2026-03-31	Primary	\$8.5B; SOFR+2.25% floating, Treasury+2.00% fixed; matures 31 Mar 2032; limited 'bad acts' guarantee; DSCR ≥1.15x
47 E28	Form 8-K, 18 May 2026: DDTL 5.0 facility	2026-05-18	Primary	\$3.1B; SOFR+4.50%; matures 15 Nov 2031; parent guarantee; DSCR ≥1.35x
48 E29	DDTL 5.0 closing release (8-K Ex. 99.1)	2026-05-18	Primary	First publicly syndicated HPC-backed DDTL; two customer contracts; Ba2/BB+
49 E30	Meta \$21 billion agreement release (8-K Ex. 99.1)	2026-04-09	Primary	Meta capacity through December 2032 for approximately \$21 billion, including initial Vera Rubin deployments
50 E31	Jane Street agreement release (8-K Ex. 99.1)	2026-04-15	Primary	Jane Street commits ~\$6B to CoreWeave's cloud and invests \$1B in Class A stock at \$109.00
51 E32	Form 8-K, 25 Sep 2025: OpenAI order form	2025-09-25	Primary	OpenAI committed up to ~\$6.5B through 31 May 2031, 'subject to ... satisfaction of delivery and availability of service requirements'; termination for cause
52 E34	Form 8-K, 30 Sep 2025: Meta order form	2025-09-30	Primary	Meta initially committed up to ~\$14.2B through 14 Dec 2031, with option to expand through 2032

#	Source	Published	Tier	What it supports
53 E37	Form 8-K, 31 Oct 2025: termination of Core Scientific merger agreement	2025-10-31	Primary	Core Scientific stockholders did not approve the 7 Jul 2025 merger; agreement terminated 30 Oct 2025
54 E39	Senior notes offering presentation, June 2026 (8-K Ex. 99.2)	2026-06-11	Primary	LTM Q1 2026 adjusted EBITDA \$3,644M plus run-rate profits from new contracts \$15,114M = Run-Rate Adjusted EBITDA \$18,758M, as permitted under the revolver and indentures
55 E40	Form 10-Q Q3 FY2025, Item 1A	2025-11-13	Primary	'the recently announced delays with respect to the delivery of certain data centers to be provided by a third-party data center provider'
56 E48	Nebius Q2 2026 results release (6-K Ex. 99.1)	2026-08-12	Primary	Revenue \$582.3M; purchases of property and equipment \$5,657.4M in Q2 2026
E02	Form 10-K FY2025, Item 1A Risk Factors: customer concentration, committed contracts, prepayments	2026-03-02	Primary	Item 1A: Microsoft ~67% of 2025 revenue; committed contracts >98%/96%/88% of revenue 2025/24/23; prepayment 15–25% of TCV; OpenAI \$11.9B (Mar 2025) and \$6.5B (Sep 2025); private customers' credit risk
E03	Form 10-K FY2025, Note 1 and Note 5: useful lives and property and equipment	2026-03-02	Primary	Note 1: technology equipment 6 years; change from 5 to 6 years effective 1 Jan 2023 reduced 2023 expenses by \$20M
E04	Form 10-K FY2025, segment and geographic notes	2026-03-02	Primary	One operating segment; US revenue \$4,801M of \$5,131M in 2025
E05	Form 10-K FY2025, Note 10 Debt: DDTL 2.0, 2.1, 3.0, senior notes, 2031 convertible	2026-03-02	Primary	DDTL 2.0 up to \$7.6B, quarterly from Jan 2026; DDTL 3.0 \$2.6B, monthly from Apr 2026 to Aug 2030; parent guarantee; restricted cash; May 2025 \$2.0B 9.25% notes; 2031 convertible capped calls \$340M
E07	Form 10-Q Q2 FY2026, Note 10 Debt: instruments, recourse, maturities, DDTL 4.0 and 5.0 terms	2026-08-12	Primary	Recourse debt \$31,405M, non-recourse \$3,663M; principal schedule \$4,413M (rest of 2026), \$6,184M (2027) ... total \$35,551M; contractual interest \$592M in Q2; DDTL 4.0 delayed-site amortisation; SPV assets \$18.2B; covenants met
E08	Form 10-Q Q2 FY2026, Note 8 Leases	2026-08-12	Primary	Undiscounted lease payments \$29.1B; leases not commenced \$35.5B (2026–2029, 7–16 years); single site 393 MW undelivered, rent up to \$14.7B; 355 MW at variable-rent sites
E09	Form 10-Q Q2 FY2026, Note 5 Property and Equipment	2026-08-12	Primary	Technology equipment \$33,823M; construction in progress \$11,918M; total gross \$52,622M; capitalised interest \$79M in Q2
E10	Form 10-Q Q2 FY2026, MD&A Liquidity and Capital Resources	2026-08-12	Primary	Liquidity \$15,553M incl. \$10,014M undrawn facilities; DDTLs 'amortize over time as contracted cash flows are generated'; IPO \$1.4B net; NVIDIA \$2.0B at \$87.20; \$1.0B at \$109; H1 cash capex \$14.1B
E11	Form 10-Q Q2 FY2026, Item 1A Risk Factors: competition, data centres, customers	2026-08-12	Primary	Competitors AWS, Google, Microsoft, Oracle, 'a number of which are also our current customers'; Meta \$21.0B order; delays announced Nov 2025
E12	Form 10-Q Q2 FY2026, Note 9 Litigation	2026-08-12	Primary	Securities class action filed 12 Jan 2026; derivative actions stayed

Not Verified / Not Load-Bearing

The items below were found but could not be confirmed at a primary source, or were confirmed but carry no conclusion. None of them supports a verdict, a scenario weight or a takeaway in this study.

- **Microsoft withdrawing from some agreements (March 2025).** Press reports citing the Financial Times said Microsoft walked away from some CoreWeave agreements over missed delivery deadlines; CoreWeave denied cancellations. Not confirmed at a primary source, and not counted as a loss in the decision file.
- **Microsoft's total commitment.** Press reports put it at more than \$10 billion through 2030. No CoreWeave or Microsoft filing quantifies it.
- **The exact 2025 guidance figures before and after the November 2025 cut.** Seen in secondary summaries only; the study states only that the outlook was lowered.
- **The identity of the developer behind the November 2025 delay.** Press accounts differ. CoreWeave's filings say only "a third-party data center provider".
- **A SemiAnalysis H100 contract-price series** (a low of \$1.70 per GPU-hour in October 2025 and \$2.35 in March 2026) was seen in a social-media post and not opened at the source. The study uses Silicon Data's published index instead.

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- **The September 2026 consumer price figures.** The Bureau of Labor Statistics release page returned an access error; the figures are taken from Vantage Markets' report, which cites BLS. They describe the selloff day only.
 - **Pairings on one slide of the September 2026 investor presentation** (a price increase and a prepayment share whose labels were ambiguous in the filed text). Not used; the call transcript's "approximately 25%" July price increase is used instead.
 - **Management's claim that CoreWeave's total cost of ownership is "up to 47% lower than the average hyperscaler".** A company claim with no published method; reported as such and not relied on.
 - **Contribution margin "in the mid-20s" at stabilisation.** Management's illustration; the term is not defined in the filings. Used only to show that the base case is more cautious than management.
 - **Default terms of the other senior note and convertible indentures.** Only the indentures for the 9.625% notes due 2032 and the 2033 convertible were read; the other series are assumed similar but were not checked.

A Discoveries and Limitations

- **About 90% of CoreWeave's debt is recourse to the parent despite being 'asset-backed':** Only DDTL 4.0 and \$882M of vendor financing are non-recourse; a failed contract in any other facility comes back to CoreWeave, Inc., so the asset-level structure protects lenders more than shareholders or bondholders.
- **The DDTL 5.5 facility lends five years against three-year contracts, backed by a non-replacement prepayment:** If a contract is not renewed by the renewal deadline the subsidiary must prepay to restore 1.35x DSCR and 2.40x contract value; with a parent guarantee, renewal risk sits with the parent.
- **A late data-centre site can start DDTL 4.0 amortisation before revenue:** Principal amortisation begins on a 'delayed data center site amortization date' for sites that miss delivery requirements, so delays bring debt service forward.
- **Unsecured debt capacity is measured on run-rate EBITDA that adds \$15.1B of projected profits:** Run-Rate Adjusted EBITDA of \$18.76B against \$3.64B of reported adjusted EBITDA lets the parent borrow against profits not yet earned.
- **Only about two-thirds of the capacity leased from Core Scientific was billing two years after the first contract:** 395 MW of 590 MW billing at 30 June 2026 shows the pace at which developers deliver, which sets backlog conversion.

Limitations

- This study used an earlier Atlas snapshot. Financing figures were checked against CoreWeave filings and releases; the updated companion Atlas report now includes June 2026 debt.
- Subsidiary-level coverage ratios, distributions to the parent and backlog by customer are not disclosed; backlog by delivery status is disclosed only as more than 50% attached to contracts where delivery has commenced (Q2 2026 call).
- Customer order forms (delivery dates, delay credits, termination for delay) are not public; filed master services agreements are redacted.
- Guidance history before 2026 is drawn from press accounts and is limited.
- The scenario model is a business-outcome model built by this study; it ends at GAAP operating income and excludes interest.
- Only the 9.625% 2032 senior note and 2033 convertible indentures were read for cross-default terms; both treat a qualifying payment default or acceleration above the greater of \$200M and 5% of LTM EBITDA as an event of default, subject to cure periods; the other series were not checked.
- The backlog-times-margin figure (\$61.5B) is illustrative adjusted EBITDA, not debt-service cash; no bridge for prepayments, collections, costs or payment timing is disclosed.
- The scenario model's shock path is a hypothetical \$4.5B interruption; it does not establish the effect of losing the largest customer or CoreWeave's ability to fund resulting debt and guarantee obligations.

G Glossary

10-K

The annual report a US-listed company files with the Securities and Exchange Commission, with audited accounts. The 10-Q is the shorter quarterly version, and an 8-K is a filing about a single major event, such as a new loan or a large contract.

A100

An older NVIDIA data-centre GPU, launched two years before the H100.

A3

A grade on Moody's scale, three steps above its lowest investment-grade rating.

accelerate

Declare the whole loan due immediately instead of on its repayment schedule.

AI labs

Companies whose main business is building large AI models, such as OpenAI and Anthropic. They need very large amounts of GPU time to train and run those models.

annual recurring revenue

Revenue from ongoing subscriptions or usage, stated as a yearly amount at the current pace.

Atlas FA

The financial-data package this study takes CoreWeave's reported figures from. It flags some values as restricted when their quality is in doubt; a restricted value can still be cited, but any conclusion resting on it has to say so.

B+

A grade on S&P's scale four steps below investment grade. Debt rated this low is often called high-yield or junk.

Ba2

A grade on Moody's scale two steps below investment grade.

borrowing base

The pool of contracts and assets a loan is measured against. Taking a contract out of it shrinks what can be borrowed, so part of the loan has to be repaid.

bring-up

Getting the first systems of a new chip generation installed and running, before they go into service for customers.

building shell

The finished building, structure and roof, before the equipment that goes inside it.

carrying value

The amount a debt is recorded at on the balance sheet. It sits a little below the principal actually owed, because discounts and fees paid when the money was raised are deducted and then spread over the life of the debt.

Class A and Class B shares

CoreWeave's two classes of common stock. Class B shares, held by the founders, carry ten votes each, which gives the founders control of the vote; outside investors hold Class A shares.

ClusterMAX Platinum

A grading of GPU cloud providers published by SemiAnalysis, an independent research firm that covers chips and AI infrastructure. Platinum is its top grade.

clusters

Many GPU servers wired together with fast networking so they can work on one job, such as training a single AI model. Customers rent a whole cluster, not single chips.

contribution margin

In general use, the share of revenue left after the costs that rise directly with each sale, before shared overheads such as head office.

DDTL 5.5

CoreWeave numbers its delayed-draw term loans (DDTLs), the loans its subsidiaries take out against specific customer contracts, in the order they were arranged. This one is the most recent, arranged after the quarter this report covers.

effective interest rates

The interest rate once fees, and any discount at which the loan was issued, are spread over its life. It is usually a little above the headline rate.

event of default

A breach the loan agreement names as serious enough to let lenders demand repayment of the whole loan at once.

GAAP

Generally Accepted Accounting Principles, the standard US accounting rules. A GAAP figure is the one in the audited accounts, before any of management's adjustments.

GB300

An NVIDIA system generation, the one before Vera Rubin.

GPU-hour

One GPU rented for one hour, the unit in which GPU time is priced.

H100

NVIDIA's data-centre GPU from the generation after the A100; newer generations have followed since. A published index tracks its hourly rental price, and this report uses that index as the market price of GPU time.

H200

An NVIDIA data-centre GPU that followed the H100.

impairments

Write-downs taken when an asset is judged to be worth less than the value it is carried at in the accounts. For GPUs, that would mean chips that can no longer earn enough to cover their remaining cost.

infrastructure-as-a-service

Renting computing hardware over the internet, paid by the hour or by contract, instead of buying it. AI-optimised means the hardware is GPU clusters built for AI work.

IREN

A smaller rival of CoreWeave that rents out GPU capacity from data-centre sites it controls; Microsoft is one of its customers.

Magnetar

An investment firm that holds CoreWeave shares and has also lent to it.

managed-inference

Inference is running a trained AI model to answer requests, as opposed to training it. In a managed service CoreWeave runs the model for the customer instead of renting out bare hardware.

material adverse effect

Contract language for a development serious enough to damage the borrower's business or its ability to repay.

megawatt-year

One megawatt of capacity running for a full year. Dividing revenue by it puts revenue on a per-unit basis.

MW

Megawatt, a million watts of electrical power; a gigawatt (GW) is a thousand megawatts.

net revenue retention

Revenue this year from last year's customers, as a share of what those same customers paid last year. Above one hundred per cent means existing customers are spending more.

orchestration

Software that decides which jobs run on which GPUs and keeps a large cluster busy and working.

private placement

A sale of new shares directly to chosen investors instead of on the open market.

recognised

Booked as revenue in the accounts. That happens as the service is delivered, not when the contract is signed or the cash arrives.

recourse

Recourse debt lets the lenders claim against the parent company if the pledged assets fall short, because the parent has guaranteed it. Non-recourse debt stops at the pledged assets.

revolving facility

A credit line the company can draw, repay and draw again up to a set limit, much like a corporate credit card.

Rule 10b5-1 trading plan

A plan, set up in advance, that sells an insider's shares on a fixed schedule or formula. Because the timing is fixed beforehand, it gives the insider a defence against charges of trading on inside information.

run-rate

Revenue in a recent period scaled up to a full year. It shows the current pace and is not a forecast.

senior notes

Bonds that rank first among a company's unsecured debts if it fails. "Senior" describes their place in that queue; holders still come after secured lenders where pledged assets are concerned.

six-year GPU life

The period over which CoreWeave spreads the cost of each GPU server as depreciation in its accounts. A longer life means a smaller yearly charge and higher reported profit. It does not change the cash the company collects.

special-purpose subsidiaries

Companies CoreWeave sets up to hold one set of GPUs, the contracts they serve and the loan that paid for them. Keeping each build in its own company lets lenders see exactly which assets and which customer payments stand behind their loan.

spot-like prices

Spot prices are paid for capacity bought for immediate use instead of under a long contract, and they move with supply and demand.

total cost of ownership

Everything it costs a customer to use a system over time, including setup, running costs and the staff time to keep it working, on top of the rental price.

trustee

A bank appointed to act for all the holders of a bond issue, for example in declaring a default and demanding repayment.

underwriting

Taking on a risk and putting a price on it. Here the lenders are lending on the expectation that customers will renew contracts that end before the loan does.

unsecured debt

Borrowing that is not secured on any particular asset. If the borrower fails, unsecured lenders are paid from whatever is left after secured lenders have taken the assets pledged to them, so they charge more.

vendor financing

Loans from the companies that sold CoreWeave its servers and networking gear, secured on that equipment.

Vera Rubin NVL72

NVIDIA's newest system generation, sold as a full rack of GPUs linked to work as one machine.