Press release
Roubaix, 24 October 2024

OVHcloud announces solid annual results, in line with targets and embarks on a new development phase

In this context, OVHcloud is launching a share buyback offer

Solid FY2024 results in line with targets

- Annual revenue of €993 million; organic growth of 10.3%
- Improved adjusted EBITDA margin of 38.4%, up 2.1 points
- FY2024 recurring and growth capex representing 13% and 22% of revenue, respectively
- Generation of €25 million in unlevered free cash-flow

After a period of major investment OVHcloud is now embarking on a new development phase, with the appointment of Benjamin Revcolevschi as Chief Executive Officer and new objectives beyond FY2025:

- Solid, sustainable growth of around 10%
- Adjusted EBITDA margin structurally above 40%
- Positive levered free cash-flow in FY2026

In this context, OVHcloud is offering its shareholders a liquidity option with a share buyback offer

- Share buyback offer by OVH Groupe for €350 million at €9.0 per share, filed today with the French financial markets authority (*Autorité des Marchés Financiers* – AMF)
- All shareholders may decide to continue to support OVHcloud in this new development phase, or cash in part of their investment with a +14.6% premium on the 23 October 2024 closing price and a premium of +32.0% on the volume-weighted average share prices for the last trading month
- The Klaba family confirms its long-term confidence in the Group, and its shareholding will increase from 68% before the share buyback offer to a maximum of 81% after

OVHcloud's Board of Directors reviewed and approved the Group's consolidated financial statements for the year ended 31 August 2024 at its meeting on 23 October 2024. The audit procedures are in the process of finalisation. The annual consolidated financial statements are available on the website in the Investor Relations section (corporate.ovhcloud.com/en/).

For FY2025, OVHcloud is targeting the following financial guidance:

- Organic revenue growth of between 9% and 11% compared to FY2024
- FY2025 adjusted EBITDA margin of approximately 40%
- FY2025 recurring capex and growth capex of between 11%-13% and 19%-21% of Group revenue, respectively
- Growing FY2025 unlevered free cash-flow compared to FY2024

Benjamin Revcolevschi, CEO of OVHcloud, stated:
"OVHcloud confirmed the robustness of its model in FY2024 and the trust of our customers. These results, in line with our objectives, prove this, in a complex macro-economic backdrop.

Being appointed as CEO of OVHcloud is both an exciting and demanding challenge. I would, of course, like to thank Octave, Michel and the Board of Directors for their confidence in me. I look forward to defining and delivering, alongside our teams, a trajectory towards sustainable, profitable and cash-generating growth.

This new phase of development for OVHcloud is the perfect moment to launch the proposed share buyback offer, in order to give all shareholders the opportunity to continue to support the Group in its development or to cash in on their investment."

Michel Paulin, the former CEO of OVHcloud, stated:
"After more than six wonderful years with OVHcloud, I decided a few months ago to step down from my position as CEO. Together with Octave and the Board of Directors, over the past few months, I have been supporting Benjamin in taking over this role.

As OVHcloud prepares to enter a new phase, it seemed essential to adapt its governance to ensure the successful execution of this long-term project.

OVHcloud's industrial path is unique and proves that alternative models can be competitive and innovative and offer an open, reversible, interoperable, sustainable cloud with affordable prices for all. This industrial adventure is above all a human adventure. I would like to thank Octave, the whole Klaba family, the entire Executive Committee, the teams and our customers, for their confidence over the years."

Octave Klaba, founder and Chairman of OVHcloud, added:
"I would like to extend my warmest thanks to Michel for all his work over these last few years, which has been instrumental in taking OVHcloud into a new dimension both in France and internationally, allowing to double our revenue in six years. Michel has been a remarkable leader for OVHcloud and enables us today to begin this new phase with strong fundamentals.
I am also delighted to welcome Benjamin as CEO. Since his arrival, Benjamin has demonstrated his leadership and his commitment to OVHcloud's values day after day. I am convinced that he will lead and shape the Group's future."

Benjamin Revcolevschi appointed Chief Executive Officer and co-opted to the Board of Directors

At its meeting on 23 October 2024, the Board of Directors acknowledged the resignation of Michel Paulin from his positions as director and Chief Executive Officer of OVH Groupe, and, on the recommendation of the Nominations, Remunerations and Governance Committee, appointed Benjamin Revcolevschi as Chief Executive Officer of the Company. He was co-opted as a director, subject to ratification at the next Shareholders' Meeting, for the remainder of Michel Paulin's term of office, i.e., until 2026. Benjamin Revcolevschi is also joining the Strategy and CSR Committee.

A seasoned leader in the telecommunications and IT sectors, Benjamin Revcolevschi joined OVHcloud on 6 May 2024 as Deputy Chief Executive Office, to head up all of the Group's operations, both in France and internationally. After beginning his career at Boston Consulting Group, he held operational and business management positions at Neuf Cegetel/SFR before becoming Managing Director of Fujitsu in France and Head of France and Benelux for DXC Technology.

Share buyback offer

Share buyback offer (background and methodology)

At its meeting on 23 October 2024, the Board of Directors of OVH Groupe ("**OVH Groupe**" or the "**Company**") approved the launch by the Company of a share buyback offer (the "**Share Buyback Offer**") for an amount of €350 000 001 relating to a maximum of 20.41% of the Company's share capital at a price of €9.00 per share. The shares bought back pursuant to the offer will be cancelled as part of a capital reduction.

The Share Buyback Offer will give shareholders the opportunity to cash out their shares at a price of €9.00/share, representing a premium of 14.6% on the closing price on 23 October 2024 (the last trading day prior to the announcement of the Share Buyback Offer) and premiums of 32.0% and 41.0% on the volume-weighted average share prices over a 1 and 3-month period prior to said date, respectively.

The firm Accuracy was appointed as an independent expert by the Company's Board of Directors, upon the recommendation of an ad hoc committee made up exclusively of independent members and chaired by Bernard Gault (lead director), to give an opinion on the financial terms of the proposed Share Buyback Offer. The independent expert confirmed that the proposed price of €9.00 per share is fair from a financial point of view.

Based on the work of the independent expert and the recommendations of the ad hoc committee, the Company's Board of Directors has issued a reasoned opinion, in which it has concluded that the proposed Share Buyback Offer is in the best interests of the Company, its shareholders and its employees.

The draft offer document relating to the Share Buyback Offer, including the reasoned opinion of the Board of Directors and the independent expert's report, will be filed today with the French Financial Markets Authority (*Autorité des Marchés Financiers* – the "**AMF**") and will be made available to the public in accordance with Article 231-16 of the AMF's General Regulations.

The Share Buyback Offer remains subject to review by the AMF and to shareholder approval at the Shareholders' Meeting to be held on 4 December 2024 to approve the capital reduction by way of a Share Buyback Offer and the ratification of Benjamin Revcolevschi's co-optation as a director.

Financing

The Share Buyback Offer and its financing are part of a broader refinancing of the Company, with the Group's debt maturing in October 2026 (term and revolving credit facilities, with the exception of the loan from the European Investment Bank for a principal amount of €200 million).

The Share Buyback Offer will be financed by drawing on three credit lines made available to the Group for a maximum total principal amount of €1,120 million, which will also be used to refinance existing debt (with the exception of the loan from the European Investment Bank) and the Group's future general requirements.

Following the Share Buyback Offer, OVHcloud would maintain its solid financial structure, in line with its new development strategy and growth targets. The firm Accuracy, which was also asked to give an opinion on the impact of this refinancing on the Group, concluded that the Company's financial structure after the Share Buyback Offer would be reasonable over the business plan period.

Participation of directors and main shareholders

The directors have stated their intention as follows:

Name	Number of shares held as of the date of the reasoned opinion	Intention
Mr. Octave Klaba (Chairman of the Board)	7,177,360	Contribution of 277,777 shares to the Offer
Mr. Benjamin Revcolevschi	0[1]	Not applicable
Mr. Miroslaw Klaba	6,953,327	Contribution of 166,666 shares to the Offer
Mr. Henryk Klaba	26	No contribution to the Offer
Mr. Bernard Gault*	41,331	Contribution of all of its shares to the Offer
Mrs. Isabelle Tribotté*	2,750	No contribution to the Offer
Mrs. Diana Einterz*	1.,000	No contribution to the Offer
Mrs. Corinne Fornara*	2,703	No contribution to the Offer
Mrs. Sophie Stabile*	1,000	No contribution to the Offer
Mr. Hugues Bodin	0	Not applicable
Mrs. Pauline Wauquier	0	Not applicable

* Independent director

The Klaba family has announced its intention to tender approximately 7.1 million shares to the Share Buyback Offer, which is less than its percentage shareholding in the Company's share capital.

Indicative timetable (subject to review by the AMF)

24 October 2024	Filing of the draft Share Buyback Offer and the draft offer document with the AMF
3 December 2024	AMF compliance decision
4 December 2024	Shareholders' Meeting held to consider the proposed share capital reduction
10-30 December 2024	Opening of the Share Buyback Offer
January 2025	Settlement-delivery of the shares tendered to the Share Buyback Offer, cancellation of shares bought back

Disclaimers

This press release does not constitute an offer to buy or the solicitation of an offer to sell any securities or any solicitation with a view to such an offer, directly or indirectly. The documentation relating to the share buyback offer, which, if filed, will include its terms and conditions, will be subject to review by the French Financial Markets Authority (*Autorité des marchés financiers* – AMF).

[1] The directors have a period of six months from their appointment to acquire the minimum number of 1,000 shares

The dissemination, publication or distribution of this press release in certain countries may constitute a violation of applicable laws and regulations. Consequently, persons physically present in these countries and in which this press release is disseminated, published or distributed must inform themselves about and comply with these laws and regulations. OVH Groupe declines all responsibility for any violation of these restrictions by any person whatsoever.

FY2024 key figures

Revenue of €993 million in FY2024, up 10.7% year on year as reported and up 10.3% like for like[2]

OVHcloud's consolidated revenue came to €993.1 million in FY2024, up 10.7% compared to FY2023 and up 10.3% like for like. This momentum reflects in particular a solid net revenue retention rate of 107% on a like-for-like basis and 108% on a reported basis, and a churn rate that remained stable at 2% over the period.

Fourth-quarter FY2024 revenue came in at €256.2 million, up 10.6% like for like and higher than the previous two quarters, thanks to robust growth in the Private Cloud business and a slight recovery in Public Cloud momentum.

Revenue by product segment

(in € million)	FY 2023	**FY 2024**	Change (%)	Change (%) LFL
Private Cloud	560.1	623.6	+11.3%	+11.8%
Public Cloud	154.6	182.8	+18.3%	+14.2%
Web Cloud & Other	182.6	186.7	+2.3%	+2.1%
Total revenue	**897.3**	**993.1**	**+10.7%**	**+10.3%**

The **Private Cloud** segment, which includes the Bare Metal Cloud and Hosted Private Cloud businesses, posted revenue of €623.6 million in FY2024, representing growth of 11.3% as reported and 11.8% like for like. In the fourth quarter, growth came to 12.5% as reported and 12.6% like for like.

This performance is the result of substantial growth in Private Cloud ARPAC, fuelled by a widespread adoption of high-performance Bare Metal Cloud servers. In Europe, the Bare Metal Cloud sub-segment proved resilient in an environment still marked by the optimisation of workloads. In the United States, business continued to grow strongly answering a sustained demand from American technology companies seeking the best performance/price ratio for their specific needs.

[2] Like-for-like (LFL): based on constant exchange rates and scope of consolidation compared to FY2023 and excluding the direct effects of the Strasbourg incident.

The Hosted Private Cloud segment, which accounts for around 13% of the Group's revenue, has seen solid growth, particularly since Broadcom introduced the new pricing scheme for VMware licences in May 2024. Thanks to our status as Broadcom “Pinnacle” partner (the highest status among partners) and the successful adaptation of its offerings, OVHcloud recorded lower-than-expected customer churn. The change of pricing scheme had a positive price effect of €4 million on FY2024 revenue.

Public Cloud posted revenue of €182.8 million for FY2024, up 18.3% as reported and up 14.2% like for like. This segment saw an increase in the number of new customers, resulting from the acquisition strategy deployed in FY2024. The ramp-up of certain customers, particularly in Europe, was weaker than anticipated, penalising ARPAC growth in this segment.

Lastly, throughout FY2024, the Group continued to develop its artificial intelligence offering, bringing on stream a full range of NVIDIA Tensor Core GPUs (H100, A100, L4, L40S) accessible in the Public Cloud and cutting-edge AI models with the integration of the latest open-source LLMs, such as Mixtral 8x22B or Llama3, which are notably available off-the-shelf via the OVHcloud AI Endpoints serverless solution.

In FY2024, the **Web Cloud & Other** segment posted revenue of €186.7 million, up 2.3% as reported and 2.1% on a like-for-like basis. This growth continues to be driven by positive momentum in domain names, supported by improvements in the user experience and the success of new web hosting offerings. In contrast, the Connectivity and Telephony sub-segments, the Group's historic activities, continued to weigh on the overall segment's growth, which came in at 6.0% on a like-for-like basis excluding these two activities.

Revenue by region

(in € million)	FY 2023	**FY 2024**	Change (%)	Change (%) LFL
France	441.1	482.6	+9.4%	+9.4%
Europe (excl. France)	252.9	288.9	+14.2%	+10.9%
Rest of the World	203.3	221.6	+9.0%	+11.4%
Total revenue	**897.3**	**993.1**	**+10.7%**	**+10.3%**

Revenue in **France** reached €482.6 million in FY2024, accounting for 49% of the Group’s overall revenue, with double-digit growth throughout the year for the Private Cloud and Public Cloud segments. Representing 30% of the region's business, Web Cloud momentum was stable compared to FY2023, penalised by the decline in the historical Telephony and Connectivity sub-segments.

In **other European countries**, which accounted for 29% of the Group's total revenue, Germany, Poland and the United Kingdom were the region's main growth drivers. At the same time, the Group is continuing to roll out gridscale technology, with 16 Local Zones now open.

In the **Rest of the World**, which accounts for 22% of the Group's total revenue, growth remained solid at 11.4% compared to FY2023. Momentum has gathered pace in the last few quarters, driven by ongoing sustained demand in the United States, particularly in the Private Cloud segment for Bare Metal Cloud products.

Adjusted EBITDA of €381.5 million in FY2024, representing a margin of 38.4%, a 2.1-point rise over FY2023

(in € million)	FY 2023	**FY 2024**	Change *(%)*	Change (%) LFL
Private Cloud	205.4	241.5	+17.6 %	+18.1%
Public Cloud	51.0	67.6	+32.6 %	+34.6%
Web Cloud & Other	60.9	62.8	+3.0 %	+3.0%
Recurring EBITDA	**317.4**	**372.0**	**+17.2 %**	**+17.8%**
Private Cloud	208.8	248.0	+18.7 %	+19.3%
Public Cloud	54.8	68.8	+25.7 %	+27.4%
Web Cloud & Other	61.9	64.7	+4.6 %	+4.6%
Adjusted EBITDA	**325.5**	**381.5**	**+17.2 %**	**+17.8%**

A new, more precise methodology for calculating margins by segment was introduced as from FY2024. The methodology is detailed in the section entitled "Change in the method for breaking down costs by business segment" at the end of this press release.

Adjusted EBITDA reached €381.5 million, representing a margin of 38.4%

During FY2024, adjusted EBITDA rose by 17.2% as reported and 17.8% like for like compared to FY2023. Adjusted EBITDA reached €381.5 million, representing an adjusted EBITDA margin of 38.4% compared to 36.3% in FY2023.

This 2.1-point improvement in the adjusted EBITDA margin can be attributed to a 1.2-point increase in gross margin and a 0.9-point decrease in indirect costs. The increase in gross margin is linked to a decrease in the portion of Web Cloud direct costs in relation to revenue, due to the reduced weight of the segment, a further improvement in operating leverage, particularly in datacenters, and the reduced weight of electricity costs. Indirect costs are decreasing as a % of revenue as a result of an improved productivity of administrative teams.

In FY2024, electricity costs represented almost 6% of Group revenue, down slightly compared to FY2023. For the 2025 calendar year, nearly 95% of OVHcloud's electricity consumption has been hedged at a better price per MWh than in 2024.

FY2024 net operating income of €25.7 million

The Group posted net operating income of €25.7 million in FY2024, a strong improvement of €37.7 million compared to the €12.0 million operating loss reported in FY2023. Net operating income includes a contained increase in depreciation, amortisation and impairment expense of €23.9 million, down by more than 1 point in relation to revenue. The increase includes write-downs of internal software and old inventories, as well as an increase in the commissioning of capitalised development projects and right-of-use assets relating to datacenter leases. It also includes non-recurring items for a negative €3.2 million, primarily made up of acquisition costs and non-recurring insurance charges.

Consolidated net income (loss)

Consolidated net loss came to €32.1 million, mainly reflecting €30.1 million in interest expenses, an increase of €9.2 million linked to the rise in debt and interest rates over the period.

After factoring in a €3.9 million income tax expense, OVHcloud ended FY2024 with a net loss of €10.3 million, a €30 million improvement compared to the €40.3 million net loss recorded for FY2023.

Cash-flow – Unlevered free cash-flow of €25 million generated in FY2024

(In € million)	FY 2023	**FY 2024**
Gross cash flow from operating activities	**310**	**378**
Change in operating working capital requirement	29	3
Tax paid	(9)	(12)
Net cash flows from operating activities	**330**	**368**
Recurring Capex [3]	(146)	(126)
Growth Capex [4]	(211)	(217)
M&A and other	0	(27)
Net cash flows used in investing activities	**(358)**	**(369)**
Net cash flows from financing activities	**42**	**(7)**
Unlevered Free Cash-Flow	**(28)**	**25**

Gross cash-flow from operating activities rose to €378 million in FY2024 from €310 million one year earlier.

Capex excluding acquisitions amounted to €343 million in FY2024, compared to €358 million in FY2023, representing 35% of revenue in FY2024, compared to 40% in FY2023, a period of high investment.

This capex optimisation results, in particular, from the reduction in capital intensity linked to new servers brought to market and tighter monitoring of other investments. Capex includes:

- €126 million in recurring capex, representing 13% of FY2024 revenue;
- €217 million in growth capex, representing 22% of FY2024 revenue.

In line with its objective of maximising cash generation, OVHcloud generated unlevered free cash-flow of €25 million in FY2024.

[3] Recurring capex corresponds to the capital expenditure needed to maintain the revenue generated during a given period for the following period.

[4] Growth capex represents all capital expenditure other than recurring capex.

Net debt

Consolidated net debt (excluding lease liabilities) amounted to €667.2 million at 31 August 2024, compared to €648.6 million at 28 February 2024 and €607.6 million at 31 August 2023.

At the end of August 2024, 95% of the Group's debt was hedged at an average fixed interest rate of 3.6%, margin included. The Group's leverage at 31 August 2024 was 1.8x, based on current financial documentation, and 2.2x including lease liabilities.

On 23 October 2024, the Group entered into a credit agreement with BNP Paribas, as arranger and initial lender. The financing comprises three credit lines for a total maximum amount of €1,120 million, intended to finance the payment of the acquisition price of 100% of the shares concerned by the proposed Share Buyback Offer (including related costs), the refinancing of certain existing debts, with the exception of a loan in a principal amount of €200 million from the European Investment Bank (including related costs) and, lastly, the Group's future general requirements.

The €1,120 million comprises a five-year term loan for a total principal amount of €450 million, a one-year term loan for a total principal amount of €470 million (subject to an extension option of up to one year) and a five-year multi-purpose credit facility for a maximum total principal amount of €200 million (subject to an extension option of up to two years).

Assuming that 100% of the shares concerned by the Share Buyback Offer are tendered to the proposed offer, the financing structure would result in a reasonable leverage ratio in relation to the Group's financial structure, i.e., 2.8x, based on current financial documentation, and 3.1x including lease liabilities.

Outlook

OVHcloud's FY2025 financial targets are as follows:

- Organic revenue growth of between 9% and 11% compared to FY2024
- FY2025 adjusted EBITDA margin of approximately 40%
- FY2025 recurring capex and growth capex representing between 11%-13% and 19%-21% of revenue, respectively
- Growth in unlevered free cash-flow in FY2025 compared to FY2024

In the coming months, OVHcloud's management will introduce new initiatives to pursue a pathway to profitable growth and cash generation beyond FY2025:

- Solid, sustainable growth of around 10%, by capitalising in particular on the Group's position as a Private Cloud leader and by reinforcing its commercial Public Cloud offering;
- Adjusted EBITDA margin structurally above 40%, thanks to operating leverage improvements and operational excellence;
- Positive levered free cash-flow in FY2026, benefiting in particular from improved EBITDA, savings plan and operational efficiency.

Key highlights and events after the reporting date

Caroline Comet-Fraigneau appointed Chief Sales Officer and joins the Executive Committee

With a wealth of experience, Caroline Comet Fraigneau joined OVHcloud in 2018 after 20 years with the Orange Business division in various Sales Management, Business Unit and Operational Unit Management positions in international environments.

At OVHcloud, she was Cluster Leader for France, Benelux and Africa. Highly regarded by customers and appreciated by her teams, her knowledge of the Company will serve her well in her new position. Since 1st October 2024, Caroline Comet Fraigneau has held the position of Chief Sales Officer and is a member of the Group's Executive Committee. She takes over from Sylvain Rouri, who, after seven years with OVHcloud, has decided to pursue a new professional opportunity.

OVHcloud and Bouygues Telecom Entreprises partner to enable midsize enterprises to easily access hybrid cloud

OVHcloud solutions are now offered in the portfolio of Bouygues Telecom Entreprises. Bouygues Telecom Entreprises has chosen the Hosted Private Cloud solution, a fully dedicated infrastructure solution hosted in OVHcloud datacenters, combined with options such as a Disaster Recovery Plan or Backup-as-a-Service.

Leveraging on OVHcloud infrastructure, customers will benefit from end-to-end support from dedicated experts at Bouygues Telecom Entreprises' Cloud Excellence Center, from infrastructure audit, application migration, infrastructure maintenance, and managed services.

OVHcloud positioned as a "Major Player" in new IDC MarketScape report

OVHcloud was positioned in the Major Players category of the IDC European Public Cloud Infrastructure as a Service 2024 Vendor Assessment (doc #EUR151035423, August 2024). The report evaluated 19 companies in Europe, assessing their strategies and capabilities.

OVHcloud was named a "Major Player" two years ago in the IDC MarketScape: Worldwide Public Cloud Infrastructure as a Service 2022 Vendor Assessment (being the only European-headquarter player evaluated). We believe the IDC MarketScape: European Public Cloud Infrastructure as a Service 2024 confirms the Group's foothold on the European market.

Launch of Bare Metal Pod: a sovereign, ultra-secure solution undergoing SecNumCloud qualification, for sensitive environments

Through physical and software isolation, Bare Metal Pod is undergoing ANSSI (*Agence nationale de la sécurité des systems d'information*) SecNumCloud qualification.

The AIFE (*Agence pour l'Informatique Financière de l'Etat*), attached to the French Ministry of the Economy and Finance, is the first institutional customer using Bare Metal Pod. The PPF (*Portail Public de Facturation*) will handle highly sensitive data with dense traffic, making Bare Metal Pod the logical choice for a sovereign solution combining dedicated and powerful servers in a SecNumCloud qualified environment.

Conference call

On Thursday 24 October 2024 at 10 a.m. (CEST – Paris), OVHcloud's management will hold a conference call in English.

The conference call can be accessed via:

- webcast using the following link:
  https://channel.royalcast.com/landingpage/ovhcloud-eng/20241024_1/

- telephone using the following numbers:
  - Paris: +33 (0) 1 7037 7166
  - UK-Wide: +44 (0) 33 0551 0200
  - USA: +1 786 697 3501
  - Code: "OVHcloud"

After the conference call, a replay of the webcast will be available in the Investor relations section of the OVHcloud website: https://corporate.ovhcloud.com/fr/investor-relations/financial-results/

Agenda

4 December 2024: Shareholders' Meeting
9 January 2025: First-quarter FY2025 revenue
6 February 2025: Combined Annual General Meeting

Change in the method for breaking down costs by business segment

As from the first half of FY2024, the Group is changing the method used to break down costs by business segment. This change does not entail any changes at consolidated level.

Thanks to the ongoing improvement of its financial management tools, the Group has been able to reallocate certain costs more accurately. The main changes concern the allocation of sales and marketing costs, as well as infrastructure costs and general and administrative expenses for the Webcloud & Other segment.

Pro forma adjusted EBITDA by segment for FY2023 is available in the appendix to this press release.

About OVHcloud

OVHcloud is a global player and the leading European cloud provider operating over 450,000 servers within 43 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 performance-price 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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Disclaimers

This document contains forward-looking statements that involve risks and uncertainties, including references, concerning the Group's expected growth and profitability in the future which may significantly impact the expected performance indicated in the forward-looking statements. These risks and uncertainties are linked to factors out of the control of the Company and not precisely estimated, such as market conditions or competitors' behaviors. Any forward-looking statements made in this document are statements about OVHcloud's beliefs and expectations as of the date of this presentation and should be evaluated as such.

Forward-looking statements include statements that may relate to OVHcloud's plans, objectives, strategies, goals, future events, future revenues or performance, and other information that is not historical information. Actual events or results may differ from those presented in this document due to a number of risks and uncertainties, including those described in the 2023 Universal Registration Document, filed with the French Financial Markets Authority (Autorité des marchés financiers - AMF) on November 20, 2023 under the number D.23-0818 and/or in any future updates, amendments thereof or future Universal Registration Document.

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.

OVHcloud does not undertake, and specifically disclaims, any obligation or responsibility to update or amend any of the information above except as otherwise required by law.

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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 revenunones 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 capital expenditures.

Revenue by segment and geography

In € million	Q1 FY2023 Reported	Q2 FY2023 Reported	H1 FY2023 Reported	Q3 FY2023 Reported	Q4 FY2023 Reported	Q1 FY2024 Reported	Q2 FY2024 Reported	Q3 FY2024 Reported	Q4 FY2024 Reported	FY2024 Reported
Private cloud	133.0	139.9	141.9	145.3	560.1	149.6	152.9	157.6	163.5	623.6
Public cloud	35.7	38.3	39.4	41.2	154.6	43.5	44.9	46.0	48.4	182.8
Webcloud & Other	47.3	45.1	46.6	43.7	182.6	46.7	48.5	47.3	44.3	186.7
Total Revenue	**216.0**	**223.3**	**227.9**	**230.1**	**897.3**	**239.8**	**246.3**	**250.8**	**256.2**	**993.1**

Growth in %	Q1 FY2024 LFL	Q2 FY2024 LFL	Q3 FY2024 LFL	Q4 FY2024 LFL	FY2024 LFL	Q1 FY2024 Reported	Q2 FY2024 Reported	Q3 FY2024 Reported	Q4 FY2024 Reported	FY2024 Reported
Private cloud	+14.9%	+9.4%	+10.7%	+12.6%	+11.8%	+12.5%	+9.3%	+11.0%	+12.5%	+11.3%
Public cloud	+18.9%	+12.9%	+11.9%	+13.5%	+14.2%	+21.9%	+17.2%	+16.6%	+17.6%	+18.3%
Webcloud & Other	(1.4)%	+7.3%	+1.2%	+1.3%	+2.1%	(1.4)%	+7.6%	+1.5%	+1.4%	+2.3%
Total Revenue	**+12.0%**	**+9.6%**	**+9.0%**	**+10.6%**	**+10.3%**	**+11.0%**	**+10.3%**	**+10.1%**	**+11.3%**	**+10.7%**

In € million	Q1 FY2023 Reported	Q2 FY2023 Reported	Q3 FY2023 Reported	Q4 FY2023 Reported	FY2023 Reported	Q1 FY2024 Reported	Q2 FY2024 Reported	Q3 FY2024 Reported	Q4 FY2024 Reported	FY2024 Reported
France	106.8	108.9	112.7	112.7	441.1	116.7	120.8	121.6	123.4	482.6
Europe (excl. France)	58.7	63.0	65.1	66.1	252.9	69.9	71.4	73.2	74.5	288.9
Rest of the World	50.5	51.4	50.1	51.4	203.3	53.2	54.1	56.0	58.2	221.6
Total Revenue	**216.0**	**223.3**	**227.9**	**230.2**	**897.3**	**239.8**	**246.3**	**250.8**	**256.2**	**993.1**

Growth in %	Q1 FY2024 LFL	Q2 FY2024 LFL	Q3 FY2024 LFL	Q4 FY2024 LFL	FY2024 LFL	Q1 FY2024 Reported	Q2 FY2024 Reported	Q3 FY2024 Reported	Q4 FY2024 Reported	FY2024 Reported
France	+9.3%	+10.9%	+7.9%	+9.5%	+9.4%	+9.3%	+11.0%	+7.9%	+9.5%	+9.4%
Europe (excl. France)	+16.3%	+9.6%	+8.6%	+9.7%	+10.9%	+18.9%	+13.4%	+12.4%	+12.7%	+14.2%
Rest of the World	+12.6%	+6.9%	+11.9%	+14.2%	+11.3%	+5.4%	+5.2%	+11.9%	+13.4%	+9.0%
Total Revenue	**+12.0%**	**+9.6%**	**+9.0%**	**+10.6%**	**+10.3%**	**+11.0%**	**+10.3%**	**+10.1%**	**+11.3%**	**+10.7%**

Reconciliation of like-for-like and reported growth

In € million	FY23 Reported	FX impacts	Perimeter impacts	Strasbourg impacts	FY23 LFL
Private cloud	560.1	(2.6)	0.0	0.2	557.7
Public cloud	154.6	(0.3)	5.7	0.1	160.1
Webcloud & Other	182.6	0.3	0.0	0.0	182.4
Total Revenue	**897.3**	**(2.6)**	**5.7**	**0.3**	**900.8**

In € million	FY24 Reported			Strasbourg impacts	FY24 LFL
Private cloud	623.6			0.1	623.7
Public cloud	182.8			0.0	182.8
Webcloud & Other	186.7			0.0	186.7
Total Revenue	**993.1**			**0.1**	**993.2**

In € million	FY23 Reported	FX impacts	Perimeter impacts	Strasbourg impacts	FY23 LFL
France	441.1	0.0	0.0	0.2	441.2
Europe (excl. France)	252.9	1.9	5.7	0.1	260.6
Rest of the World	203.3	(4.4)	0.0	0.0	198.9
Total Revenue	**897.3**	**(2.6)**	**5.7**	**0.3**	**900.8**

In € million	FY24 Reported			Strasbourg impacts	FY24 LFL
France	482.6			0.1	482.7
Europe (excl. France)	288.9			0.0	228.9
Rest of the World	221.6			0.0	221.6
Total Revenue	**993.1**			**0.1**	**993.2**

Proforma for Recurring EBITDA and Adjusted EBITDA (previous method)

(in € million)	FY 2023	**FY 2023 Proforma**
Private Cloud	205.6	193.3
Public Cloud	50.9	56.0
Web Cloud & Other	60.8	68.0
Recurring EBITDA	**317.4**	**317.4**
Private Cloud	208.9	199.1
Public Cloud	54.8	57.5
Web Cloud & Other	61.9	68.8
Adjusted EBITDA	**325.5**	**325.5**

Consolidated statement of income

(in thousand euros)	FY 2023	FY 2024
Revenue	**897,299**	**993,053**
Personnel expenses	(220,969)	(238,852)
Operating expenses	(358,916)	(382,250)
Recurring EBITDA[(1)]	**317,414**	**371,952**
Depreciation, amortisation and impairment expenses	(319,149)	(343,059)
Net recurring operating income	**(1,735)**	**28,893**
Other non-recurring operating income	-	116
Other non-recurring operating expenses	(10,261)	(3,311)
Net operating income (loss)	**(11,996)**	**25,698**
Borrowing costs	(20,907)	(30,096)
Othe financial income	10,568	9,507
Other financial expenses	(18,074)	(11,503)
Financial result	**(28,413)**	**(32,091)**
Pre-tax income (loss)	**(40,409)**	**(6,394)**
Income tax	89	(3,903)
Consolidated net income (loss)	**(40,320)**	**(10,297)**

[(1)] 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

(in thousand euros)	FY 2023	FY 2024
Recurring EBITDA	**317,414**	**371,952**
Equity-settled and cash-settled compensation plans	5,099	10,226
Earn out compensation	2,948	(704)
Adjusted EBITDA	**325,461**	**381,474**

Consolidated statement of financial position

(in thousand euros)	**31 August 2024**	**31 august2024**
Goodwill	43,971	59,708
Other intangible assets	264,779	295,131
Property, plant and equipment	954,342	972,444
Rights of use assets	122,845	135,617
Non-current derivative financial instruments - assets(1)	22,236	10,226
Non-current financial assets	1,127	1,587
Deferred tax assets	10,141	17,335
Total non-current assets	**1,419,441**	**1,492,048**
Trades receivables	33,787	40,413
Other receivables and current assets	93,308	92,921
Current tax assets	4,368	3,426
Current derivative financial instruments - assets	2,730	36
Cash and cash equivalents	48,999	40,917
Total current assets	**183,192**	**177,713**
TOTAL ASSETS	**1,602,633**	**1,669,761**

(in thousand euros)	**31 August 2024**	**31 august2024**
Share capital	190,541	190,541
Share premiums	418,256	418,256
Reserves and retained earnings	(157,502)	(205,507)
Net income (loss)	(40,320)	(10,297)
Equity	**410,975**	**392,993**
Non-current financial debt	649,194	700,463
Non-current lease liabilities	108,541	124,529
Other non-current financial liabilities	15,573	15,556
Non-current provisions	5,535	12,178
Deferred tax liabilities	14,104	13,697
Other non-current liabilities	11,110	13,136
Total non-current liabilities	**804,057**	**879,560**
Current financial debt	7,360	7,645
Current lease liabilities	18,760	28,767
Current provisions	22,871	17,840
Accounts payable	139,592	142,725
Current tax liabilities	12,572	9,402
Derivative financial instruments - liabilities	93	1,146
Other current liabilities	186,353	189,683
Total current liabilities	**387,601**	**397,208**
TOTAL LIABILITIES AND EQUITY	**1,602,633**	**1,669,761**

(1) Interest rate swaps are recognised as non-current derivative financial assets at 31 August 2024.

Consolidated statement of cash flows

(in thousand euros)		FY 2023	FY 2024
Consolidated net income (loss)		**(40,320)**	**(10,297)**
Adjustments to net income items:			
Depreciation, amortisation and impairment of non-current assets and rights of use relating to leases		319,149	343,059
Changes in provisions		(294)	1,575
(Gains)/losses on asset disposals and other write-offs and revaluations		(1,318)	592
Expense related to share allocations (excluding social security contributions)		2,720	6,391
(Income)/Tax expense		(89)	3,903
Net financial income (excluding foreign exchange differences)		29,696	32,359
Cash flow from operations	**A**	**309,544**	**377,582**
Change in net operating receivables and other receivables		(13,353)	(4,664)
Changes in operating payables and other payables		42,471	7,428
Change in operating working capital requirement	**B**	**29,117**	**2,764**
Tax paid	C	(8,818)	(12,137)
Cash flows from operating activities	**D=A+B+C**	**329,843**	**368 209**
Payments related to acquisitions of property, plant and equipment and intangible assets		(357,797)	(343,106)
Proceeds from disposal of assets		5	-
Receipts/(disbursements) related to business combinations, net of cash		-	(26,688)
Receipts/(disbursements) related to loans and advances granted		12	510
Net cash flows used in investing activities	**E**	**(357,780)**	**(369,284)**
Acquisition of treasury shares		(7,229)	(1,672)
Increase in financial debt		100,014	100,175
Repayment of financial debt		(10,616)	(50,828)
Repayment of lease liabilities		(25,313)	(27,864)
Financial interest paid		(14,686)	(26,520)
Guarantee deposits received		(324)	(338)
Cash flows from financing activities	**F**	**41,845**	**(7,046)**
Effect of exchange rate on cash and cash equivalents	G	(1,090)	38
Change in cash and cash equivalents	**D+E+F+G**	**12,818**	**(8,082)**
Cash and cash equivalents at beginning of the period		**36,181**	**48,999**
Cash and cash equivalents at end of the period		**48,999**	**40,917**

ESG – Key Performance Indicators

	FY 2022	FY 2023	FY 2024
Environment			
PUE (Power Usage Effectiveness)	1.28	1.29	**1.26**
WUE (Water Usage Effectiveness) in L/kWh IT	0.26	0.30	**0.37**
CUE (Carbon Usage Effectiveness) *in tCO2e/MWh IT*	0.20	0.18	**0.16**
REF (Renewable Energy Factor)	77%	91%	**92%**
Reused components ratio	25%	36%	**27%**
Business conduct			
Success rate of cyberattack simulations campaigns	89%	89%	**87%**
Rate of signing of the supplier code of conduct	65%	69%	**71%**
Anti corruption training validation rate	-	59%	**79%**
Social/Societal			
Loyalty rate[1]	79%	79%	**81%**
Engagement score	7.5	7.2	**7.2**
Employee training rate	73%	68%	**75%**
% of women in management	20%	23%	**23%**
% of women in top management (Executive Committee)	25%	36%	**33%**

(1) Calculation of the Loyalty rate indicator: The indicator measures the percentage of employees still present in the Group one year after their arrival. Only permanent employment contracts and permanent professional training contracts are included in the calculation of the indicator.