

**PRESS RELEASE – FY2023 annual results**

## **A YEAR OF ROBUST GROWTH IN FY2023, WITH A GOOD PERFORMANCE IN THE FOURTH QUARTER**

### **Unlevered free cash-flow of €25 million generated in the second half of FY2023**

#### **Sustained growth in FY2023 and unlevered free cash-flow of €25 million generated in the second half**

- Revenue of €897 million in FY2023, up 13.4% on FY2022 on a like-for-like basis
- Revenue of €230 million in the fourth quarter, making it the highest-growth quarter of the year with a 14.5% like-for-like increase and benefiting from the full effect of price increases
- Strong like-for-like full-year revenue growth of 21.0% for the Public Cloud segment and 15.1% for the Private Cloud segment
- Adjusted EBITDA of €325 million, giving a margin of 36.3% in FY2023
- 1.7-point improvement in the EBITDA margin between the first and second half, reaching 37.1% thanks to cost discipline and improved productivity
- Unlevered free cash-flow of €25 million generated in the second half of FY2023

#### **Implementation of the strategic plan across all products, geographies and customer segments**

- Almost 40 new PaaS solutions available in the fields of AI, data, storage, security, container technologies and virtualisation
- Continued international expansion, with the opening of four new datacenters, including a new country with the opening of India
- Continued investment in sales and marketing, with strong sales momentum confirmed in Europe, particularly in Central Europe

#### **Further improvement in profitability and cash generation in FY2024**

- Organic revenue growth target of between 11% and 13%
- Adjusted EBITDA margin target of over 37%
- Recurring and growth capex representing around 16% and 24% of revenue
- Generation of unlevered free cash-flow as soon as the second half of FY2024 and full-year unlevered free cash-flow generation as from FY2025

**OVHcloud's strategy and outlook to be presented at an Investor Day in London on 17 January 2024**

**Roubaix, 25 October 2023** – OVHcloud announced today its annual results for the financial year ended 31 August 2023. This press release relates to the OVH Groupe annual consolidated financial statements.

OVHcloud CEO Michel Paulin said:

*“We delivered a strong set of results in FY2023, highlighting OVHcloud’s capacity to achieve robust and sustainable growth. This success is underpinned by the strong momentum in our cloud businesses, which now account for over 80% of our business, and OVHcloud’s distinctive, successful offerings. Our sustainable cloud solutions, which prioritise performance-price ratio and data sovereignty, are perfectly aligned with the evolving needs of our expanding and loyal customer base as well as the needs of new customers who wish to control their costs and ensure the protection of their data.*

*Notably, in FY2023, we achieved a significant milestone by generating positive unlevered free cash-flow in the second half of the year. This was made possible by the improved efficiency of growth-related capital expenditure – marking a shift away from two years of non-recurring capex tied to post-COVID supply chain disruptions and the development of PaaS solutions – all while maintaining a disciplined approach to operating costs.*

*Our midterm objectives are rooted in the same overarching commitment: delivering positive unlevered free cash-flow as from 2025 while maintaining future growth prospects. We intend to achieve this by maintaining selectivity in our investments while capitalising on the dynamic cloud market's momentum, which will continue to thrive driven by the prevailing trend of cloud adoption and usage and the ongoing innovations in fields such as artificial intelligence and Data.”*

## KEY FIGURES

**€897m**

**in revenue  
in FY2023**

**€325m**

**in adjusted EBITDA  
in FY2023**

**€25m**

**in unlevered FCF  
in H2 FY2023**

**Revenue of €897 million in FY2023, up 13.9% year on year as reported and 13.4% like for like<sup>1</sup>**

OVHcloud’s consolidated revenue came to €897.3 million in FY2023, up 13.9% compared with FY2022 as reported and 13.4% like for like. In the fourth quarter, revenue totalled €230.1 million, representing 14.5% like-for-like growth.

Against a complex and uncertain macroeconomic backdrop, this fourth-quarter performance illustrates the resilience of OVHcloud's business model, and particularly its ability to increase revenue from its customer portfolio through double-digit growth in ARPAC and a net revenue retention rate of 110% for the year as a whole. The Group also

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<sup>1</sup>Like for like (LFL): based on constant exchange rates and scope of consolidation vs FY2022 and excluding the direct effects of the Strasbourg incident.

continued to attract new customers in FY2023, notching up more than 21,000 new private and public cloud customers during the year.

This robust growth was driven by ongoing revenue acceleration in Europe in the fourth quarter, and the ramp-up of PaaS and SecNumCloud offerings. In addition, OVHcloud increased its prices in FY2023 to reflect inflation, which contributed 2.7% to growth for the year.

## Revenue by product segment

<i>(In € million)</i>	FY 2022	FY 2023	Change (%)	Change (%) LFL
Private cloud	485.0	560.1	+15.5%	+15.1%
Public cloud	126.3	154.6	+22.4%	+21.0%
Webcloud & Other	176.7	182.6	+3.4%	+3.1%
<b>Total Revenue</b>	<b>788.0</b>	<b>897.3</b>	<b>+13.9%</b>	<b>+13.4%</b>

### Faster increase in the proportion of high-growth cloud offerings in the OVHcloud portfolio, with their revenue weighting reaching 80%

The **Private Cloud** segment, which includes the Bare Metal Cloud and Hosted Private Cloud businesses, posted revenue of €560.1 million in FY2023, representing growth of 15.5% as reported and 15.1% like for like. In the fourth quarter, growth came to 14.1% as reported and 16.4% like for like. This strong sales momentum allowed OVHcloud to win market share, in the fourth quarter in particular. The segment's strong fourth-quarter performance particularly reflects robust growth for the Bare Metal Cloud business in Europe and France, the effect of past price increases during the year, and double-digit growth for Hosted Private Cloud at Group level – a business driven by sovereign offerings such as SecNumCloud. These good performances offset more modest growth in the USA and Canada, with certain industries, particularly technology, continuing to optimise their cloud spending in recent months.

The **Public Cloud** segment continued its strong growth throughout FY2023, achieving revenue of €154.6 million, representing year-on-year increases of 22.4% as reported and 21.0% like for like. This segment delivered significant revenue rises in all of the Group's geographies, with a very good fourth quarter for the Digital channel and the Enterprise channel performing as well as in previous quarters. PaaS services – whose offering was expanded in FY2023 – are going from strength to strength, with customer adoption rising steadily and the number of PaaS customers reaching over 10,000 at the end of the financial year. At end-September 2023, the annual revenue rate (ARR) for PaaS offerings was €16 million, a figure that has doubled in the space of a year. OVHcloud is also continuing to develop new offerings around artificial intelligence, with new cutting-edge GPUs and CPUs available in the first quarter of FY2024, while the catalogue of partners is being expanded for the AI Deploy solution. More broadly, the Group's PaaS offerings now include an identity access management (IAM) solution for enhanced security.

The **Web Cloud & Other** segment delivered year-on-year revenue increases of 3.4% as reported and 3.1% like for like. In the fourth quarter of FY2023, growth came in at 2.9% as reported and 2.7% like for like. The Enterprise channel continued to outperform the Digital channel, which is implementing an overhaul project. As part of this project, more competitive and high-performance web hosting offerings were announced in September 2023 in order to revitalise demand. Connectivity and Telephony sub-segment activity continued to decline, which weighed on the segment's overall growth during the year. New Connectivity offerings have recently been launched to help boost sales in the segment.

## Revenue by region

(In € million)	FY 2022	FY 2023	Change (%)	Change (%) LFL
France	389.3	442.5	+13.7%	+12.9%
Europe (excl. France)	224.1	258.6	+15.4%	+15.2%
Rest of the World	174.7	196.3	+12.4%	+11.9%
<b>Total revenue</b>	<b>788.0</b>	<b>897.3</b>	<b>+13.9%</b>	<b>+13.4%</b>

Revenue in **France** came to €442,5 million in FY2023, accounting for 49% of the Group's overall revenue, with almost 20% growth for the Private Cloud and Public Cloud segments in the fourth quarter. The Enterprise channel confirmed its positive momentum, delivering sustained growth throughout the year.

In **other European countries**, revenue growth for the cloud businesses remained strong throughout FY2023, with Germany and Eastern Europe once again the main drivers.

In the **Rest of the World**, the fourth quarter saw growth pick up pace compared with the previous quarters, despite an economic context which continued to hamper performance in North America. The opening of a new datacenter in India in the second half of FY2023 contributed positively to the rest of the world overall performance.

## Adjusted EBITDA of €325 million, giving a margin of 36.3%

(In € million)	FY 2022	FY 2023	Change (%)	Change (%) LFL
Private cloud	167.6	193.4	+15.4 %	+15.2 %
Public cloud	49.7	56.0	+12.8 %	+15.9 %
Webcloud & Other	59.8	68.0	+13.6 %	+12.8 %
<b>Recurring EBITDA</b>	<b>277.1</b>	<b>317.4</b>	<b>+14.6 %</b>	<b>+14.8 %</b>
<b>Adjusted EBITDA</b>	<b>307.6</b>	<b>325.5</b>	<b>+5.8 %</b>	<b>+5.7 %</b>

### Adjusted EBITDA reached €325 million, giving a margin of 36.3%.

Adjusted EBITDA rose by €17.9 million compared to FY2022, coming in at €325.5 million in FY2023. The year-on-year increase reflects the positive effects of the €109.3 million revenue rise and a €22.4 million reduction in retention plan costs and earn-outs, less the negative impacts of increases in direct costs (€53.3 million), S&M costs (€11.4 million) and G&A costs (€4.3 million).

This EBITDA growth is in line with the forecasts made by the Group in the first half of the financial year, particularly as regards electricity costs, thanks to its active price hedging strategy. In FY2023, electricity costs represented almost 7% of Group revenue, of which 2% was due to the increase in the price per MWh.

For FY2024, 94% of OVHcloud's electricity consumption is hedged at a price per MWh comparable to the average price for FY2023. The 6% not hedged mainly relates to consumption in Germany.

The Group will maintain its strict operating cost discipline in FY2024, including in relation to personnel expenses, with a selective hiring strategy that will enable OVHcloud to continue its business development.

## Net operating income (loss)

The Group posted a net operating loss of €12.0 million for FY2023, compared with a €20.5 million net operating loss in FY2022. The FY2023 figure includes non-recurring items representing a net expense of €10.3 million, primarily made up of a €3.8 million temporary insurance surcharge due to the Strasbourg incident.

## Consolidated net income (loss)

OVHcloud ended FY2023 with a net loss of €40.3 million, compared with a €28.6 million net loss for FY2022. The FY2023 figure notably includes €17.0 million in interest expenses and a €6.3 million net foreign exchange loss due to the depreciation of the euro during the period.

## Cash flow – Unlevered free cash-flow of €25 million generated in the second half of FY2023

<i>(In € million)</i>	FY 2022	H1 FY 2023	H2 FY 2023	FY 2023
<b>Gross cash flow from operating activities</b>	<b>262</b>	<b>143</b>	<b>166</b>	<b>310</b>
Change in operating working capital requirement	23	3	26	29
Tax paid	(11)	(3)	(6)	(9)
<b>Net cash flows from operating activities</b>	<b>274</b>	<b>142</b>	<b>188</b>	<b>330</b>
Recurring Capex <sup>2</sup>	(151)	(74)	(72)	(146)
Growth Capex <sup>3</sup>	(301)	(120)	(91)	(211)
M&A and other	(17)	0	0	0
<b>Net cash flows used in investing activities</b>	<b>(469)</b>	<b>(195)</b>	<b>(163)</b>	<b>(358)</b>
<b>Unlevered free cash-flow</b>	<b>(195)</b>	<b>(53)</b>	<b>25</b>	<b>(28)</b>
<b>Net cash flows from financing activities</b>	<b>176</b>	<b>55</b>	<b>(13)</b>	<b>42</b>

<sup>2</sup> Recurring Capex reflects the capital expenditures needed to maintain the revenues generated during a given period for the following period.

<sup>3</sup> Growth Capex represents all capital expenditures other than recurring capital expenditures.

Gross cash flow from operating activities rose to €309.5 million in FY2023 from €262.2 million one year earlier.

Capex (without acquisition) was contained in FY2023, coming in at €358 million versus €453 million in FY2022. The FY2023 capex figure includes:

- €146 million in recurring capex, representing 16% of annual revenue;
- €211 million in growth capex, representing 24% of annual revenue.

The decrease in growth capex in FY2023 notably reflects the use of inventories of components built up as a preventive measure in FY2022, the improved efficiency of industrial processes, and the ongoing optimisation of capex levels to maximise profitability.

## Net debt

Consolidated net debt (excluding lease liabilities) amounted to €608 million at 31 August 2023, versus €601 million at 28 February 2023 and €525 million at 31 August 2022.

The Group's development and the efforts it has made to improve the efficiency of its capex are paying off, with unlevered free cash-flow of €25 million generated in the second half of FY2023.

On 8 November 2022, the Group was granted a €200 million credit facility by the EIB at an attractive interest rate. The facility can be drawn down several times (with a maximum of five drawdowns), with each drawdown repayable within a maximum of nine years.

At end-August 2023, almost three-quarters of the Group's debt was hedged at a fixed rate. Overall, the Group has very favourable financing conditions, with an average interest rate of 3.7%, margin included. The Group's leverage ratio at 31 August 2023 remained unchanged from the first half of the financial year, at 2.0x.

The Group's solid financial structure, which is fully financed until the end of FY2026, with more than €519 million in available cash and cash equivalents, and its cash flow trajectory going forward, mean that OVHcloud can continue to invest responsibly in order to deliver on its development plan.

## OUTLOOK

### Outlook for FY2024

For FY2024, OVHcloud is targeting organic revenue growth of between 11% and 13%, an adjusted EBITDA margin of over 37% and recurring and growth capex representing approximately 16% and 24% of revenue respectively.

OVHcloud is also aiming to generate unlevered free cash-flow in the second half of FY2024, with a view to generating full-year unlevered free cash-flow as from FY2025.

The outlook for FY2024 is based on assumptions of an ongoing upward trend in ARPAC, prudent new customer acquisitions, a price effect of between 1% and 2% over the year, mainly in the first quarter, and strict operating cost discipline.

### Outlook for FY2025

As part of its ongoing strategic review, OVHcloud has noted certain trends it expects to see in FY2025:

- Organic revenue growth should improve versus FY2024
- Adjusted EBITDA margin should be improve versus FY2024
- Capex as a percentage of revenue should be slightly lower than in FY2024
- The Group should generate unlevered free cash-flow for the full year

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OVHcloud's Board of Directors reviewed and approved the Group's consolidated financial statements for the financial year ended 31 August 2023 at its meeting on 24 October 2023. The audit procedures are in the process of finalisation.

## EVENTS AFTER THE REPORTING DATE

### Acquisition of gridscale

On 4 September 2023, OVHcloud completed the acquisition of 100% of the German company gridscale for a share purchase price of €28 million. gridscale is specialised in hyperconverged infrastructure and generated revenue of €5.6 million for the year ended 31 August 2023. OVHcloud does not expect gridscale to contribute to the Group's EBITDA in FY2024.

This acquisition is a strategic milestone in accelerating the Group's geographical expansion, with gridscale's unique technology enabling it to rapidly deploy a public cloud environment in new geographies with limited capex.

## CALENDAR

11 January 2024: First-quarter FY2024 revenue

17 January 2024: Investor Day in London

## ABOUT OVHcloud

OVHcloud is a global player and the leading European cloud provider operating over 450,000 servers within 37 data centers across 4 continents to reach 1,6 million customers in over 140 countries. Spearheading a trusted cloud and pioneering a sustainable cloud with the best price-performance ratio, the Group has been leveraging for over 20 years an integrated model that guarantees total control of its value chain: from the design of its servers to the construction and management of its data centers, including the orchestration of its fiber-optic network. This unique approach enables OVHcloud to independently cover all the uses of its customers so they can seize the benefits of an environmentally conscious model with a frugal use of resources and a carbon footprint reaching the best ratios in the industry. OVHcloud now offers customers the latest-generation solutions combining performance, predictable pricing, and complete data sovereignty to support their unfettered growth.

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All amounts are presented in € million. This may in certain circumstances lead to non-material differences between the sum of the figures and the subtotals that appear in the tables.

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## APPENDICES

### Glossary

**Like-for-like** is calculated at constant exchange rates, constant perimeter and excluding Strasbourg direct impacts. Perimeter adjustments correspond to M&A.

The net **revenue retention rate** for any period is equal to the percentage calculated by dividing (i) the revenue generated in such period from customers that were present during the same period of the previous year, by (ii) the revenue generated from all customers in that previous year period. When the revenue retention rate exceeds 100%, it means that revenues from the relevant customers increased from the relevant period in the previous year to the same period in the current year, in excess of the revenue lost due to churn.

**ARPAC (Average revenues per active customer)** represents the revenues recorded in a given period from a given customer group, divided by the average number of customers from that group in that period (the average number of customers is determined on the same basis as in determining net customer acquisitions). ARPAC increases as customers in a given group spend more on OVHcloud services. It can also increase due to a change in mix, as an increase (or decrease) in the proportion of high-spending customers would increase (or decrease) ARPAC, irrespective of whether total revenues from the relevant customer group increase.

**Recurring EBITDA** is equal to revenues less the sum of personnel costs and other operating expenses (and excluding depreciation and amortisation charges, as well as items that are classified as “other non-recurring operating income and expenses”).

**Adjusted EBITDA** is equal to recurring EBITDA excluding share-based compensation and expenses resulting from the payment of earn-outs from its adjusted EBITDA.

**Recurring Capital Expenditures (Capex)** reflects the capital expenditures needed to maintain the revenues generated during a given period for the following period.

**Growth Capital Expenditures (Capex)** represents all capital expenditures other than recurring capital expenditures.

**Unlevered free cash-flow** represents cash flows from operating activities minus cash flows used in investing activities.

## Revenue by segment and geography

<i>In € million</i>	Q1 FY2022 Reported	Q2 FY2022 Reported	Q3 FY2022 Reported	Q4 FY2022 Reported	FY2022 Reported	Q1 FY2023 Reported	Q2 FY2023 Reported	Q3 FY2023 Reported	Q4 FY2023 Reported	FY2023 Reported
Private cloud	113.3	119.3	125.3	127.3	485.0	133.0	139.9	141.9	145.3	560.1
Public cloud	29.0	30.6	32.8	33.8	126.3	35.7	38.3	39.4	41.2	154.6
Webcloud & Other	44.9	44.9	44.4	42.5	176.7	47.3	45.1	46.6	43.7	182.6
<b>Total Revenue</b>	<b>187.2</b>	<b>194.8</b>	<b>202.4</b>	<b>203.5</b>	<b>788.0</b>	<b>216.0</b>	<b>223.3</b>	<b>227.9</b>	<b>230.1</b>	<b>897.3</b>

<i>Growth in %</i>	Q1 FY2023 LFL	Q2 FY2023 LFL	Q3 FY2023 LFL	Q4 FY2023 LFL	FY2023 LFL	Q1 FY2023 Reported	Q2 FY2023 Reported	Q3 FY2023 Reported	Q4 FY2023 Reported	FY2023 Reported
Private cloud	+12.8%	+16.6%	+14.5%	16.4%	+15.1%	+17.4%	+17.3%	+13.3%	14.1%	+15.5%
Public cloud	+18.0%	+22.8%	+20.1%	22.8%	+21.0%	+22.9%	+25.2%	+20.1%	21.7%	+22.4%
Webcloud & Other	+4.5%	+0.3%	+4.7%	2.7%	+3.1%	+5.4%	+0.4%	+4.9%	2.9%	+3.4%
<b>Total Revenue</b>	<b>+11.7%</b>	<b>+13.9%</b>	<b>+13.2%</b>	<b>+14.5%</b>	<b>+13.4%</b>	<b>+15.4%</b>	<b>+14.6%</b>	<b>+12.6%</b>	<b>+13.1%</b>	<b>+13.9%</b>

<i>In € million</i>	Q1 FY2022 Reported	Q2 FY2022 Reported	Q3 FY2022 Reported	Q4 FY2022 Reported	FY2022 Reported	Q1 FY2023 Reported	Q2 FY2023 Reported	Q3 FY2023 Reported	Q4 FY2023 Reported	FY2023 Reported
France	93.2	96.6	99.6	99.8	389.3	107.1	109.4	113.0	113.1	442.5
Europe (excl. France)	53.5	55.9	57.3	57.4	224.1	60.1	64.1	66.6	67.7	258.6
Rest of the World	40.5	42.3	45.5	46.3	174.7	48.8	49.8	48.3	49.3	196.3
<b>Total Revenue</b>	<b>187.2</b>	<b>194.8</b>	<b>202.4</b>	<b>203.5</b>	<b>788.0</b>	<b>216.0</b>	<b>223.3</b>	<b>227.9</b>	<b>230.1</b>	<b>897.3</b>

<i>Growth in %</i>	Q1 FY2023 LFL	Q2 FY2023 LFL	Q3 FY2023 LFL	Q4 FY2023 LFL	FY2023 LFL	Q1 FY2023 Reported	Q2 FY2023 Reported	Q3 FY2023 Reported	Q4 FY2023 Reported	FY2023 Reported
France	+13.2%	+12.4%	+12.9%	13.2%	+12.9%	+14.9%	+13.2%	+13.4%	13.3%	+13.7%
Europe (excl. France)	+10.8%	+15.3%	+16.7%	17.8%	+15.2%	+12.4%	+14.8%	+16.2%	17.9%	+15.4%
Rest of the World	+9.4%	+15.4%	+9.5%	13.2%	+11.9%	+20.6%	+17.7%	+6.2%	6.4%	+12.4%
<b>Total Revenue</b>	<b>+11.7%</b>	<b>+13.9%</b>	<b>+13.2%</b>	<b>+14.5%</b>	<b>+13.4%</b>	<b>+15.4%</b>	<b>+14.6%</b>	<b>+12.6%</b>	<b>+13.1%</b>	<b>+13.9%</b>

## Reconciliation of like-for-like and reported growth

In € million	FY22 Reported	FX impacts	Perimeter impacts	Strasbourg impacts	FY22 LFL
Private cloud	485.0	-0.5	0.0	2.2	486.7
Public cloud	126.3	-0.2	0.5	1.3	127.9
Webcloud & Other	176.7	0.1	0.0	0.5	177.3
<b>Total Revenue</b>	<b>788.0</b>	<b>-0.5</b>	<b>0.5</b>	<b>3.9</b>	<b>791.9</b>

In € million	FY23 Reported	Perimeter impacts	Strasbourg impacts	FY23 LFL
Private cloud	560.1	0.0	0.2	560.2
Public cloud	154.6	0.0	0.1	154.7
Webcloud & Other	182.6	0.0	0.0	182.7
<b>Total Revenue</b>	<b>897.3</b>	<b>0.0</b>	<b>0.3</b>	<b>897.6</b>

In € million	FY22 Reported	FX impacts	Perimeter impacts	Strasbourg impacts	FY22 LFL
France	389.3	0.0	0.5	2.2	392.0
Europe (excl. France)	224.1	-1.0	0.0	1.4	224.5
Rest of the World	174.7	0.4	0.0	0.3	175.4
<b>Total Revenue</b>	<b>788.0</b>	<b>-0.5</b>	<b>0.5</b>	<b>3.9</b>	<b>791.9</b>

In € million	FY23 Reported	Perimeter impacts	Strasbourg impacts	FY23 LFL
France	442.5	0.0	0.2	442.6
Europe (excl. France)	258.6	0.0	0.1	258.7
Rest of the World	196.3	0.0	0.0	196.3
<b>Total Revenue</b>	<b>897.3</b>	<b>0.0</b>	<b>0.3</b>	<b>897.6</b>

## Consolidated statement of income

<i>(in thousand euros)</i>	2022	2023
<b>Revenue</b>	<b>787 998</b>	<b>897 299</b>
Personnel expenses	(211 063)	(220 969)
Operating expenses	(299 867)	(358 916)
<b>Recurring EBITDA<sup>(1)</sup></b>	<b>277 068</b>	<b>317 414</b>
Depreciation, amortisation and impairment expenses	(268 705)	(319 149)
<b>Net recurring operating income</b>	<b>8 363</b>	<b>(1 735)</b>
Other non-recurring operating income	103	-
Other non-recurring operating expenses	(28 950)	(10 261)
<b>Net operating income</b>	<b>(20 484)</b>	<b>(11 996)</b>
Net operating income (loss)	(11 197)	(20 907)
borrowing costs	30 904	10 568
Other financial expenses	(19 013)	(18 074)
<b>Financial result</b>	<b>694</b>	<b>(28 413)</b>
<b>Pre-tax income (loss)</b>	<b>(19 790)</b>	<b>(40 409)</b>
Income tax	(8 764)	89
<b>Consolidated net income (loss)</b>	<b>(28 554)</b>	<b>(40 320)</b>

<sup>(1)</sup> The recurring EBITDA indicator corresponds to operating income before depreciation, amortisation and other non-recurring operating income and expenses.

## Reconciliation between Recurring EBITDA and Adjusted EBITDA

<i>(in thousand euros)</i>	2022	2023
<b>Recurring EBITDA</b>	<b>277,068</b>	<b>317,414</b>
Equity-settled and cash-settled compensation plans	21,843	5,099
Earn out compensation	8,672	2,948
<b>Adjusted EBITDA</b>	<b>307,583</b>	<b>325,461</b>

## Consolidated statement of financial position

<i>(in thousand euros)</i>	<b>31 August 2022</b>	<b>31 August 2023</b>
Goodwill	50 892	43 971
Other intangible assets	223 506	264 779
Property, plant and equipment	949 512	954 342
Rights of use assets	40 345	122 845
Non-current derivative financial instruments - assets <sup>(1)</sup>	-	22 236
Non-current financial assets	1 450	1 127
Deferred tax assets	5 623	10 141
<b>Total non-current assets</b>	<b>1 271 328</b>	<b>1 419 441</b>
Trades receivables	38 765	33 787
Other receivables and current assets	79 911	93 308
Current tax assets	4 760	4 368
Current derivative financial instruments - assets	11 798	2 730
Cash and cash equivalents	36 187	48 999
<b>Total current assets</b>	<b>171 421</b>	<b>183 192</b>
<b>TOTAL ASSETS</b>	<b>1 442 749</b>	<b>1 602 633</b>
<i>(in thousand euros)</i>	<b>31 August 2022</b>	<b>31 August 2023</b>
Share capital	190 541	190 541
Share premiums	418 256	418 256
Reserves and retained earnings	(111 894)	(157 502)
Net income (loss)	(28 554)	(40 320)
<b>Equity</b>	<b>468 349</b>	<b>410 975</b>
Non-current financial debt	559 323	649 194
Non-current lease liabilities	28 481	108 541
Other non-current financial liabilities	15 898	15 573
Non-current provisions	4 348	5 535
Deferred tax liabilities	16 759	14 104
Other non-current liabilities	10 926	11 110
<b>Total non-current liabilities</b>	<b>635 735</b>	<b>804 057</b>
Current financial debt	2 209	7 360
Current lease liabilities	13 923	18 760
Current provisions	24 601	22 871
Accounts payable	115 111	139 592
Current tax liabilities	11 347	12 572
Derivative financial instruments - liabilities	280	93
Other current liabilities	171 194	186 353
<b>Total current liabilities</b>	<b>338 665</b>	<b>387 601</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1 442 749</b>	<b>1 602 633</b>

(1) Interest rate swaps are recognised as non-current derivative financial assets at 31 August 2023.

## Consolidated statement of cash flows

<i>(in thousand euros)</i>	2022	2023
<b>Consolidated net income (loss)</b>	<b>(28 554)</b>	<b>(40 320)</b>
<b>Adjustments to net income items:</b>		
Depreciation, amortisation and impairment of non-current assets and rights of use relating to leases	268 705	319 149
Changes in provisions	(8 983)	(294)
(Gains)/losses on asset disposals and other write-offs and revaluations	9 560	(1 318)
Expense related to share allocations (excluding social security contributions)	20 978	2 720
(Income)/Tax expense	8 764	(89)
Net financial income (excluding foreign exchange differences)	(8 279)	29 696
<b>Cash flow from operations</b>	<b>A</b>	<b>262 191</b>
Change in net operating receivables and other receivables	60 965	(13 353)
Changes in operating payables and other payables	(37 562)	42 471
<b>Change in operating working capital requirement</b>	<b>B</b>	<b>23 403</b>
Tax paid	C	(11 472)
<b>Cash flows from operating activities</b>	<b>D=A+B+C</b>	<b>274 123</b>
Payments related to acquisitions of property, plant and equipment and intangible assets	(453 447)	(357 797)
Proceeds from disposal of assets	1 620	5
Cash inflows/(outflows) related to business combinations net of cash	(17 206)	-
Receipts/(disbursements) related to loans and advances granted	(31)	12
<b>Net cash flows used in investing activities</b>	<b>E</b>	<b>(469 064)</b>
Capital increase - IPO	340 181	-
Capital increase - "ESP 2021"	9 093	-
Acquisition of treasury shares	(966)	(7 229)
Increase in financial debt	560 642	100 014
Repayment of financial debt	(702 284)	(10 616)
Repayment of lease liabilities	(18 610)	(25 313)
Financial interest paid	(10 529)	(14 686)
Guarantee deposits received	(1 071)	(324)
<b>Cash flows from financing activities</b>	<b>F</b>	<b>176 456</b>
Effect of exchange rate on cash and cash equivalents	G	1 396
<b>Change in cash and cash equivalents</b>	<b>D+E+F+G</b>	<b>(17 090)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>53 271</b>	<b>36 181</b>
<b>Cash and cash equivalents at end of the period</b>	<b>36 181</b>	<b>48 999</b>

## ESG – Key performance indicators

	FY 2021	FY 2022	FY 2023
<b>Environment</b>			
PUE (Power Usage Effectiveness)	1.1-1.3	1.28	1.29 (1.26 at similar scope)
WUE (Water Usage Effectiveness) in L/kWh IT	0.17-0.20	0.26	0.30 (0.28 at similar scope)
CUE (Carbon Usage Effectiveness) in tCO2e/MWh IT	0.15-0.18	0.20	0.18
REF (Renewable Energy Factor)	78%	77%	91%
Reused components ratio	34%	25%	36%
<b>Business conduct</b>			
Success rate of cyberattack simulations campaigns	89%	89%	89%
Rate of signing of the supplier code of conduct	-	65%	69%
<b>Social/Societal</b>			
Loyalty rate	77%	79%	79%
Engagement score	7.3	7.5	7.2
Employee training rate	66%	73%	68%
% of women in management	18%	20%	23%
% of women in top management (Executive Committee)	18%	25%	36%