

OVHcloud confirms its 2025 financial guidance, driven by a good start to the year, with organic growth of +10.1% in the first quarter

Revenue of €264 million in Q1 FY2025, including 52% from international sales, representing organic growth of 10.1%

- Acceleration of organic growth in the Public Cloud segment to 15.8%, driven by an increase in average revenue per active customer (ARPAC)
- Organic growth of 10.2% in the Private Cloud segment, driven by sustained demand in the United States
- Reaffirmed customer loyalty, with a 109% net revenue retention rate

A stronger international presence and continued roll out of our AI offerings

- Continued development of the Local Zones offering, available in 17 major cities around the world by the end of November 2024
- Announcement of the opening of a new European 3-AZ region in Milan by the end of 2025, to meet customer demand for high resilience and low latency
- Extension of the range of AI solutions and products to meet growing customer needs in terms of inference

FY2025 annual guidance confirmed

- Organic revenue growth of between 9% and 11% compared to FY2024
- Adjusted EBITDA margin of approximately 40%
- Capex of between 30% and 34% of revenue, with recurring and growth capex representing between 11%-13%, and 19%-21% of revenue, respectively
- Unlevered free cash-flow in excess of €25 million, up on FY2024

Result of the share buyback offer

- 47.6 million shares were tendered to the offer, out of a total of 38.9 million shares offered for repurchase
- The composition of the shareholder base will be updated on the OVHcloud website once the declarations of threshold crossing have been published

Benjamin Revcolevschi, CEO of OVHcloud, stated:

“We are pleased with our good start to the year with a first quarter testifying to the loyalty and trust our customers place in us. Our double-digit growth in the Private Cloud and Public Cloud segments is being driven by our new product ranges, our sovereign offerings and our artificial intelligence solutions. We are also continuing to strengthen our international presence with the deployment of Local Zones in new cities and the opening of a 3-AZ region in Milan by the end of 2025 to meet the demands of customers seeking high resilience and low latency.

The strength of this first quarter has enabled us to confirm our financial guidance for 2025. As announced in October, we remain fully committed to rolling out OVHcloud’s new development phase, which is part of a predictable, cash-generating growth model.”

Q1 FY2025 revenue of €264 million, up 10.1% like for like and up 9.9% as reported¹

OVHcloud's consolidated revenue for Q1 FY2025 reached €263.5 million, up 10.1% like for like compared to Q1 FY2024 and up 9.9% as reported. This momentum is the result of excellent customer loyalty, reflected in a high net revenue retention rate of 109% both on a like-for-like basis and as reported.

Revenue by product segment

(in € million)	Q1 FY 2024	Q1 FY 2025	Change (%)	Change (%) LFL
Private Cloud	149.6	164.5	+9.9%	+10.2%
Public Cloud	43.5	50.3	+15.7%	+15.8%
Web Cloud & Other	46.7	48.8	+4.5%	+4.4%
Total revenue	239.8	263.5	+9.9%	+10.1%

Private Cloud, which includes Bare Metal Cloud and Hosted Private Cloud, achieved revenue of €164.5 million in Q1 FY2025, up 9.9% as reported and up 10.2% like for like.

The Bare Metal Cloud business is driven primarily by continued high demand from technology companies in the United States. In Europe, some customers continued to optimise their workloads, leading to a slowdown in ARPAC growth. However, the customer acquisition trend remained strong, thanks to the ramp-up of a new range of servers launched in Q1 FY2025 and the success of the digital Black Friday campaign.

The Hosted Private Cloud business continued to post solid growth and to benefit from price effects related to the new pricing scheme for VMware licences introduced by Broadcom in May 2024, as well as from the good momentum of highly secure and sovereign offerings in Europe, particularly SecNumCloud in France.

Public Cloud posted revenue of €50.3 million for Q1 FY2025, up 15.7% as reported and up 15.8% like for like. This double-digit growth is underpinned by an improvement in ARPAC growth compared with previous quarters, linked to the continued roll-out of the new product offering, the success of the Savings Plan

¹ Like-for-like (LFL): based on constant exchange rates and scope of consolidation compared to FY2024.

offerings encouraging customers to commit for longer periods, and the momentum of the artificial intelligence offering.

Thanks to its extensive range of Artificial Intelligence offerings, OVHcloud is able to respond to an ever-increasing number of customer use cases in the inference market. For example, OVHcloud has supported the Digital Services Company (ESN) Sopra Steria, strategic partner, in the deployment of its Engineering Platform by providing GPUs and PaaS solutions, including AI Deploy.

Finally, we are continuing to develop our Local Zones offering, available in 17 major cities around the world at the end of November 2024.

The **Web Cloud & Other** segment posted revenue of €48.8 million in Q1 FY2025, up by 4.5% as reported and 4.4% like for like. This growth is driven by very strong momentum in domain names, underpinned by the introduction of multi-year commitments in new geographies. Excluding the Connectivity and Telephony sub-segments, the Group's historic activities, the Web Cloud segment achieved growth of 7.4% on a like-for-like basis.

Revenue by region

(in € million)	Q1 FY 2024	Q1 FY 2025	Change (%)	Change (%) LFL
France	116.7	127.1	+8.9%	+8.9%
Europe (excl. France)	69.9	76.7	+9.9%	+8.9%
Rest of the World	53.2	59.7	+12.2%	+14.2%
Total revenue	239.8	263.5	+9.9%	+10.1%

Revenue in **France** amounted to €127.1 million in Q1 FY2025, i.e., 48% of the Group total. Private Cloud and Public Cloud activities in France grew by 9.9% and 15.6% respectively on a like-for-like basis. Representing 30% of the region's business, Web Cloud & Other activities were up slightly on Q1 FY2024.

In **other European countries**, which account for 29% of the Group total, Central Europe is the most dynamic area, with the ramp-up of a contract signed with a healthcare company during FY2024.

In the **Rest of the World**, which accounts for 23% of the Group's total revenue, like-for-like growth was sustained at 14.2% compared with Q1 FY2024. This region benefits from very strong momentum in the Public Cloud and Private Cloud businesses, particularly in the United States, but also in Asia Pacific and the Middle East.

Outlook – Confirmation of all guidance

OVHcloud confirms the following financial guidance for FY2025:

- Organic revenue growth of between 9% and 11% compared to FY2024
- FY2025 adjusted EBITDA margin of approximately 40%
- Capex of between 30% and 34% of revenue, with recurring and growth capex representing between 11%-13% and 19%-21% of revenue, respectively

- Unlevered free cash-flow in excess of €25 million, up on FY2024

Q1 FY2025 results are consistent with expectations, with a usual seasonality on Capex, thereby confirming our expectations for FY2025.

Recent highlights

Announcement of the opening of a new 3-AZ region in Milan in 2025

OVHcloud is continuing its international expansion with the opening of the 3-AZ region in Milan by the end of 2025. This region will offer businesses and organisations a presence in three geographically close datacenters (AZ or Availability Zones) so that they can benefit from high resilience and low latency between the three datacenters.

Launch of the OVHcloud Managed Rancher Service: solutions for managing containers in a multi-cloud environment

Available as part of the Public Cloud portfolio for container solutions, the OVHcloud Managed Rancher Service is based on full private deployment of the Rancher solution, which ensures the management and organisation of Kubernetes clusters in a multi-cloud environment.

Conference call

On Thursday 9 January 2025 at 10 a.m. (CET – 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/ovhcloud-eng/#!/ovhcloud-eng/20250109_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

6 February 2025: Combined Annual General Meeting

18 April 2025: H1 FY2025 Results

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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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. 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 revenue ones 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 FY24	Q1 FY25
Private cloud	149.6	164.5
Public cloud	43.5	50.3
Webcloud & Other	46.7	48.8
Total Revenue	239.8	263.5

Growth in %	Q1 FY25 LFL	Q1 FY25 Reported
Private cloud	+10.2%	+9.9%
Public cloud	+15.8%	+15.7%
Webcloud & Other	+4.4%	+4.5%
Total Revenue	+10.1%	+9.9%

In € million	Q1 FY24	Q1 FY25
France	116.7	127.1
Europe (excl. France)	69.9	76.7
Rest of the World	53.2	59.7
Total Revenue	239.8	263.5

Growth in %	Q1 FY25 LFL	Q1 FY25 Reported
France	+8.9%	+8.9%
Europe (excl. France)	+8.9%	+9.9%
Rest of the World	+14.2%	+12.2%
Total Revenue	+10.1%	+9.9%

Reconciliation of like-for-like and reported growth

In € million	Q1 FY24 Reported	FX impacts	Perimeter impacts	Q1 FY24 LFL
Private cloud	149.6	(0.4)	0.0	149.3
Public cloud	43.5	0.0	0.0	43.5
Webcloud & Other	46.7	0.1	0.0	46.7
Total Revenue	239.8	(0.3)	0.0	239.4

In € million	Q1 FY24 Reported	FX impacts	Perimeter impacts	Q1 FY24 LFL
France	116.7	0.0	0.0	116.7
Europe (excl. France)	69.9	0.6	0.0	70.5
Rest of the World	53.2	(1.0)	0.0	52.3
Total Revenue	239.8	(0.3)	0.0	239.4