



H1 FY22 Results

April 14th, 2022

FORWARD LOOKING STATEMENT

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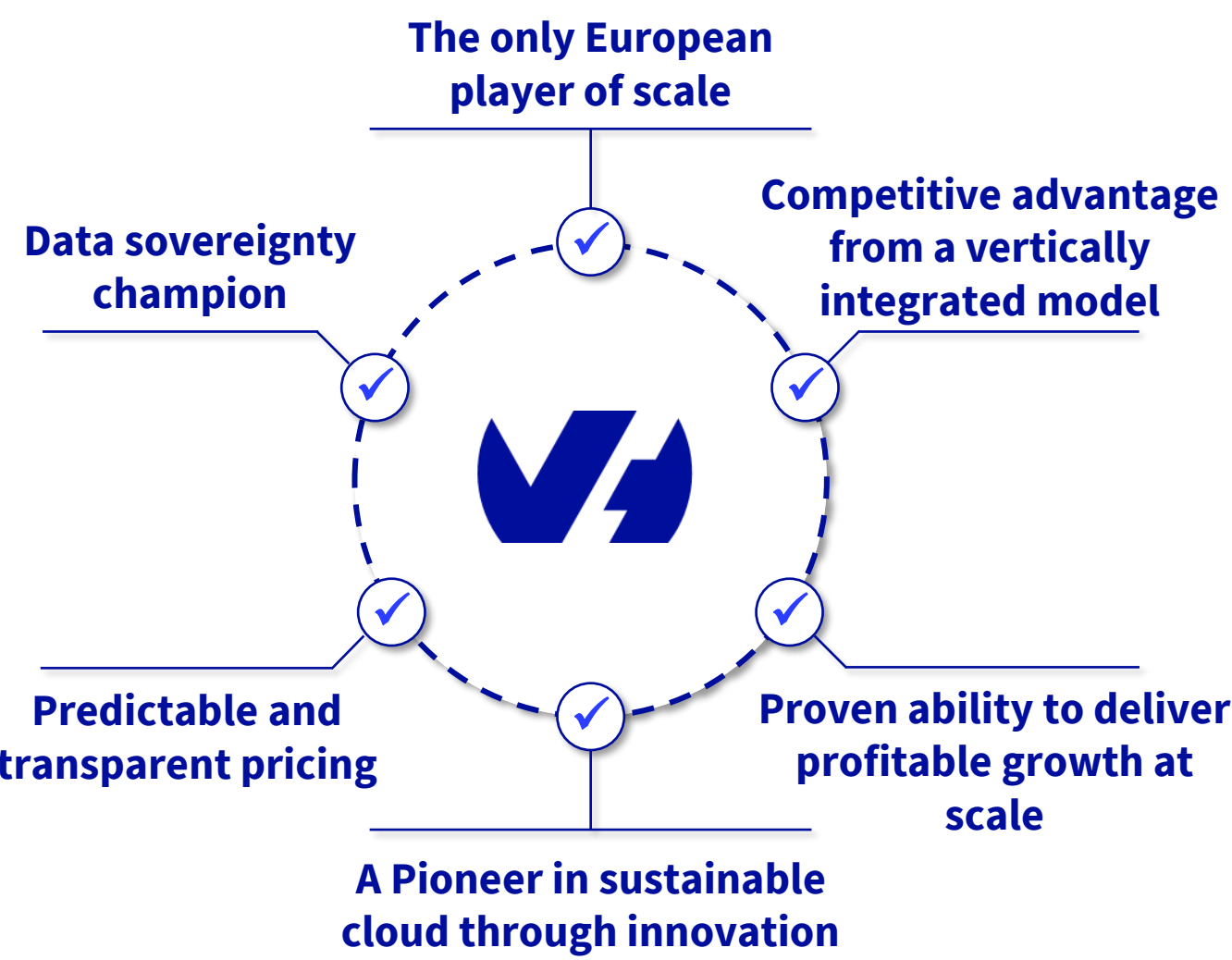
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OVHcloud Continues to Deliver on its Growth Acceleration Path



Strong H1 FY22 performance

Revenue of €382m
+14.3% reported
+13.3% LFL

Adjusted EBITDA of €153m
40.1% margin

Net Revenue Retention Rate¹
112%

Growth Capex² of 41%
Recurring Capex² of 18%

1. As reported. Like-for-like Net Revenue Retention Rate is 111%. 2. As a % of H1 FY22 revenue.

A Continued Momentum During the First-Half FY22

Continued Commercial Wins



Roq.ad

SEKŌIA



TALENTSOFT

belive.ai

Building Strong Partnerships

850+ partnerships and double-digit growth with Partners in H1



300+ new start-ups in H1



Bolstered PaaS Offering



Successes in Each Growth Pillar Confirming OVHcloud Growth Acceleration Trajectory

1

Business Mix Shift

Strong performance of Public cloud and Private cloud

Public Cloud

+24.4% reported

+21.0% LFL

Private Cloud

+15.8% reported

+14.7% LFL

2

Move to PaaS

71

IaaS + PaaS services, with several roll-out in Q2

Confirmed target of

~80

IaaS + PaaS services by end-FY22

3

International Expansion

Success of the digital channel in the US and Asia

US

+97%

LFL

APAC

+57%

LFL

+

3rd DC in Singapore and new DC to be opened in India in 2022

Planned 2023 opening of DC in Americas & Germany

4

Data Sovereignty, Hybrid, Multi-cloud

Data Sovereignty is a rising concern in all geographies

On-going POC with clients in Europe

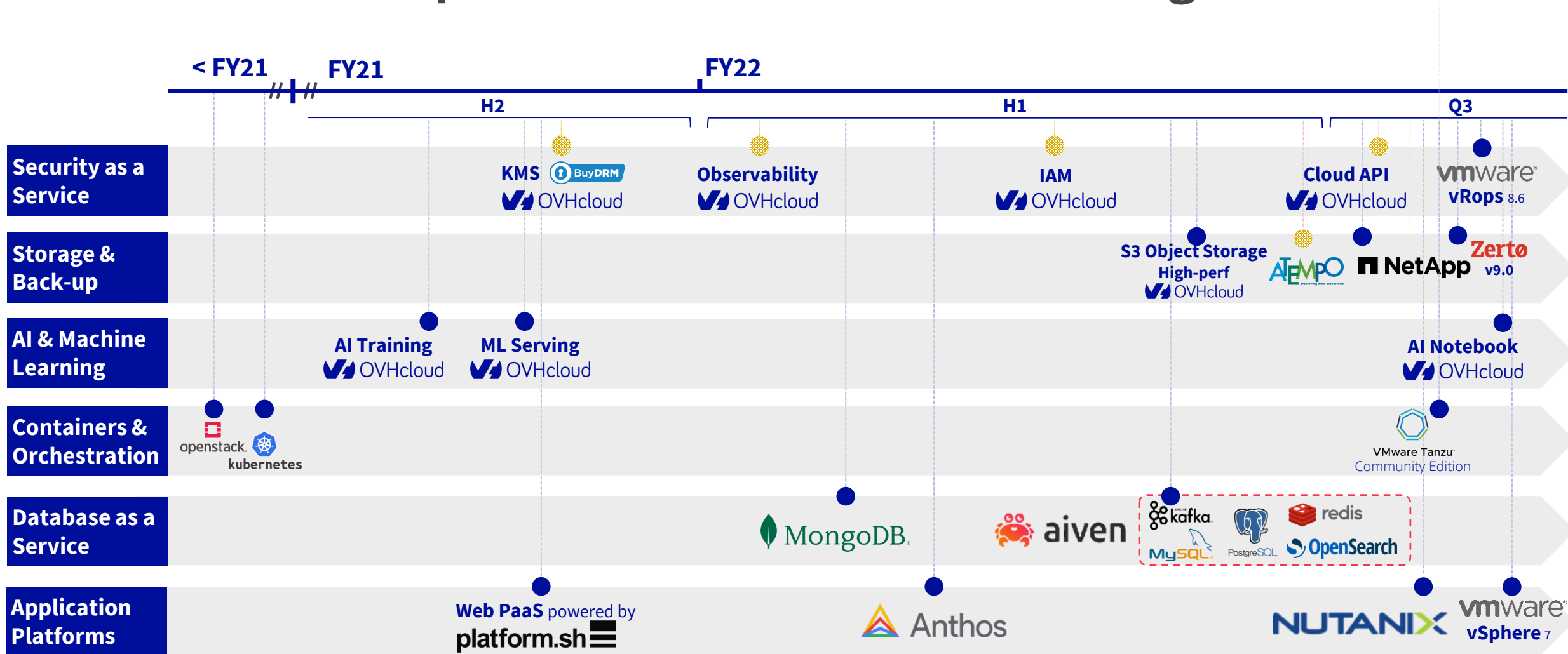
Dynamic commercial pipeline

Contribution to growth acceleration



A Clear Roadmap to Build a PaaS Revenue Engine

2 Move to PaaS



A Comprehensive Offering of Services to Serve Client Needs

2 Move to PaaS

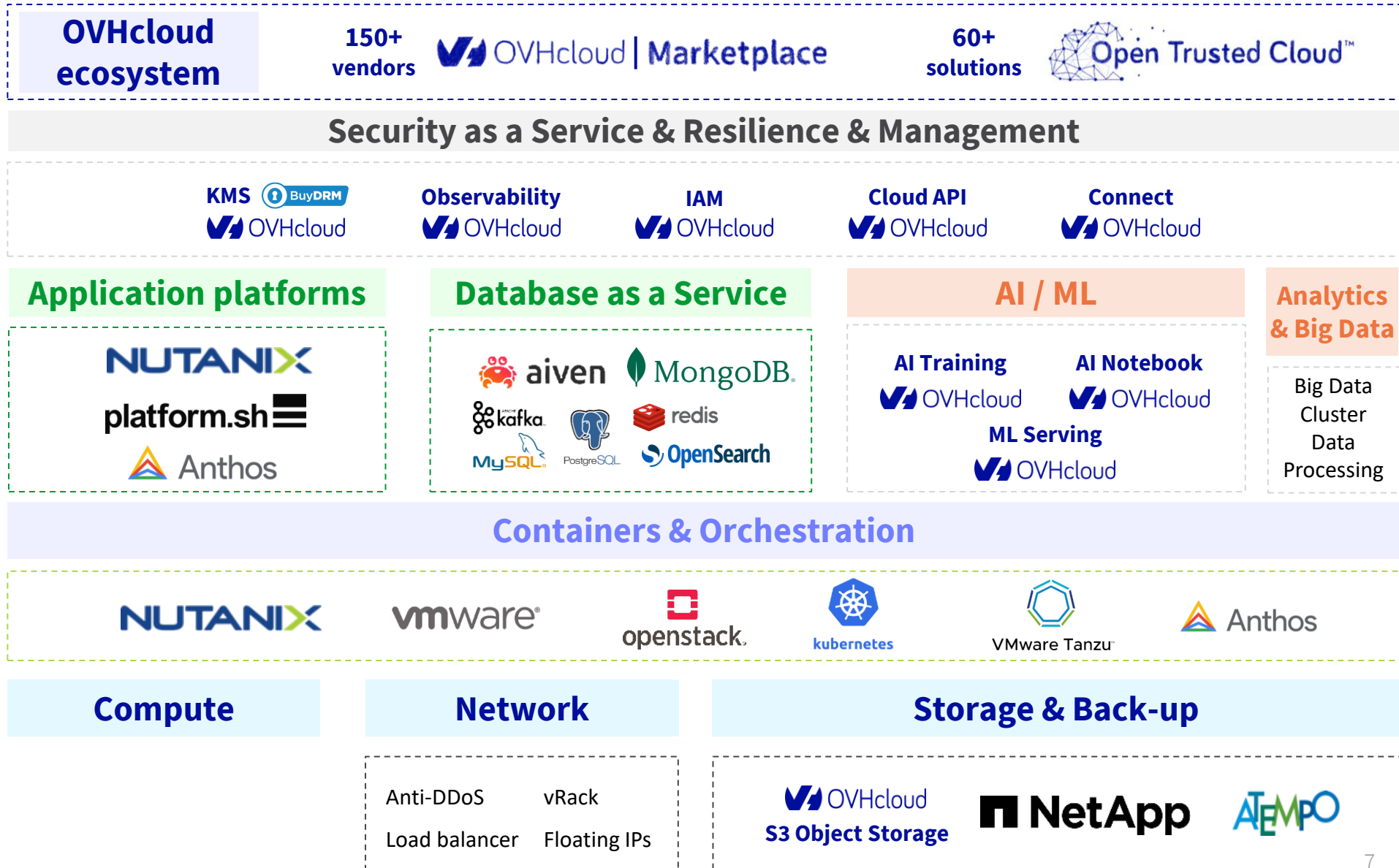
PaaS

The main **building blocks** to build and run a software

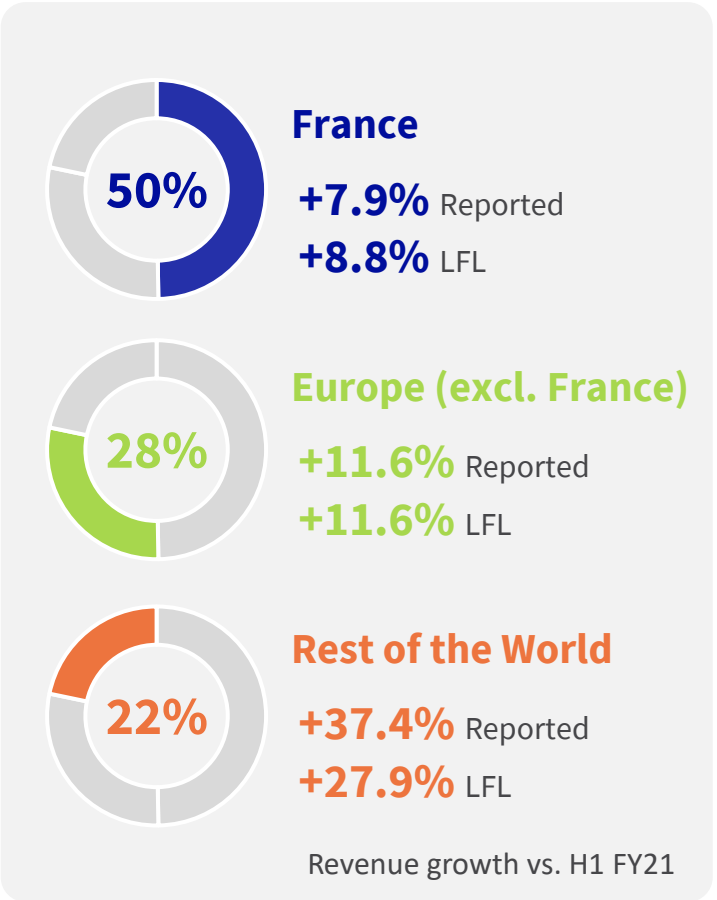
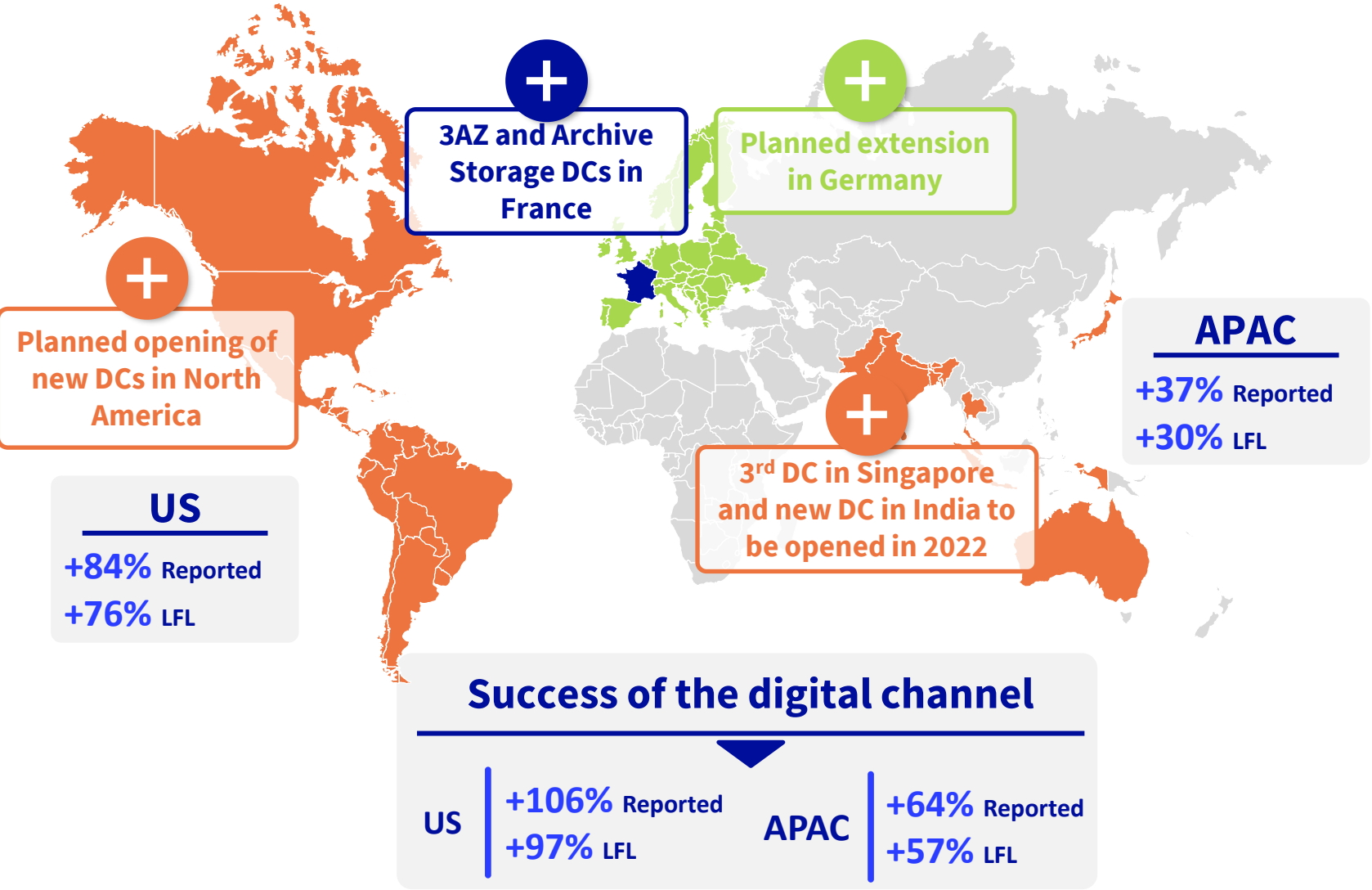
incl. the underlying infrastructure

IaaS

An **environment** where the software is executed



Continued International Success with Several New Datacenters Planned



OVHcloud Is The Trusted Cloud

4

Data Sovereignty,
Hybrid, Multi-cloud

**Dedicated approach
to critical industries**



Public Sector



**Financial
Services**



Healthcare



**Aerospace and
Defense**

Dedicated products



**SecNumCloud for Hosted
Private Cloud**

**Leading player and
voice in the European
cloud ecosystem**



**#1 European
player**



**Founding
member**

**Evolving legal
frameworks globally**



**European council
to adopt DMA**



**Bill 64 in
Quebec**

**Continued momentum with commercial
wins and a growing base**

- ✓ **Strong growth** with Partners
- ✓ **50+** Financial Services
- ✓ **35+** Regions & Cities
- ✓ **30+** State-owned entities
- ✓ **25+** Healthcare
- ✓ **10+** Ministries

Fast-Paced Talent Recruitment to Support the Growth Plan



Developing workforce to support the growth strategy

2,632
employees as of end-February 2022
of which **>60%** tech profiles

Hiring at a pace of **60** to **100**
new employees **per month**



Employees strongly engaged

79%
loyalty rate¹

Engagement score of **7.4/10**
in the last employee survey

Absenteeism **<4%**

Voluntary departures **<13.5%**



HR policy recognized

1st Prize awarded for the
Employee Share Plan

#7/500 best employer in tech
industry

C&B Trophy for OVHcloud
commitment to employee well-being
(« Prix Oras Trophée C&B »)

2 labels ChooseMyCompany
(internships and “alternances”)

Figures as of end-February 2022, except for the
Engagement Score

Leading the Way in Sustainable Cloud

Key performance indicators

FY21 figures



1.1-1.3 PUE

(vs 1.41 market average)



0.17-0.20 WUE

(vs 1.8 market average¹)



0.15-0.18 CUE



78%

renewable energy



34%

of components re-used

Ambitious medium-term targets confirmed



100% renewable energy by 2025



Carbon Neutral on operation, including production, by 2025



Carbon NetZero by 2030



0% waste to landfill by 2025

Renewable power purchase agreement signed in H1 FY22

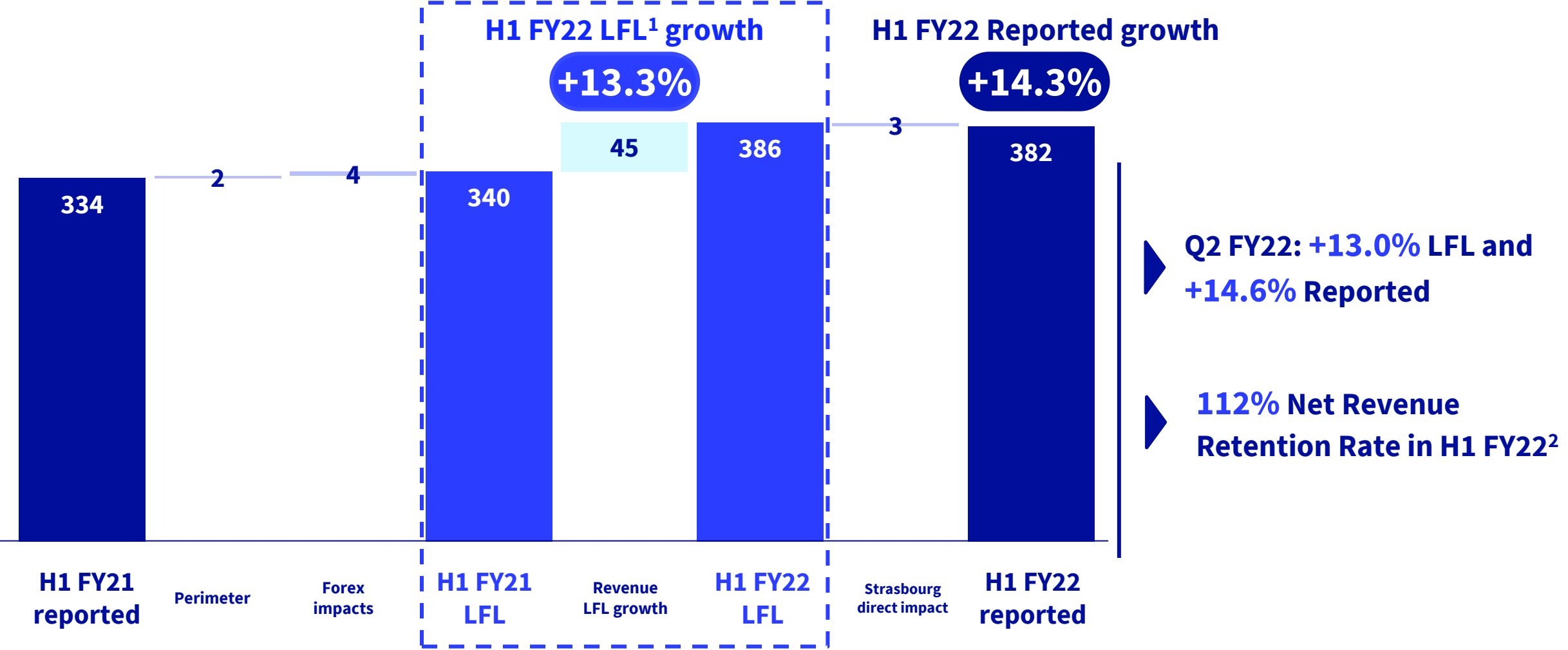


New solar power plant in France
15-years agreement starting in **2025**
50 MW capacity

Financials

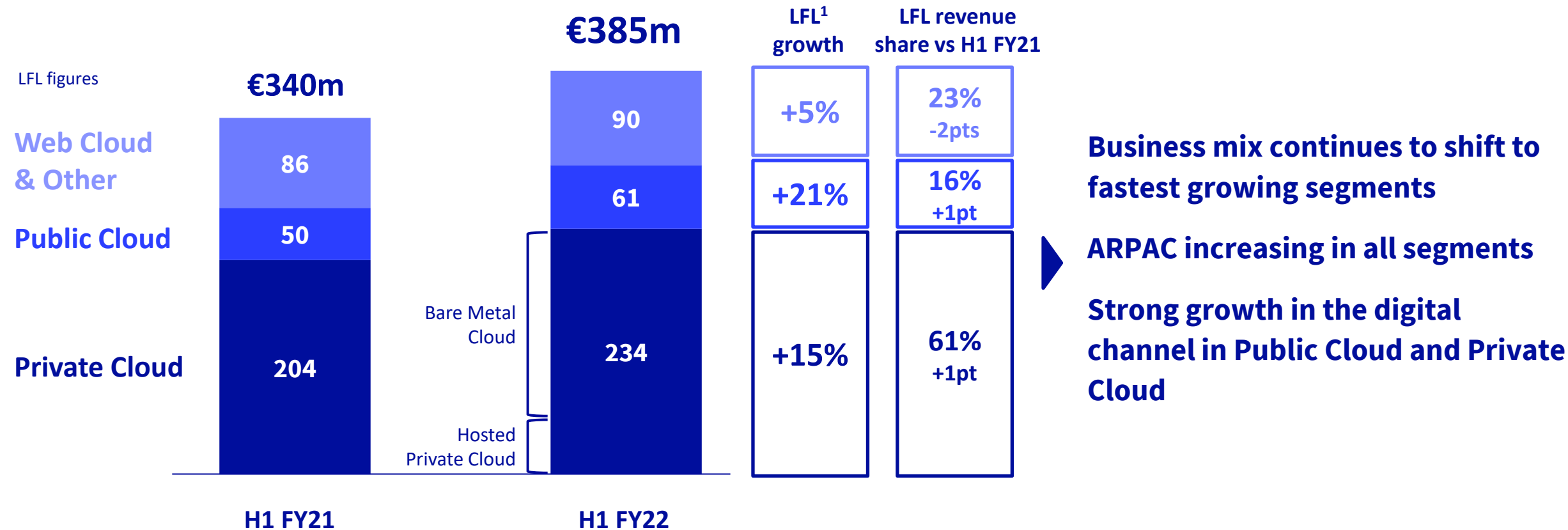


Solid Growth on the Back of Confirmed Improvement in Revenue Retention Rate



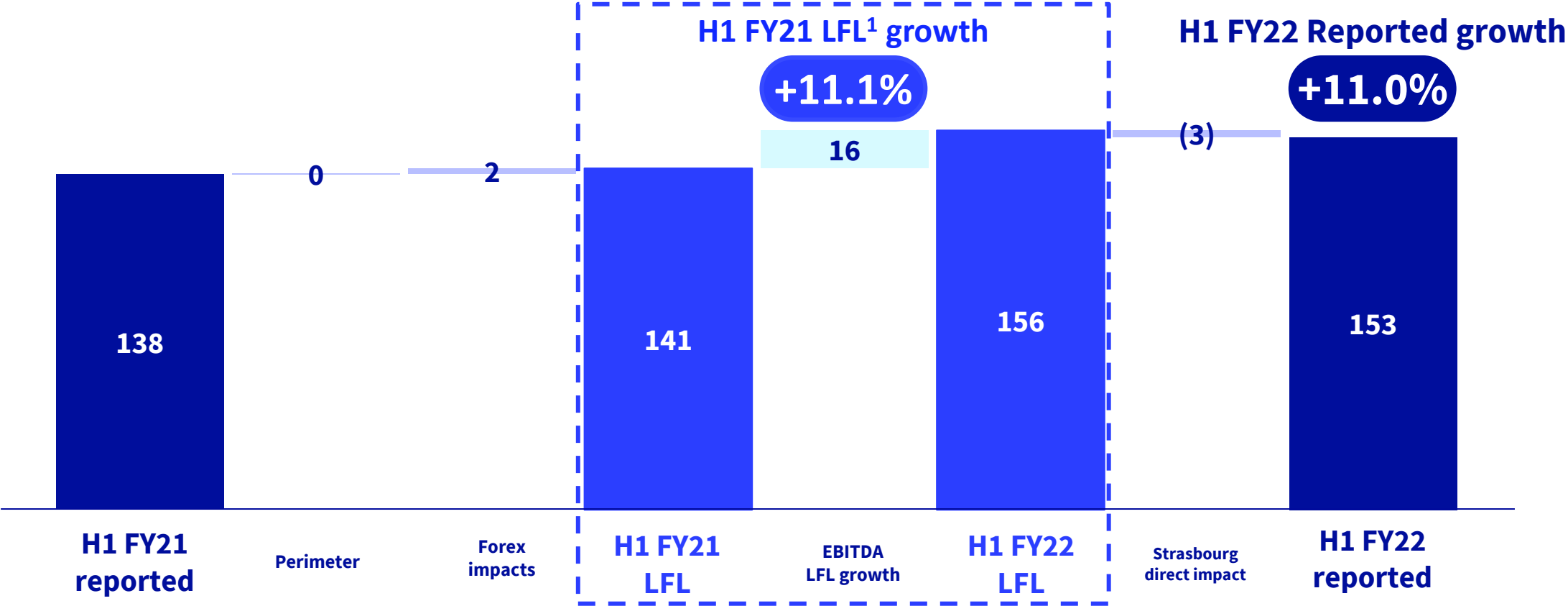
1. Like-for-like: at constant FX and perimeter, and excluding Strasbourg incident's direct impacts vs. FY2021. 2. As reported. Like-for-like Net Revenue Retention Rate is 111%.

H1 FY22 LFL Revenue Growth driven by Public Cloud and Private Cloud



1. Like-for-like: at constant FX and perimeter, and excluding Strasbourg incident's direct impacts vs. FY2021.

H1 FY22 Adjusted EBITDA of €153m



Adjusted EBITDA margin

41.3%

40.1%

1. Like-for-like: at constant FX and perimeter, and excluding Strasbourg incident’s direct impacts vs. FY2021.

Pre-tax Income Burdened by €(41)m by IPO, M&A and Strasbourg Costs

In € millions	H1 FY21	H1 FY22	Main items
Revenue	334	382	Strasbourg impact €(3)m
Adjusted EBITDA	138	153	
Share-based payment transactions & Earn-out compensations	(3)	(25)	Share based payments for €(21)m, of which €(20) non-cash Earn-out compensation for €(4)m
Current EBITDA	135	128	
Depreciation and amortisation expenses	(105)	(129)	Accelerated depreciation of Strasbourg damaged servers for €(3)m
Current operating income (loss)	30	(1)	
Other non-current operating income & expenses	(10)	(20)	IPO fees €(8)m Strasbourg related insurance premium €(2)m
Operating income (loss)	20	(21)	
Cost of financial debt	(12)	(6)	Positive impact on interest expenses from refinancing, since mid-Q1 FY22
Other financial income & expenses	(2)	2	
Pre-tax income (loss)	7	(25)	
Income tax	(13)	(1)	
Consolidated net income (loss)	(6)	(26)	

Capex Increase to Deliver the Future Growth

In € million	H1 FY21	H1 FY22
Adjusted EBITDA	138	153
Gross cash flow from operating activities	137	127
Change in WC	0	26
Corporate income taxes	(2)	(7)
Net cash flow from operating activities	135	146
Recurring Capex	(70)	(69)
Growth Capex	(86)	(156)
M&A and other	0	0
Net cash flow from investing activities	(157)	(226)
Net cash flow from financing	(43)	124

Strasbourg revenue impact €(3)m

Components build-up early in the semester as a precaution
 €58m from insurance lump-sum indemnity receivable cashed in Sep. 22
 IPO Share-based payable €(6)m paid in Oct. 22

H1 phasing
 Precautionary components inventory approx. €(20)m
 Acquisition of additional IPv4 addresses €(17)m

Strong Balance Sheet

In € millions	FY21	H1 FY22
LTM Adjusted EBITDA	262	277
Total available liquidity ¹	120	518
Net Debt (including IFRS 16 lease liabilities)	709	446
Equity	109	458

LTM leverage²

1.46x

Gearing

1.0x

Successful €920m refinancing

€500m Term Loan

5 years, 1.1% as of end-February 2022

€420m Revolving Credit Facility

5 years and 2 potential extensions of 1 year, 0.7% as of end-February 2022. As of end-February RCF is undrawn.

Refinancing of existing debt package with new unsecured debt at lower interest rates and extended maturities

Interest rates divided by 2.5x

Outlook



Limited Exposure to Ukraine Crisis

Current situation

In the current deteriorated geopolitical context between Russia and Ukraine, the Group has implemented a regular follow-up process of its activities in Russia, Belarus, and Ukraine.

Within this framework, the Group hereby specifies its strict compliance with current legislation.

Direct exposure

No staff

No datacenter

No offices

H1 FY22 revenue in Ukraine, Russia and Belarus represents around 1.5% of Group's revenue

Indirect exposure

Energy costs almost fully hedged for 2022 and partly hedged for 2023

Potential supply chain tensions, mitigated by vertically integrated model

Increased Revenue Target for FY22

Confirmation of FY22 Adj. EBITDA Margin & Mid-Term Targets

FY22 Targets

Revenue

15% - 17%

Up from “in the upper half of 10%-15%”

Adj. EBITDA margin¹

Around 40%

	FY2022E	Mid-Term (2025 Target)
Revenue	15%-17%	Accelerating to mid twenties (YoY growth)
Adjusted EBITDA margin	around 40%	In line with FY20A
Capex as a % of revenue	16%-20%	14%-16%
Recurring Growth¹	30%-34%	In line with FY21E

FY22e targets assume limited revenue in Ukraine, Russia and Belarus in the second half of FY22

Q3 current trading consistent with FY22 annual guidance

Key Takeaways

Strong Financial Performance

▼
€382M

Revenue

112%

Net Revenue Retention Rate¹

€153M

Adjusted EBITDA

Successful Growth Strategy

▼
Intensified commercial momentum

A clear PaaS roadmap to serve clients

Increased international footprint

Increased FY22 Revenue Target

▼
Increased FY22 Revenue target to 15% to 17% growth vs FY21

Confirmed targets on FY22 Adj. EBITDA margin and Mid-term objectives

Q&A



Appendices



Glossary

Like-for-like is calculated at constant exchange rates, constant perimeter and excluding Strasbourg (SBG) 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.

Current 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-current operating income and expenses”).

Adjusted EBITDA is equal to current 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.

Revenue by Segment and Geographies

In € million – by segments	Q1 FY2021 Reported	Q2 FY2021 Reported	H1 FY2021 Reported	Q1 FY2022 Reported	Q2 FY2022 Reported	H1 FY2022 Reported
Private cloud	98.8	102.0	200.8	113.3	119.3	232.6
Public cloud	23.2	24.7	47.9	29.0	30.6	59.6
Webcloud & Other	42.3	43.3	85.6	44.9	44.9	89.8
Total Revenue	164.3	170.0	334.3	187.2	194.8	382.0

Growth in % – by segments	Q1 FY2022 LFL	Q2 FY2022 LFL	H1 FY2022 LFL	Q1 FY2022 Reported	Q2 FY2022 Reported	H1 FY2022 Reported
Private cloud	+14.3%	+15.0%	+14.7%	+14.6%	+17.0%	+15.8%
Public cloud	+22.4%	+20.0%	+21.0%	+24.9%	+23.9%	+24.4%
Webcloud & Other	+6.6%	+3.9%	+5.3%	+6.1%	+3.6%	+4.9%
Total Revenue	+13.5%	+13.0%	+13.3%	+13.9%	+14.6%	+14.3%

In € million – by geographies	Q1 FY2021 Reported	Q2 FY2021 Reported	H1 FY2021 Reported	Q1 FY2022 Reported	Q2 FY2022 Reported	H1 FY2022 Reported
France	86.8	89.3	176.0	93.2	96.6	189.8
Europe (excl. France)	47.8	50.2	98.0	53.5	55.9	109.4
Rest of the World	29.7	30.6	60.3	40.5	42.3	82.8
Total Revenue	164.3	170.0	334.3	187.2	194.8	382.0

Growth in % – by geographies	Q1 FY2022 LFL	Q2 FY2022 LFL	H1 FY2022 LFL	Q1 FY2022 Reported	Q2 FY2022 Reported	H1 FY2022 Reported
France	+8.7%	+8.8%	+8.8%	+7.4%	+8.3%	+7.9%
Europe (excl. France)	+12.7%	+10.7%	+11.6%	+11.9%	+11.3%	+11.6%
Rest of the World	+28.2%	+27.7%	+27.9%	+36.2%	+38.5%	+37.4%
Total Revenue	+13.5%	+13.0%	+13.3%	+13.9%	+14.6%	+14.3%

H1 Reconciliation Reported & Like-For-Like

In € million – by segments	H1 FY21 Reported	FX impacts	Perimeter impacts	H1 FY21 LFL
Private cloud	201	3	0	204
Public cloud	48	0	2	50
Webcloud & Other	86	0	0	86
Total Revenue	334	4	2	340
Private cloud	82	2	0	83
Public cloud	25	0	0	26
Webcloud & Other	29	0	0	29
Total Current EBITDA	135	2	0	138
Private cloud	83	2	0	85
Public cloud	25	0	0	26
Webcloud & Other	29	0	0	29
Total Adjusted EBITDA	138	2	0	141

In € million – by segments	H1 FY22 Reported	Perimeter impacts	Strasbourg impacts	H1 FY22 LFL
Private cloud	233	0	2	234
Public cloud	60	0	1	61
Webcloud & Other	90	0	0	90
Total Revenue	382	0	3	385
Private cloud	76	0	2	78
Public cloud	26	0	1	27
Webcloud & Other	25	0	0	26
Total Current EBITDA	128	0	3	131
Private cloud	92	0	2	93
Public cloud	30	0	1	31
Webcloud & Other	31	0	0	31
Total Adjusted EBITDA	153	0	3	156

In € million – by geographies	H1 FY21 Reported	FX impacts	Perimeter impacts	H1 FY21 LFL
France	176	0	0	176
Europe (excl. France)	98	1	0	99
Rest of the World	60	3	2	65
Total Revenue	334	4	2	340

In € million – by geographies	H1 FY22 Reported	Perimeter impacts	Strasbourg impacts	H1 FY22 LFL
France	190	0	2	191
Europe (excl. France)	109	0	1	110
Rest of the World	83	0	0	83
Total Revenue	382	0	3	385

Consolidated Statement of Income

<i>(in thousand euros)</i>	1st semester 2021	1st semester 2022
Revenue	334,284	381,974
Personnel expenses	(76,476)	(110,926)
Operating expenses	(122,473)	(142,759)
Current EBITDA ⁽¹⁾	135,335	128,289
Depreciation and amortisation expenses	(105,216)	(129,016)
Current operating income	30,119	(727)
Other non-current operating income	-	145
Other non-current operating expenses	(10,219)	(20,327)
Operating income	19,900	(20,909)
Cost of financial debt	(11,499)	(6,445)
Other financial income	7,329	13,571
Other financial expenses	(9,069)	(11,334)
Financial result	(13,239)	(4,208)
Pre-tax income (loss)	6,660	(25,116)
Income tax	(13,129)	(1,208)
Consolidated net income (loss)	(6,469)	(26,324)
Earnings per share		
Basic earnings per ordinary share (in euros)	(0.04)	(0.14)
Diluted earnings per share (in euros)	(0.04)	(0.14)

Consolidated Statement of Financial Position

<i>(in thousand euros)</i>	31 August 2021	28 February 2022
Goodwill	33,836	29,524
Other intangible assets	141,739	191,664
Property, plant and equipment	797,045	866,890
Rights of use assets	49,277	42,435
Non-current financial assets	1,303	1,250
Deferred tax assets	7,058	10,174
Total non-current assets	1,030,258	1,141,937
Trades receivables	35,481	35,356
Other receivables and current assets	131,959	79,045
Current tax assets	4,008	6,634
Derivative financial instruments - assets	140	1,252
Cash and cash equivalents	53,610	99,190
Total current assets	225,198	221,477
TOTAL ASSETS	1,255,456	1,363,414
Share capital	170,779	190,340
Share premiums	93,470	418,457
Reserves and retained earnings	(123,107)	(124,619)
Net income (loss)	(32,344)	(26,324)
Equity	108,798	457,854
Non-current financial debt	639,583	497,156
Non-current lease liabilities	38,061	32,978
Other non-current financial liabilities	16,921	16,483
Non-current provisions	6,011	6,105
Deferred tax liabilities	14,144	15,723
Other non-current liabilities	7,783	7,981
Total non-current liabilities	722,503	576,426
Current financial debt	69,760	1,941
Current lease liabilities	14,837	13,037
Current provisions	31,361	27,819
Accounts payable	149,504	108,284
Current tax liabilities	1,694	4,118
Derivative financial instruments - liabilities	174	20
Other current liabilities	156,825	173,915
Total current liabilities	424,155	329,134
TOTAL LIABILITIES AND EQUITY	1,255,456	1,363,414

Consolidated Statement of Cash Flows

(in thousand euros)

	1st semester 2021	1st semester 2022
Consolidated net income (loss)	(6,469)	(26,324)
Adjustments to net income items:		
Depreciation, amortisation and impairment of non-current assets and rights of use relating to leases	105,217	129,016
Changes in provisions	2,037	(3,620)
(Gains)/losses on asset disposals and other write-offs and revaluations	4,654	5,402
Expense related to share allocations (excluding social security contributions)	2,028	19,788
(Income)/Tax expense	13,129	1,208
Net financial income (excluding foreign exchange differences)	16,078	1,386
Cash flow from operations	A	136,675
Change in net operating receivables and other receivables	(10,851)	45,954
Changes in operating payables and other payables	10,874	(19,780)
Change in operating working capital requirement	B	23
Tax paid	C	(6,976)
Cash flows from operating activities	D=A+B+C	134,755
Payments related to acquisitions of property, plant and equipment and intangible assets	(156,703)	(225,531)
Receipts/(disbursements) related to loans and advances granted	(59)	63
Net cash flows used in investing activities	E	(225,467)
Capital increase - IPO		340,182
Capital increase - "ESP 2021"		9,093
Cancellation of treasury shares		(267)
Increase in financial debt	(0)	491,325
Repayment of financial debt	(21,541)	(701,444)
Repayment of lease liabilities	(9,863)	(8,567)
Financial interest paid	(11,585)	(6,539)
Guarantee deposits received	(44)	(87)
Cash flows from financing activities	F	123,695
Effect of exchange rate on cash and cash equivalents	G	752
Change in cash and cash equivalents	D+E+F+G	45,035
Cash and cash equivalents at beginning of the period	84,656	53,272
Cash and cash equivalents at end of the period	19,530	98,306

(in thousand euros)

	1st semester 2021	1st semester 2022
Term deposits	-	
Current bank accounts	31,528	99,190
Cash and cash equivalents	31,528	99,190
Short-term borrowings	(11,998)	(883)
Bank overdraft	(11,998)	(883)
Net Cash Position	19,530	98,306

